



Ordinary Council Meeting

AGENDA

Tuesday 26 November 2024

NOTICE OF MEETING ORDINARY COUNCIL MEETING

Dear Councillors

Notice is hereby given that the next Ordinary Meeting of Council will be held in the Council Chambers, Administration Centre, 2 Railway Road, Kalamunda on **Tuesday 26 November 2024 at 6.30pm.**



Anthony Vuleta
Chief Executive Officer
21 November 2024

Acknowledgement of Traditional Owners

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

Emergency Procedures

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

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

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

Our Vision



Connected Communities, Valuing Nature and Creating our Future Together

Core Values

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

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

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

Aspirational Values

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

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

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

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

kalamunda.wa.gov.au



Webcasting Notice

Please note tonight's meeting, other than the confidential sessions, are being live streamed and recorded.

All in attendance and those addressing Council should refrain from making offensive/defamatory statements as there may be legal implications.

Council takes all care when maintaining privacy, however members of the public gallery and those addressing Council should be aware that you may be recorded.

INFORMATION FOR PUBLIC ATTENDANCE

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

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

Ordinary Council Meetings – Procedures

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

Deputations and Public Question Time

These sessions in the Council Meeting provides an opportunity for people to ask any question of the Council or speak publicly on any matter.

Public Question Time

Public Question Time session will be conducted in accordance with the provisions of the Local Government Act and the City's Standing Orders.

Where a member of the public raises a question during Public Question Time, a response will be provided where Councillors or staff have the necessary information at hand; if not, a reply will be provided at a later time. There is a limit of one question per speaker per meeting.

Deputations

All speakers are limited to ten minutes, with a one-minute warning given to speakers prior to the ten-minute time period elapsing. The commencement and conclusion of time shall be advised by the Mayor/Chairperson.

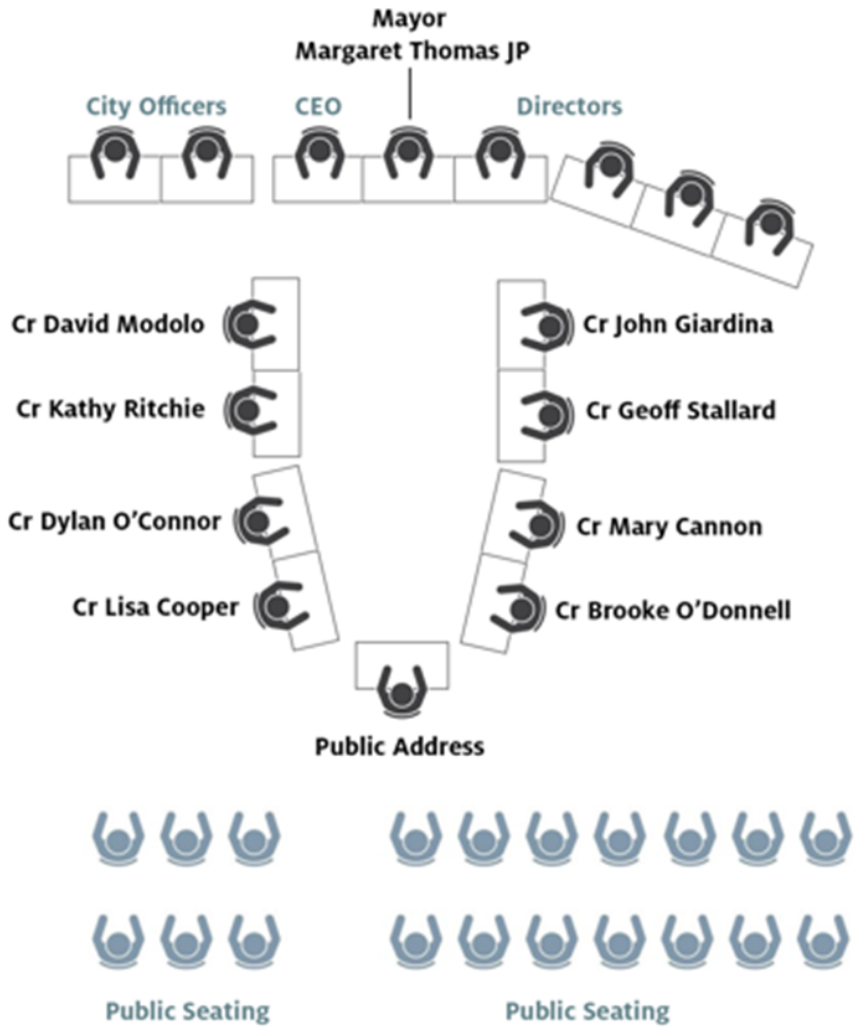
It should be noted that speakers at Council meetings do not enjoy any protection from parliamentary-style privilege. Therefore, they are subject to the risk of defamation action if they make comments about individuals.

In the event that speaker makes potentially offensive or defamatory remarks about any person, the Mayor/Chairperson will ask them to refrain from such comments.

The Mayor/Chairperson has the discretion to withdraw the privilege to speak where a speaker continues to make inappropriate or offensive comments about another person, or make a point of order ruling if a speaker breaches the Guidelines.

Only the audio recording of the public address speakers will be heard on Council's webcast. Visual images of the speaker will not be captured as part of that webcast.

Council Chambers Seating Plan



Schedule of Agenda Briefing Forums and Council Meetings - 2024

Ordinary Meetings of Council (OCM) commence at 6:30pm.
 Public Agenda Briefing Forums (Agenda Briefing) commence at 6:30pm.

Month	Date	Meeting
February 2024	13	Public Agenda Briefing
	27	Ordinary Council Meeting
March 2024	12	Public Agenda Briefing
	26	Ordinary Council Meeting
April 2024	9	Public Agenda Briefing
	23	Ordinary Council Meeting
May 2024	14	Public Agenda Briefing
	28	Ordinary Council Meeting
June 2024	11	Public Agenda Briefing
	25	Ordinary Council Meeting
July 2024	9	Public Agenda Briefing
	23	Ordinary Council Meeting
August 2024	13	Public Agenda Briefing
	27	Ordinary Council Meeting
September 2024	10	Public Agenda Briefing
	24	Ordinary Council Meeting
October 2024	8	Public Agenda Briefing
	22	Ordinary Council Meeting
November 2024	12	Public Agenda Briefing
	26	Ordinary Council Meeting
December 2024	3	Public Agenda Briefing
	10	Ordinary Council Meeting

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- 1. Official Opening**
- 2. Attendance, Apologies and Leave of Absence Previously Approved**
- 3. Public Question Time**
- 3.1. Questions Taken on Notice at Previous Meeting**
- 3.1.1 Michael Ryan, High Wycombe
- Q1 In which DCP review, did the City first say RAV 4 road specification was needed for Sultana Road West.
- A1 The Forrestfield / High Wycombe Industrial Area Stage 1 Local Structure Plan (LSP) planned for heavy vehicle access to support the transport and logistics objectives of the precinct. The use of the terminology RAV was introduced following an amendment to the LSP adopted by the Western Australian Planning Commission in February 2020. Reference to RAV 4 for the Milner Road and Sultana Road West intersection was introduced in the DCP Report completed in July 2020.
- Q2 Which vehicle configurations and GVM, regularly servicing Light Industry, led to the City specifying RAV 4 specification for Sultana Road West?
- A2 The City undertook a survey of industrial landowners / operators on Sultana Road West in April 2020. It was found that of the four developed industrial sites at that time, the operational needs of those owners was for an 'As of Right' standard of vehicle. Notwithstanding, designs had progressed to 85% for Sultana Road West and Milner Road and identified a relatively insignificant difference in design (and cost) between an 'As of Right' specification, and a specification that could accommodate RAV 4. The Council adopted the DCP review in July 2020 to specify RAV 4 vehicle design for the Milner Road and Sultana Road West intersection. If, after the upgrades to Sultana Road West, the industrial operators on Sultana Road West seek an approval for RAV access, an assessment will be undertaken and determined by Main Roads Heavy Vehicle Services to determine the suitability of the RAV route.
- Q3 Why has the construction date moved back from FY 24/25 to 26/27 given the situation we face here.
- A3. Officers are not aware of any commitment to identify the construction of Sultana Road West in 2024/2025. A funding strategy has been foreshadowed as part of the 2024 DCP review which could facilitate design to be completed in 2025/2026 and full delivery in 2026/2027. Further

consideration of this opportunity will be investigated as part of the next annual review and as part of the preparation of a future budget.

3.1.2 David Downing, High Wycombe

Q1. Why this DCP annual review is for the first time since 2012 not being advertised before adoption? If this change of procedure is to save administrative costs, I can see a purpose. The report does not show any reduction in administrative costs.

A1 As outlined in the Stakeholder Engagement section of report item 10.1.2 of the Public Agenda Briefing Forum dated 12 November 2024, the rationale for not undertaking a dedicated advertising process is to improve the efficiency of DCP review processes. The completion of a review with a single report to the Council is considered to be appropriate for a DCP of the maturity of the Forrestfield / High Wycombe Stage 1 DCP, in that most infrastructure has been delivered or is designed to a point that there is a degree of confidence in the estimates being produced.

Q2. What leads the city to be so certain this review is correct?

A2 Notwithstanding an administrative error identified in the Sultana Road West estimates, controls are in place to obtain third party reviews of infrastructure costs. The City, through the DCP, is also continuing to resource the delivery of infrastructure which provides for internal reviews of estimated costs.

Q3. Twelve months ago, the City agreed to sell a small parcel of road reserve in Ashby Court to Bruce Rock Engineering. I can find no reference to this transaction in the DCP review.

A3 It is correct that the sale of the area of land on Ashby Close has not been finalised, however the application has not been withdrawn. The City has made several attempts to contact the applicant to progress the matter to a decision of the Council, however has not received responses to its requests. It should be noted that road reserve is State land and therefore the sale of road reserve is usually expected to be received by the State Government. Notwithstanding, should the matter proceed, the City will request that the State authorise the funds to be transferred to the Forrestfield / High Wycombe DCP Reserve.

3.2. Public Question Time

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

4. Petitions/Deputations

5. Applications for Leave of Absence

6. Confirmation of Minutes from Previous Meeting

- 6.1 That the Minutes of the Ordinary Council Meeting held on 22 October 2024, 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 22 October."

7. Announcements by the Member Presiding Without Discussion

8. Matters for Which the Meeting may be Closed

- 8.1 Item 10.6.2 Debtors and Creditors Reports for the month of October 2024 – **Confidential Attachments** – 1. Creditor Payments for the Period ended 31 October 2024 - (Confidential); 2. Corporate Credit Card Payments 28 August to 25 September 2024 - (Confidential); 3. Corporate Credit Card Payments 27 July to 27 August 2024 - (Confidential)

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

9. Disclosure of Interest

9.1. Disclosure of Financial and Proximity Interests

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

9.2. Disclosure of Interest Affecting Impartiality

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

10. Reports to Council

10.1. Development Services Reports

10.1.1. Wattle Grove Cell 9 - Infrastructure Cost Sharing Arrangement - 2024 Review

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

Previous Items	OCM 133/2023, OCM 47/2024
Directorate	Development Services
Business Unit	Strategic Planning
File Reference	PG-DEV-013
Applicant	N/A
Owner	Various
 Attachments	<ol style="list-style-type: none"> 1. 2024 Cell 9 Infrastructure Cost Sharing Arrangement Annual Report [10.1.1.1 - 41 pages] 2. Schedule 11 of Local Planning Scheme No. 3 (LPS3) [10.1.1.2 - 5 pages]

TYPE OF REPORT

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

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 3: Kalamunda Develops

Objective 3.1 - To plan for sustainable population growth.

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

Priority 3: Kalamunda Develops

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

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

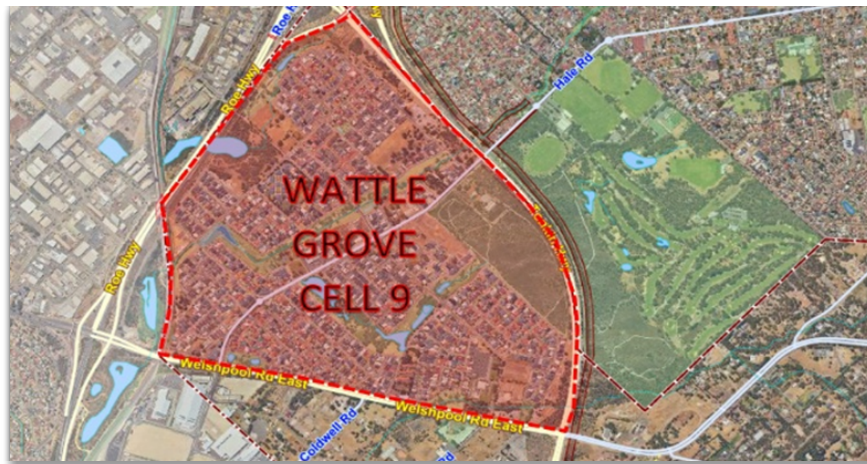
EXECUTIVE SUMMARY

1. The purpose of this report is for the Council to consider the adoption of the 2024 Infrastructure Cost Sharing Arrangement (ICSA) Report (ICSA Report 2024) (Attachment 1) for the Wattle Grove Cell 9 urban development area (Wattle Grove Cell 9).
2. The ICSA Report sets out detailed information to facilitate the administration and delivery of the ICSA, a cost sharing arrangement to levy cost contributions for planned infrastructure that is required by, and to be shared across, Wattle Grove Cell 9. The ICSA Report is required to be reviewed annually.
3. It is recommended that Council adopt the 2024 ICSA Report for Wattle Grove Cell 9 and the cost contribution rate of \$24,565 per lot.

BACKGROUND

4. **Wattle Grove Cell 9 Outline Development Plan**
The ICSA applies to land contained within the Wattle Grove Cell 9 Outline Development Plan (ODP) (see Attachment 2); an area generally bounded by Tonkin Highway, Roe Highway, and Welshpool Road East, as highlighted in red on the Locality Plan below.

5. **Locality Plan:**



6. The Wattle Grove Cell 9 area operates as an ODP with administrative and ICSA provisions incorporated in Schedule 11 of Local Planning Scheme No. 3 (LPS3). ODPs pre-date the preparation of Local Structure Plans (LSP's), however operate with the same intent and in the same manner.

7. **Outline Development Plan (Attachment 1, Appendix A):**



8. **Relevant Planning History**

In 1997, the Cell 9 ODP was adopted by the Council, facilitating the urban redevelopment of the area to primarily residential land uses (at densities between R20-R40) supported by public open space, a primary school, community uses, and centralised commercial land uses.

- 9. As the area was historically used for rural and semi-rural land uses, redevelopment generated the provision of new infrastructure (i.e. public open space) and upgrades to existing infrastructure (i.e. road infrastructure) that support residential land uses.
- 10. Due to the nature of fragmented land ownership, and the need to achieve the coordinated delivery of infrastructure, the ICOSA was incorporated into Schedule 11 of LPS3 (Attachment 3), enabling cell infrastructure contributions to be levied for the subsequent delivery of infrastructure.
- 11. **Cell 9 Landscape Masterplan**
The Cell 9 Landscape Masterplan sets the principles and guidance for the design of Public Open Space (POS) and roads within the area. The character of POS within the subject area is predominantly linear parks that follow the waterways and environmental corridors.

DETAILS AND ANALYSIS

- 12. **Statutory Basis**
Schedule 11 of LPS3 includes provisions enabling the statutory implementation of the ICOSA.
- 13. **ICOSA Report**
The ICOSA Report further refines Schedule 11 through providing a comprehensive outline and annual status report for the ICOSA. The ICOSA Report does not form part of LPS3 as it is intended to be a dynamic document which maintains the currency of costs informed by annual reviews.
- 14. **Previous Reviews:**
Annual reviews of the ICOSA Report allow the City of Kalamunda (City) to review the administration of the ICOSA, status of infrastructure delivery, and have regard to infrastructure cost changes and rate of development.
- 15. Historical reviews of the ICOSA were adopted on the following dates with the associated cost contribution rates:

DATE AMENDED	RATE
1 November 2001	\$7,100
1 November 2002	\$8,100
1 November 2003	\$10,000
1 November 2004	\$12,550
19 July 2005	\$13,550
1 March 2006	\$15,500
1 September 2006	\$19,050
1 May 2007	\$22,050
1 May 2008	\$24,650

1 November 2008	\$25,500
1 November 2009	\$25,500
1 June 2011	\$26,450
1 January 2013	\$27,335
25 March 2014	\$27,315
27 August 2015	\$27,816
22 May 2017	\$26,588
27 August 2019	\$24,187
24 November 2020	\$22,275
28 February 2023 (draft)	\$21,639
26 September 2023 (draft)	\$21,264
28 May 2024	\$22,246
November 2024	\$24,565

16. **Cell Infrastructure Costs**

The ICSA facilitates the coordinated provision of various cell infrastructure costs provided by Schedule 11 of the LPS3 (Attachment 2), and further informed through the ICSA Report (Attachment 1). In summary, the ICSA facilitates the coordination of the following:

17.

Common Infrastructure Items	Status	Summary of Outstanding Works
a) Administration and project management costs	Ongoing	i) ICSA review and management ii) Project delivery
b) Acquisition of land for public purposes.	Ongoing	i) Acquisition of land for public open space
c) Improvement to road infrastructure: i) Hale Road ii) Arthur Road iii) Sheffield Road	Complete	NA
d) Woodlupine Brook Improvements	Ongoing	i) Revegetation and tree planning 2024-2026 ii) Signage 2024/2025
e) Developer Drainage Works	Ongoing	i) Gross pollutant traps Pipes ii) Manholes
f) POS Improvements to the following POS sites: i) Yule Brook POS ii) Willow Lake POS iii) Woodlupine Brook Undeveloped Reserve	Preliminary Designs	i) Detailed Design. ii) Earthworks. iii) Landscaping improvements and additions. iv) Footpaths. v) Furniture.

18. **Priority of Delivery for Outstanding Infrastructure Items**

As noted in the above table, several infrastructure items remain outstanding, with delivery contingent upon further development of land within Cell 9, and subsequent collection of cost contributions levied at the subdivision and/or development of land.

19. Subject to the availability of funding, the following order of priority is recommended:

- a) Woodlupine Brook Improvements.
- b) Yule Brook POS Improvements and associated Land Acquisitions / Miscellaneous Land Costs.
- c) Willow Lake POS Improvements and associated Land Acquisitions / Miscellaneous Land Costs.
- d) Woodlupine Brook Undeveloped Reserve Improvements;
- e) Developer drainage works (Ongoing).
- f) Administration Cost (Ongoing).
- g) Education Department Loan (refer to part 2.6 of the ICSA Report).

20. The priority list will be updated as part of the annual cost estimate review and associated ICSA Report update.

21. **2024 Annual Review**

The below table provides a summary of the infrastructure costs and cost contribution liabilities, and key information supporting the 2024 Annual Review (as of 30 June 2024):

Current Cost Contribution rate:	\$22,246/lot created
Forecast 2023 Cost Contribution rate:	\$24,565/lot created
Number of cost contributions discharged 2023-2024 FY	46 lots
Number of forecasted lots with contribution obligations:	250
Estimated cost of remaining Cell Infrastructure Costs	\$10,990,975
Contributions levied in 2023-2024 FY	\$1,023,316
ICSA expenditure 2023-2024 FY	\$2,997,655
Balance of funds available	\$4,849,741
Interest received in 2023-2024 FY	\$263,282

22. **Actions Since 2023 Annual Review**

Since the 2023 Annual Review (OCM 47/2024) the following actions have occurred and reflected in the current review:

- a) Completion of the following works associated with Woodlupine Stage 3:
 - i. Completion of all civil works
 - ii. Installation of hard landscaping (i.e. shelter, table setting, park bench, bins)
 - iii. Miscellaneous landscaping (i.e. planting of trees, weed control)
- b) Review of the Bill of Quantities (BOQ's) and estimates informing the POS Improvement Costs:
 - iv. The Yule Brook POS (\$1,73 million).
 - v. Willow Lake POS (\$0.59 million).
 - vi. Woodlupine Undeveloped Reserve POS (0.18 million).
- c) The land acquisition rate, informed by an independent land valuation (refer Attachment 1, Appendix K), being reviewed to remain at \$175/m².
- d) The City entered into a Deed of Agreement with a subdivider which:
 - i. Acquired land for the Yule Brook public open space (11,172m²);
 - ii. Discharged the cost contributions for 46 lots;
 - iii. Secured the future POS Improvements to Yule Brook (Stage 1).
 - iv. The City has established dedicated project management oversight for the delivery of remaining infrastructure in Cell 9, to ensure projects are progressed as planned.
- e) A consequential recalculation of the forecast rate applied; from \$22,246 to a forecast \$24,565 per lot created.

23. **Woodlupine Brook Improvement Cost Estimates**

Total costs for Woodlupine Brook improvements have remained relatively consistent with the previous review.

24. Stage 3 civil works (drainage) and hard landscaping were completed 2023/2024, with a three-year maintenance period planned 2024-2026.

25. **Remaining Lot Yield**

The future lot yield is expected to provide the contributions necessary to meet all the outstanding ICSA costs.

26. The ICSA calculation methodology forecasts approximately 250 lots subject to cost contributions.

27. Cost contributions collected from the remaining undeveloped sites will provide the funds necessary to account for all infrastructure items and associated administration costs noted in the ICSA. Further information regarding the methodology applied to calculating the per lot rate are contained in Part 3 of the ICSA Report (Attachment 1).

28. **Land Costs Review**

The ICOSA provides for the acquisition of road reserve land and POS land as identified on the ODP. All road related land acquisition has been completed and, as of 30 June 2024 approximately 1.2 hectares of POS land is identified for acquisition through the ICOSA.

29. An independent land valuer assigns value to land required to be acquired for public purposes as outlined by the ICOSA and in accordance with the Schedule 11 of City of Kalamunda Local Planning Scheme No. 3. A valuation report prepared for the current review (Attachment 1, Appendix K) has assigned a land valuation rate of \$175/m², which represents \$2,102,100, to be utilised for determining estimated land acquisition costs for the remaining areas of POS land acquisition.

30. A twenty (20) percent contingency has been applied to the land cost, which represents \$420,000. The contingency rate was recommended by an independent land valuer, and includes:

- a) Ten per cent solatium compensation allowance; and
- b) Ten per cent for miscellaneous compensation costs that may be required through the course of detailed design work (i.e. compensation for improvements, servicing adjustments, remediation, subdivision fees etc).

31. **Remaining Infrastructure Works**

The table below provides a summary of any remaining common infrastructure works.

Item	Remaining Cost Estimate
Hale Road	\$0
Arthur / Wimbridge / Sheffield Projects	\$0
Woodlupine Brook Improvements	\$620,788
Yule Brook Stage 1	\$842,450
Yule Brook Stage 2	\$812,512
Yule Brook Stage 3	\$75,701
Willow Lake	\$590,848
Woodlupine Undeveloped Reserve	\$174,161
Developer Drainage Works	\$716,570
SUBTOTAL	\$3,833,030
Contingency	\$337,233
Education Department Loan	\$3,909,092
Land for Roads	\$0
Land for Public Open Space	\$2,102,100
Land contingency	\$420,420
Administrative Items	\$389,100

Total	\$10,990,975
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32. **Completed Works**

The following works have been completed 2023/2024:

- a) Woodlupine Brook Improvements
 - i. Completion of civil works
 - ii. Installation of hard landscaping (i.e. shelter, table setting, park bench, bins etc).
 - iii. Miscellaneous landscaping (i.e. planting of trees, weed control)

APPLICABLE LAW

33. Planning & Development (Local Planning Schemes) Regulations 2015

34. City of Kalamunda Local Planning Scheme No. 3

The ICSA contributions are administered and determined in accordance with the provisions of Schedule 11 of City of Kalamunda Local Planning Scheme No. 3.

APPLICABLE POLICY

35. State Planning Policy 3.6 – Infrastructure Contributions

The annual review has regard for State Planning Policy 3.6 Infrastructure Contributions (SPP3.6), noting that the Wattle Grove Cell 9 ICSA pre-dates the establishment of SPP3.6 and is administered in accordance with Schedule 11 of LPS3.

36. WAPC Liveable Neighbourhoods (2009)

37. City of Kalamunda Local Planning Policy 32 – Public Open Space

STAKEHOLDER ENGAGEMENT

38. There is no statutory requirement for the City of Kalamunda to undertake public consultation for the ICSA's annual review.

39. Historically, the ICSA has been advertised to effected landowners for review and comment. This process rarely results in submissions being received, and the process has experienced duplication of inputs and there is not considered to be substantial benefits to this approach. It is considered that an alternative approach will fulfill the transparency and reporting objectives, while ensuring the efficient and effective utilisation of operational resources

40. In the interests of effectively implementing the ICSA and improving the efficiency of review processes, this review will follow a streamlined process and will be reported back to the Council if there are submissions that generate noteworthy and material impacts on the ICSA review. Any other changes over the course of the ensuing year will be captured and reported to inform the next annual ICSA review.

FINANCIAL CONSIDERATIONS

41. The operation of the ICSA presents a major administrative responsibility for the City. While the ICSA is self-funded, the City has an implicit obligation to efficiently and effectively manage the revenue and works.

SUSTAINABILITY

42. The provision of infrastructure in a timely, coordinated and responsible manner can impact on amenity and provision of facilities for both existing and future residents. Impacts on the quality of life need to be considered along with community expectations. This review enables the proposed infrastructure to be delivered in an efficient and financially responsible manner.
43. The implementation of ICSA assists in the timely, efficient, and equitable provision of infrastructure that may in turn facilitate economic growth and employment creation.
44. The proposed ICSA provides upgrades to Woodlupine Brook POS, Yule Brook POS, Willow Lake POS and the Woodlupine Undeveloped Reserve. Landscaping upgrades will enable the area to be utilised for more active uses by the community and to reduce erosion.

RISK MANAGEMENT

45.

Risk: The ICSA does not generate enough funds to undertake works.		
Consequence	Likelihood	Rating
Major	Unlikely	Medium
Action/Strategy		
Ensure annual reviews account for the cost of infrastructure and the remaining development has the capacity to cover these costs. Ensure regular reviews of funding capacity.		

46.

Risk: Land and infrastructure within the ICSA remain undeveloped by the end of the predicted operational period (4 years – 30 June 2027).		
Consequence	Likelihood	Rating
Major	Unlikely	High
Action/Strategy		
Ensure the rate of development is monitored annually and the duration of the ICSA is evaluated during annual reviews.		

47.

Risk: Unimproved POS identified on the Cell 9 ODP remains unfunded.		
Consequence	Likelihood	Rating
Significant	Possible	High
Action/Strategy		
Include funding for unimproved POS in the ICSA.		

48.

Risk: Stakeholders are dissatisfied with the proposed inclusion of POS Improvements.		
Consequence	Likelihood	Rating
Significant	Possible	High
Action/Strategy		
Confirm legal and governance responsibilities for the inclusion of POS improvements via the ICSA.		

CONCLUSION

49. In summary, the following actions have occurred since the 2023 Annual Review (OCM 47/2024) and reflected in the current review:
- a) Completion of the following works associated with Woolupine Stage 3:
 - i. Completion of all civil works
 - ii. Installation of hard landscaping (i.e. shelter, table setting, park bench, bins)
 - iii. Miscellaneous landscaping (i.e. planting of trees, weed control)
 - b) Review of the Bill of Quantities (BOQ's) and estimates informing the POS Improvement Costs:
 - i. The Yule Brook POS (\$1,73 million).
 - ii. Willow Lake POS (\$0.59 million).
 - iii. Woodlupine Undeveloped Reserve POS (0.18 million).
 - c) The land acquisition rate, informed by an independent land valuation (refer Attachment 1, Appendix K), being reviewed to remain at \$175/m².

- d) The City entered into a Deed of Agreement with a subdivider which:
 - i. Acquired land for the Yule Brook public open space (11,172m²);
 - ii. Discharged the cost contributions for 46 lots;
 - iii. Secured the future POS Improvements to Yule Brook (Stage 1).
 - iv. The City has established dedicated project management oversight for the delivery of remaining infrastructure in Cell 9, to ensure projects are progressed as planned.
 - e) A consequential recalculation of the forecast rate applied; from \$22,246 to a forecast \$24,565 per lot created.
50. The ICSA has a positive cash flow at present, with a cash balance of \$4,849,740.83 as of 30 June 2023. There are several open space infrastructure projects planned as outlined in the works priorities, that will draw down on these funds in the coming two years.
51. It is recommended that Council adopt the revised Wattle Grove Cell 9 ICSA Report 2024 and associated development contribution rate of \$24,565 per lot created effective immediately.

Voting Requirements: Simple Majority

RECOMMENDATION

That Council:

1. ADOPT the 2024 Infrastructure Cost Sharing Arrangement Report for Cell 9 Wattle Grove (Attachment 1).
2. ADOPT the 2024 Cost Contribution Rate of \$24,565 per lot for immediate application under the Local Planning Scheme No. 3.
3. AUTHORISE the Chief Executive Officer to:
 - a) Notify Relevant Authorities (Department of Planning, Lands & Heritage And Department Of Local Government, Sport And Cultural Industries) of the 2024 Annual Review Process; And
 - b) To publish a copy of the Wattle Grove Cell 9 Infrastructure Cost Sharing Arrangement Report 2024 on the City's website, as contained in Attachment 1.

10.1.2. Forrestfield High Wycombe Industrial Area: Development Contribution Plan: 2024 Annual Review

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

Previous Items	OCM 132/2023, OCM48/2024
Directorate	Development Services
Business Unit	Strategic Planning
File Reference	
Applicant	N/A
Owner	Various
Attachments	<ol style="list-style-type: none"> 1. Development Contribution Plan Report - October 2024 [10.1.2.1 - 61 pages] 2. Forrestfield High Wycombe Industrial Area Stage 1 Local Structure Plan [10.1.2.2 - 1 page]

TYPE OF REPORT

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

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 3: Kalamunda Develops

Objective 3.1 - To plan for sustainable population growth.

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

Priority 3: Kalamunda Develops

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

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

Strategy 3.3.2 - Attract and enable new investment opportunities.

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

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

EXECUTIVE SUMMARY

1. The purpose of this report is for the Council to consider the adoption of the 2024 Annual Review of the Development Contribution Plan Report (DCPR) (Attachment 1) for the Forrestfield High Wycombe Industrial Area Stage 1 (FFHWS1).
2. The DCPR sets out detailed information to:
 - a) Facilitate the administration and delivery of the DCP;
 - b) To facilitate land use transition to industrial development;
 - c) Coordinated new and upgraded infrastructure; and,
 - d) An equitable system to levy cost contributions.
3. It is recommended that Council adopt the DCPR 2024 Annual Review subject to a modification, and the cost contribution rate be updated accordingly.

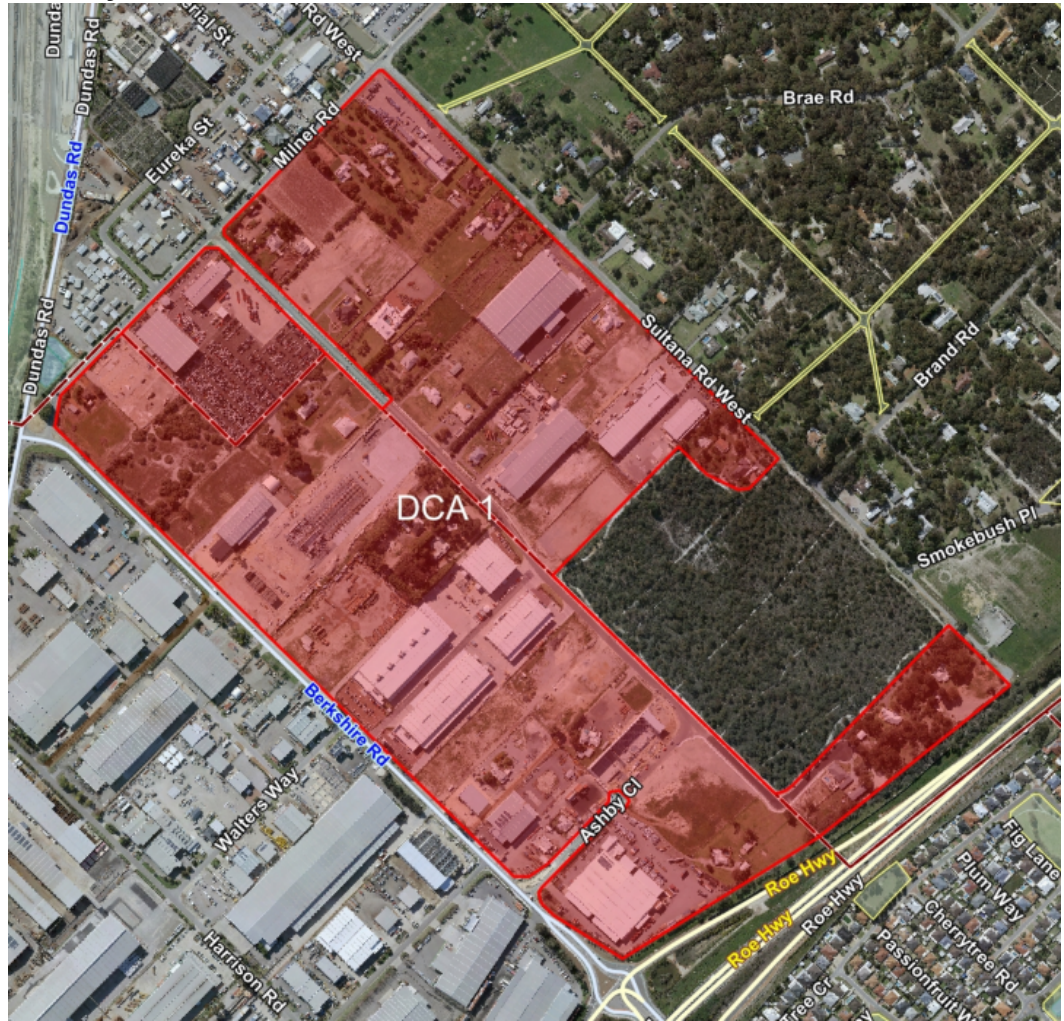
BACKGROUND

Land Details:

4.	Land Area:	690,481m ² (Gross) 664,715.75m ² (Net)
	Local Planning Scheme Zone:	Industrial Development
	Metropolitan Regional Scheme Zone:	Urban
	Local Structure Plan Zone:	Industry Light

5. **Location:**
The FFHWS1 is generally bounded by Milner Road, Sultana Road West, Roe Highway, and Berkshire Road, in localities of Forrestfield and High Wycombe.

6. **Locality Plan:**



7. **Relevant Planning History**

The FFHWS1 has historically been used for rural living and orcharding, however since 2012 the area has transitioned with the development of a range of light industrial development land uses, particularly logistics and transport-based industries.

8. In February 2012 the FFHWS1 was rezoned from 'Special Rural' to 'Industrial Development' through Amendment 34 to Local Planning Scheme No. 3 (LPS 3).

9. The Development Contribution Plan (DCP) was prepared to facilitate land use transition to industrial development, coordinated new and upgraded infrastructure and an equitable system to levy cost contributions. The DCP became operational in May 2013, following the gazettal of Amendment 48, which introduced the FFHWS1 DCP through Schedule 12 of LPS 3 and applied a Special Control Area – Development Contribution Area 1 – on the LPS 3 map.

10. The Forrestfield High Wycombe Industrial Area Local Structure Plan (LSP) (Attachment 3) was prepared to guide the redevelopment of the area and was endorsed by the Western Australian Planning Commission in November 2013.
11. The City of Kalamunda (City) is required to review the DCPR annually. The most recent annual review was adopted at the May 2024 Ordinary Council Meeting (OCM/48/2024).

DETAILS AND ANALYSIS

12. This Report and the 2024 DCPR report utilise financial information from a snapshot in time, being 30 June 2024.
13. **Statutory Basis**
Clause 6.5 and Schedule 12 of LPS 3 provide the statutory provisions that guide the administration of the DCP and set out the following details:
 - a) The area name;
 - b) Relationship to other planning instruments;
 - c) Infrastructure and administrative items to be funded through the DCP;
 - d) Method for calculating contributions;
 - e) Period of operation;
 - f) Timing and priority principles for infrastructure delivery; and
 - g) Review process and reporting obligations.
14. ***Development Contribution Plan Report:***
A DCPR further refines Schedule 12 through providing a comprehensive outline and status report of the DCP. The DCPR and its appendices do not form part of the statutory framework as they are intended to be dynamic documents which maintain the status of completed and proposed infrastructure works and the currency of the costs informed by annual reviews.
15. ***Common Infrastructure Items***
The DCP facilitates the coordinated provision of various common infrastructure items as outlined in Schedule 12 of LPS3, and further informed through Part 2 of the DCPR (Attachment 1). In summary, the DCP facilitates the coordination of the following:
 - a) Land for roads and intersections;
 - b) Road and intersection construction;
 - c) Administration costs.

16.

Previous Reviews

Annual reviews allow the City to review the administration of the DCP, status of infrastructure delivery, and have regard to infrastructure cost changes and rate of development. Historical reviews and associated contribution rates are summarised in the following table:

Date of Adoption:	Contribution Rate:
December 2012	\$23.03/m ²
December 2013	\$28.49/m ²
June 2015	\$31.23/m ² Reduced to \$29.66/m ² to account for only 50% of the cost of Sultana Road West.
December 2016	\$29.79/m ²
December 2018	\$17.01/m ² Comprehensive view of utility cost estimates resulting in a significant reduction in cost.
February 2020	Interim rate \$23.00/m ²
July 2020	\$20.97/m ²
December 2021	\$21.66/m ²
June 2022	\$21.57/m ²
September 2023	\$23.77/m ² Adopted for public advertising & for immediate application.
May 2024	\$23.16/m ²
November 2024	\$23.49/m ² *

**Note: A modification has been incorporated into the Officer Recommendation in response to questions raised at the Public Agenda Briefing Forum on 12 November 2024, which identified a calculation discrepancy in relation to the Sultana Road West infrastructure item. It is expected that the modification will reduce the adopted rate by approximately \$0.11/m².*

17.

2023 Annual Review

The below table provides a summary of the key information informing the 2024 Annual Review (as at 30 June 2024).

DCA1 total area of:	690,481m ²
DCA1 total Net Contribution Area:	664,715.75m ²
Current Cost Contribution rate	\$23.16/m ²
Forecast Cost Contribution rate:	\$23.49m ²
Total number of lots with cost contribution obligations:	12

<i>Number of lots that have satisfied their cost contribution obligations:</i>	35
<i>Percentage of landowners who have contributed:</i>	Approx. 74%
<i>Estimated cost of infrastructure:</i>	\$14,263,330
<i>Estimated cost of administration:</i>	\$1,354,037
<i>Cost contributions levied in 2023-24</i>	\$441,150
<i>Interest received in 2023-24</i>	\$60,670
<i>DCP expenditure 2023-24</i>	\$287,244.01 ¹
<i>Balance of funds available</i>	\$1,475,138.51
<u>Notes</u>	
1. Includes project management & consultancy fees, legal expenses, audit fees, land acquisition costs, infrastructure works, advertising or regulatory expense.	

18. ***Remaining Developable Land***

The future developable area is expected to provide the Cost Contributions necessary to account for the remaining infrastructure and administrative costs. As of 30 June 2024, 35 of the 47 lots (74%) in DCA1 had been developed, or have commenced development, and 12 lots (26%) are yet to be developed.

19. ***Review of Forecast Cost Estimates***

Local governments are required to review infrastructure cost estimates annually, through indexation or a full review of the cost.

20. The City commissioned a review of cost estimates following the conclusion of the 2023/2024 financial year through undertaking:

- a) An independent land valuation to inform the land costs based on the fair market value of land within DCA1 (Attachment 1, Appendix K); and
- b) An independent review of the Bill of Quantities and Estimates for remaining infrastructure to inform the forecast infrastructure costs (Attachment 1, Appendix A-F).

21. In general terms, where the scope of works has not altered, the construction value of works has increased by approximately seven per cent in comparison to the 2023 forecasts (previous annual review); a consequence of ongoing volatility, resource and labour constraints in the construction sector.

22. Following the Public Agenda Briefing Forum on 12 November 2024, the City identified an error in the figure produced through consulting engineering advice, which ultimately informed the DCPR estimates. While the DCPR identifies \$1,425,294 for Sultana Road West (a 12.84% increase from 2023), the correct cost escalation is approximately 7%. This will result in a reduction of approximately \$74,000 from proposed 2024 estimates in the DCPR, or \$0.11/m² reduction to the proposed Cost Contribution rate.

23. A modification has been proposed to address this matter and ensure that this change can be implemented prior to the finalisation of the DCPR post Council’s consideration.

24. **2024 Land Costs Review**

In June 2024 an independent land valuer provided an estimated rates for which land should be acquired for public purposes through the DCP. The land valuation is informed by zoning designation, site characteristics and market evidence. For a detailed outline of the land costs please refer to Appendix J of Attachment 1. In summary, the land valuation recommended the following rates:

- a) \$325-355/m² for the sites zoned Mixed Use; and
- b) \$420/m² for the sites zoned Industrial Development.

25. **Land Requiring Acquisition**

Land Status	Area (m ²)	Cost (\$)
Acquired	16,167.50	\$6,579,485
Future Acquisition	233	\$96,608.50

26. **Status of Remaining Infrastructure Items (as of 30 June 2024)**

Item	Forecast Cost		Status
	2023	2024	
Berkshire Road Upgrade	\$150,570	\$162,998	Designs completed to 85%. Commencement of works subject to funding and priority through DCP.
Milner Road Upgrade	\$1,362,074	\$1,457,419	Designs completed to 85%. Commencement of works subject to funding and priority through DCP.
Nardine Close Extension	\$232,105	\$211,151	Stage 1: Completed 2019.

(New Road) - Stage 2			Stage 2: Detailed Designs (100%) completed, pending delivery.
Bonsor Road (New Road) - Stage 2	\$90,214	\$96,529	Stage 1: Completed June 2020. Stage 2: pending land acquisition. Forecast for 2024/25 delivery.
Sultana Road West Upgrade (50% Contribution)	\$1,263,137 (50% of the total costs)	\$1,425,294 * (50% of the total costs)	Designs completed to 85%. Commencement of works subject to funding and priority through DCP.
Berkshire Road / Ashby Close – Stage 2 (Seagull)	\$33,713	\$39,804	Stage 1: Completed October 2019. Stage 2: Commencement of works subject to funding and priority through DCP.

**Note: A modification has been incorporated into the Officer Recommendation in response to questions raised at the Public Agenda Briefing Forum on 12 November 2024, which identified a calculation discrepancy in relation to the Sultana Road West infrastructure item. This modification is expected to reduce the 2024 estimate by approximately \$74,000.*

27.

2023-2024 Actions

Since the 2023 Annual Review the following has occurred:

- a) Independent consultancy reviews to update the estimates informing the 2024 DCP (i.e. civils review, land valuations).
- b) The Agreement finalised with a landowner to acquire Bonsor Road truncations remaining in private tenure. The City will be able to deliver Bonsor Road (Stage 2) following the ceding of this land to the Crown (on or before June 2025).
- c) The Detailed designs for Road 2A (Stage 2) were finalised to 100 per cent.
- d) The City has established dedicated project management oversight for DCP infrastructure to ensure projects are progressed as planned.

28. **Priority of Infrastructure Works**

Subject to availability of funding, the following items yet to be completed are considered current priority items (listed in sequential order of priority):

- a) Ongoing administrative costs, including legal, accounting, planning, engineering and other professional advice required to prepare and implement the DCP.
- b) Stage 2 of Road 2A which involves constructing the Nardine Close cul-de-sac to a permanent standard and the construction of an Emergency Access Way (EAW) between Nardine Close and Sultana Road West. This infrastructure item is scheduled for delivery 2024/2025.
- c) Stage 2 of Bonser Road which involves constructing the truncations of Bonser Road to a permanent standard. The timing of outstanding works for Bonser Road is contingent upon the vesting of land to the Crown, secured through a Deed of Agreement, requiring the transfer on or before June 2025.
- d) Milner Road.
- e) Sultana Road West.
- f) Berkshire Road footpath and associated adjustment to services.
- g) Berkshire Road / Ashby Close Intersection treatment (seagull island).

29. In respect to Milner Road, it is important to note the Water Corporation is planning major upgrades to sewer infrastructure on Milner Road. There is a need to sequence the delivery to ensure the DCP does not fund abortive road works. While the delivery timeframe for the sewer upgrade is being refined, the current expectation is that the earliest that the construction Milner Road can be commenced is late in the 2025 calendar year.

30. Furthermore, while Milner Road is identified as the next major infrastructure item for delivery, there is a potential opportunity to consider a broader design and upgrade strategy in collaboration with DevelopmentWA to facilitate needed improvements for the broader Milner Road connection between Maida Vale Road and Milner Road, to support the High Wycombe South Transit Oriented Development Precinct and the High Wycombe Residential Precinct. These discussions have commenced with DevelopmentWA and will continue as part of the finalisation of design for Milner Road. In this regard, the DCP contributions towards Milner Road could elevate the priority and timing of infrastructure in the broader precinct.

31. **Forecast 2024/2025 Priorities / Actions**
The following priorities / actions are forecast for 2024/2025:
- a) Needs Analysis, and subsequent consultation with Main Roads WA, for the Berkshire / Ashby Intersection (Seagull to restrict movements).
 - b) Detailed Designs for the delivery of Milner Road.
 - c) Delivery of Road2A (Stage 2).
 - d) Transfer of land for public purposes (road reserve) from Lot 16 & 17 Berkshire Road. The transfer of land is secured through a Deed of Agreement, with the transfer required to occur on or before June 2025.
32. ***Delivery of Road2A (Stage 2)***
The City had previously entered into a Works in Kind Agreement with a DCA1 landowner, anticipating a 2024/2025 landowner delivery of Road2A (Stage 2). The landowner has since notified the City the delivery timeframe cannot be achieved until 2025/2026. The City is therefore reviewing the possibility of delivering the Road2A (Stage 2) works in 2024/25.
33. **Sultana Road West**
Sultana Road West is an existing two-way, one-lane undivided carriage way, which borders the Forrestfield High Wycombe Industrial Area on its southern verge, and the High Wycombe South Residential Precinct on its northern verge.
34. Upgrades to Sultana Road West are required to service both redevelopment areas. Currently both DCPs are informed by independent conceptual designs.
35. The funding of required road upgrades is equally apportioned; with 50 per cent of upgrade financed through the Forrestfield High Wycombe Industrial Area DCP; and 50 per cent of upgrade proposed to be financed through the draft High Wycombe South DCP.
36. Given there is no funds currently available for Sultana Road West it is not currently identified as a high priority infrastructure item for delivery through the DCP. However, noting the high level of interest in the management of the Sultana Road West interface, the Council could resolve to pre-fund a priority delivery of Sultana Road West. This would involve:
- a) The priority of infrastructure delivery outlined in the DCPR to be updated to reflect the amended priority.
 - b) The Council could fund, through borrowed or municipal sources, the detailed designs and road upgrades, in the short term, with a future reimbursement through the FFHW DCP and High Wycombe South DCP.

This funding strategy could facilitate design to be completed in 2025/2026 and full delivery in 2026/2027. Further consideration of this opportunity will be investigated as part of the following annual review and as part of the preparation of a future budget.

APPLICABLE LAW

37. *City of Kalamunda Local Planning Scheme No. 3 - Clause 6.5*
38. *Schedule 12 (Development Contribution Areas)* requires an annual review of the infrastructure costs informing the DCP. The most recent annual review was endorsed by Council April 2024 (OCM48/2024), with the next annual review scheduled at the closure of the 2024/2025 financial year.

APPLICABLE POLICY

39. State Planning Policy 3.6 - Infrastructure Contributions
40. Local Planning Policy 24 - Development Contribution Arrangements

STAKEHOLDER ENGAGEMENT

41. There is no statutory requirement for the City of Kalamunda to undertake public consultation for a DCPs annual review.
42. Historically, the DCP has been advertised to effected landowners for review and comment. While this process has resulted in some engagement, the process has experienced duplication of inputs and there is not considered to be substantial benefits to this approach. It is considered that an alternative approach will fulfill the transparency and reporting objectives, while ensuring the efficient and effective utilisation of operational resources
43. Should the City undertake public consultation for the 2024 Annual Review, the associated administration costs are estimated to be three thousand dollars. Note that this would include officer time associated with the advertising process, consideration of submissions and reporting to the Council, and would not include additional consultancy services should this be needed.
44. In the interests of effectively implementing the DCP, and improving the efficiency of review processes, this review will follow a streamlined process and will be reported back to the Council if there are submissions that generate noteworthy and material impacts on the DCP review. Any other changes over the course of the ensuing year will be captured and reported to inform the next annual DCP review.

45. The public notification will be issued via the following methods:
- a) A notice on the City's website; and
 - b) A letter to all landowners within DCA1.

FINANCIAL CONSIDERATIONS

46. The operation of a DCP presents a major administrative responsibility for the City. While the DCP is self-funded, the City has an implicit obligation to effectively manage the revenue and works.
47. Should Council resolve to require a public consultation period, approximately three thousand dollars would be charged to the Reserve Account for associated administrative costs.

SUSTAINABILITY

48. **Social Implications**
The provision of infrastructure in a timely, coordinated and responsible manner can have a significant impact on the quality of life for both existing and future residents/occupiers. Impacts on the quality of life need to be considered along with individuals' expectations. This review enables the proposed infrastructure to be delivered in an efficient and financially responsible manner.
49. **Economic Implications**
The implementation of DCPs, as a basic principle, are not intended to deliver infrastructure, services, or similar that would not ordinarily be provided through subdivision and development processes. The implementation of the DCP assists in the timely, efficient and equitable provision of infrastructure, that may in turn facilitate economic growth and employment creation.
50. **Environmental Implications**
The proposed DCP infrastructure is identified in areas where vegetation is predominately cleared. A portion of Nardine Close and Sultana Road West road reservations both abut a Bush Forever Reserve, and during the construction phase due consideration will be given to ensure impacts to this area are minimised.

RISK MANAGEMENT

51. **Risk:** Not consistently undertaking an annual review and updating the contribution rate to align with current infrastructure and administrative costs.
- | Consequence | Likelihood | Rating |
|-------------|-------------|--------|
| Rare | Significant | Medium |
- Action/Strategy**
 Ensure the Council is aware that the DCP review and the proposed revised rate is reflective of projected costs to deliver infrastructure works and land purchases. Additionally, Clause 6.5.11.2 of LPS3 requires the DCP Report be reviewed at least annually.
52. **Risk:** There is insufficient money collected in the DCP to fund infrastructure upgrades.
- | Consequence | Likelihood | Rating |
|-------------|------------|--------|
| Possible | Major | High |
- Action/Strategy**
 Undertake annual reviews to ensure the scope of infrastructure remains relevant and to maintain the currency of the cost of infrastructure with adequate provision for contingencies, land, and other DCP items.
53. **Risk:** Errors are contained within the DCP estimates and calculation.
- | Consequence | Likelihood | Rating |
|-------------|------------|--------|
| Possible | Moderate | Medium |
- Action/Strategy**
 Ensure figures are audited and sourced from financial statements. Ensure cost estimates are reviewed annually and provided by an independent consultant.

CONCLUSION

54. The DCP has been reviewed using audited and known land and infrastructure costs and estimates based on independent consultant advice. The 2024 DCPR has been prepared and documented with the required information to ensure accountability and equity. The recommended contribution rate is a product of this information.

55. While it is not a requirement under LPS3 or SPP 3.6 to undertake public advertising of a DCP Report, it is recommended that all landowners within DCA1 be notified of the 2024 Annual Review outcomes in the interest of good governance and transparency.
56. It is recommended that Council adopt the revised 2024 DCPR, subject to a modification to the Sultana Road West forecast estimated costs to correct an error that has been identified between the November PAB Forum and the OCM. This modification is expected to reduce the 2024 estimate by approximately \$74,000. The development contribution rate of \$23.49/m² will be adjusted accordingly (reduced by approximately \$0.11/m²) and applied immediately for the purposes of administering LPS 3.

Voting Requirements: Simple Majority

RECOMMENDATION

That Council:

1. ADOPT the 2024 Forrestfield / High Wycombe Industrial Area Development Contribution Plan Report (Attachment 1), subject to the following modification:
 - a. Sultana Road West forecast estimated costs being corrected, which will result in an approximately \$74,000 reduction to the 2024 estimate.
2. NOTE the proposed 2024 Cost Contribution Rate of \$23.49/m², will be reduced by approximately \$0.11/m² as a result of the modified estimated costs for Sultana Road West, and thereafter applied under the Local Planning Scheme No. 3.
3. NOTIFY all landowners within Development Contribution Area 1 on the 2024 Annual Review outcomes.
4. NOTIFY relevant authorities (Department of Planning, Lands & Heritage and Department of Local Government, Sport and Cultural Industries) of the 2024 Annual Review Process.
5. AUTHORISE the Chief Executive Officer to publish a copy of the modified 2024 Forrestfield / High Wycombe Industrial Area Development Contribution Plan Annual Review Report on the City's website.

10.1.3. City of Kalamunda Local Planning Scheme and Local Planning Strategy - Consideration of Report of Review and Recommendations to the Western Australian Planning Commission

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

Previous Items	OCM 17/2024, OCM 93/2024
Directorate	Development Services
Business Unit	Strategic Planning
File Reference	3.009297, 3.010449, 3.010504
Applicant	NA
Owner	NA

Attachments	1. Local Planning Scheme and Local Planning Strategy - Report of Review [10.1.3.1 - 65 pages]
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TYPE OF REPORT

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

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 1: Kalamunda Cares and Interacts

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

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

Priority 1: Kalamunda Cares and Interacts

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

Strategy - 1.2.1 Facilitate a safe community environment.

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

Priority 1: Kalamunda Cares and Interacts

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

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

Priority 2: Kalamunda Clean and Green

Objective 2.1 - To protect and enhance the environmental values of the City.

Strategy 2.1.1 - Implementation of the Local Environment Strategy

Strategy 2.1.2 - Development and Implementation of the Urban Forest Strategy.

Strategy 2.1.3 - Development and implementation of the Local Biodiversity Strategy

Strategy 2.1.4 - Increasing and protecting local biodiversity and conservation, wherever possible, through integrating ecosystem and biodiversity protection into planning processes including schemes policies and strategies.

Priority 2: Kalamunda Clean and Green

Objective 2.2 - To achieve environmental sustainability through effective natural resource management.

Strategy 2.2.1 - Manage the forecast impacts of a changed climate upon the environment.

Priority 3: Kalamunda Develops

Objective 3.1 - To plan for sustainable population growth.

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

Priority 3: Kalamunda Develops

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

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

Priority 3: Kalamunda Develops

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

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

Strategy 3.3.2 - Attract and enable new investment opportunities.

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

Priority 3: Kalamunda Develops

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

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

Strategy 3.4.2 - Advocate and facilitate Agri Tourism opportunities for rural properties to flourish.

Priority 4: Kalamunda Leads

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

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

EXECUTIVE SUMMARY

1. The purpose of this report is for Council to consider the content of the City of Kalamunda (City) Local Planning Scheme and Local Planning Strategy Report of Review and recommended approach to undertaking a review of the local planning framework.
2. The local planning framework comprises two key elements; the Local Planning Scheme sets out the way land is to be used and developed, classifies areas for land use and includes provisions to coordinate infrastructure and development within the City, and a Local Planning Strategy aims to establish a 10-15year forward looking guide for planned growth and development within the district. The local planning framework is also supported by a suite of local planning policies, structure plans, development contribution arrangements and local development plans to guide strategic decisions and respond to development and subdivision proposals.
3. The Report of Review (Attachment 1) has been prepared to fulfill regulatory requirements, with the objective recommending whether the current Local Planning Scheme No. 3 (LPS3) and Local Planning Strategy:
 - a) Are satisfactory in their existing form; or
 - b) Should be amended; or
 - c) Should be repealed/revoked and a new scheme and local planning strategy be prepared.
4. Given that the LPS3 has been in operation for over 17 years and the Local Planning Strategy (prepared in 2010 and endorsed in 2013) in operation for over 13 years, and the significant changes to legislation and State Planning Framework during that time, it is considered that these

instruments are no longer up-to-date or satisfactory, and should be replaced by a new local planning framework.

5. It is recommended that the Council approves the content of the Report of Review and recommends to the Western Australian Planning Commission (WAPC) that the LPS 3 be repealed, and a new Local Planning Scheme prepared in its place, and that Local Planning Strategy revoked and replaced with a new local planning strategy. It is noted that the repeal of the LPS 3 and revocation of the Local Planning Strategy will only occur following the gazettal and endorsement of a suitable new Local Planning Scheme and Local Planning Strategy respectively.

BACKGROUND

6. A detailed background to the Local Planning Strategy and Local Planning Scheme No. 4 Project Plan (2024 Update) was presented to the Council at the Ordinary Meeting held on 24 July 2024, whereby Council resolved (OCM 93/2024):

"That Council SUPPORT the program and approach for the preparation of the Local Planning Strategy and Local Planning Scheme No. 4 Project Plan (2024 Update), as per the Confidential Attachment."

7. Presentation of the Report of Review to Council and follow up steps addresses Stage 1 of the Project Plan (2024 Update) and in accordance with legislative and regulatory requirements.

DETAILS AND ANALYSIS

8. The Report of Review presented in Attachment 1 has been prepared with the following structure:
 - a) Executive Summary
 - b) Background – Purpose, Governance & Strategic Alignment, and Consultation
 - c) Strategic Context – City Profile, Population & Demographics, Development Activity, and Key Planning Issues
 - d) Planning Framework – State & Local Planning Framework Changes, MRS Amendments, State Planning Policies, Local Planning Strategies, Local Environmental Strategies, and Investigation Areas.
 - e) Local Planning Scheme No. 3 Review – Legislative Alignment, Scheme Analysis, and Planning Instruments.
 - f) Conclusion – Review Comments and Recommendations.

The review findings, conclusion and next steps are summarised below.

9. Local Planning Scheme No. 3
Since gazettal of LPS3 in 2007, there has been significant changes to legislation and state planning framework impacting the function of LPS3. The review highlights that LPS3 is inconsistent with the Planning Regulations 2015 in terms of form and content. LPS3 has been in operation for over 17 years so repealing for replacement by new Local Planning Scheme is considered necessary to address key planning issues and to provide the City with appropriate standards for planning and development control throughout the municipal district.
10. The scheme must also be informed by a current local planning strategy, consistent with and addressing implementation of relevant legislation, the State planning framework and the City's corporate and planning frameworks. In addition, there are other key matters outlined in the review report that require further investigation, plus support and guidance with the State Government, such as normalising structure plan areas, planning area investigations, and addressing any planning framework anomalies.
11. Based on the above, is therefore considered necessary that LPS3 to be repealed and replaced with a new Local Planning Scheme No. 4.
12. Local Planning Strategy (2010)
The City of Kalamunda Local Planning Strategy (2010) was adopted by the WAPC in 2013, with an expected 20-year timeframe up to 2031. The Strategy addresses relevant State Planning Policies and Frameworks and interprets the impacts and requirements of these documents for the City. The Strategy provides context for the land use zones, reservations, and statutory provisions that are contained within the Scheme.
13. The strategy has been in operation for 13 years and prepared prior to the WAPC release in 2021 of the Local Planning Strategy Guidelines. In 2017, the City commenced a preliminary review of Local Planning Strategy (2010) and relevant sub-strategies. Between 2018 and 2023, seven new or reviewed local and environmental strategies have been adopted. Broad principles and key actions from the sub-strategies will require consolidation into a new local planning strategy.
14. Based on the above analysis and the modernisation of the planning framework since, a new local planning strategy should be prepared to address current planning directions and inform the new Local Planning Scheme No. 4.

15. Conclusion
Noting the above, it is recommended that a new Local Planning Strategy and Scheme be prepared to replace the existing LPS 3 and Local Planning Strategy (2010) respectively. This will enable the current state and local planning framework, and key planning directions and actions, to inform preparation the new scheme.
16. Next Steps
The Planning Regulations require the Report of Review and recommendations to be approved by resolution of Council, and then submitted to the WAPC. The WAPC then resolves to agree or disagree with the recommendation, therefore determining the next steps.
17. Once the WAPC ultimately agrees with the recommendations with the report (either as presented by Council or as modified following reconsideration at the direction of the WAPC), the City will progress with the agreed actions, as guided by Parts 3 and 4 of the Planning Regulations.
18. It should be noted that any review, amendment or replacement of the strategy and/or scheme will require community consultation and formal decisions by Council, prior to final approval by the WAPC and Minister for Planning. This has been previously reported to OCM through the 2024 Update (OCM 93/2024).

APPLICABLE LAW

19. *Planning and Development Act 2005*
20. *Planning and Development (Local Planning Schemes) Regulations 2015*
21. *City of Kalamunda Local Planning Scheme No. 3*

APPLICABLE POLICY

22. Western Australian Planning Commission State Planning Policies
23. Western Australian Planning Commission Development Control / Operational Policies
24. City of Kalamunda Local Planning Policies

STAKEHOLDER ENGAGEMENT

25. Preliminary engagement with the DPLH for a review of LPS3 has been ongoing since 2020, with technical and informal advice received on a range of matters. Preliminary consultation with other relevant government agencies and adjoining local government authorities was undertaken with written comments received in 2022.
26. Should the WAPC agree with the content and recommendations of the Report of Review, the City must undertake public notification pursuant to Part 4, Division 1 of the Planning Regulations.
27. Formal requirements for community consultation for the preparation of a local planning strategy and local planning scheme are contained in Part 3 of the Planning Regulations.
28. As detailed in the Project Plan (2024 Update) presented to Council in July 2024, Stage Three of the plan includes extensive community visioning engagement including a series of neighbourhood workshops. A Community Engagement Plan is currently being developed for further consideration by Council.

FINANCIAL CONSIDERATIONS

29. No immediate financial costs are anticipated as a direct outcome of this report. Costs associated with publication of notices following a decision of the WAPC for the City decision to prepare a new scheme can be met through the Development Services annual budget.
30. As reported to Council in July 2024, the Local Planning Strategy and Local Planning Scheme No. 4 project is to be undertaken as a cross-functional in-house project, with most costs to be met through the Development Services annual budget and ongoing budget deliberations as required.

SUSTAINABILITY

31. Social Implications
Preparing a new local planning strategy and local planning scheme will contribute to achieve social and cultural objectives of Kalamunda Advancing, plus objectives and actions from Kalamunda Achieving and supporting sub-strategies such as the Local Housing Strategy and Community engagement Strategy.

32. Economic Implications
 Preparing a new local planning strategy and local planning scheme will contribute to achieving economic and employment objectives of Kalamunda Advancing, plus objectives and actions from Kalamunda Achieving and supporting sub-strategies such as the Activity centres Strategy and the Tourism Development Strategy.

33. Environmental Implications
 Preparing a new local planning strategy and local planning scheme will contribute to achieve environmental and sustainability objectives of Kalamunda Advancing, plus objectives and actions from Kalamunda Advancing and supporting sub-strategies including the Local Biodiversity Strategy and the Urban Forest Strategy.

RISK MANAGEMENT

34.

Risk: The Report of Review recommendations are not progressed in a timely manner and the City continues to regulate land use and development with an outdated planning framework and therefore unable to deliver the City's vision.		
Consequence	Likelihood	Rating
Major	Possible	High
Action/Strategy		
Support and implementation of the Report of Review will facilitate preparation of a new local planning scheme and supporting local planning strategy to ensure the City has a contemporary planning framework consistent with the Planning Regulations and provides appropriate planning and development standards and controls.		

35.

Risk: The Western Australian Planning Commission does not support the findings and recommendations of the Report of Review and instead instructs the City to amend LPS3 and Local Planning Strategy (2010), causing operational and reputational risks for the City.		
Consequence	Likelihood	Rating
Significant	Unlikely	Medium
Action/Strategy		
Continued engagement with the Department of Planning, Lands and Heritage and the Western Australian Planning Commission, and other relevant stakeholders, will demonstrate the need for a full review of the local planning framework.		

CONCLUSION

36. Given that LPS3 has been in operation for over 17 years and the Local Planning Strategy (2010) in operation for over 13 years, and the significant changes to legislation and State Planning Framework during that time, it is considered that the LPS3 and Local Planning Strategy are no longer up-to-date or satisfactory.
37. Noting the above, it is recommended that the Report of Review is approved and forwarded to the WAPC, with a recommendation that a new Local Planning Strategy and Scheme be prepared to replace the existing Local Planning Scheme No. 3 and Local Planning Strategy (2010) respectively.

Voting Requirements: Simple Majority

RECOMMENDATION

That Council:

1. APPROVE the content and recommendations of the Report of Review (Attachment 1) and forwards the report to the Western Australian Planning Commission for consideration, in accordance with Pursuant to Regulation 66 (1)(b) and (c) of the *Planning and Development (Local Planning Schemes) Regulations 2015*.
2. RECOMMEND to the Western Australian Planning Commission that the City of Kalamunda Local Planning Scheme No. 3 be repealed and a new scheme be prepared in its place, in accordance with Regulation 66(3)(a)(iii) of the *Planning and Development (Local Planning Schemes) Regulations 2015*.
3. RECOMMEND to the Western Australian Planning Commission that the City of Kalamunda Local Planning Strategy be revoked and a new local planning strategy be prepared in its place, in accordance with Regulation 66(3)(b)(iii) of the *Planning and Development (Local Planning Schemes) Regulations 2015*.
4. NOTE the repeal of the Local Planning Scheme No. 3 and revocation of the Local Planning Strategy (2010) will only occur following the gazettal and endorsement of a suitable new Local Planning Scheme and Local Planning Strategy respectively.

10.1.4. Adoption of Scheme Amendment 114 - Lot 4 (81) Canning Road, Kalamunda for the Purpose of Adoption

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

Previous Items	OCM 178/2023
Directorate	Development Services
Business Unit	Approval Services
File Reference	3.009297
Applicant	Altus Planning
Owner	IO GROUP PTY LTD
Attachments	<ol style="list-style-type: none"> 1. Submissions Table [10.1.4.1 - 5 pages] 2. Bushfire Management Plan [10.1.4.2 - 21 pages] 3. Revised Bushfire documentation [10.1.4.3 - 2 pages] 4. Scheme Amendment Report [10.1.4.4 - 51 pages]

TYPE OF REPORT

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

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 3: Kalamunda Develops

Objective 3.1 - To plan for sustainable population growth.

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

Priority 3: Kalamunda Develops

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

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

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

EXECUTIVE SUMMARY

1. The purpose of this report is for Council to consider an amendment to City of Kalamunda Local Planning Scheme No.3 (the Scheme). This amendment, known as Amendment 114 (A114) proposes to amend the Scheme in the following ways:
 - a) Amend the existing 'Special Use No. 13' (SU 13) for Lot 4 (No. 81) Canning Road, Kalamunda from 'Gymnasium/Health Studio' to include the land uses of 'Recreation-Private', 'Consulting Rooms', and 'Restaurant/Café'.
 - b) The proposed land uses would be in addition to the existing land use of 'Gymnasium/Health Studio'.
 - c) Add in a condition to the SU 13 which states "Gymnasium/Health Studio' shall remain the predominant land use of the zone'.
2. During the consultation period, a total of three (3) submissions were received, comprising of one (1) objection, one (1) comment requesting additional information, and one (1) no objection.
3. It is recommended that Council forward Local Planning Scheme Amendment 114 to the Western Australian Planning Commission (WAPC) and, subsequently, the Minister for Planning with a recommendation for approval.

BACKGROUND

4. Special Use 13 and Amendment 114 applies to Lot 4 (No. 81) Canning Road, Kalamunda. The site has an area of approximately 3,214m² with frontage to Canning Road and Collins Road.



Figure 1 Site location Lot 4 (No. 81) Canning Road

5. The site is zoned 'Urban' under the Metropolitan Region Scheme (MRS) and has a portion reserved as an Other Regional Roads Reserve (ORR) along Canning Road as shown in blue on Figure 2 below.

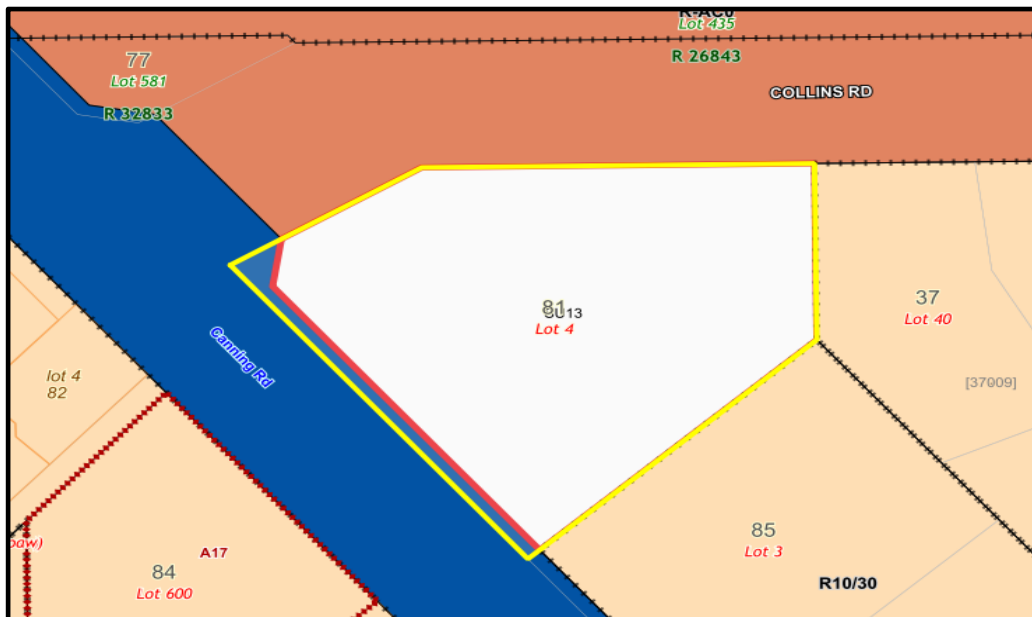


Figure 2 Site Local Planning Scheme Zoning Lot 4 (81) Canning Road

6. The site currently benefits from a Special Use zoning under the Scheme, being SU 13. SU 13 currently allows for the land uses of 'Gymnasium/Health Studio'. Special Uses are applied in unique circumstances where normal Scheme provisions and land uses are not effective in facilitating the highest and best use of a site.

7. The land to the north of the subject site is characterised by the Kalamunda Activity Centre incorporating land reserved for Civic uses (Local Government offices and Water park). The land to the east of the site is reserved for open space; and to the West and South of the site is zoned residential with a variety of residential densities including R20, R10/30 and R10 lots.

8. The subject site is approximately 800 metres south of the Kalamunda Town Centre and 500 metres north of the commercially zoned Kalamunda Glades Shopping Centre. In considering Canning Road as a 'locality' in the planning sense, there is another special use zoned property at Lot 9 (No. 115) Canning Road for 'Consulting Rooms and Professional Office's'. In addition to special uses, the following residential zoned properties within proximity to the subject site have additional use designations:
 - a) Lot 109 (No. 182) Canning Road, Kalamunda – Additional Use (A 55) Consulting rooms (Medical Centre).
 - b) Lot 600 (No. 84) Canning Road, Kalamunda – Additional Use (A 17) Veterinary Clinic or Surgery (small animals).
 - c) Lot 102 (No. 70) Canning Road, Kalamunda – Additional Use 8 (A 8) Local Shop.

9. The subject site initially accommodated 'squash courts' under a Special Purpose zoning. Since that time the occupation of the site has evolved, with the current Special Use zoning applying and adequately servicing the site since 2004.

DETAILS AND ANALYSIS

10. The application proposes an amendment to the Scheme to add 'Recreation – Private', 'Consulting Rooms' and 'Restaurant/Café' to the existing 'Special Use' No. 13 for 'Gymnasium/Health Studio'.

No.	Description of Land	Special Use	Conditions
SU 13.	81 CANNING ROAD (CNR COLLINS ROAD) KALAMUNDA. Canning Loc 457, Lot 4	<ul style="list-style-type: none"> • Gymnasium/Health Studio • Recreation – Private • Consulting Rooms • Restaurant/Cafe 	'Gymnasium/Health Studio' shall remain the predominant land use of the zone.

Figure 3 – Proposed modification to Special Use 13 (shown in red)

11. The Applicant has provided supporting technical information for the proposed Scheme amendment including:
- a) Scheme Amendment Report (Attachment 4)
 - b) Bushfire Management Plan (BMP) (Attachment 2)
 - c) Revised Bushfire documents (Attachment 3)
12. The Applicant has provided planning and non-planning justification for the proposed Scheme amendment including:
- a) The gymnasium (gym) is one of only a small number in the area and considered the largest of the local offerings.
 - b) Incidental uses such as café and massage therapist have provided services to Gymnasium patrons in the past, but the limited scale meant the gym patronage could not sustain the services.
 - c) The 1970's building is aging, with the existing form and function limiting the capacity for gym patrons and any service provider wishing to utilise the space(s) to provide a 'wraparound' service (massage, crèche etc).
 - d) The current building fronts the carpark with no legibility or activation of the streetscape to Canning Road.
 - e) The proposed rezoning would facilitate a holistic cohesive redevelopment, rationalising the gym layout, extending the floor area for one or more of the proposed additional land uses to operate in conjunction with but subordinate to the gymnasium.
 - f) An indicative floor area allocation was prepared with the final proposal to be determined via development application in consideration of parking and other planning requirements:

Land Use	Anticipated Floor Space
Gymnasium/Health Studio	1,000m ² - 1,200m ²
Recreation – Private (Kids Indoor Playground)	100m ² - 200m ²
Consulting Rooms	50m ² - 100m ²
Restaurant/Café	50m ² -100m ²
Total	~1,500m²

Figure 4: Applicant's anticipated floor space per-land use

13. The City is satisfied the supporting Scheme Amendment report has provided sufficient details to facilitate the Scheme Amendment process. Additional technical documentation will be required to progress any future Development Application for the subject site.

14. The City notes the DFES comments in relation to the vegetation classification in the supporting BMP documentation. Notwithstanding the City is satisfied the supporting BMP and revised Bushfire documentation provided are sufficient to address the level of detail required to support the Scheme Amendment process. Additional Bushfire documentation will be required to support any redevelopment of the site which will provide an opportunity for additional interrogation of the surrounding vegetation in the context of the proposed built form.

15. For any Scheme amendment to be progressed, it must fall into one of three categories – basic, standard, or complex. The threshold for each category is specified in the *Planning and Development (Local Planning Schemes) Regulations 2015*.

Officers are satisfied that the proposed Amendment can be considered as a Standard Amendment based on the existing Special use on site and for the following reasons:

- a) The additional land uses proposed are considered consistent with the objectives of the special use zone.
- b) The amendment only relates to the subject site, therefore it can be seen to have minimal environmental, social, economic and governments on the land in the scheme area.
- c) The amendment is not considered basic or complex.

16. **Zone Objectives**

The proposed scheme amendment is in accordance with the Special Use Zone Objectives. The objectives seek to provide for additional land uses with special conditions on the land where the provisions of the zoning table are not sufficiently sensitive or comprehensive to achieve the same objective.

17. **Zone Intent**

The proposed scheme amendment has considered the context and planning reasons for using a Special Use zoning.

The hierarchy of the additional land use proposed ('Recreation – Private', 'Consulting Rooms' and 'Restaurant/Café') being subordinate to the "Gymnasium/Health Studio" provides for the potential of a more diverse offering of services for the community – but still maintains the primary use of the site as gym to ensure that service isn't lost.

18. Given the location of the site it is likely that amenity impacts on adjoining lands would be able to be managed through a future development application. While the economic viability of future development is not a planning matter and is instead a commercial matter for any business operator, the community benefit of the proposed amendment is additional service options for both the operator of the site and the local community.
19. **Concept Plans**
The applicant has provided conceptual plans for the development of the land use of 'Recreation-Private', 'Consulting rooms' and 'Restaurant/café' on the subject site. The normal application of the planning framework which applies to the site will ensure an appropriate development outcome for the subject site in line with proper and orderly planning.
20. **Planning & Development (Local Planning Schemes) Regulations 2015**
Regulation 35 of the Planning and Development (Local Planning Schemes) Regulations 2015 (Regulations) required a resolution of a local government to adopt or refuse to adopt an application to amend a local planning scheme, as well as justification for the type of amendment proposed (basic, standard or complex).

APPLICABLE LAW

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

APPLICABLE POLICY

22. **State Planning Policy 4.2 Activity Centres (SPP4.2)**
SPP4.2 provides policy guidance on the distribution, hierarchy and purpose of activity centres, with the aim of providing for the needs of communities through the appropriate provision of facilities.
23. The subject site is identified as outside of but adjacent to the boundary of the Kalamunda Activity Centre Plan area i.e. an out-of-centre development. To ensure the proposed amendment does not facilitate unintended 'spill' of land uses that should be located within the activity centre, the Special Use is proposed to be written so the new land uses would be incidental to the existing land use of gym and as a result would be low scale. This is important to ensure the proposal does not add to "out-of-centre" development.
24. **State Planning Policy 7.0 – Design of the Built Environment (SPP7.0)**
SPP7.0 provides a framework for considering high quality-built form and building design outcomes. The subject site is visible from a regionally significant road. It is likely that any future development application to develop or redevelop the site will be assessed against SPP7.0 and reviewed by the City's Design Review Panel (DRP) in accordance with Local Planning Policy 16 which will provide independent impartial critique of the building design.
25. **City of Kalamunda Activity Centres Strategy**
The City's Activity Centres Strategy was adopted by Council in 2021. The Strategy identifies the requirement for community engagement to occur for catchments surrounding activity centres to investigate future development options for that catchment.
- The proposed amendment has been subject to consultation with limited community interest in the proposal. Consultation is discussed later in this report.
26. **City of Kalamunda Local Housing Strategy**
The site is located within 'The Glades – Investigation Area' under the Local Housing Strategy (LHS) adopted by Council 2021. Investigation areas identify the need to undertake community consultation and site analysis to inform future opportunities. The advertising undertaken has address the community consultation requirement with supporting technical information to be provided to inform any development application that many arise as a result of the Amendment being adopted.

27. **Local Planning Policy 2 – Advertising Signage**
Advertising signage will be subject to normal planning assessment through a future development application.
28. **Local Planning Policy 11 – Public Notification of Planning Proposals**
The proposal was advertised in accordance with the *Planning & Development (LPS) Regulations 2015* and LPP11 and the outcome is discussed further below.
29. **Local Planning Policy 18 – Requirement of Local Planning Scheme Amendments.**
The City of satisfied the level of detail provided is in accordance with the requirements to progress a Standard Scheme Amendment.

STAKEHOLDER ENGAGEMENT

30. **Public Advertising**
Pursuant to r47 of the Regulations, A114 was advertised for a period of 43 days from 9 April 2024 to 24 May 2024 via the following methods:
- a) A notice on the City of Kalamunda’s website
 - b) A sign on site
 - c) Letters to surrounding landowners
 - d) Letters to relevant external agencies.
31. Three submissions were received during the advertising period, comprising one (1) objection, one (1) comment, and one (1) no objection. Two of the submissions were from Government Agencies.
32. The objection received raised queries regarding the suitability of the proposal in respect to the planning framework and impact on surrounding businesses. Detailed responses to the submission can be viewed in Attachment 1.
33. The City received one submission from Department of Health and one submission from the Department of Fire and Emergency Services (DFES). The Department of Health provided a non-objection, and DFES submission identified a lack of sufficient detail in the bushfire documentation requiring modification. Refer to Attachment 1 which contains all the submissions received along with the City’s response to each submission.

FINANCIAL CONSIDERATIONS

- 34. The proposed additional Special Use categories will expand the commercial opportunities for the subject site and increase the services available to the wider community.

SUSTAINABILITY

- 35. **Social**
The amendment may contribute to meeting the current and future demand of the City’s population by permitting more diverse land uses near the residents which are likely to use them.
- 36. **Economic**
The amendment may facilitate the creation of job opportunities in both the construction and operational phase of any future development on site.
- 37. **Environment**
As the site is already developed, the proposed amendment it unlikely to have a noteworthy environmental impact. The impact of future development on the environment is a mandatory ‘matter to be considered’ within the deemed provisions, which means the environment will be considered through any future development applications.

RISK MANAGEMENT

38.	<p>Risk: The rezoning of the subject site will lead to increased noise and traffic from future development which will be an unacceptable outcome for adjoining residents.</p>		
	Consequence	Likelihood	Rating
	Low	Medium	Medium
	Action/Strategy		
	<p>Any future development application will have to address its impact on amenity including noise and traffic. The proposed amendment does not propose increased traffic or noise. The City will be able to assess these risks as part of a future development application and it will be the applicant’s responsibility to sufficiently demonstrate an appropriate impact through that process.</p>		

CONCLUSION

39. The amendment has been considered against the State and local planning framework and is considered consistent with the applicable instruments. The amendment has the potential to facilitate a good planning outcome for the site through the provision of more diverse services to the nearby community at a low scale
40. It is therefore recommended that Council forward Local Planning Scheme Amendment 114 to the Western Australian Planning Commission (WAPC) and, subsequently, the Minister for Planning with a recommendation for approval.

Voting Requirements: Simple Majority

RECOMMENDATION

That Council:

1. NOTE the submissions received during the advertising of Amendment 114 to City of Kalamunda Local Planning Scheme No. 3.
2. CONSIDER proposed Scheme Amendment 114 to Local Planning Scheme No.3 as a standard amendment under Clause 35 (2) of the *Planning and Development (Local Planning Schemes) Regulations 2015* for the following reasons:
 - a) An amendment that is consistent with a local planning strategy for the scheme that has been endorsed by the Commission (subclause (b));
 - b) An amendment to the scheme map that is consistent with a structure plan or local development plan that has been approved under the scheme for the land to which the amendment related if the scheme does not currently include zones of all the types that are outlined in the plan (subclause (d));
 - c) An amendment that would have minimal impact on land in the scheme area that is not the subject of the amendment (subclause (e));
and
 - d) An amendment that does not result in any significant environmental, social, economic or governance impacts on the land in the scheme area (subclause (f)).
3. ADOPT Proposed Scheme Amendment 114 to Local Planning Scheme No.3 (Lot 4 (No. 81) Canning Road, Kalamunda), pursuant to Regulation 50(3)(b) of the *Planning and Development (Local Planning Schemes) Regulations 2015*.

4. FORWARD to the Western Australian Planning Commission the summary of submissions and responses and all required scheme amendment documentation pursuant to Regulation 53 (Standard) of the *Planning and Development (Local Planning Schemes) Regulations 2015*.

10.1.5. Unhosted Holiday House -Use not listed - Lot 180 (No. 26) Marri Crescent, Lesmurdie

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

Previous Items	Nil.
Directorate	Development Services
Business Unit	Approval Services
File Reference	3.009297
Applicant	PAR Property Development Consultants
Owner	BROOK 231 PTY LTD
Attachments	<ol style="list-style-type: none"> 1. Bushfire Management Plan [10.1.5.1 - 98 pages] 2. Revised Management Plan [10.1.5.2 - 10 pages] 3. House plan - Lot 180 (No. 26) Marri Crescent, Lesmurdie [10.1.5.3 - 2 pages] 4. Submissions Table [10.1.5.4 - 5 pages]

TYPE OF REPORT

Advocacy	When Council is advocating on behalf of the community to another level of government/body/agency
Executive	When Council is undertaking its substantive role of direction setting and oversight (e.g. accepting tenders, adopting plans and budgets)
Information	For Council to note
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STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 3: Kalamunda Develops

Objective 3.1 - To plan for sustainable population growth.

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

Priority 3: Kalamunda Develops

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

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

Strategy 3.3.2 - Attract and enable new investment opportunities.

Priority 3: Kalamunda Develops

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

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

EXECUTIVE SUMMARY

1. The purpose of this report is for Council to consider a Development Application for a proposed 'Use not listed – Unhosted Holiday House' at Lot 180 (26) Marri Crescent, Lesmurdie.
2. The application is to support the registration of the property (Short-Term Rental Accommodation - STRA) on the statewide register. The landowner has provided technical documentation to support the application including:
 1. Bushfire documentation (Attachment 1)
 2. Management Plan (Attachment 2)
 3. House plans (Attachment 3)
 4. Submission Table (Attachment 4)
3. The proposal was advertised for a period of 28 days. Six (6) submissions were received during the advertising process comprising of five (5) objections and one (1) request for additional information. In response to the submissions received, the applicant provided an updated management plan to address concerns raised in submissions.
4. The Western Australian Planning Commission (WAPC) released reform to STRA which came into effect on 19 September 2024, which exempts unhosted STRA under 90 days from the requirement for planning approval. As this application proposes to have bookings for over 90 days in a 12-month period, planning approval is still required.
5. It is recommended the Council APPROVE the application for a Use Not Listed – Unhosted Holiday House at Lot 180 (26) Marri Crescent, Lesmurdie, subject to conditions and advice notes.

BACKGROUND

6. The site has a land area of 4408m² with a frontage to Marri Crescent. The site abuts Welshpool Road East (WRE) to the south but does not have vehicular access off WRE and maintains vehicular access from Marri Crescent.



Figure 1 Site Location Lot 180 (26) Marri Crescent, Lesmurdie.

8. The lot is zoned 'Urban' under the Metropolitan Region Scheme (MRS) and Residential R5 under the City of Kalamunda Local Planning Scheme No. 3 (LPS3).
9. The lot has a drainage easement to the benefit on the City for drainage purposes.
10. The lot abuts a Public Access Way (PAW) which is zoned Local Open Space - Reserve (R25815).
11. The site is identified on the Department of Fire and Emergency Services (DFES) OBRM mapping as being located within a Bushfire Prone Area under the Fire and Emergency Services Act 1998 (as amended).

12. The WAPC released reform to STRA that came into effect on 19 September 2024. The reform exempts hosted STRA and unhosted STRA under 90 days within a 12-month period from requiring planning approval. Given this application proposes to exceed 90 days within a 12-month period, the application is not exempt from planning approval.
13. The reform also exempts both hosted and unhosted STRA from being subject to bushfire assessment under Clause 78B of the *Planning and Development (Local Planning Schemes) Regulations 2015*.
14. The City of Kalamunda (City) is required to update LPS3 within the next year to reflect the recent reform to STRA. In the interim that LPS3 has not been updated, unhosted STRA over 90 days requires planning approval and will be considered as a 'use not listed – unhosted holiday house' that is subject to complex advertising.

DETAILS AND ANALYSIS

15. The applicant is seeking planning approval to use the existing single house as a 'Use Not Listed – Unhosted Holiday House' for more than 90 days in a 12-month period (the year is taken from the date of registration with the STRA register).
16. The application proposes the following:
 1. The property will be advertised on the AirBnB platform with a minimum stay of 3 nights and a maximum stay of 3 months. A shorter term of 2 nights will be available for regular guests by approval with the management company.
 2. The maximum occupation will be for 6 guests at any one time.
 3. Visitor carparking is to be contained on site.
 4. Bushfire evacuation information is provided to visitors and displayed on site.
17. The subject site is located within a bushfire prone area. State Planning Policy 3.7 (SPP3.7) December 2015 requires development applications to provide a Bushfire Attack Level (BAL) assessment and where the BAL rating exceeds BAL-LOW, an assessment against the bushfire protection criteria through a Bushfire Management Plan (BMP).
18. Given the reform to STRA, assessment against bushfire is now exempt to all unhosted STRA. At the time of a decision of this planning application, all STRA is exempt from bushfire assessment under Clause 78B of the Regulations.

19. Nevertheless, at the time of lodgement of this planning application, the application was subject to bushfire assessment and the applicant submitted a BMP, and a Bushfire Emergency Evacuation Plan (BEEP).
20. The BMP submitted states that the subject site has a BAL rating of: BAL-FZ (Flame Zone). A BMP is a management document to provide mitigation measures in the event of a Bushfire. A summary of the assessment criteria and recommended Mitigation measures are detailed below:

Element 5: Tourism land use – Un-hosted holiday house in a residential built out area:

5.1 – Siting and Design	
<p>Assessment: A BAL-29 rating cannot be achieved as the dwelling is an existing building and the siting cannot be altered to be within a BAL-29 or less are of the lot. The lot is impacted by adjacent vegetation giving the lot a BAL -FZ rating. Relevant vegetation is located on an adjoining reserve and in the verges outside of the landowners control. An alternate pathway has been provided as the development can be considered “minor development” in section 5.4 of the report.</p>	<p>Mitigation Measure: The area within the lot boundaries will be maintained in accordance with the City of Kalamunda Fire Hazard Notice.</p>
5.2 – Vehicular Access	
<p>Assessment: All access routes are existing; no changes are proposed as part of the application</p>	<p>Mitigation Measure: Not applicable as this element is compliant. Bushfire Emergency Evacuation Plan: Notwithstanding the above the required information to inform the actions of those persons onsite in the event of a bushfire will be prominently displayed within the site (as per BEEP). This information will include evacuation routes, distances and the site-specific procedural detail that will be established by the Bushfire</p>

	Emergency Plan (or Information) that is required to be developed for the proposed use.
5.3 – Provision of Water	
Assessment: Reticulated water supply and hydrants available.	Mitigation Measure: Not Applicable this element is compliant.
5.4 Merit Based Assessment	
Assessment: There is sufficient access to Emergency services in the vicinity, the site has good road networks, good access to water and is near suitable evacuation points with supporting documentation provided for users.	Mitigation Measure: Display Evacuation procedures within the property.

21. **Land use permissibility**

The proposed development is consistent with the definitions of an un-hosted Holiday House as defined in Local Planning Policy 29:

Un-hosted – refers to any type of short-term accommodation where only the occupiers of the accommodation reside on the site during times of operation. ***Shared Access*** – when the primary vehicle access to a site occurs via an access with shared access rights, such as common property, right of way, or similar

Holiday House - means a single or ancillary dwelling on one lot used to provide short term accommodation but does not include a bed and breakfast.

22. The un-hosted holiday house land use is not defined in the City’s Local Planning Scheme, as such the proposal is a use not listed application and meets the definition of a ‘complex application’ as defined in the Planning Regulations:

complex application means —

- (a) an application for approval of development that is a use of land if the use is not specifically referred to in the zoning table for this Scheme in respect of the zone in which the development is located; or
- (b) an application of a kind identified elsewhere in this Scheme, or in a local planning policy, as a complex application for development approval;

The City subsequently advertised the application in accordance with Clause 64, Schedule 2 (Deemed Provisions) of the Regulations.

23. The reform to the STRA within the Regulations provides greater consistency and certainty about whether a planning approval is needed for STRA proposals. They also introduce a consistent set of definitions for STRA to be used within all local government planning schemes in Western Australia, to ensure that STRA is treated as a specific type of land use, distinct from 'traditional accommodation' such as hotels, motels and serviced apartments.
24. The *Planning and Development (Local Planning Schemes) Amendment (Short-Term) Rental Accommodation Regulations 2024* published September 2024 provide consistent definitions for the proposal being:

short-term rental accommodation —

(a) means a dwelling provided, on a commercial basis, for occupation under a short-term rental arrangement; but
(b) does not include a dwelling that is, or is part of, any of the following —

- (i) an aged care facility as defined in the Land Tax Assessment Act 2002 section 38A(1);*
- (ii) a caravan park;*
- (iii) a lodging-house as defined in the Health (Miscellaneous Provisions) Act 1911 section 3(1);*
- (iv) a park home park;*
- (v) a retirement village as defined in the Retirement Villages Act 1992 section 3(1);*
- (vi) workforce accommodation;*

unhosted short-term rental accommodation means short-term rental accommodation that —

- (a) is not hosted short-term rental accommodation; and*
- (b) accommodates a maximum of 12 people per night;*

25. If an unhosted STRA operator within the Perth metropolitan intends to rent out a property on a permanent basis (over 90 days within any 12-month period), development approval from the local government is required prior to the STRA use commencing.
26. An exemption from the requirement to obtain development approval applies within the Perth metropolitan area where unhosted STRA is leased for 90 nights or less (non-consecutive) within a 12-month period, as per the date of registration.

27. The landowner is aware of the 90-night exemption available but seeks Council approval for full time use in accordance with the registration requirements and in accordance with orderly and proper planning.

APPLICABLE LAW

28. *Planning & Development Act 2005*
29. *Planning & Development (Local Planning Scheme) Regulations 2015*
30. *Planning & Development (Local Planning Schemes) Amendment (Short -Term Rental Accommodation) Regulations 2024*
31. *State Planning Policy 3.7 Planning in bushfire prone areas*
32. *Guidelines for Planning in Bushfire Prone Areas*
33. *State Planning Policy 3.7 Bushfire September 2024 (deferred implementation 18 November 2024)*
34. *Planning for Bushfire Guidelines September 2024 (Deferred Implementation 18 November 2024)*

APPLICABLE POLICY

35. Planning for Tourism and Short-term Rental Accommodation Guidelines 2023.
36. City of Kalamunda Tourism Development Strategy 2019 – 2025 identifies Welshpool Road East (WRE) as the ‘Gateway to the Hills’ providing easy access “up-the-hill”. The proposal is noted for its proximity to WRE and the adjacent Whistlepipe Gully, Lesmurdie Fall, Lions Lookout, Hartfield Golf club etc.
37. City of Kalamunda Economic Development Strategy identifies a shortage in accommodation offering to support the potential growth in overnight visitors.
38. Local Planning Policy 11 – Public Notification of Planning Proposals
The application was advertised as a Complex Application in line with the policy provisions. This is discussed further below.

39. Local Planning Policy 29 – Un-Hosted Holiday Houses
In accordance with LPP29, the proposal must demonstrate acceptable impact in relation to the existing amenity:

a) Maintenance of existing streetscape. Sites which propose parking on the verge or road pavement are not able to demonstrate acceptable impact;

An existing double carport will be available for parking.

The management plan identifies that all guest vehicles are to be parked within the property and in the designated parking area. The management plan states that guest vehicles are not to be parked on the verge.

b) The generation of traffic. Sites which require access via a shared access are not able to demonstrate acceptable impact;

Access to the site will be from the existing crossover which is individual to the property.

c) Noise and antisocial behaviour. Short Term Accommodation proposals which do not include an Operational Management Plan are not able to demonstrate acceptable impact; and

The management plan stipulates that guests are required to emit minimal noise.

The house rules reminding the guests of noise requirement will be displayed on site.

Guest screening will be undertaken by the advertising platform prior to confirming a booking.

A component of the security bond is held to incentivise the guests to be mindful of the noise requirements.

The management plan has a process for addressing complaints including noise and any antisocial behaviour.

The House rules also outline that parties are not permitted on this premises.

STAKEHOLDER ENGAGEMENT

40. **Public Advertising**

Pursuant to Local Planning Policy 11, the application was advertised for a period of 28 days from 3 May 2024 to 31 May 2024 via the following methods:

- a) A notice on the City of Kalamunda's website
- b) A sign on site
- c) Letters to surrounding landowners

d) Letters to relevant external agencies.

41. A total of 6 submissions were received during the consultation period. Five (5) submissions of objection were received along with one (1) submission from a Statutory Agency (DFES) requesting additional information to support the application. Refer to Attachment 4 which provides details of the submissions, with the applicants and City's responses to each submission.

FINANCIAL CONSIDERATIONS

42. The proposal has the capacity to provide local employment in the tourism sector through direct employment (cleaners etc.) likely within the suburb and indirect employment in other tourism operations within the wider Kalamunda such as restaurants and service providers.
43. An approval of the proposal is unlikely to impact on the viability of any existing services within the Kalamunda area given the visitors will need similar services and facilities as a full-time resident.
44. An approval of the proposal has the capacity to facilitate future growth of tourism operations outside tourism seasons within the hills area. The proximity of facilities within easy access may encourage word-of-mouth advertising to Perth residents seeking a local tourism option.

SUSTAINABILITY

45. **Social**
An accommodation facility will contribute to meeting the current and future demands of the City's population by creating opportunities to address identified shortfalls in the tourism accommodation area.
46. **Economic**
The proposal has the capacity to create job opportunities in the operation management and wider community sector contribution to employment self-sufficiency.
47. **Environment**
The property management requirements for a publicly accessible facility will provide onsite and neighbourhood amenity benefits. The proximity of the tourism accommodation to local environmentally significant facilities will provide amenity for visitors and an increase in volume of visitors to sustain tourism services.

RISK MANAGEMENT

48.	Risk: The proposed land use will lead to increased noise and traffic which will be an unacceptable outcome for adjoining residents.		
	Consequence	Likelihood	Rating
	Moderate	Almost Certain	High
	Action/Strategy		
	Note the concerns that have been raised through the advertising period Condition of approval regarding management strategies will serve to safeguard on going neighbourhood amenity. The City will be able to enforce the conditions of approval.		

CONCLUSION

- 49. The application has been considered against the State and local planning framework and is considered consistent with the planning framework. The impact of the development can be – and is proposed to be managed by conditions of development approval.
- 50. Officers recommend that Council approves the application subject to conditions.

Voting Requirements: Simple Majority

RECOMMENDATION

That Council APPROVE Development Application (DA24/0128) at Lot 180 (No. 26) Marri Crescent, Lesmurdie, in accordance with Clause 68(2)(b) of the Deemed Provisions of the *Planning and Development (Local Planning Schemes) Regulations 2015*, subject to the following conditions and advice:

Conditions:

1. The development must be carried out in accordance with the stamped approved plan(s)/drawing(s) and document(s) (including any recommendations made) listed below, stamped and returned to the applicant with this decision notice, including any amendments to those plans as shown in red.

Plan No.	Title	Revision	Date	Prepared by
	Site Plan	-	04/04/2024	PAR Property Development Consultants
	Elevations		04/04/2024	PAR Property Development Consultants

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2. All parking associated with the Unhosted short-term rental accommodation must be contained onsite to the satisfaction of the City of Kalamunda.
3. Within 90 days of the date of this decision interconnected hard wired smoke alarms must be installed near every bedroom to the satisfaction of the City of Kalamunda.

Advice notes:

1. All development must comply with the provisions of Council's Local Planning Scheme No 3, Health Regulations, Building Code of Australia, and all other relevant Acts, Regulations and Local Laws.
2. The operation/development is to comply with the Environmental Protection (Noise) Regulations 1997.
3. Within 90 days of the date of this decision the applicant is required to obtain a building permit from the City's Building Services addressing all the requirements of Class 1b in accordance with the National Construction Code.
4. It is recommended that the owner register for the City of Kalamunda emergency alert texts <https://www.kalamunda.wa.gov.au/residents/prepare/city-sms-register>

10.2. Asset Services Reports

10.2.1. Roads Asset Management Plan 2024

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

Previous Items	OCM 130/2012; 157/2016; 79/2017; 125/2017; 140/2017; 129/2018; 184/2018
Directorate	Asset Services
Business Unit	Asset Planning and Delivery
File Reference	HU-PAA-013
Applicant	N/A
Owner	N/A
Attachments	1. Roads Asset Management Plan 2024 (1) [10.2.1.1 - 75 pages]

TYPE OF REPORT

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

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 3: Kalamunda Develops

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

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

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

EXECUTIVE SUMMARY

1. The purpose of this report is for Council to endorse the updated City of Kalamunda (City) Road Asset Management Plan 2024 (RAMP).
2. This RAMP is an update of the previous plan endorsed in 2018, following a five-yearly review process. The RAMP assets are valued at a total Gross Replacement Cost (GRC) of \$378 million.

3. The predicted average annual funding required for future years are:

	Roads	Car Parks	Bus Shelters
Renewal	\$6,632,771	\$447,844	\$228,334
Maintenance	\$2,060,000	\$92,000	\$30,000
Operation	\$420,000	\$6,486	

4. It is proposed Council note the Road Asset Management Plan 2024 and that the proposed funding levels are to be considered for inclusion in the City’s Long Term Financial Plan.

BACKGROUND

5. The City is required to undertake Integrated Planning and Reporting requirements as its plans for the future in line with the requirements of the *Local Government Act 1995*. Key actions include the Strategic Community Plan, the Corporate Business Plan, and informing strategies such as Asset Management Plans.

DETAILS AND ANALYSIS

6. This Roads Asset Management Plan (RAMP) covers the following subjects:
 - a) Current Status of Assets;
 - b) Level of Service;
 - c) Life Cycle Management;
 - d) Risk Management;
 - e) Future Demand;
 - f) Financial Summary; and
 - g) Improvements, Monitoring, and Review.

7. The City manages 627.3 km of roads, 965.4 km of kerbs, three road bridges, 174 bus shelters, 226,004 square meters of car parks, and 109 road safety barriers.
8. The average condition rating of road assets (on a scale of 1 to 5, with 1 being very good) is:
 - a) Roads- Surface (2.76), Pavement (2.23);
 - b) Kerb (1.92);
 - c) Road Bridges (2);
 - d) Bus Shelters (2.36);
 - e) Car Parks- Surface (2.35), Pavement (2.1); and
 - f) Road Safety Barriers (1.94).
9. The condition rating of the assets was undertaken using the visual condition rating method of the entire road network, resulting in a high level of confidence in the data set.
10. "Level of Service" is a phrase used in asset management to reflect the service the assets provide to the community. The City conducted a community consultation in 2023 to understand the expectation of asset levels of service, 80% of respondents stated that they are satisfied with the existing road surface condition, and traffic treatments and intersections to control and slow traffic are in acceptable conditions.
11. The RAMP considers the growth in population, development, and the forecast impact of climate change on road assets.
12. The RAMP addresses fair value, key performance indicators, current funding levels, funding gap analysis, and different funding scenarios. The preferred funding scenarios have been selected and recommended funding increases proposed.
13. The Roads AMP will be reviewed again in four years. During this period the following tasks will inform a revised plan:
 - a) Develop a maintenance management plan to include routine defects, inspection intervals, service standards (for example quality and timeliness of repairs), and performance measures.
 - b) The city implementing an Enterprise Resource Planning (ERP) system should improve the use of a new asset management system with maintenance management including mobile capacity for field crews conducting condition assessment and raising work orders linking with existing or new assets.
 - c) Continue to progress the Main Roads WA Road re-classification of Canning Road, Welshpool Road East, and Abernethy Road.

- d) Develop a Kalamunda Moving Strategy which will include a major roads functional classification review aimed at improving access and safety.

APPLICABLE LAW

- 14. *Local Government Act 1995*

APPLICABLE POLICY

- 15. The Roads AMP has been prepared in line with Council Policy Service 4: Asset Management.

STAKEHOLDER ENGAGEMENT

- 16. Asset Management Plans are informed by a “levels of service” process which is the result of a community consultation process. The consultation undertaken to provide direction to the Roads AMP was through the 2023 Community Satisfaction Surveys and Asset Levels Service consultation via online questionnaire.

FINANCIAL CONSIDERATIONS

- 17. The City's current Long Term Financial Plan forecast integrates with the predicted annual average funding required for future years.
- 18. The predicted average annual funding required for future years are:

	Roads	Car Parks	Bus Shelters
Renewal	\$6,632,771	\$447,844	\$228,334
Maintenance	\$2,060,000	\$92,000	\$30,000
Operation	\$420,000	\$6,486	

19.

	Current Annual Renewal Allocation	Predicted Annual Cost	Annual Predicted Gap
Roads	\$3,748,158	\$6,632,771	\$2,884,612
Bus Shelters	\$70,000	\$228,334	\$156,600
Car parks	\$222,933	\$447,844	\$224,910
	Annual Average Maintenance Expenditure (2020-2023)	Predicted Annual Cost	Annual Predicted Gap
Roads	\$1,715,000	\$2,060,000	\$345,000
Bus Shelters	\$25,000	\$30,000	\$5000
Car Parks	\$76,000	\$92,000	\$16,000
	Annual Average Operation Expenditure (2020-2023)	Predicted Annual Cost	Annual Predicted Gap
Roads	\$350,000	\$420,000	\$70,000
Car Parks	\$5,400	\$6,486	\$1,086

20.

Key Performance Indicators:

- a) The Asset Consumption Ratio (ACR) measures the fair value of the assets compared to the replacement cost of the assets. The recommended practice is that a ratio of 0.5 to 0.75 is maintained over the long term. All the assets (roads, bus shelter, and car parks) calculated ratio is within the range.
- b) The Asset Sustainability Ratio (ASR) measures the renewal or replacement rate against the rate of financial depreciation of assets. The calculated ASR for Roads and Carparks are 81% and 85%, which is lower than the standard target range of 90% - 100%. The ASR is currently lower than the guidelines suggest because the ASR does not cope with long-life assets for an asset class with uneven age distribution, a common problem with the ratio for many local governments; and
- c) The Asset Renewal Funding Ratio (ARFR) measures the ability of the City to fund its asset renewal/ replacement program within the long-term financial plan. The calculated ARFR for Roads and Carparks are 0.57 and 0.73 which is lower than the standard ratio which is between 75% and 95%. This indicates that the current allocated funding needs to be increased.

SUSTAINABILITY

- 21. Maintaining the standard of roads using recycled materials like crumb rubber in road resurfacing will continue to support promoting eco-friendly materials, and the reduction of greenhouse gas emissions and waste in landfill sites.

RISK MANAGEMENT

22.	Risk: The lack of effective planning for the future renewal of assets leads to inefficient annual budgeting and less than optimal application of rate-payer funds.		
	Consequence	Likelihood	Rating
	Moderate	Almost Certain	High
	Action/Strategy		
	Continue to improve practices, program funding for renewals, and engage with the community on levels of service.		

CONCLUSION

- 23. Increase the funding for the renewal, maintenance, and operation cost of road assets (surface, pavements, and road equipment), bus shelters, and car parks.
- 24. Continue to optimise grant funding opportunities with appropriate planning and analysis work.

Voting Requirements: Simple Majority

RECOMMENDATION

That Council:

- 1. ENDORSE the Roads Asset Management Plan 2024.
- 2. NOTE that future levels of funding be considered within the Long-Term Financial Plan.

10.3. Corporate Services Reports

10.3.1. Corporate Business Plan - Quarterly Update - July to September 2024

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

Previous
Items

Directorate	Corporate Services
Business Unit	Director Corporate Services
File Reference	3.009509
Applicant	City of Kalamunda
Owner	City of Kalamunda

Attachments	1. Quarterly Corporate Plan Report July- September 2024 [10.3.1.1 - 60 pages]
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TYPE OF REPORT

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

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

EXECUTIVE SUMMARY

1. The purpose of this report is to provide Council with the progress on the City of Kalamunda's (City) achievement against "Kalamunda Achieving: Corporate Business Plan 2023-2027" for the period July to September 2024.
2. On average, actions from the Corporate Business Plan are 35.4% complete at the end of the first quarter, 30 September 2024.
3. It is recommended that Council note the quarterly report for the Corporate Business Plan for the period July to September 2024.

BACKGROUND

4. Kalamunda Achieving: Corporate Business Plan 2023-2027 (CBP) was endorsed by Council at the Special Council Meeting on 26 June 2023.
5. A new Corporate Business Plan for 2024-2028 is currently under review. Any changes made to the CBP and adopted by Council will be reported on in the next quarter.
6. The CBP outlines the major projects, including capital works and operational recurrent services for the City. It then links those projects and services to the Asset Plans, Long Term Financial Plan and Workforce Plan.
7. The CBP is a component of the City of Kalamunda's integrated planning and reporting framework.

DETAILS AND ANALYSIS

8. The CBP is comprised of 4 Strategic Priority areas, being:
 1. Kalamunda Cares and Interacts
 2. Kalamunda Clean and Green
 3. Kalamunda Develops
 4. Kalamunda Leads
9. There are 125 individual actions set out within the CBP. Progress reporting is provided as Attachment 1 to this report.
10. The report reflects the management progress report against the work schedule for each of the individual actions, as at 30 September 2024.

- 11. The CBP actions are on average 35.4% complete. The average target at the end of the final quarter is 23.8%, indicating that progress, on average, is ahead of schedule. The average target is less than 25% because some actions commence later in the year, so the target for the current quarter is 0%.

APPLICABLE LAW

- 12. All local governments are required, by legislation, to develop a Corporate Business Plan to fulfil the statutory obligations of section 5.56 of the *Local Government Act 1995 (WA)*, which is effectively the City’s ‘plan for the future’.
- 13. The *Local Government (Administration) Regulations 1996* provides detail as to the content of the Corporate Business Plan.

APPLICABLE POLICY

- 14. Nil.

STAKEHOLDER ENGAGEMENT

- 15. This report reflects input from Directors and Managers throughout the City.
- 16. Various external stakeholders and community members have been involved in the achievement of the CBP.

FINANCIAL CONSIDERATIONS

- 17. This plan is delivered within the City’s approved Annual Budget and Long-Term Financial Plan.

SUSTAINABILITY

- 18. Nil.

RISK MANAGEMENT

19.	Risk: The City lacks transparency in its achievement of the statutory requirements of the Corporate Business Plan leading to reputational impacts		
	Consequence	Likelihood	Rating
	Moderate	Unlikely	Low
	Action/Strategy		
	Quarterly reports are provided to Council of progress against the CBP and are publicly available		

CONCLUSION

20. The City is working to carry out the actions listed in the Corporate Business Plan. On average, actions from the Corporate Business Plan are 35.4% complete at the end of the first quarter of 2024/2025.

Voting Requirements: Simple Majority

RECOMMENDATION

That Council NOTE the quarterly report for the Kalamunda Achieving: Corporate Business Plan 2023-2027 for the period July to September 2024.

10.4. Community Services Reports

No reports presented.

10.5. Office of the CEO Reports

10.5.1. Schedule of Council Meetings - 2025

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

Previous Items	OCM 170/2023
Directorate	CEO's Office
Business Unit	Governance
File Reference	
Applicant	City of Kalamunda
Owner	City of Kalamunda

Attachments	1. 2025 Schedule of Council Meeting Dates [10.5.1.1 - 1 page]
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TYPE OF REPORT

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

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

EXECUTIVE SUMMARY

1. The purpose of this Report is to consider the setting of Ordinary Council (OCM) and Public Agenda Briefing Forum (PABF) meeting dates for the 2025 calendar year.
2. The current meeting cycle adopted by Council in 2019 provides for the PABF to be held on the second Tuesday of each month and the OCM on the fourth Tuesday, with no meetings scheduled in January.
3. It is recommended Council set the dates for meetings of the PABF and OCM as detailed in the Schedule (Attachment 1).

BACKGROUND

4. Section 5.4 (b) of the Local Government Act 1995 (the Act) provides for the Council to call OCM's and Section 5.25 (1) (g) of the Act and Regulation 12 of the *Local Government (Administration) Regulations 1996* requires at least once every year a local government is to give local public notice of the dates, time and place for OCM and committee meetings required to be open to members of the public.

DETAILS AND ANALYSIS

5. The current meeting structure and cycle has now been in operation for several years and appears appropriate in meeting the operational and strategic direction of Council and the needs of the community, with no major issues for either Council or the community.
6. It has been the custom of the City for no meetings to be scheduled in January and the meetings for December be brought forward by one week.
7. Additionally, the proposed meeting schedule for October 2025 has been amended to accommodate the 2025 local government elections, with the PABF scheduled for the first Tuesday and OCM proposed for the second Tuesday.
8. A schedule of proposed meeting dates for the 2025 calendar year has been prepared taking into account the current practice for the scheduling of meetings (Attachment 1).

APPLICABLE LAW

- 9. Section 5.4 (b) of the Act provides for the Council to call OCM’s.
- 10. Section 5.25 (1) (g) of the *Local Government Act 1995* provides for the giving of public notices of the date and agenda for council or committee meetings.

APPLICABLE POLICY

- 11. N/A

STAKEHOLDER ENGAGEMENT

- 12. As this report recommends no change to current meeting structure or cycle, no stakeholder engagement has been undertaken.

FINANCIAL CONSIDERATIONS

- 13. Acceptance of the recommendation will not result in any additional expenditure being incurred to that already included in the current or 2025/26 budget.

SUSTAINABILITY

- 14. N/A.

RISK MANAGEMENT

15.	Risk: Council does not approve a schedule of meetings as required by the legislation.		
	Consequence	Likelihood	Rating
	Moderate	Unlikely	Low
	Action/Strategy		
Ensure the council meets its legislative obligations by adopting a schedule of meetings.			

CONCLUSION

- 16. As per current practice no meetings have been scheduled for January 2025 and the meetings for December and October be brought forward by one week.

Voting Requirements: Simple Majority

RECOMMENDATION

That Council SET the dates for meetings of the Public Agenda Briefing Forums and Ordinary Council Meetings for 2025 as detailed in the Schedule (Attachment 1).

10.6. Chief Executive Officer Reports

10.6.1. Monthly Financial Statements to 31 October 2024

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

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

Attachments	<ol style="list-style-type: none"> 1. Statement of Financial Activity for four months ended 31 October 2024 [10.6.1.1 - 1 page] 2. Statement of Net Current Funding Position as at 31 October 2024 [10.6.1.2 - 1 page] 3. Statement of Financial Position as at 31 October 2024 [10.6.1.3 - 1 page] 4. 2024-25 Budget Amendment Application 2024 [10.6.1.4 - 1 page]
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TYPE OF REPORT

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

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

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

EXECUTIVE SUMMARY

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

BACKGROUND

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

DETAILS AND ANALYSIS

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

FINANCIAL COMMENTARY

Draft Statement of Financial Activity by Nature and Type for four months ended 31 October 2024

7. This Statement reveals a net result surplus of \$53,637,190 compared to the budget for the same period of \$42,953,362 resulting in a variance of \$10,683,829. This is largely due to a higher opening surplus of \$8,711,043 than budgeted \$40,990 which matches to the recently completed audited financial statements for 2023/24. The balance of the variance is primarily comprised of the operating activities variance of \$3,392,775 and a variance of \$1,409,043 in investing activities offset by an adverse variance from financing activities worth \$2,788,040.

Operating Revenue

8. Total Revenue including rates is over budget by \$130,291. This is made up as follows:
- a) Rates generation is trending along the budget with a minor variance of \$175,016 mainly due to the raising of interim rates to October 2024 worth \$107,997 and the balance due to UV valuation changes not incorporated when the budget was modelled.
 - b) Operating Grants, Subsidies and Contributions are also trending along the budget with a minor variance of \$103,263 only. The variance is mainly due to Workers Compensation.
 - c) Profit on asset disposal is under budget by \$563,332 as certain land parcels earmarked for sale have not yet proceeded. This is deemed a timing difference.
 - d) Fees and Charges are over budget by \$355,704. The variance is attributable to the Rates administration charges for instalment plans \$103,032, Statutory Planning Service – Development Fee higher than budget by \$78,243 and Environmental Health Fee – Supervision fees collection being higher than budget by \$71,466.
 - e) Interest income is trending along the budget and the variance is below the reporting threshold.
 - f) Other Revenue is above budget by \$134,708, and the variance is mainly due to discount in software licences that the City has been able to negotiate that was not budgeted otherwise.
 - g) Ex-Gratia Rates Revenue is tracking lower than budget by \$104,884 due to timing variance in relation to the Ex-Gratia Rates due from the Dampier Bunbury Gas Pipeline.

Operating Expenditure

9. Total expenditure is under budget by \$3,391,906. The significant variances within the individual categories are as follows:
- a) Employment Costs are under budget by \$915,398 which is due to minor delays in the recruitment of new and vacant positions across several business units. Hiring activity is currently being undertaken to fill various vacant positions.
 - b) Materials and Contracts are under budget by \$1,905,753. The variance is mainly due to the timing of invoices for waste services, building maintenance and infrastructure maintenance costs.
 - c) Utilities are tracking below budget with a variance of \$50,436 mainly due to Parks and Reserves Utility expense has been below budget by \$40,804.
 - d) Depreciation, although a non-cash cost, is tracking under budget by \$561,171 due to estimated depreciation being recorded pending adjustments to be posted after roll-over of the Asset Management System (Assetic) to 2024-25 planned in November now that the audit for 2023-24 is finalised.
 - e) Interest expense is above budget by \$9,288 due to interest recorded on lease is higher than the budgeted, and Insurance is over budget by \$82,095 with higher than budgeted insurance expense of \$47,656 on buildings.
 - f) Other expenditure is under budget by \$50,528 mainly due to \$33,742 budgeted donations have not been paid out yet.

Investing Activities

Non-operating Grants and Contributions

10. The non-operating grants and contributions is under budget by \$1,899,791. This is mainly due to the timing difference of receipts of grants for capital works projects and the project delivery.

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

In addition to the above, the City recently has completed the audit for the LRCIP and R2R programmes which should result in the release of funds related to these programmes.

Capital Expenditure

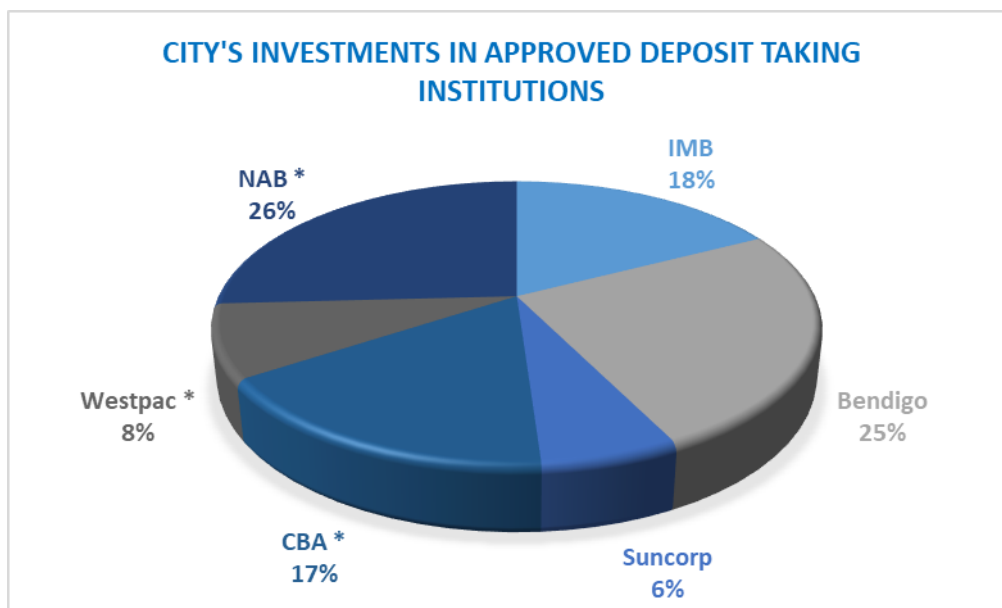
- 11. The total Capital Expenditure on Property, Plant, Equipment, and Infrastructure Assets (excluding Capital Work in Progress) is under budget by \$3,279,829. Phasing of the projects is being reviewed to better align the expenditure with the budget. The City is working through some large projects which are in various stages on tendering.

Financing Activities

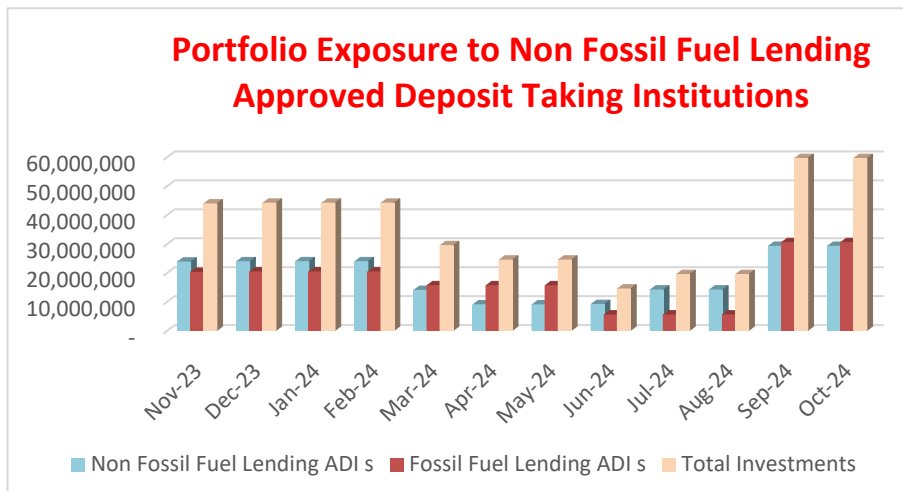
- 12. The amounts attributable to financing activities show an adverse variance from budget by \$2,788,040 which is mainly due to the timing difference of reserve transfers that are usually made towards the year end.

Statement of Net Current Funding Position as of 31 October 2024

- 13. The commentary on the net current funding position is based on a comparison of October 2024 to the October 2023 actuals.
- 14. Net Current Assets (Current Assets less Current Liabilities) total \$85.3 million. The restricted cash position is \$36.3 million which is higher than the previous year's balance of \$23.9 million due to transfers from Reserves normally occurring in the later part of year once the bulk of the Capital Works programme has been delivered for the financial year.
- 15. The following graph indicates the financial institutions where the City has investments as of 31 October 2024. Investments yields are between 4%-5.5% depending on length of deposits.



*Financial Institutions with Investments in the Fossil Fuel Industry



- 16. Rates debtors are currently \$16.5 million, further details are contained in the Rates Report to Council.
- 17. Sundry debtors have decreased from \$505,332 to \$376,658 of which \$164,072 consist of current debt due within 30 days. Details are contained in the Debtors and Creditors Report to Council.
- 18. Receivables Other represent \$5.0 million including:
 - a) Emergency Service Levy receivables \$2.4 million.
 - b) Receivables Sanitation \$1.4 million.
- 19. Provisions for annual and long service leave have slightly decreased \$6,489 from \$4.60 million to \$4.583 million when compared to the previous year.

Proposed Budget Amendments

- 20. Attachment 4 lists a range of budget amendments which are proposed due to operational reasons.

The net impact is \$7.8m reductions in budgets comprised of:

- a) Reference 2024.11-1 - The original budget has been utilised in the past few months with a series of asset failures to various buildings. The funds will assist to get the urgent works completed. The impact will be a further drawdown on the Land & Property Enhancement Reserve.
- b) Reference 2024.11.2 to 7 – Deferred budgets amounting to \$11.3M for various capital works projects in line with amended revised forecast spend provided by Asset Delivery team. The impact will be reduced transfers from reserves, recognition of grants and deferred loan borrowings.

- c) Reference 2024.11.8 – Land Acquisition worth \$3.5M allowed for in line with confidential report in October approved by Council. The funds are planned to be drawn from the Land Development Reserve.

APPLICABLE LAW

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

APPLICABLE POLICY

22. Nil.

STAKEHOLDER ENGAGEMENT

Internal Referrals

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

External Referrals

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

FINANCIAL CONSIDERATIONS

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

SUSTAINABILITY

Social Implications

26. Nil.

Economic Implications

27. Nil.

Environmental Implications

28. Nil.

RISK MANAGEMENT

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

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

CONCLUSION

31. The City's Financial Statement as of 31 October 2024 reflects the 2023-24 audited opening surplus position.

Voting Requirements: Absolute Majority

RECOMMENDATION

That Council

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

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

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

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

Previous Items	N/A
Directorate	Corporate Services
Business Unit	Financial Services
File Reference	FI-CRS-002
Applicant	N/A
Owner	N/A
Attachments	<ol style="list-style-type: none"> 1. Creditor Payments for the Period ended 31 October 2024 - (Public) [10.6.2.1 - 15 pages] 2. Corporate Credit Card Payments 28 August to 25 September 2024 - (Public) [10.6.2.2 - 3 pages] 3. Corporate Credit Card Payments 27 July to 27 August 2024 - (Public) [10.6.2.3 - 3 pages] 4. Summary of Debtors for the month of October 2024 [10.6.2.4 - 2 pages] 5. Summary of Creditors for month of October 2024 [10.6.2.5 - 1 page]
Confidential Attachments	<ol style="list-style-type: none"> 1. Creditor Payments for the Period ended 31 October 2024 - (Confidential) 2. Corporate Credit Card Payments 28 August to 25 September 2024 - (Confidential) 3. Corporate Credit Card Payments 27 July to 27 August 2024 - (Confidential)

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

TYPE OF REPORT

Advocacy	When Council is advocating on behalf of the community to another level of government/body/agency
Executive	When Council is undertaking its substantive role of direction setting and oversight (e.g., accepting tenders, adopting plans and budgets)
Information	For Council to note
√ Legislative	Includes adopting Local Laws, Town Planning Schemes, and Policies. When Council determines a matter that directly impacts a person's rights and interests where the principles

of natural justice apply. Examples include town planning applications, building licenses, other permits or licenses issued under other Legislation, or matters that could be subject to appeal to the State Administrative Tribunal

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

EXECUTIVE SUMMARY

1. The purpose of this report is to provide Council with details of payments made from Municipal and Trust accounts together with outstanding debtors and creditors for the month of October 2024.
2. The report provides details of payments made from the Municipal and Trust Fund Accounts for the month of October 2024. There are no details included for employee purchases via purchasing cards for the month of October as the payments are out of cycle. The following month will have 2 cycles in the listing.
3. It is recommended that Council receive the list of:
 - a) payments made from the Municipal and Trust Fund Accounts for the month of October 2024.
 - b) payments made by employees via purchasing cards from 27 July to 25 September 2024.

The above list is in accordance with the requirements of the *Local Government (Financial Management) Regulations 1996* (Regulation 13 & 13A); and

- c) the outstanding debtors and creditors reports for the month of October 2024.

BACKGROUND

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

6. Effective from 1 September 2023 under *Local Government (Financial Management) Regulations 1996* (Regulation 13A)
If a local government has authorised an employee to use a credit, debit or other purchasing card a list of payments made using the card must be prepared each month showing the following information for each payment made since the last list was prepared.
- a) The payee's name
 - b) The amount of the payment
 - c) The date of the payment
 - d) Sufficient information to identify the payment.

DETAILS AND ANALYSIS

Debtors

7. Sundry debtors as of 31 October were \$376,658. This includes \$167,247 of current debts and \$3,175 unallocated credits (excess or overpayments).
8. Invoices over 30 days total \$22,722 including the following debts of significance:
- a) Hills District Callisthenics, \$5,768 for Hall Hire; and
 - b) Kalamunda Chamber of Commerce \$3,335 for Reserve Hire.
9. Invoices over 60 days total \$15,180 including the following debts of significance:
- a) N-Com Pty Ltd \$15,490 for Lease Fees.
10. Invoices over 90 days total \$174,054, including the following debts of significance:
- a) Ready Tech \$165,000 for Settlement Costs;
 - b) Summerside Soft Serve \$1,092 for Health Services fee; and
 - c) Two Groupers Fish Supply \$1,092 for Health Services fee.

Creditors

11. Payments totalling \$5,789,076.70 were made during the month of October 2024. Standard payment terms are 30 days from the end of the month, with local businesses and contractors on 14-day terms.

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

Supplier	Purpose	\$
Cleanaway	Waste / recycling & bulk bin disposal services fees	960,238.95
City of Cockburn	Disposal of general waste from the weekly residential waste collection	725,120.71
LGIS WA	Instalment of LGIS Insurance - workers compensation and excess motor insurance claim	639,564.68
Australian Taxation Office	PAYG Payments	434,332.82
Kalamunda Electrics	Electrical repairs / maintenance for various locations	276,398.16
Aware Super Pty Ltd	Superannuation contributions	215,001.41
Catalytic IT	IT Hardware - Network Switch replacement	177,739.43
Synergy	Power charges	157,963.16
State Wide Turf Services	Turf supplies / maintenance for various locations	133,636.24
Christou Design Group Pty Ltd	Progress Payment - design services for High Wycombe Community HUB	128,331.50
Resource Recovery Group (Southern Metropolitan Regional Council)	Waste & Recycling disposal services fees	99,947.85
Contraflow	Traffic management for various locations	90,279.75
Carabiner Architects Pty Ltd	Final payment - design services - Hartfield Park Master Plan Stage 2 - FRT2309 - AFL pavilion & carpark component	79,188.13
OCE Corporate Pty Ltd - Office Cleaning Experts	Cleaning services / consumables for various locations	69,937.39
SirsiDynix Pty Ltd	Software maintenance	59,966.67

These payments total \$4,247,646.85 and represent 73% of all payments for the month.

Payroll

13. Salaries are paid in fortnightly cycles. A total of \$1,475,200.08 was paid in net salaries for the month of October 2024.

14. Details are provided in Confidential Attachment 1 after the creditors' payment listing.

Trust Account Payments

15. The Trust Accounts maintained by the City of Kalamunda (City) relate to the following types:
- a) CELL 9 Trust;
 - b) Public Open Space funds,
 - c) NBN Tower Pickering Brook Trust
16. There were no payments were made from the Trust Accounts in October 2024.

APPLICABLE LAW

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

APPLICABLE POLICY

19. Debt Collection Policy CEO Direction 5.5.
20. Register of Delegations from Council to CEO.

STAKEHOLDER ENGAGEMENT

Internal Referrals

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

External Referrals

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

FINANCIAL CONSIDERATIONS

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

SUSTAINABILITY

24. Nil.

RISK MANAGEMENT

Debtors

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

Creditors

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

CONCLUSION

27. Creditor payments are within the normal trend range.

Voting Requirements: Simple Majority

RECOMMENDATION

That Council:

1. RECEIVE the list of payments made from the Municipal Accounts for the month of October 2024 (Confidential Attachment 1) in accordance with the requirements of the *Local Government (Financial Management) Regulations 1996* (Regulation 13).

2. RECEIVE the list of payments made from 27 July to 27 August 2024 and 28 August to 25 September using Corporate Purchasing Cards (Confidential Attachment 2 & Confidential Attachment 3) in accordance with the requirements of the *Local Government (Financial Management) Regulations 1996* (Regulation 13A).
3. RECEIVE the outstanding debtors and creditors reports (Attachments 4-5) for the month of October 2024.

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

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

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

TYPE OF REPORT

Advocacy	When Council is advocating on behalf of the community to another level of government/body/agency
√ Executive	When Council is undertaking its substantive role of direction setting and oversight (e.g. accepting tenders, adopting plans and budgets)
Information	For Council to note
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STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

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

EXECUTIVE SUMMARY

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

2. The City of Kalamunda (City) levied rates for 2024/2025 on 1 July 2024. The amount collectable (excluding deferred rates balance of \$1,154,816) as of 31 October 2024 was \$49,182,960. This balance includes, initial billing, interims and the brought forward balance from 2023/24. Collections to date stand at \$32,875,501.

BACKGROUND

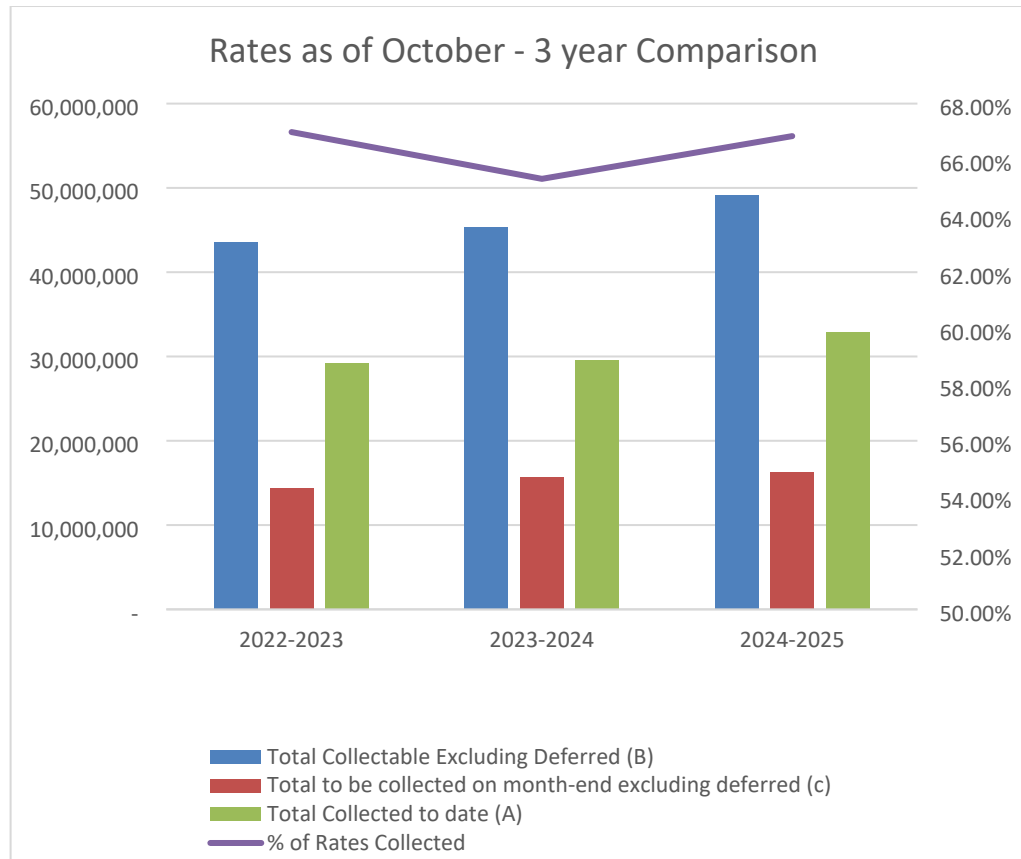
3. Rate Notices were issued on 16 July 2024 with the following payment options available:

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

DETAILS AND ANALYSIS

4. A total of 24,024 notices were issued on 16 July 2024. This consisted of 20,072 mailed rates notices, and 3,509 of eRates notices (12% take-up saving more than \$5,600 in postage and printing).
5. As of 31 October 2024, rates Levied and collectable for the 2024/2025 Financial Year is total \$49,182,960 (excluding deferred rates), with collections standing at \$32,875,501. With 1st instalment, which was due on 20 August 2024 now completed, the City is now able to identify all properties in default, that is, they have not paid in full, selected an instalment option or entered a payment arrangement with the City. Debt collections activity has commenced from September 2024 with reminder notices sent out.
6. The above collection of \$32,875,501 represents a collection rate of 66.84% which is comparable to the previous year of 65.32%. For your reference, below is a chart comparing the October collection rates for the last three years.

7.



8.

From the above chart the following observations are made:

- a) The quantum of collectable and collected is higher in 2024/25 than previous year because the base amount is higher each year.
- b) It is noted the amount collected is back to 2022/23 year end levels. The City now has a stable Rates Team with seasoned professionals who are actively managing the debt outstanding.
- c) The % collectable at 31 October 2024 is 33.16% which will be a point of focus for the Rates Team to work towards. In this regard, work is being done to review and update the City's collection and hardship policies and procedures including reviewing its contractual obligations with the City's debt collection agency prior to going legal on defaults identified.
- d) The City sent out "final notices" in September 2024 which will be followed up with General Procedure Claims in November 2024. There are approximately 1,131 properties who are in default (see further details in point 10, below).

9.

The interim rating has commenced for 2024/2025. To 31 October 2024 \$107,997 has been raised for the interim rating Revenue.

10. The first instalment due date was 20 August 2024. The following observations should be noted:
- a) A total of 13,125 properties representing 54% of the total number of rateable properties were noted to have paid in full or were in credit.
 - b) A total of 9,352 ratepayers have taken up an instalment option or have entered a payment arrangement. This is a decrease of 3.16% from 2023/2024 where 9,657 chose an instalment option or a payment arrangement.
 - c) The balance of properties who have not paid in full or not chosen to pay by instalments or have not entered into a payment arrangement, are technically regarded as “in default”. There are 1,131 properties in this category. The City has sent out “final notices” in September which will be followed by a call/SMS campaign.

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

Option	Description	2024/25 Number	2023/24 Number
Option 2 on Rates Notice	Two instalments	1,763	1,732
Option 3 on Rates Notice	Four instalments	6,397	6,880
Direct Debit	Pay by direct debit	1,052	941
Payment Arrangement	Pay by payment Arrangement	140	104
Total	Ratepayers on payment options	9,352	9,657

11. Call recording software has been utilised in the Rates Department since 2015, primarily for customer service purposes, as it allows calls to be reviewed for training and process improvement purposes. For the period 1 Oct 2024 to 31 Oct 2024, there was a total of 604 calls, equating to 24.44 hours of call time.

APPLICABLE LAW

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

APPLICABLE POLICY

13. The City’s rates collection procedures are in accordance with the Debt Collection Policy CEO Direction 5.5.

STAKEHOLDER ENGAGEMENT

Internal Referrals

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

External Referrals

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

FINANCIAL CONSIDERATIONS

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

SUSTAINABILITY

Social Implications

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

Economic Implications

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

Environmental Implications

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

RISK MANAGEMENT

21.

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

CONCLUSION

22. The current year collection rate is 66.84% compared to 65.84% last year. The City continues to effectively implement its rate collection strategy.

Voting Requirements: Simple Majority

RECOMMENDATION

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

11. Motions of Which Previous Notice has been Given

11.1. Food Organics and Garden Organics (FOGO) Services

MOTION

Voting Requirements: Simple Majority

That Council

1. ACKNOWLEDGE the adoption of the three-bin FOGO waste system has been difficult and disruptive for some of our City of Kalamunda's families.
2. ACCEPT the provision of a second general waste bin at \$245 per year (or \$145 where 'exceptional circumstances' apply), is too expensive for many households during a cost-of living-crisis.
3. DIRECT the Chief Executive Officer to investigate and present back to Council through a Strategic Briefing by the end of February 2025, with all options in which the City of Kalamunda could change the system (whilst upholding our grant and contractual terms and conditions) to make it easier for the City of Kalamunda to meet its residents' waste needs, including but not limited to:
 - (a) A larger general waste bin;
 - (b) A weekly pickup of the general waste bin, instead of fortnightly; and/or
 - (c) An ability to choose between the skip bin system and additional waste services.

Moved: Cr David Modolo

Seconded:

Vote:

Rationale:

1. Since its introduction in September/October 2024, there have been many complaints from residents who are clear in saying that the new waste management regime does not meet their needs.

2. Common themes to residents' complaints include the need for the City to justify why we cannot have a larger general waste bin, or have the smaller general waste bin collected fortnightly.
3. Despite being aware that there is an ability to procure a second general waste bin, at a cost of \$245 per year (or \$145 where 'exceptional circumstances' apply), many residents have deemed this to be unaffordable and have suggested the City's policy is affecting those most vulnerable in our community.
4. The City's tenants are being unfairly treated under the new system. For example, because the fees for an additional bin are added to the rates, tenants require the consent of the landlord to obtain an additional bin, and the landlord has complete discretion to grant or refuse that consent.
5. It is important that Council is properly informed about the City's position with respect to our obligations under the State Waste Strategy, Better Bins Grants and its Waste Management Services Tender, with the CEO to present back to Council through a Strategic Briefing by end of February 2025, with all options to Council with assurances that we have looked into every option possible. With the Christmas period approaching, a February report briefing is suggested as providing City staff with enough time to carry out its investigation.

Officer Comment:

Officers can investigate and present back to Council through a Strategic Briefing Session in February the options as requested.

12. **Questions by Members Without Notice**
13. **Questions by Members of Which Due Notice has been Given**
14. **Urgent Business Approved by the Presiding Member or by Decision**
15. **Meeting Closed to the Public**

- 16. Tabled Documents**
DRAFT LEMC MINUTES 29 AUGUST 2024 MEETING
Public Agenda Briefing Forum - Notes - 12 November 2024

- 17. Closure**