

## MINUTES OF ORDINARY MEETING OF COUNCIL

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Held on

**24 April 2019**

Commencing at 5.00pm

Kirup Hall

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A handwritten signature in black ink, appearing to read "BGR" followed by a flourish.

**Ben Rose**  
**Chief Executive Officer**

**26 April 2019**

### **Disclaimer**

The advice and information contained herein is given by and to the Council without liability or responsibility for its accuracy. Before placing any reliance on this advice or information, a written inquiry should be made to the Council giving entire reasons for seeking the advice or information and how it is proposed to be used.

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## MINUTES OF ORDINARY MEETING OF COUNCIL

24 APRIL 2019

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SHIRE OF DONNYBROOK BALINGUP  
MINUTES OF ORDINARY MEETING OF COUNCIL

Held at the Kirup Hall  
Wednesday, 24 April 2019 at 5.00pm

**1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS**

**Shire President – Acknowledgment of Country**

The Shire President acknowledged the traditional custodians of the land, the Noongar People, paying respects to Elders, past and present.

The Shire President declared the meeting open at 5.03pm and welcomed the public gallery.

**Shire President – Public Notification of Recording of Meetings**

The Shire President advised that the Council meeting will not be digitally recorded this month as the Kirup Hall does not have audio recording facilities.

**2 ATTENDANCE**

**COUNCIL MEMBERS**

**MEMBERS PRESENT**

<b>COUNCILLORS</b>	<b>STAFF</b>
Cr Piesse (President)	Ben Rose – Chief Executive Officer
Cr Atherton	Steve Potter – Executive Manager Operations
Cr King	Alan Thornton – Manager Corporate Services
Cr Lindemann	Bob Wallin – Manager Development Services
Cr Mills	Tom Omond – Acting Manager Works and Services
Cr Mitchell	Stuart Eaton – Finance Officer
Cr Wringe	Jaimee Earl – Acting Executive Assistant
Cr Tan	

**PUBLIC GALLERY**

30 members of the public were in attendance.

**2.1 APOLOGIES**

Nil.

**2.2 APPROVED LEAVE OF ABSENCE**

Cr van der Heide has been granted a leave of absence from the April 2019 Council Meeting.

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### **2.3 APPLICATION FOR A LEAVE OF ABSENCE**

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Nil.

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## **3 ANNOUNCEMENTS FROM PRESIDING MEMBER**

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The Shire President acknowledged the tremendous efforts of the committees involved in organising the Balingup Small Farm Field Day and the Donnybrook Apple Festival held recently. The Balingup Small Farm Field Day hosted record sales and Donnybrook was very busy over the duration of the Easter long weekend.

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## **4 DECLARATION OF INTEREST**

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Division 6: Sub-Division 1 of the *Local Government Act 1995*. Care should be taken by all Councillors to ensure that a financial/impartiality interest is declared and that they refrain from voting on any matter, which is considered to come within the ambit of the Act.

Cr Piesse declared an interest affecting impartiality regarding agenda item 9.6.1 – Working Group for Donnybrook Sporting and Recreation Masterplan as he is a member of the Donnybrook Football Club.

Cr Wringe declared an interest affecting impartiality regarding agenda item 9.6.1 – Working Group for Donnybrook Sporting and Recreation Masterplan as her son is a member of the Donnybrook Football Club.

Cr Atherton declared an interest affecting impartiality regarding agenda item 9.6.1 – Working Group for Donnybrook Sporting and Recreation Masterplan as he is a life member and committee members of the Donnybrook Football Club.

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## **5 PUBLIC QUESTION TIME**

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### **5.1 RESPONSES TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**

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Question taken on notice by email received 9 April 2019:

***Mr Dennis Cortis***

I due to my age and fitness I have embarked on downsizing my property, it is becoming too much for me to handle. I have now successfully at great cost, “many tens of thousands of dollars” subdivided this property into three lots. This of course, at no cost, benefit the Shire by me having to pay three lots of rates. This was expected and somewhat fair.

What I do object to is the payment of the Waste Management Levy. As the two vacant lots don't generate any waste, I can't see the point in charging me for it. I think it is grossly unfair for me to pay for a service that I am not receiving.

To clarify matters I have looked at the Shire website to understand what the Waste Management Levy actually is? Very little explanation at all, so I am none the wiser.

**Chief Executive Officer**

Council Policy 6.5 (Waste Management Levy Exemption) enables levy exemptions to be applied to properties that meet specific, pre-determined criteria, upon application by the landowner. The Shire has received your application for exemption and is processing the exemption/s available to you under this policy.

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**5.2 PUBLIC QUESTION TIME**

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*Chris Bilby*

*The Shire's Principal Planner agreed to the majority of the Kirup Progress Association (KPA) proposal to relocate the milling equipment from Donnybrook Arboretum to Kirup Mill Park. Please explain the grounds for overlooking these comments in favour of the Friends of the Irishtown Arboretum?*

Chief Executive Officer

The proposal has neither been accepted or rejected; the item was withdrawn from this evening's agenda to allow the opportunity for the Friends of the Irishtown Arboretum to submit a written proposal and for Council to be presented with all the information and options at another Council Meeting in the near future.

*Chris Bilby*

*Please explain how meeting with the Friends of the Irishtown Arboretum and your recommendation to Council demonstrates impartiality?*

Chief Executive Officer

The agenda item has simply been postponed to seek further information before being presented back to Council. There is no issue of partiality or impartiality – the issue centres on full and correct information being presented to the Council in order to make an informed decision.

*Elaine Pattullo*

*The KPA initiative has been killed off with bias. Please explain what the Shire will offer Kirup?*

Chief Executive Officer

I don't agree with the wording used in your question. Nothing has been 'killed off', in fact, no decision has been made as yet; the item has just been withdrawn and will be presented to Council at a later date once the Shire has more information.

*Elaine Pattullo*

*Do you think the personal matter of a resident and influencer being awarded freemasons is grounds for rejecting the KPA proposal?*

Chief Executive Officer

Mr Tuia has received Honorary Freemanship of the Shire – this is a local government accolade and nothing to do with the Freemasons. The KPA proposal has not been rejected, the item has been deferred and will be presented to Council in the near future once the Shire has all the

available information and a can ensure a decision can be made in the best interests of all Shire ratepayers.

*Alan Walker*

*Can you arrange an A-frame sign for future Kirup ANZAC Day Services, and can the Shire provide a flag pole to fly the Indigenous Flag as voted at the last KPA meeting?*

Chief Executive Officer

I will investigate these options.

*Ron Rees*

*The KPA proposal went through a process including advertising for public submissions. Why is the Shire not following this process and terminated the item late yesterday?*

Chief Executive Officer

The Friends of the Irishtown Arboretum requested a meeting at 3pm yesterday to make a verbal proposal regarding refurbishment the Arboretum including the milling equipment. I have requested this proposal in writing from the group so details can be provided to Council. The item has not been 'terminated' – it has simply been deferred in order to collect more information in order that the Council may make an informed decision on the matter.

*Louisa Warburton-Rees*

*I have recently opened a small business and I realise a decision has not yet been made on the item but believe it would be great for Kirup to have a collective tourist attraction at Mill Park. Kirup has the best coffee and freshest fruit and vegetables within the Shire. What does Council have in mind for future tourism opportunities in Kirup?*

Chief Executive Officer

I am aware the KPA has completed a strategic vision exercise and would like to see the prioritised list of ideas. The Shire will continue to maintain its services and delivery in Kirup and is also working with the mine at Greenbushes (Talison) to develop economic opportunities. The Shire is constantly reviewing its policies to ensure they are user friendly and accommodate growth and development, including in and around Kirup.

*Peter Howell*

*There is no signage at the new section of the Upper Capel Road at the Kirup end which has dangerous bends. Is signage going to be installed? If so, when?*

Chief Executive Officer

Unfortunately we do not have any information on that at this stage but will investigate and provide you with an answer.

*Derek Louw*

*Has Council followed correct processes in withdrawing the item regarding relocating the milling equipment to Kirup?*

Chief Executive Officer

This was not an arbitrary decision. Discussions were held with Councillors at the Agenda Briefing last week. Items can be amended or withdrawn from the agenda at the CEO's discretion until the Council Meeting commences.

*Derek Louw*

*The Arboretum has been abandoned for some time. Kirup is the home of timber milling in the Shire. This equipment is the only milling equipment found anywhere and the KPA are requesting it be relocated to be properly restored and maintained as a tourist attraction for the Shire. There is an opportunity to preserve the Tuia memorial and move the equipment to Mill Park. I hope an amicable solution can be reached.*

Shire President

Rotary and Apex have put money into the park in the past but we are aware it does need 'TLC'. I assure you this momentum in Kirup does not go unnoticed and the Shire commends the KPA for their work.

*Pam Ucich*

*A noise complaint has been made to the Shire regarding an event held close to our property recently. We received no communication from the event organiser and it appears other conditions that were applied by the Shire were not met. What has been put in place to prevent events such as this in the future?*

Chief Executive Officer

The "Camp Doog" event was held the same weekend as the Balingup Small Farm Field Day. Conditions in the event approval were the requirement to advise nearby residents, along with adhering to noise requirements. The Shire will not be entertaining this group at this location for any future events.

*Carol Proctor*

*When are neighbours supposed to be notified of events? Pam was 1km away and I could hear the event all weekend from my property further away. Why was a camping event allowed during a total fire ban? There was smoke seen at the property.*

Chief Executive Officer

Thank you for your information and feedback. I am not aware of the exact timeframe to notify affected residents but I assume at least seven days. It is the event organiser's legal obligation to undertake this process, therefore they were in breach of their approval. They are required to comply with bushfire and emergency management planning and no fires were to be lit. The Shire's Principal Environmental Health Officer visited the event on three separate occasions over the weekend and we are aware that there were other provisions not adhered to.

*Tony Scaffidi*

*Presented a statement in question time.*

Shire President

Advised that Mr Scaffidi's statement was not a question and kindly asked Mr Scaffidi to take his seat.

*Barry Green*

*Regarding Item 9.6.3, are Councillors aware of my local radio business and the stories told about WA people?*

Shire President

Councillors and the Shire are aware of your radio station's offerings. Please feel free to make a presentation to Council in the future or leave any information.



*Barry Green*

*Does the newly developed Communications Plan take into account the community radio and Preston Press?*

Chief Executive Officer

The social media policy is chiefly (although not solely) focused on how the Shire will administer social media; not on resolving what media and communications channels the Shire should use. I note your comments and it is not our intention to move away from any particular media channels. I also note we have discussed setting up a regular Council wrap-up segment on the radio.

*Wendy Kurz*

*Given the KPA is an incorporated body with governance and transparency including providing minutes on a public website, does Council have any criteria for governance of the group opposing our proposal. Is it going to be a requirement that minutes of their discussions and any proposals are accessible to the public?*

Chief Executive Officer

I cannot comment on the governance arrangements of the 'Friends of the Irishtown Arboretum' group, however, I do note that they are not opponents to either the Kirup Progress Association or the Mill Park project. When the item is presented to Council, it will have any relevant attachments included in the agenda papers which are available to the public. I have asked the Friends of the Irishtown Arboretum group to submit a written proposal.

*Wendy Kurz*

*Does this group have the capacity to carry forward their proposal?*

Chief Executive Officer

This is a fair question to be asked if the proposal can be substantiated. This matter will form part of the consideration of the overall topic by the staff and Council.

*Gary Smitherman*

*Is there reference to a streetscape plan for Kirup – does one exist?*

Manager Development Services

There are plans for Donnybrook and Balingup, however during my time I have not come across one for Kirup.

Chief Executive Officer

There was historically townscape committees for Balingup and Donnybrook, with a budget allocation for Kirup (although no Committee). We will investigate and advise.

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## **6 PRESENTATIONS**

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### **6.1 PETITIONS**

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Nil.

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## **6.2 PRESENTATIONS**

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Nil.

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## **6.3 DEPUTATIONS**

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Mr Chris Bilsby, Kirup Progress Association made a deputation to Council regarding the withdrawn item 'Request to Relocate Milling Equipment to Mill Park, Kirup'.

Cr Mills left the meeting at 6.09pm and returned at 6.12pm.

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## **6.4 DELEGATES REPORTS**

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Nil.

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## **7 CONFIRMATION OF MINUTES**

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### **7.1 ORDINARY MEETING OF COUNCIL – 27 MARCH 2019**

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Minutes of the Ordinary Meeting of Council held 27 March 2019 are attached (*attachment 7.1*).

### **COUNCIL DECISION 26/19**

**Moved Cr Wringe    Seconded Cr Lindemann**

**That the Minutes from the Ordinary Meeting of Council held 27 March 2019 be confirmed as a true and accurate record.**

**CARRIED 8/0**

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### **7.2 SPECIAL AUDIT COMMITTEE MEETING - 27 MARCH 2019**

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Minutes of the Special Audit Committee Meeting held 27 March 2019 are attached (*attachment 7.2*).

### **COUNCIL DECISION 27/19**

**Moved Cr Wringe                      Seconded Cr Tan**

**That the Minutes from the Special Audit Committee Meeting held 27 March 2019 be received.**

**CARRIED 8/0**

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## **8 REPORTS OF COMMITTEES**

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Nil.

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## **9 REPORTS OF OFFICERS**

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### **Adoption by Exception:**

#### **COUNCIL DECISION 28/19**

**Moved: Cr Atherton**

**Seconded: Cr King**

**That the following items be carried En Bloc:**

**9.1.2 – Monthly Financial Report**

**9.2.1 – Name Change of Shire Roads – Portion of Bentley Road / Morgan Road and Chapman Street, Donnybrook**

**9.4.1 – Request to Authorise Planning Application for four lights at Balingup Tennis Club – Lot 100 South Western Highway, Balingup**

**9.4.2 – Request to Nominate for Position on Steering Group for Bunbury-Wellington Sub-Regional Strategy**

**9.6.2 – Balingup Tennis Club Hard Courts**

**9.6.3 – Working Group for Economic Development Strategy**

**CARRIED 8/0**

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### **9.1 MANAGER CORPORATE SERVICES**

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#### **9.1.1 ACCOUNTS FOR PAYMENT**

The Schedule of Accounts Paid (*attachment 9.1.1*) under Delegation (No 3.1) is presented to Council for information.

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#### **9.1.2 MONTHLY FINANCIAL REPORT**

The Monthly Financial Report for February 2019 is attached (*attachment 9.1.2*).

#### **COUNCIL DECISION 29/19 (Executive Recommendation)**

**Moved Cr Atherton**

**Seconded Cr King**

**That the monthly financial report for the period ended 28 February 2019 be received.**

**CARRIED 8/0 by En Bloc Decision**

### 9.1.3 MID YEAR REVIEW OF THE 2018/19 ANNUAL BUDGET

<b>Location</b>	Shire of Donnybrook Balingup
<b>Applicant</b>	Ben Rose, Chief Executive Officer
<b>File Reference</b>	FNC 04/1
<b>Author</b>	Alan Thornton, Manager Corporate Services
<b>Attachments</b>	9.1.3(1): 2018/19 Budget Review
<b>Voting Requirements</b>	Absolute Majority
<b>Executive Summary</b>	The 2018/19 Budget Review is presented to Council for consideration for adoption.

#### STRATEGIC ALIGNMENT

The following outcomes from the Corporate Business Plan 2017-22 relate to this proposal:

<b>Outcome</b>	<b>Strategy</b>	<b>Action No.</b>	<b>Actions</b>
Outcome 4.2 – A respected, professional And trusted organisation.	Effective and efficient operations and service provision	4.2.1.2	Seek a high level of legislative compliance and effective internal controls.
		4.2.1.3	Monitor and measure organisational performance.
		4.2.1.4	Demonstrate sound financial planning and management, including review / expenditure review and revenue diversification strategies and long term financial planning.

#### BACKGROUND

Council management completed a comprehensive review of the 2018/19 Annual Budget (attachment 9.1.3(1)) in March 2019. This review generally consisted of the following:

- Comparison of the actual year to date (YTD) amounts to the budget for each line item of operating and capital revenue and expenditure.
- Projecting the actual YTD to the end of the financial year and compared this with the Annual Budget to determine if the line item remains within budget.
- Identifying any material events or changes that may impact on Council finances.
- Flagged incomplete projects and unspent grants to be carried forward into future budgets.
- Identified any offsetting increases in revenue or reduction in expenditure that will reduce major variations.

#### DETAILS

The 2018/19 budget remains within overall original estimates. Management forecasts the end of year surplus of \$268,356. Material variances attributing to the forecast surplus are detailed in the budget review report (Note 2: Budget Amendments).

Projects that remain incomplete at 30 June will carry forward into the next financial year.

#### CONSULTATION

Not applicable.

## **FINANCIAL IMPLICATIONS**

Budget Review Report details material variances from the Adopted Budget (Note 2 - Budget Amendments). As a result of the review, staff forecast a surplus of \$268,356 at 30 June 2019.

## **POLICY COMPLIANCE**

Not applicable.

## **STATUTORY COMPLIANCE**

Regulation 33A of the Local Government (Financial Management) Regulations 1996 states:

- (1) Between 1 January and 31 March in each financial year a local government is to carry out a review of its annual budget for that year.*
- (2A) The review of an annual budget for the financial year must –*
  - (a) consider the local government's financial performance in the period beginning on 1 July and ending no earlier than 31 December in that financial year; and*
  - (b) consider the local government's financial position as at the date of the review; and*
  - (c) review the outcomes for the end of that financial year that are forecast in the budget.*
- (2) Within 30 days after a review of the annual budget of a local government is carried out it is to be submitted to the council.*
- (3) A council is to consider a review submitted to it and is to determine\* whether or not to adopt the review, any parts of the review or any recommendations made in the review.*  
*\* Absolute majority required*
- (4) Within 30 days after a council has made a determination, a copy of the review and determination is to be provided to the Department.*

## **CONCLUSION**

Council authorisation is sought to adopt the 2018/19 budget review.

## **COUNCIL DECISION 30/19 (Executive Recommendation)**

**Moved Cr Atherton            Seconded Cr Wringe**

**That Council:**

- 1. Adopt the 2018/19 Budget Review, as attached; and**
- 2. Carry any surplus into the 2019/20 Annual Budget Reserve Accounts.**

**CARRIED 8/0 – ABSOLUTE MAJORITY VOTE ATTAINED**

**9.2 MANAGER WORKS AND SERVICES**

**9.2.1 NAME CHANGE OF SHIRE ROADS – PORTION OF BENTLEY ROAD / MORGAN ROAD AND CHAPMAN STREET, DONNYBROOK**

<b>Location</b>	Shire of Donnybrook Balingup
<b>Applicant</b>	Steve Potter, Executive Manager Operations
<b>File Reference</b>	RD 0002 RD 0063 WRK 12/2
<b>Author</b>	Damien Morgan, Manager Works and Services
<b>Attachments</b>	9.2.1(1): Map Reference
<b>Voting Requirements</b>	Simple Majority
<b>Executive Summary</b>	<p>The report seeks Council endorsement;</p> <ul style="list-style-type: none"> <li>• For the renaming of the far western portion of Bentley Road (currently sign posted as Bentley Street) to Elma Lane. Bentley Street to cease at Shire Reserve (R22543) and Morgan Road to commence at this location. Chapman Street name (unconstructed road reserve) to be archived.</li> <li>• For the CEO to implement the installation of new street name signage for all affected roads/streets.</li> <li>• For the CEO to write to all landowners and relevant stakeholders impacted by the name change advising them of Council's Resolution.</li> </ul>

**STRATEGIC ALIGNMENT**

The following outcomes from the Corporate Business Plan relate to this proposal:

<b>Outcome</b>	<b>Strategy</b>	<b>Action No.</b>	<b>Actions</b>
2.1 An attractive and maintained built environment	2.1.1 Maintain, renew and improve infrastructure within allocated resources	2.1.1.4	Maintain attractive town sites within resource capacity
4.2 A respected, professional and trusted organisation	4.2.1 Effective and efficient operations and service provision	4.2.1.1	Maintain effective and efficient policies, planning, operating procedures and practices

**BACKGROUND**

The Shire of Donnybrook Balingup (the Shire) has received advice from local residents highlighting issues with the road names associated with Bentley Street/Road and Morgan Road, Donnybrook.

The Shire acknowledges the far western portion of Bentley Road, including the small tag road is currently incorrectly sign posted as Bentley Street, and that duplication of address numbers are causing various issues.

## DETAILS

Shire staff have liaised with Landgate on how to best rectify this situation, who have advised they do not support the duplication of road names and considers the use of both Bentley Street and Bentley Road as a duplication with the potential risk of confusing emergency and other services needing to locate correct property addresses.

Landgate has recommended, as per map attachment 9.2.1(1), the following;

1. **Bentley Street** to cease at the far western end of what is locally known as the 'Trotting Track Shire Reserve' R22543.  
(This will not affect any properties as property addressing already reflects this)
2. **Morgan Road** will commence at the location above.  
(This will not affect any properties as property addressing already reflects this)
3. **Bentley Road** tag (far western portion of Bentley Road, currently incorrectly sign posted as 'Bentley Street') to be renamed using a unique name that will eliminate any road name and address number duplication with the approval of property owners.
  - This will affect five property addresses
  - Property owners will be required to update their residential address with service and insurance providers and on legal or other documentation that may require the change to be reflected. Rural Road Numbers will not require amending, as they already reflect the distance from the Morgan Road intersection.
4. **Chapman Street.** Landgate have also identified and recommended that the unconstructed road reserve on the northern side of Bentley Road which borders golf course Reserve 37012 and is currently named Chapman Street, be archived. This is due to name duplication within the Shire. This road reserve can be uniquely named through Landgate Geographic Naming at a later date if ever required.

## CONSULTATION

The five property owners on the affected portion of the far western end of Bentley Road (sign posted as Bentley Street) were formally consulted with on numerous occasions, and were given the opportunity to indicate their level of support for the renaming proposal and/or suggest a new proposed name with supporting historical or other information. Property owners were also informed, should the name be changed, that they would need to update their residential address with service and insurance providers as well as update any legal documentation that may require the change to be reflected.

No objections to the name change were received and several new name suggestions were put forward to Landgate for consideration, however most were not in accordance with Landgate's Policies and Standards for Geographical Naming in Western Australia, due to name duplication, similarity or using names of living persons.

With the majority of landowners support, the Shire put forward a Special Consideration Request to Landgate to use the name "Elma", in recognition of historical relevance.

- **Elma Lane** – in recognition of Elma Williams (nee Dawson) (dec), wife of Thomas Williams (dec). Pioneers of the area and original landowners along this section of road where the homestead remains today.

Special Consideration to use the name Elma was required due to name similarity within a 50km radius. The request was tabled at a Geographic Names Committee meeting on 7<sup>th</sup> March 2019 and the name Elma was approved as suitable for use in this instance.

#### **FINANCIAL IMPLICATIONS**

Cost of new street blades. Approximately \$80.00 each.

#### **POLICY COMPLIANCE**

Council has no policy on changing road names.

#### **STATUTORY COMPLIANCE**

Not applicable.

#### **CONCLUSION**

Officers are supportive of the proposed changes and recommend that Council provides its endorsement accordingly.

#### **COUNCIL DECISION 31/19 (Executive Recommendation)**

**Moved Cr Atherton            Seconded Cr King**

**That Council:**

- 1. Endorses the renaming of the far western portion of 'Bentley Road' (currently sign posted as Bentley Street) to 'Elma Lane' in accordance with Attachment 9.2.2(1).**
- 2. Endorses the cessation of 'Bentley Street' at Shire Reserve (R22543) and the commencement of 'Morgan Road' at this location in accordance with Attachment 9.2.2(1).**
- 3. Endorses the name 'Chapman Street' applicable to the unconstructed road reserve identified in Attachment 9.2.2(1) to be archived.**
- 4. Instructs the Chief Executive Officer to implement the installation of new street name signage for all affected roads/streets.**
- 5. Instructs the Chief Executive Officer to forward written correspondence to all landowners impacted by the name change(s) advising them of Council's decision.**

**CARRIED 8/0 – By En Bloc Decision**



## 9.2.2 PATHWAYS AND TRAILS EXPANSION STRATEGY

<b>Location</b>	Shire of Donnybrook Balingup
<b>Applicant</b>	Steve Potter, Executive Manager Operations
<b>File Reference</b>	WRK 01/3
<b>Author</b>	Damien Morgan, Manager Works and Services
<b>Attachments</b>	9.2.2(1): Draft Pathways and Trails Expansion Strategy Document
<b>Voting Requirements</b>	Simple Majority
<b>Executive Summary</b>	The report seeks Council endorsement of the Pathways & Trails Expansion Strategy

### STRATEGIC ALIGNMENT

The following outcomes from the Corporate Business Plan relate to this proposal:

Outcome	Strategy	Action No.	Actions
1.1 A diverse, prosperous economy, supporting local business and population growth	1.1.2 Provide appropriate infrastructure to support and enhance business	1.1.2.2	Provide appropriate local transport infrastructure
		1.1.2.3	Lobby State Government to upgrade and improve key/regional transport infrastructure
1.3 An attractive visitor and tourist destination	1.3.2 Provide, develop and maintain visitor infrastructure	1.3.2.1	Develop visitor and tourism infrastructure in line with the local tourism and visitors development and promotion strategy, within allocated resources
		1.3.2.2	Continue to seek funding to develop tourism infrastructure
2.1 An attractive and maintained built environment	2.1.1 Maintain, renew and improve infrastructure within allocated resources	2.1.1.2	Seek funding for development and renewal of infrastructure
		2.1.1.4	Maintain attractive town sites within resource capacity
3.2 Well supported community groups and facilities	3.2.1 Provide and maintain appropriate community facilities	3.2.1.1	Implement the Disability Access and Inclusion Plan
		3.2.1.3	Seek funding to maintain and develop community facilities
4.2 A respected, professional and trusted organisation	4.2.1 Effective and efficient operations and service provision	4.2.1.4	Demonstrate sound financial planning and management, including revenue/expenditure review and revenue

			diversification strategies and long term financial planning
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**BACKGROUND**

The Pathways and Trails Expansion Strategy (Attachment 9.2.2(1)) aims to provide a strategic direction for identifying, supporting, planning and developing new pathways and trails within the Shire of Donnybrook Balingup. The previous Pathways and Trails Strategy was adopted by Council in July 2017 and is due for review.

**DETAILS**

Pathways and Trails form an important part of the infrastructure of the Shire of Donnybrook Balingup and have resulted through various means including community requests, upgrading of existing infrastructure and new subdivision development.

To assist in identifying, supporting, planning and developing new pathways and trails, Officers have prepared the Pathways and Trails Expansion Strategy. The following areas are addressed in the strategy;

- Planning and Development
- Design
- Funding
- Access for all users
- Hierarchy definition and design standard for pathways and trails
- Prioritisation of works using a criteria scoring system
- List of recommendations to facilitate the implementation of the Pathways & Trails Expansion Strategy.

As the Strategy was adopted in 2017, only minor amendments have been required with this review. Within Attachment 9.2.2(1), officers have highlighted in yellow any of the significant changes from the 2017 document for Councillors information.

By adopting the reviewed Pathways and Trails Expansion Strategy, it provides a clear framework of how projects are assessed for consideration in future works programs, and will continue to assist with our external funding requests for future path and trail projects.

**CONSULTATION**

Not applicable.

**FINANCIAL IMPLICATIONS**

The Pathways and Trails Expansion Strategy recommends an annual minimum allocation of \$60,000 towards the construction of new pathways and trails. This is only a recommendation, and will be subject to final consideration through the annual budget process. Precise allocation will need to be resolved as part of the Roads and Pathways Asset Management Plan when presented to Council in the future.

**POLICY COMPLIANCE**

Not applicable.

**STATUTORY COMPLIANCE**

Not applicable.

**CONCLUSION**

The endorsement and implementation of the Pathways and Trails Expansion Strategy will provide a strategic direction for the development of new pathways and trails within the Shire of Donnybrook Balingup.

**AMENDMENT**

**Moved Cr Mitchell                      Seconded Cr Atherton**

**That Council endorse the revised Pathways and Trails Expansion Strategy as per attachment 9.2.2(1), subject to the definition for Trails be amended to ‘A pathway which may cater for hiking, walking, mountain biking, horse riding, motorcycles and other recreational activities’.**

**LOST 2/6**

**COUNCIL DECISION 32/19**

**(Executive Recommendation)**

**Moved Cr Mitchell                      Seconded Cr Lindemann**

**That Council endorse the revised Pathways and Trails Expansion Strategy as per attachment 9.2.2(1).**

**CARRIED 8/0**

**9.4 MANAGER DEVELOPMENT SERVICES**

**9.4.1 REQUEST TO AUTHORISE PLANNING APPLICATION FOR FOUR LIGHTS AT BALINGUP TENNIS CLUB - LOT 100 SOUTH WESTERN HIGHWAY, BALINGUP**

<b>Location</b>	Lot 100 South Western Highway, Balingup
<b>Applicant</b>	Balingup Tennis Club Inc
<b>File Reference</b>	A844
<b>Author</b>	Bob Wallin, Manager Development Services
<b>Attachments</b>	9.4.1(1): Location Plan
<b>Voting Requirements</b>	Simple Majority
<b>Executive Summary</b>	<ul style="list-style-type: none"> <li>• The proposal is to provide lighting for the tennis club;</li> <li>• It is recommended to authorise the;</li> <li>• The project has a cost of \$35,000. The majority of funding is provided by a community sports infrastructure grant.</li> <li>• Council approval is required to authorise the application.</li> </ul>

**STRATEGIC ALIGNMENT**

The following outcomes from the Corporate Business Plan relate to this proposal:

<b>Outcome</b>	<b>Strategy</b>	<b>Actions</b>
2.1 An attractive and maintained built environment	Maintain, renew and improve infrastructure within allocated resources	2.1.1.4 Maintain attractive town sites within resource capacity

**BACKGROUND**

Council has received an Application for Development Approval for the installation of four lights, mounted on eight metre poles to provide lighting to the tennis court at Lot 100 South Western Highway, Balingup which is the location of the Balingup Recreation Centre (Attachment 9.4.1(1)). The subject property contains the Recreation Centre building, the lawn bowls greens and tennis courts and is owned freehold by the Shire.

The proposal is presented to Council as the Chief Executive Officer does not have delegation to consider development on Shire managed land if the cost of development is in excess of \$20,000, with the proposed works being valued at \$35,000. The Shire (as landowner) is also required to authorise (sign) the development application prior to commencement of the assessment process.

## **DETAILS**

The Balingup Tennis Club Pty Ltd has been successful in obtaining a Community Sport Infrastructure Grant which will cover most of the cost of works. Officers understand the balance of the costs will be covered by the club and/or other funding bodies (if necessary).

The land is reserved “Parks and Recreation” under Local Planning Scheme 7 (LPS7) and therefore the proposed development is consistent with the intent of the reserve. The proposed works do not raise any town planning implications and as the proposed lighting will enable better use of the existing tennis courts, the proposal is supported by officers.

## **CONSULTATION**

Main Roads Western Australia will be consulted during the assessment process which is a requirement due to the subject lot fronting the South Western Highway.

## **FINANCIAL IMPLICATIONS**

The applicant has requested the waiving of planning fees. The Chief Executive Officer has delegation to assess this request under Delegation 7:16.

As the facility is a Shire asset, the ongoing maintenance of the lights shall become a Shire responsibility.

## **POLICY COMPLIANCE**

Not applicable.

## **STATUTORY COMPLIANCE**

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

Clause 62 requires all planning applications to be signed by the landowner.

Clause 67 provides a list of all matters that the local government can consider when assessing a planning application.

*Public Works Act 1902*

The proposal does not clearly qualify as “Public Works” as defined as defined in the *Public Works Act 1902*. On this basis, the proposal is not considered to be exempt from the planning application process.

## **CONCLUSION**

The proposal is generally considered reasonable and it is recommended that Council authorise the application so it can be formally assessed.

**COUNCIL DECISION 33/19  
(Executive Recommendation)**

**Moved Cr Atherton          Seconded Cr King**

**That Council:**

- 1. Authorises the Chief Executive Officer to sign a planning application for the installation of four lights for the tennis courts at Lot 100 South Western Highway, Balingup (Balingup Recreation Centre) in accordance with the plans contained in Attachment 9.4.1(1);**
- 2. Subject to no objections being received from Main Roads WA, authorise the Chief Executive Officer to approve the proposal subject to appropriate conditions.**

**CARRIED 8/0 – By En Bloc Decision**

## 9.4.2 REQUEST TO NOMINATE FOR POSITION ON STEERING GROUP FOR BUNBURY – WELLINGTON SUB-REGIONAL STRATEGY

<b>Location</b>	Bunbury-Wellington Sub-region – consisting of Bunbury, Capel, Dardanup, Harvey, Collie and Donnybrook Balingup
<b>Applicant</b>	Western Australian Planning Commission
<b>File Reference</b>	DEP 61A
<b>Author</b>	Bob Wallin, Manager Development Services
<b>Attachments</b>	9.4.2(1) – Terms of Reference
<b>Voting Requirements</b>	Simple Majority
<b>Executive Summary</b>	<ul style="list-style-type: none"> <li>• WAPC is seeking one elected member from each local government to participate on the Steering Group for the review of the Bunbury-Wellington Sub-regional Strategy;</li> <li>• The purpose of the Steering Group is to provide input to the Department of Planning, Lands and Heritage in undertaking the review.</li> <li>• The first meeting is scheduled for May 2019.</li> <li>• The Steering Group is anticipated to meet twice a year over the next 3 years.</li> </ul>

### STRATEGIC ALIGNMENT

The following outcomes from the Corporate Business Plan relate to this proposal:

<b>Outcome</b>	<b>Strategy</b>	<b>Actions</b>
1.1 A diverse, prosperous economy, supporting local business and population growth.	1.1.1 Promote, maintain and diversify investment in the district.	1.1.1.2 Represent the district's interests with key stakeholders.
2.3 A natural environment for the benefit of current and future generations.	2.3.1 Effective land use planning and management policies.	2.3.2.1 Review local planning policies.

### BACKGROUND

The Shire has been invited to nominate an elected member to participate on the Steering Group for the creation of the Bunbury-Wellington Sub-regional Strategy (Strategy).

In 1995, the Western Australian Planning Commission (WAPC) adopted the Bunbury Wellington Region Plan (BWRP) to guide land use planning for the sub-region.

In 2013, the WAPC published the Greater Bunbury Strategy (GBS) to guide the urban growth of the Greater Bunbury area. The GBS included the City of Bunbury and the Shires of Harvey, Dardanup and Capel, however did not include the Shire of Donnybrook Balingup. The GBS includes a five year review commitment and officers understand the DPLH will use the opportunity to review and combine both the BWRP and the GBS in preparing the Bunbury-Wellington Sub-regional Strategy (Strategy).

The Strategy review process provides opportunity to consider:

- the latest WA Tomorrow projections;
- land supply data;
- analysis of development constraints; and
- economic opportunities for the sub-region.

The Strategy area includes the following Local Governments:

- City of Bunbury;
- Shire of Capel;
- Shire of Collie;
- Shire of Dardanup;
- Shire of Donnybrook Balingup;
- Shire of Harvey; and
- Shire of Bridgetown-Greenbushes (restricted to Greenbushes and North Greenbushes only).

## **DETAILS**

The Bunbury-Wellington Sub-regional Strategy will guide zoning and development within the sub-region for a number of years and will inform future revisions of the Shire's planning documents including the Local Planning Strategy and Local Planning Scheme. It is therefore imperative that the Shire plays an active role in the development of the document to ensure the interests of our Shire are put forward.

To prepare the Strategy, a Steering Group will be formed with the objectives of:

- Providing general advice to the WAPC;
- Guiding preparation of the strategy, including defining a vision up to 2040;
- Providing advice when considering draft for advertising;
- Reviewing written submissions at a hearings meeting/s;
- Providing advice for review of submissions; and
- Providing advice to WAPC for consideration to adopt.

The Steering Group will be limited to 18 positions (including the chair). This includes one position for each local government. Attachment 9.4.2(1) provides more details regarding background, purpose, structure, objectives, status, member requirements, meetings, hearings and working groups.

Working Groups are to be established to support the Steering Group. Working Groups will have the purposes of:

- Preparing background information and data; and
- Identifying, considering and reporting to the Steering Group on relevant issues.

Five Working Groups are proposed to address:

- Environment;
- Economy;
- Urban settlement;
- Transport; and
- Utilities and services.



The Chief Executive Officer will appoint appropriate staff to each of the Working Groups, based on expertise and experience.

#### **CONSULTATION**

The draft Strategy will include a public advertising period. The Shire will be able to provide additional feedback and comments on the Strategy during this process.

#### **FINANCIAL IMPLICATIONS**

No direct financial implications will result from this project.

#### **POLICY COMPLIANCE**

Not applicable.

#### **STATUTORY COMPLIANCE**

The Steering Group is not a committee or sub-committee of the WAPC as it is not constituted under Schedule 2 of the Planning and Development Act 2005. The Steering Group is fully accountable to the WAPC and will be authorised to make recommendations to the WAPC.

#### **CONCLUSION**

The Strategy will have long term implications for the Shire of Donnybrook Balingup. On this basis, being involved in the Strategy formulation and providing guidance through the Steering Group and Working Group will ensure local interests are given due consideration in the planning process.

#### **COUNCIL DECISION 34/19**

**(Executive Recommendation)**

**Moved Cr Atherton          Seconded Cr King**

**That Council nominates Cr Wringe as the Shire of Donnybrook Balingup representative on the Bunbury-Wellington Sub-regional Strategy Steering Group.**

**CARRIED 8/0 – By En Bloc Decision**

**9.5 MANAGER AGED CARE SERVICES**

Nil.

**9.6 CHIEF EXECUTIVE OFFICER**

**9.6.1 WORKING GROUP FOR DONNYBROOK SPORTING AND RECREATION PRECINCT MASTERPLAN**

<b>Location</b>	Shire of Donnybrook Balingup
<b>Applicant</b>	Ben Rose, Chief Executive Officer
<b>File Reference</b>	PWF18T
<b>Author</b>	Sharon Upston, Manager Community Development
<b>Attachments</b>	Nil
<b>Voting Requirements</b>	Simple Majority
<b>Executive Summary</b>	Council to nominate a representative to participate in a Working Group to guide the development of a Masterplan for the Donnybrook Sporting and Recreation Precinct.

**STRATEGIC ALIGNMENT**

The following outcomes from the Corporate Business Plan relate to this proposal:

<b>Outcome</b>	<b>Strategy</b>	<b>Actions</b>
3.3 A safe and healthy community environment for all ages.	3.3.3 Support a safe, healthy and active community.	3.3.3.2 Review and implement the VC Mitchell Park and Balingup Recreation Centre Masterplans.

**BACKGROUND**

A Priority Action for 2018/19 is to review the VC Mitchell Park Masterplan (2009) in order to develop a Masterplan for the Donnybrook Sporting and Recreation Precinct.

The review will include extensive consultation with stakeholders and result in a long term plan for the precinct incorporating a range of passive and active recreation opportunities.

A Balanced View (ABV) Leisure Consultancy Services has been appointed to coordinate the review, following the Shire’s procurement policy.

There is an opportunity for Council to nominate representatives to participate in a Working Group to assist with the development of the Masterplan. This representative will champion the project, alongside key staff, and encourage clubs to contribute their feedback.

**DETAILS**

The purpose of the Working Group is to provide advice to Council with regards to the development of a long term, strategic Masterplan for the Donnybrook Sporting and Recreation

Precinct including the development of new infrastructure, lighting, landscaping and alternative passive and active community activities that are consistent with the intent of the area.

Representatives from all relevant sporting groups will be invited to participate in the Working Group, until such time as the Masterplan is adopted by Council.

The final Masterplan and Business Case will be presented to Council at a Concept Forum in Q3, 2019.

The Business Case will be presented to the State Government for consideration for co-funding in the lead up to the 2021 State election. Additionally, the Business Case can be used to support funding applications through grant streams such as Building Better Regions (Federal) and the Community Sport and Recreation Facilities Fund (State).

### **CONSULTATION**

As well as providing a structured framework to assist stakeholder engagement processes and development of the Masterplan and Business Case, the formation of a Working Group enables a transparent process with local stakeholder buy-in and 'ownership'.

The Working Group, to be coordinated by the Shire project team (led by Manager Community Development) is to comprise representatives of each involved sporting/recreation group, including:

- Donnybrook Tennis Club
- Donnybrook Basketball Association
- Donnybrook Football Club
- Donnybrook Netball Association
- Donnybrook Recreation Centre (facility manager, staff member)
- Any other sporting groups identified for inclusion through the consultation process.

### **FINANCIAL IMPLICATIONS**

The Shire of Donnybrook Balingup 2019-20 Budget has an allocation of \$25,000 for the development of the Masterplan.

A grant of \$12,000 has been secured from the Community Sport and Recreation Facilities Fund towards the project.

The fixed-fee cost (following Shire procurement policy) for the work is \$35,165.

### **POLICY COMPLIANCE**

Procurement Policy adhered to in appointing the consultant.

### **STATUTORY COMPLIANCE**

Not applicable.

### **CONCLUSION**

The Council welcomes constructive community input into the development of the Donnybrook Sporting and Recreation Precinct Masterplan.

**COUNCIL DECISION 35/19  
(Executive Recommendation)**

**Moved Cr Tan      Seconded Cr Atherton**

**That Council instruct the Chief Executive Officer to establish a Working Group for the Donnybrook Sporting and Recreation Precinct Masterplan project, incorporating, at a minimum:**

- 1. Two representatives from the Donnybrook Tennis Club; and**
- 2. Two representatives from the Donnybrook Basketball Association; and**
- 3. Two representatives from the Donnybrook Football Club; and**
- 4. Two representatives from the Donnybrook Netball Association; and**
- 5. The Donnybrook Recreation Centre Facility Manager;**
- 6. Shire staff, as required;**
- 7. Councillor Lindemann; and**
- 8. Shire President.**

**CARRIED 8/0**

## 9.6.2 BALINGUP TENNIS CLUB HARD COURTS

<b>Location</b>	Shire of Donnybrook Balingup
<b>Applicant</b>	Balingup Tennis Club
<b>File Reference</b>	FNC086
<b>Author</b>	Sharon Upston, Manager Community Development
<b>Attachments</b>	9.6.2(1): Letter from Balingup Tennis Club (25 March 2019)
<b>Voting Requirements</b>	Simple Majority
<b>Executive Summary</b>	The Balingup Tennis Club has requested funding towards three new hard courts.

### STRATEGIC ALIGNMENT

The following outcomes from the Corporate Business Plan relate to this proposal:

<b>Outcome</b>	<b>Strategy</b>	<b>Actions</b>
3.3 A safe and healthy community environment for all ages.	3.3.2 Promote retention of youth and families within the district.	3.3.2.2 Continue to provide and develop community facilities and services that appeal to youth and families.
3.3 A safe and healthy community environment for all ages.	3.3.3 Support a safe, healthy and active community.	Within resource capacity, maintain and develop sport and recreation facilities in line with sport and recreation masterplans.

### BACKGROUND

The Balingup Tennis Club has written to the Shire requesting funding assistance towards the development of three hard surface tennis courts, to replace existing lawn surface tennis courts.

The new hard courts will enable the community to play tennis over winter and be used by other sports (e.g. basketball).

The Club has asked that their request for financial assistance be considered as part of the Council's budget planning process for the 2019-20 financial year.

### DETAILS

The Shire has developed a long term asset plan for parks and reserves infrastructure that schedules asset expansion and preservation projects. This is documented in the Parks and Reserves Asset Management Plan (PRAMP), subject of Council consideration at this Ordinary Meeting, which is to be reviewed in Q3 each year (noting the next review is scheduled for Q3 2020, as the PRAMP's inaugural development has been in Q2 2019).

At that time, Council may re-prioritise identified works within the PRAMP. Reprioritising of works within the PRAMP may affect the calculated amount of the Annual Transfer to Reserve and therefore alter the budgetary effect.

### CONSULTATION

Nil.

## **FINANCIAL IMPLICATIONS**

The Balingup Tennis Club met with the Department of Local Government, Sport and Cultural Industries late last year, who advised the project is something they would consider for a grant to meet 1/3 of the cost.

The Club has requested the Shire contribute 1/3 of the cost with the remaining 1/3 met by the Club.

The total cost of the project is approximately \$108,000. The Club is requesting \$36,000 from the Shire, plus a waiver of planning fees. The cash component can be reduced by \$4,000 if the Shire removes the old grass courts. The Club advised that they have pledged of nearly \$20,000 and intend to fundraise up until construction is complete.

The current PRAMP identifies renewal of the current courts and fencing in 2031/32 at a future indexed cost of \$122,246.

The Club recently received a \$25,000 Community Sport and Infrastructure Grant for lighting. The Shire has been asked to waive the planning fee of \$147.

## **POLICY COMPLIANCE**

Nil

## **STATUTORY COMPLIANCE**

Not applicable.

## **CONCLUSION**

This is a request for recreational infrastructure, which should be considered and prioritised against other projects as part of the annual review of the PRAMP. It is not recommended to include the request in the 2019-20 budget planning process, without it first being identified in the PRAMP for the 2019-20 year. Reallocating the identified works from 2031/32 to 2019/20 will either require:

- An additional transfer of \$36,000 to Parks and Reserves reserve account (on top of the proposed ~\$300k transfer to reserves for 2019-20), and consequential de-allocation of the funding in 2031-32; or
- Re-prioritising reserve transfers projected for 2019-20 to allow for this cost.

## **COUNCIL DECISION 36/19**

**(Executive Recommendation)**

**Moved Cr Atherton          Seconded Cr King**

**That Council support the referral of the request from the Balingup Tennis Club for contribution funding towards hard surface tennis courts to the next review of the Parks and Reserves Asset Management Plan in Quarter 3, 2020.**

**CARRIED 8/0 – By En Bloc Decision**

### 9.6.3 WORKING GROUP FOR ECONOMIC DEVELOPMENT STRATEGY

<b>Location</b>	Shire of Donnybrook Balingup
<b>Applicant</b>	Ben Rose, Chief Executive Officer
<b>File Reference</b>	PWF 19J
<b>Author</b>	Sharon Upston, Manager Community Development
<b>Attachments</b>	Nil
<b>Voting Requirements</b>	Simple Majority
<b>Executive Summary</b>	Council endorse the formation of a Working Group to guide the development and implementation of an Investment Attraction and Marketing Strategy, including a Shire Investment Prospectus.

#### STRATEGIC ALIGNMENT

The following outcomes from the Corporate Business Plan relate to this proposal:

<b>Outcome</b>	<b>Strategy</b>	<b>Actions</b>
1.1 A diverse, prosperous economy, supporting local business and population growth.	1.1.1 Promote, maintain and diversify investment in the district.	1.1.1.1 Develop and implement a marketing and investment attraction strategy, including an Investment Prospectus.

#### BACKGROUND

A Corporate Business Plan action for 2018/19 is to “Develop and implement a marketing and investment attraction strategy, including an Investment Prospectus.” For the purpose of this report this will be referred to as Economic Development Strategy (the Strategy).

A consultant (RPS Group), via the WALGA preferred supplier panel, has been appointed to coordinate the work.

There is an opportunity for Council to invite representatives from key community, tourism, business and government organisations to assist with the development of this work.

#### DETAILS

The Strategy will primarily consist of economic research to develop an overarching vision, direction and actions for the Shire’s future economic development activities to attract new residents, visitors and investors.

There is potential for this research to be informed and guided by a Working Group, to ensure the final Strategy is grounded by local knowledge and context.

The Investment Prospectus will be a document that draws from the findings of the Strategy, that will promote the Shire’s key attributes and opportunities.

Collaboration with local business, tourism and community organisations will leverage the Shire’s future marketing efforts.

Potential Working Group members could include:

- South West Development Commission;
- Regional Development Australia – South West;
- Donnybrook Balingup Chamber of Commerce;
- Balingup Progress Association;
- Business Advisory South West and Peel;
- WALGA's economic development team member/s;
- Shire Council and staff representatives.

Representation on the Working Group could be extended to include:

- Real estate representative/s;
- Tourism representatives:
  - Bunbury Geographe Tourism Partnership;
  - Balingup and Districts Tourism Association;
  - Donnybrook and Regions Tourism Association;
- Promote Preston;
- Other special interest groups,

however, officers recommend the Working Group membership be kept at a 'workable' number, with representation at a strategic level, rather than a sector-specific level (which risks alienating any individual sector for lack of inclusion).

### **CONSULTATION**

As well as providing a structured framework to assist stakeholder engagement processes and development of the Economic Development Strategy, the formation of a Working Group enables a transparent process with local stakeholder buy-in and 'ownership'.

### **FINANCIAL IMPLICATIONS**

The Shire of Donnybrook Balingup 2019-20 Budget has an allocation of \$20,000 for the development of a marketing and investment strategy, including an Investment Prospectus.

### **POLICY COMPLIANCE**

Not applicable.

### **STATUTORY COMPLIANCE**

Not applicable.

### **CONCLUSION**

The Council welcomes constructive community input into the development of the Shire's Marketing and Investment Strategy, including an Investment Prospectus.



**COUNCIL DECISION 37/19  
(Executive Recommendation)**

**Moved Cr Atherton            Seconded Cr King**

**That Council instruct the Chief Executive Officer to establish a Working Group for the development of an Economic Development Strategy and supporting Investment Prospectus, to incorporate (where possible/available) membership from:**

- 1. South West Development Commission;**
- 2. Regional Development Australia – South West;**
- 3. Donnybrook Balingup Chamber of Commerce;**
- 4. Business Advisory South West and Peel;**
- 5. Bunbury Geographe Economic Alliance;**
- 6. WALGA's economic development team member/s;**
- 7. Key Shire staff;**
- 8. Councillor Atherton; and**
- 9. Shire President.**

**CARRIED 8/0 – By En Bloc Decision**

## 9.6.4 SOCIAL MEDIA AND COMMUNICATIONS POLICY AND PROCEDURE

<b>Location</b>	Shire of Donnybrook Balingup
<b>Applicant</b>	Ben Rose, Chief Executive Officer
<b>File Reference</b>	ADM 11/3
<b>Author</b>	Karis Aplin, Communications Officer
<b>Attachments</b>	9.6.4(1): Social Media and Communications Policy 9.6.4(2): Shire of Donnybrook Balingup Social Media Procedure 9.6.4(3): Social Media Guideline by WALGA
<b>Voting Requirements</b>	Simple Majority
<b>Executive Summary</b>	<p>Recommendation that Council:</p> <ul style="list-style-type: none"> <li>• Receive and endorse the Shire of Donnybrook Social Media and Communications Policy.</li> <li>• Endorse the establishment and management of Facebook and LinkedIn</li> <li>• Acknowledge the WALGA Social Media Guideline – Elected Member Use of Social Media.</li> </ul>

### STRATEGIC ALIGNMENT

Internal and external communication strategies were developed to align the internal and external marketing and communication requirements of the Shire with an emphasis on improving current levels of operational efficiency, customer service, community engagement and economic development activities.

The following outcomes from the Corporate Business Plan relate to this proposal:

<b>Outcome</b>	<b>Strategy</b>	<b>Actions</b>
Outcome 4.1 – A strategic focused, open and accountable local government	Continue to enhance communication and transparency	4.1.2.1 Ongoing meaningful communication and engagement with residents, ratepayers and stakeholders

### BACKGROUND

Council endorsed the Shire of Donnybrook Balingup Internal Communications Strategy and External Communications Strategy in June 2017, however, funding for the recommendations was not implemented until the 2018/19 Budget. The strategy includes establishing social media engagement channels and the discipline and protocols required to facilitate and encourage appropriate communication. Council has instructed these communications channels and protocols are established before 30 June 2019.

### DETAILS

It is recommended the Shire of Donnybrook Balingup establish the following social media channels in two stages. Stage 1 will require the set-up of Facebook and LinkedIn social media profiles for the Shire of Donnybrook Balingup. Stage 2 can follow, once the intricacies of implementing social media systems and processes from Stage 1 have been reviewed and any issues resolved.

## Stage 1

**Facebook** Shire of Donnybrook Balingup  
@shireofdonnybrookbalingup

The purpose of the Facebook Page is to provide a platform to promote Shire (and allied organisations) services and facilities. Provide news and community notice updates that link to the website. Provide a platform for communication between the Shire and members of the public.

**LinkedIn** Shire of Donnybrook Balingup  
<https://www.linkedin.com/company/shire-of-donnybrook-balingup>

The purpose of the LinkedIn account is to establish the Shire of Donnybrook Balingup as a progressive, modern and relevant organisation with professional staff and Councillors. It can be used to connect with industry leaders to meet the needs of the community in the Shire of Donnybrook Balingup.

There were two (unapproved) existing Business Pages for the Shire of Donnybrook Balingup on LinkedIn that were previously unclaimed. Both pages have been claimed and can be combined into one page with administrative access.

LinkedIn - Shire of Donnybrook Balingup  
<https://www.linkedin.com/company/shire-of-donnybrook-balingup>

## Stage 2

### Instagram

Instagram is a predominantly visual platform. Images will reflect the Shire's vision: 'A proud community enjoying our rural lifestyle, cultural heritage and natural environment' and include all or one of the elements of Health, Heritage and Harmony.

Shire of Donnybrook Balingup @shireofdonnybrookbalingup

### Twitter

The purpose of the Twitter account is to provide a platform to promote Shire (and allied organisations) services and facilities. Provide news and community notice updates that link to the website.

Shire of Donnybrook Balingup @shireofdonnybrookbalingup

### You Tube

The purpose of the Youtube Channel is to provide a cost effective way of promoting the Shire of Donnybrook Balingup.

## CONSULTATION

Consultation has taken place with an external provider to develop the social media presence in the External Communications Strategy.

The attached Social Media Policy and Procedure have been developed from the West Australia Local Government Association (WALGA) template policy and procedure.

## FINANCIAL IMPLICATIONS

There are no external costs to set up the social media channels or social media policy as this can be done internally by the Communications Officer. There may be several minor operating costs for subscription to specific social media software (likely in the order of a few hundred dollars), which can be accommodated within budget.

## **POLICY COMPLIANCE**

The Shire of Donnybrook Balingup has developed a Social Media and Communications Policy based on the WALGA template.

An internal administrative Procedure has also been developed, based on the WALGA template. As an internal Procedure document (i.e. to guide staff use of social media), it is not required to be endorsed by the Council. It has been included in the agenda attachments for reference only.

## **STATUTORY COMPLIANCE**

Under the State Records Act 2000, social media communications coordinated by local government is required to be recorded and maintained.

## **CONCLUSION**

The Shire's intent to move into the social media 'space' was enabled through the 2018/19 Budget. With the commencement of the Communications Officer role, the development of supporting Policy, Procedure and guidance notes, as well as the operational planning for 'going live' on Facebook and LinkedIn, has been implemented and presented to Council for consideration for approval.

## **COUNCIL DECISION 38/19**

**(Executive Recommendation with minor amendment)**

**Moved Cr Tan      Seconded Cr Wringe**

**That Council:**

- 1. Receive and endorse the Shire of Donnybrook Balingup Social Media and Communications Policy, as attached, subject to the inclusion of radio as a communication mode.**
  
- 2. Endorse the establishment and management of the following social media channels:**
  - 2.1 Stage 1:**
    - 2.1.1 Facebook; and**
    - 2.1.2 LinkedIn**
  
  - 2.2 Stage 2 (pending outcome of Stage 1, under Chief Executive Officer authority):**
    - 2.2.1 Instagram**
    - 2.2.2 Twitter**
    - 2.2.3 YouTube**
  
- 3. Receive and acknowledge the attached Guideline 'Local Government Council Member: Personal Use of Social Media'.**

**CARRIED 8/0**

## 9.6.5 2019/20 INTEGRATED PLANNING AND FINANCIAL REPORTING FRAMEWORK

<b>Location</b>	Shire of Donnybrook Balingup
<b>Applicant</b>	Ben Rose, Chief Executive Officer
<b>File Reference</b>	FNC 10/2
<b>Author</b>	Ben Rose, Chief Executive Officer ( <i>Stuart Eaton, Finance Project Manager</i> )
<b>Attachments</b>	9.6.5(1): Asset Management Plan - Buildings 9.6.5(2): Asset Management Plan - Parks & Reserves 9.6.5(3): Asset Management Plan – Vehicles 9.6.5(4): Borrowings Plan 9.6.5(5): Reserve Fund Plan 9.6.5(6): External Sourced Funding Plan 9.6.5 (7): Rating Principles Report
<b>Voting Requirements</b>	Simple Majority
<b>Executive Summary</b>	To adopt the annual (2019/20) review of Integrated Planning and Financial Reporting Framework.

### STRATEGIC ALIGNMENT

The adoption of the 2019/20 Integrated Planning and Financial Reporting Framework will meet the following objectives of the Shire of Donnybrook Balingup Strategic Community Plan.

Outcome 4.2 Maintain long-term financial viability.

Outcome 4.7 Maintain and enhance Shire assets.

Outcome 4.9 Improved long-term planning and strategic management.

### BACKGROUND

In 2010, the Integrated Planning and Reporting (IPR) Framework and Guidelines were introduced in Western Australia (WA) as part of the State Government's Local Government Reform Program. All local governments were required to have their first suite of IPR documents in place by 1 July 2013.

Past reviews of local government in WA found serious performance and sustainability issues in the sector, in particular:

- Strategic planning systems that did not deliver accountable and measurable linkages between community aspirations, financial capacity and practical service delivery.
- Financial planning systems that failed to accurately demonstrate a local government's capacity to deliver services and manage assets that can sustain their communities into the future.
- Asset management systems lacking the rigour of process and integrity of data to accurately reflect true asset management costs.
- General lack of a formal approach to workforce planning across the sector.

IPR addresses these concerns with processes to:

- Ensure community input is explicitly and reliably generated, and informs the long and medium term objectives of the local government.
- Identify the resourcing required to deliver the plans and enable rigorous and transparent prioritisation within resource constraints before finalising the plans.

Officers are progressing the development of an Integrated Planning and Reporting Framework for the Shire (Table 1) that will improve the long term financial sustainability of the Shire of Donnybrook Balingup.

This corporate planning framework will provide greater integration of plans and become the driver for the Annual Budget.

A suite of financial planning systems are being developed and implemented that will;

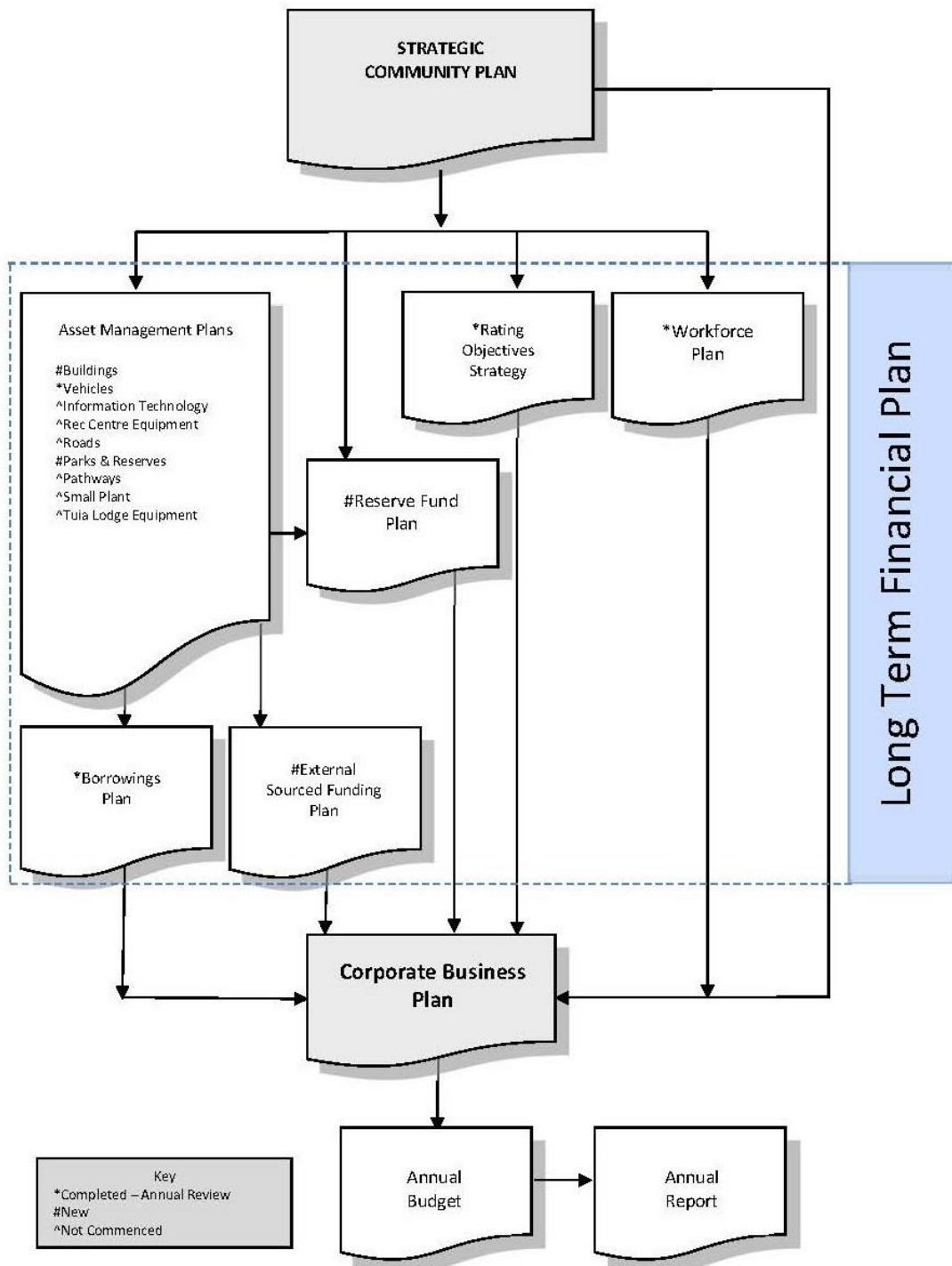
- a) Accurately demonstrate the Shire's capability to deliver services and manage its asset portfolio that can sustain our community into the future.
- b) Accurately determine the real cost of managing the Shire's asset portfolio.
- c) Accurately determine the real cost of delivering services to the community.
- d) Accurately determine the real contribution residents and users should make to the cost of services & facilities.

One aspect of the financial planning framework is realigning the underlying foundation of the Annual Budget to respond to the aforementioned points in order to improve the long term financial sustainability for the Shire.

It is advised that Council has careful regard to longer-term considerations in making annual budget decisions. If they do not, they may find that the Shire is faced with future financial challenges. These long-term financial plans let Council see what its future financial obligations are. The plans help Council assess the need for early intervention to reduce future risks and associated revenue raising requirements of future generations.

If a Local Government runs ongoing under-lying operating deficits, it needs to recognise the longer-term implications. Not addressing this deficit is likely to mean that future Councils will struggle to be able to accommodate asset renewal needs and that service levels will decline over time.

Table 1



## DETAILS

### Asset Management Plans

#### *Asset Management Plan – Buildings (Attachment 9.6.5(1))*

This asset plan is new for 2019/20.

The program of renewal works identified in the document has been developed by onsite inspections conducted by Council's Principal Building Surveyor.

The purpose of this document is to provide a strategy for funding Council's buildings.

This strategy will plan for the timing and financing of;

- a) Construction of new buildings.
- b) Alterations and extensions of existing buildings.
- c) Preservation and maintenance of building.

Council's building portfolio is extensive, comprising 147 structures with a total replacement value of \$40.9m.

The Asset Management Plan – Buildings (BAMP), has been developed to provide a systematic method to identify, plan and fund necessary works to maintain the facilities to an acceptable standard that maximise their useful life for the community.

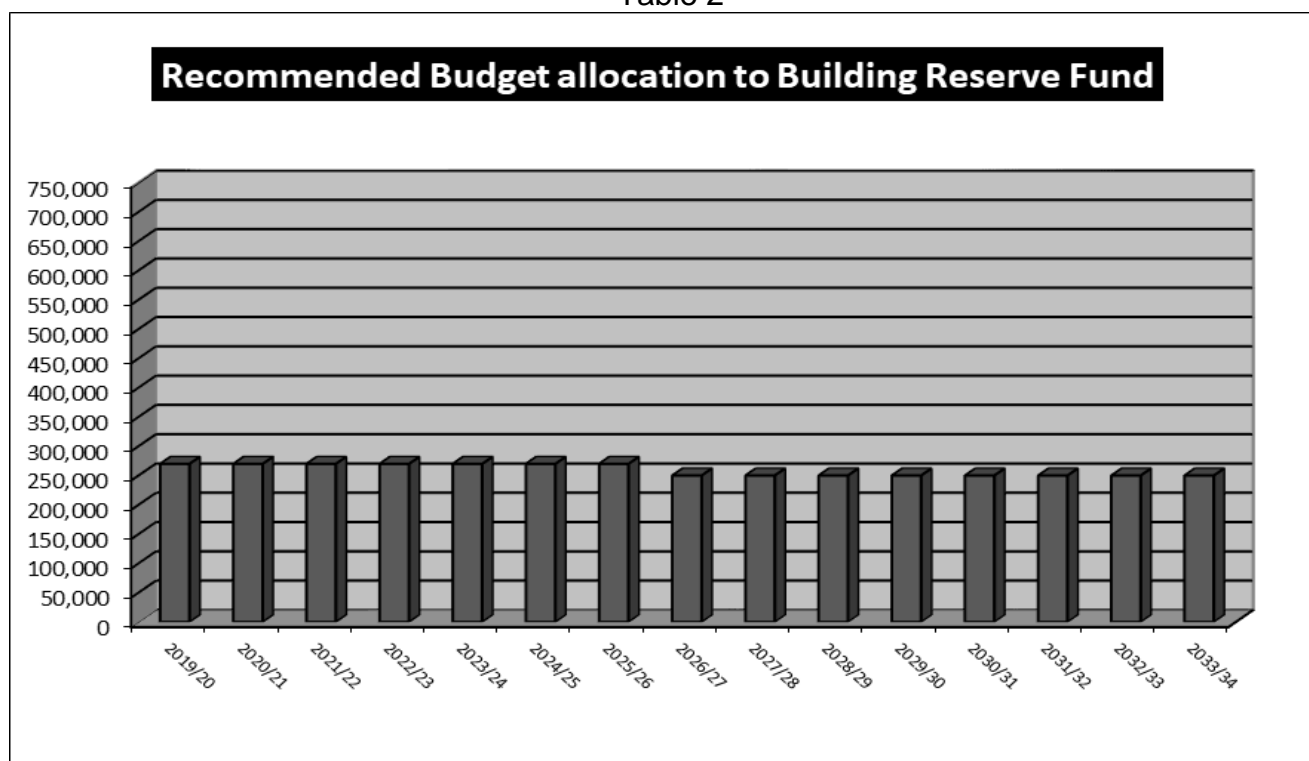
Upon initial adoption, the plan will be reviewed and adopted annually by Council.

The BAMP identifies a requirement to provide annualised budget allocation for transfer to Building Reserve of \$270,000pa from 2019/20. This is an increase of approximately \$160,000 from the 2018/19 Annual Budget. Management of the building asset portfolio has not previously had a rigorous formal process associated with it that accurately identifies the true long term costs of effectively managing the building portfolio.

The amount of \$270,000pa for building preservation and maintenance works equates to an annual investment of approximately 0.66%pa of the value of the building portfolio.



Table 2



\$6.3m of preservation and maintenance expenditure is identified as necessary in the next 15 years.

The plan identifies a requirement for new borrowings for major building works, including major maintenance.

Year	Building	Amount
2019/20	Administration Centre - Donnybrook	\$155,000
2020/21	Tuia Lodge Expansion A (RADS funded)	\$300,000
2021/22	Tuia Lodge Expansion B (RADS funded)	\$200,000
2022/23	Donnybrook Recreation Centre	\$200,000
2026/27	Donnybrook Recreation Centre	\$285,000
2027/28	Balingup Recreation Centre	\$360,000

Expansion of Tuia Lodge includes \$500,000 funded from Refundable Accommodation Deposits (RADs). These are treated as principal only borrowings repayable in equal annual instalments over 10 years.

These new borrowings are consolidated in the Borrowings Plan.

#### Under Utilised / Redundant Buildings

The buildings & facilities within this plan are Council's response to the delivery of identified service needs to residents of the Shire. An integral part of effective asset planning is the identification and analysis of those assets that no longer provide a cost effective means of providing these services.

This includes identifying those buildings that are;

- a) Not required or suitable for the delivery of services.
- b) Uneconomical to maintain and/or operate.
- c) Duplicating service delivery.
- d) Underutilised / redundant.

Buildings that are identified as meeting some or all of these criteria should be considered by Council for disposal with the savings redirected towards other facilities or services within the community.

Disposal of the buildings or facilities will also depend upon other factors than those identified.

- a) Whether there are secondary community uses for the facility.
- b) Whether the buildings have community, cultural or heritage importance.

It is important to note that retaining redundant facilities reduces Council's ability to provide cost effective services to residents. Redundant facilities utilise Council resources that may be more effectively directed to the provision of new facilities or services that are in greater need.

Should Council determine that it wishes to undertake a review of its current building portfolio with a view of reducing its holdings, it is recommended a formal process is undertaken.

- a) Develop *building assessment criteria*.
- b) Council review and receive draft *building assessment criteria* for public comment.
- c) Public comment period on draft *building assessment criteria*.
- d) Council adoption of *building assessment criteria*.
- e) Data collection and assessment of buildings.
- f) Council consideration of report.

It is recommended that reviews of non-commercial (community use) buildings are conducted with a comprehensive community consultation process.

Should Council wish to proceed with a review, the following resolution will initiate the process;

*That Council*

1. *Undertakes a review of its building portfolio for buildings;*
  - a. *Not required or suitable for the delivery of services.*
  - b. *Uneconomical to maintain and/or operate.*
  - c. *Duplicating service delivery.*
  - d. *Underutilised / redundant.*
2. *Directs the Chief Executive Officer to develop draft criteria to assess the Shire's building portfolio and provide a report to Council by 31 December 2019.*

*Asset Management Plan – Parks & Reserves (Attachment 9.6.5(2))*

This plan is new for 2019/20.

Parks and Reserves comprise numerous items of built or installed depreciable equipment. This equipment deteriorates over time and requires a program of cyclical replacement at the end of economic life.

The program of renewal works within the document has been sourced from an independent revaluation of parks infrastructure undertaken in 2018. In addition, all items have undergone onsite inspection and assessment by works staff.

This strategy will plan for the timing and financing of;

- a) Development works.
- b) Replacement of aged infrastructure.
- c) Major maintenance of infrastructure.

Upon initial adoption, the plan will be reviewed and adopted annually by Council.

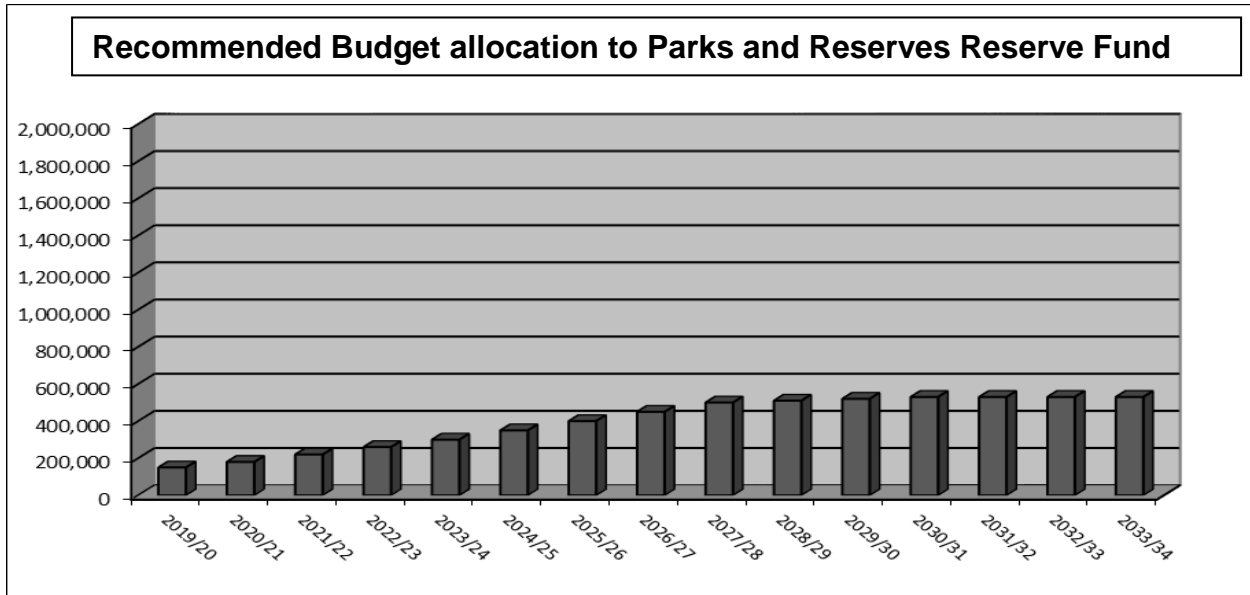
Replacement value of equipment and infrastructure located upon parks and reserves is valued at approximately \$11.7m.

Management of the parks and reserves infrastructure asset portfolio has not previously had a rigorous formal process associated with it that accurately identifies the true long term costs.

The 2019/20 plan identifies an initial annual budget allocation of \$150,000 in 2019/20. The assessed sustainable annual budget allocation will rise to \$530,000pa by 2030/31 (Table 3).

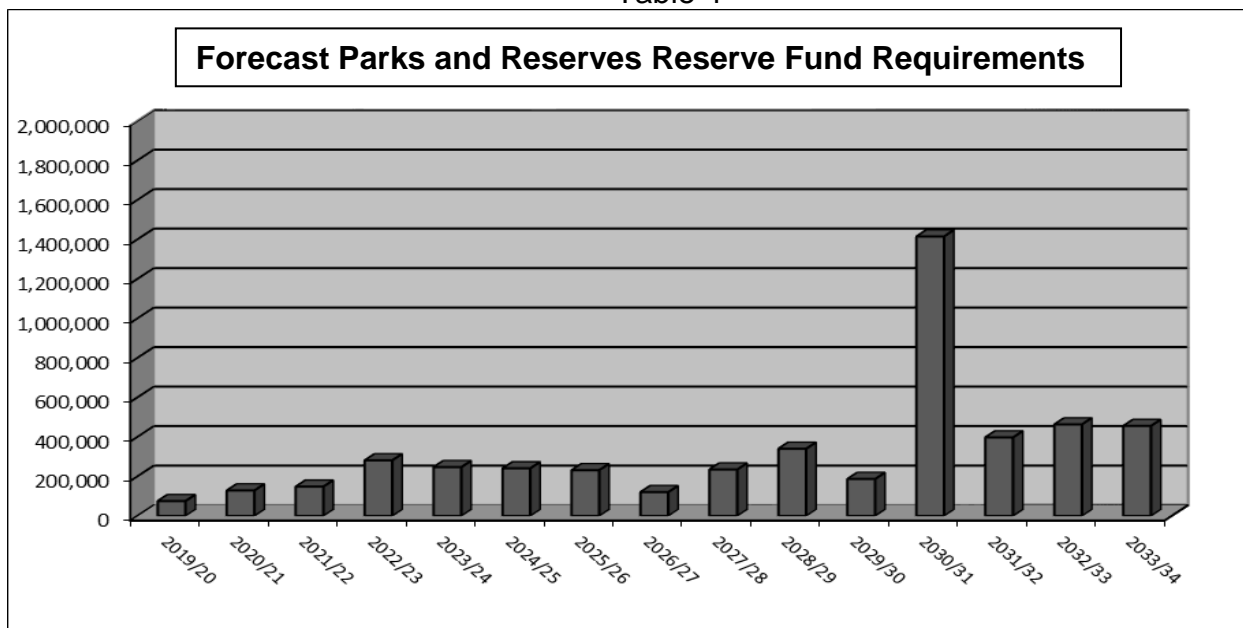
This equates to an annual allocation in the budget for preservation and renewal of approximately 1.28% (2019/20) of the total value of the parks and reserves infrastructure portfolio. Transitioning to an assessed sustainable level of 4.53%pa by 2030/31.

Table 3



\$6.5m of preservation and renewal expenditure for parks and reserves infrastructure is planned in the next 15 years (Table 4).

Table 4



*Asset Management Plan – Vehicles (Attachment 9.6.5(3))*

This previously adopted plan is presented to Council under the annual review cycle.

This Asset Management Plan details the;

- Acquisition of new vehicles.
- Cyclical replacement of existing vehicles.
- Annual funding plan for the Vehicle Reserve Fund.

Council operates a fleet of vehicles in order for staff to carry out service delivery to the community. These range from road construction plant to compliance vehicles.

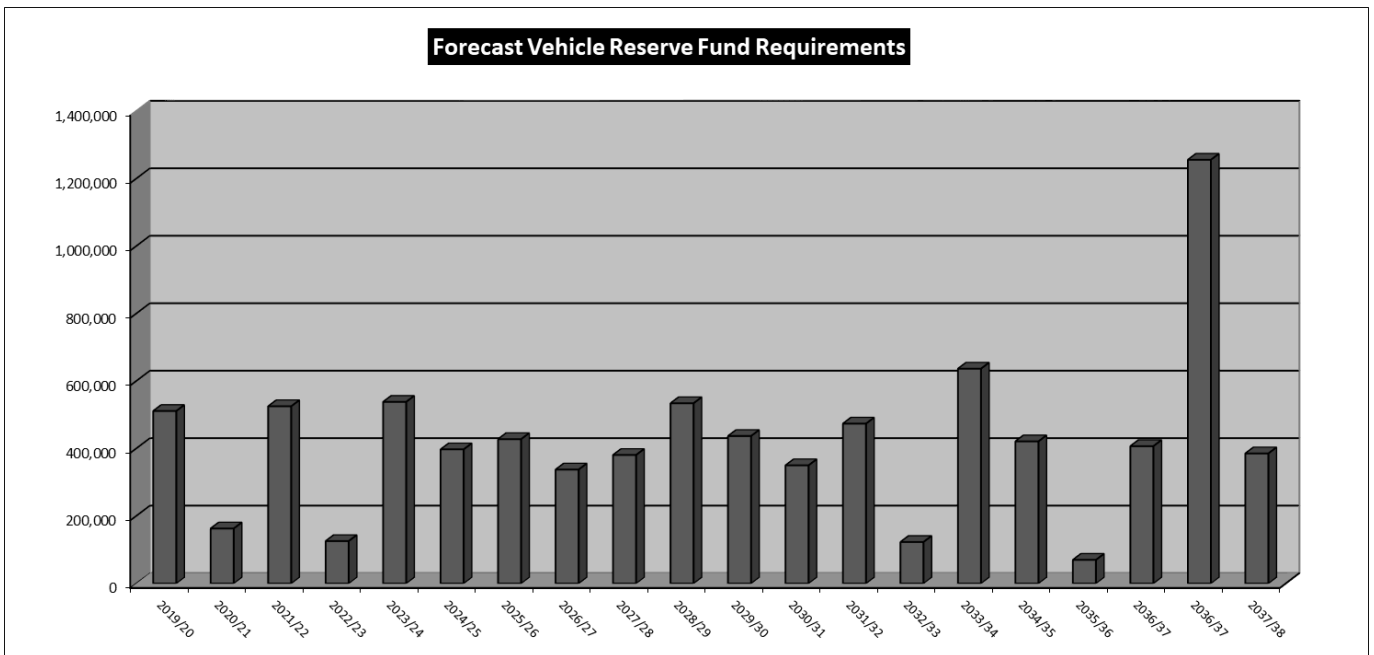
Council engaged an independent review of its vehicle fleet in 2017. The economic change-over life recommended in the independent review has guided the development of this asset plan.

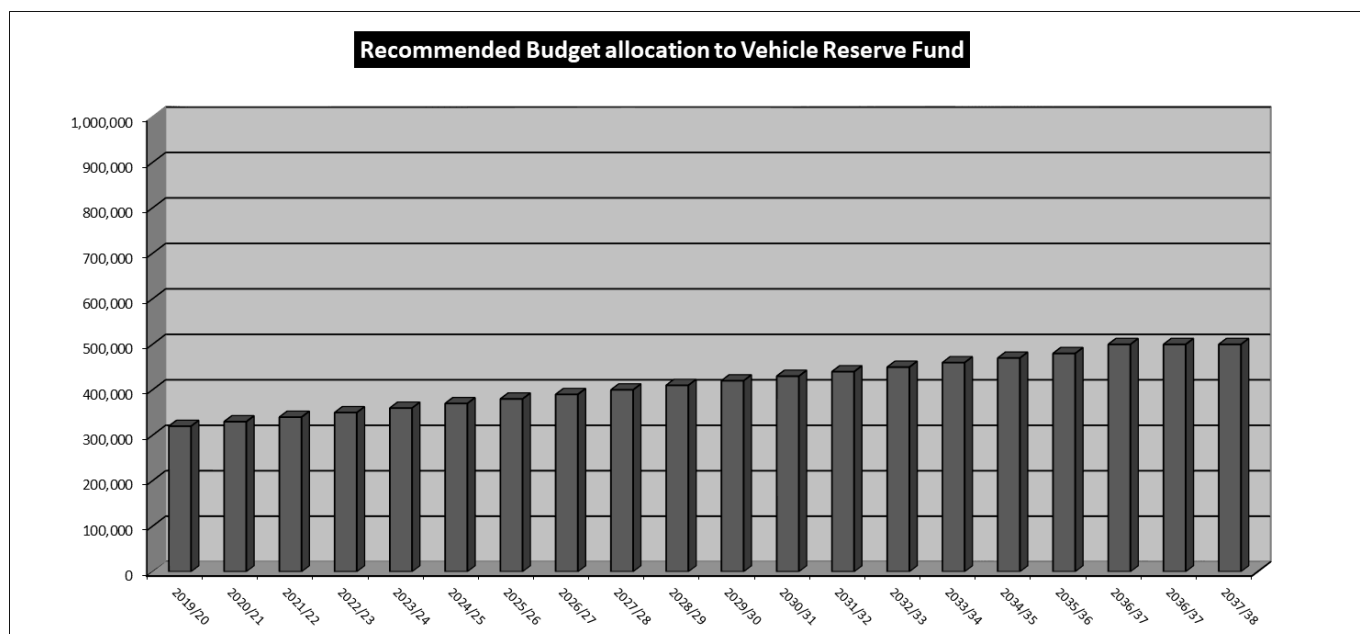
The plan adopted last year has been modified;

- a) Removal of vehicle of the planned Director Corporate & Community Services position.
- b) Extending changeover of some major plant items due to a review of plant hour usage.

These changes will result in a “stepping down” of annual transfer to reserve of \$40,000 from last year’s plan.

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
2018/19	360,000	370,000	380,000	390,000	400,000	410,000	420,000	430,000	440,000	450,000
2019/20	320,000	330,000	340,000	350,000	360,000	370,000	380,000	390,000	400,000	410,000
Change	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)





**Borrowings Plan (Attachment 9.6.5(4))**

This previously adopted plan is presented to Council under the annual review cycle.

The use of borrowings as a means of funding asset acquisitions, renewals and major maintenance is a mechanism for allocating the costs of major works over a period that reflects when residents will benefit from the assets.

Council is guided by its adopted policy - 3.8 Debt Policy. This policy sets out the manner in which the Shire of Donnybrook Balingup may establish and manage a debt portfolio. The objective of this Debt Policy is to ensure the sound management of the Shire’s existing and future debt.

The policy outlines the Shire’s debt strategy and provides for the responsible financial management of borrowings by ensuring that the level of indebtedness is maintained within acceptable limits and is managed appropriately.

It is therefore critical that debt funding is appropriately planned and monitored if Council is to maintain the capacity to effectively use this funding source.

Strategic planning allows Council to develop targets and standards for debt that are strategic in nature, rather than relying on debt as a response to current financial requirements.

The development of the *Asset Management Plan – Buildings* has identified new borrowings across the 15 year time period of the planning framework.

Year	Building	Amount
2019/20	Administration Centre - Donnybrook	\$155,000
2020/21	Tuia Lodge Expansion A (RADS funded)	\$300,000
2021/22	Tuia Lodge Expansion B (RADS funded)	\$200,000
2022/23	Donnybrook Recreation Centre	\$200,000
2026/27	Donnybrook Recreation Centre	\$285,000
2027/28	Balingup Recreation Centre	\$360,000

Expansion of Tuia Lodge includes \$500,000 funded from Refundable Accommodation Deposits (RADs). These are treated as principal only borrowings, repayable in equal annual instalments over 10 years.

These have been included in the 2019/20 Borrowings Plan and are summarised in Table 5 and Table 6. Any modification of these borrowings will require modification of the expenditure in the respective asset plan.

Table 5

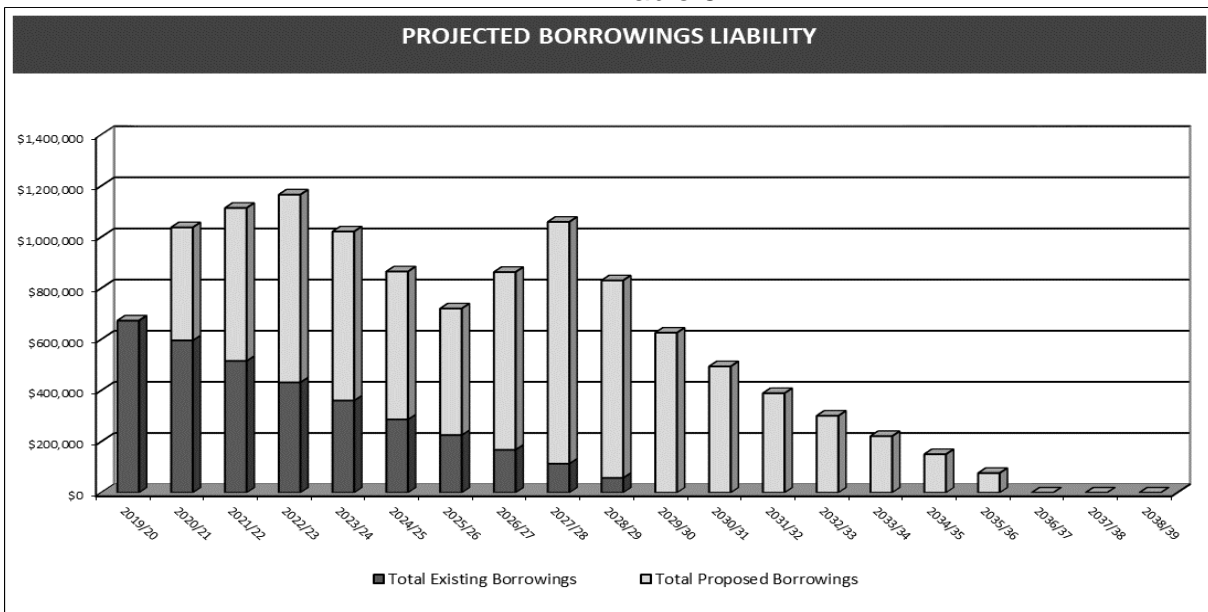
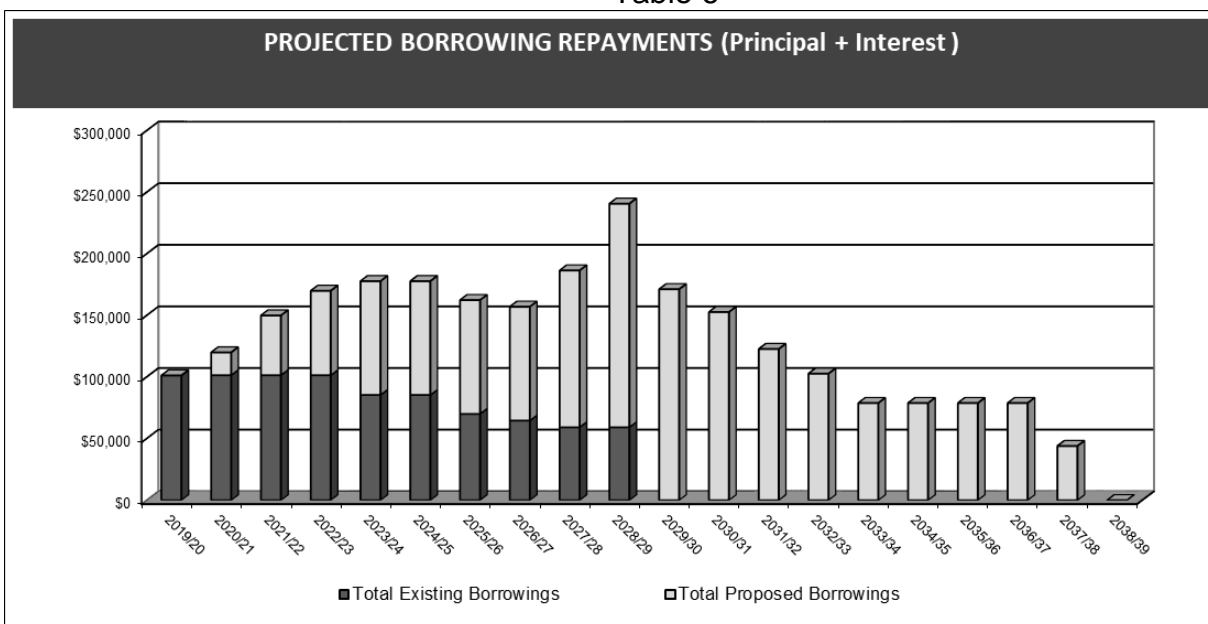


Table 6



### Reserve Fund Plan (Attachment 9.6.5(5))

This plan is new for 2019/20.

s6.11 of the Local Government Act requires that where a local government wishes to set aside money for use for a purpose in a future financial year, it is to establish and maintain a reserve account for each such purpose.

The reason for this document is to provide a consolidated summary of annual transfers to and from Council's cash backed reserve funds.

Council maintains a number of cash reserves for a variety of purposes:

- a) to provide funds for future liabilities.
- b) to provide funds for future asset acquisitions / replacement.
- c) to hold unspent funds for specific projects.
- d) to reduce the reliance on borrowing by accumulating funds for specific projects.

Where relevant, reserves are supported by comprehensive plans that detail future funding requirements and the necessary annual allocations to reserves.

All cash backed reserve accounts are supported by money held in financial institutions.

It is intended to create reserve accounts to align with the suite of asset management plans. The annual amounts required to be transferred to and from these reserve accounts are sourced from the respective asset plans.

Cash backed reserves will play an increasingly important cash flow role for annual asset acquisitions and works as asset plans are developed.

There are recommendations to close or amalgamate of some reserve accounts, while creating some new reserves to align with the new asset planning framework.

Adopted changes will be implemented as part of the Annual Budget process.



The recommend Reserve Fund Plan has been developed on the basis of the following changes.

Current Reserve Name	Current Reserve Purpose	New Reserve Name	New Reserve Purpose	Comments
Electronic Equipment Reserve	To provide future funding for the purchase and upgrade of electronic equipment.	Information Technology Reserve	To accumulate funds for the acquisition and replacement of information technology equipment and software.	An asset management plan is identified to be developed for this asset class.
N/A	N/A	Recreation Centre Equipment Reserve	To accumulate funds for the acquisition and replacement of fitness equipment at the Recreation Centre.	New Reserve. An asset management plan is identified to be developed for this asset class.
Plant Replacement Reserve	To fund the Shire's plant replacement program.	Vehicle Reserve	To accumulate funds for the acquisition and replacement of Council's vehicle fleet.	Allocations to and from this fund are determined by Council's Asset Management Plan - Vehicles.
Buildings Reserve	To fund the purchase and upgrade of Shire buildings.	Building Reserve	To accumulate funds for the construction, renewal and major maintenance of Council buildings.	Allocations to and from this fund are determined by Council's Asset Management Plan - Buildings.
Building Maintenance Reserve	To set aside funds for the future maintenance of Shire owned buildings in accordance with Council's Asset Management Programs.	N/A	N/A	Close and amalgamate with Building Reserve
N/A	N/A	Pathway Reserve	To accumulate funds for the construction, renewal and major maintenance of pathways.	New Reserve. An asset management plan is identified to be developed for this asset class.
N/A	N/A	Small Plant & Equipment (Works) Reserve	Established to accumulate funds for the acquisition and replacement of Council's small works plant & equipment.	New Reserve. An asset management plan is identified to be developed for this asset class.
N/A	N/A	Drainage & Stormwater Reserve	Established to accumulate funds for the construction, renewal and major maintenance of drainage infrastructure.	New Reserve. An asset management plan is identified to be developed for this asset class.
N/A	N/A	Parks & Reserves Reserve	Established to accumulate funds for the construction, renewal and major maintenance of parks & reserves infrastructure.	Allocations to and from this fund are determined by Council's Asset Management Plan – Parks & Reserves.
Roadworks Reserve	To contribute to the funding of the Shire's roadworks programme.	Roadworks Reserve	Established to accumulate funds for the construction, renewal and major maintenance of road infrastructure.	An asset management plan is identified to be developed for this asset class.
N/A	N/A	Aged Care Equipment Reserve	Established to accumulate funds for the acquisition and replacement of furniture & equipment in Council's aged care facilities.	New Reserve. An asset management plan is identified to be developed for this asset class.
Aged Care Housing Reserve	To receive any surplus funds from aged housing operations to provide future funding for the upgrade of aged housing facilities.	Aged Care Housing Reserve	Established to manage funds from aged housing schemes for the upgrade of Council managed aged housing facilities.	

Employee Leave & Gratuity Reserve	To fund the payment of annual leave, long service leave and gratuity payments to employees.	Employee Entitlements Reserve	Established to provide funds for the payment of long service leave and grandfathered gratuity scheme entitlements.	Past employees are entitled to transport their accrued Long Service Leave within Local Government. As such Council remains liable for Long Service Leave for the period of employment with Council.
N/A	N/A	27 Pay Period Reserve	Established to provide funds for the additional cash outlay in each eleventh year when 27 pay fortnights occur instead of the normal 26.	New Reserve
Valuation Reserve	To assist in funding the cost of periodic revaluations of Unimproved and Gross Rental Valuations for rating purposes	Revaluation Reserve	Established to accumulate funds for; a) Asset Revaluations b) Rates Gross Rental Valuation - General Revaluation	
Town Planning Reserve	To fund future Town Planning projects including Town Planning Scheme Reserves, Rural Strategy, Municipal Inventory and Environmental plan.	Strategic Planning Studies Reserve	Established to accumulate funds for engaging strategic studies / reports.	
N/A	N/A	Council Election Reserve	This Reserve is established to accumulate funds for Council postal elections.	To annualise the cost of biennial Council election
N/A	N/A	Unspent Grants Reserve	To hold unexpended grants to be utilised in future financial periods.	New Reserve
Waste Management Reserve	To receive funds collected from the Shire's Waste Management levy for the purpose of providing waste management facilities.	Waste Management Reserve	To receive funds collected from the Shire's Waste Management levy for the purpose of providing waste management facilities	No Change
Bushfire Control & Management Reserve	To receive funds collected from the Shire's Fire Protection Levy for the purpose of providing fire fighting equipment to meet the needs of the district.	Bushfire Control & Management Reserve	To receive funds collected from the Shire's Fire Protection Levy for the purpose of providing fire fighting equipment to meet the needs of the district.	This levy no long raised. Replaced by the Emergency Services Levy (ESL).  A small balance remains in this reserve (\$2,282) as at 30 June 2018.  Recommend closure of this reserve as no longer required. Balance allocated to firefighting equipment purchased in excess of ESL funding.
Arbuthnott Memorial Scholarship	To fund the payment of the Arbuthnott Scholarship.	Arbuthnott Memorial Scholarship Reserve	To fund the payment of the Arbuthnott Scholarship.	No Change
Land Development Reserve Fund	To fund the purchase of land for future community purposes.	Land Development Reserve Fund	To fund the purchase of land for future community purposes.	No Change
Central Business District Reserve	To fund future Central Business District projects.	Central Business District Reserve	To fund future Central Business District projects.	No Change

				Only minimal funds in the Reserve, \$3,058 as a 30 June 2018.
Apple Funpark Reserve	To receive donations and to provide for the future capital upgrade and maintenance of equipment and facilities at the Apple Funpark in Collins Street, Donnybrook.	Apple Funpark Reserve	To receive donations and to provide for the future capital upgrade and maintenance of equipment and facilities at the Apple Funpark in Collins Street, Donnybrook.	No Change
N/A	N/A	Contribution To Works Reserve	To hold contributions for future works.	New Reserve

External Sourced Funding Plan (Attachment 9.6.5(6))

The purpose of this document is to provide a consolidated summary of future projects sourced from external sources.

It is intended that the plan will assist identifying the need for sourcing of grants in advance of planned projects.

Council's forward planning framework identifies certain projects that are conditional upon grants & contributions being received. The detail of these projects are located in the respective asset management plans.

Rating Principles Report (Attachment 9.6.5(7))

A rating objectives strategy is the method by which Council systematically considers factors of importance that informs its decisions about the rating system. Developing a Rating Principles Plan assists Council in striking a balance between competing principles to develop a mixture of rates and charges that provides the income needed for its annual budget while meeting the tests of fairness and equity.

Council levies rates from residents and businesses to help fund its local community infrastructure and service obligations. It is important that Council's rating be underpinned by sound principles that are well understood and compliant with current legislation.

It is important to note that the focus of the Rating Principles Report is different to that of the Annual Budget. In the Annual Budget, the primary focus is the amount of rates required to be raised for Council to deliver the required services and capital works. The focus of a Rating Principles Report is the types of rates to be charged and how the required amounts are fairly and equitably distributed amongst ratepayers.

Future material changes to rating would necessitate consultation or advisory engagement with affected landowners.

It is recommended that Council forms a formal position with regard to rating objectives. Rates comprise Council's largest revenue source and affects all landowners within the district.

The principles of good governance further require Council to provide ongoing or periodic monitoring and review of the impact of major decisions. It is therefore essential for Council to

evaluate on a regular basis, the legislative objectives to which it must have regard and those other objectives which Council believes are relevant with regard to rating.

## CONSULTATION

Not Applicable.

## FINANCIAL IMPLICATIONS

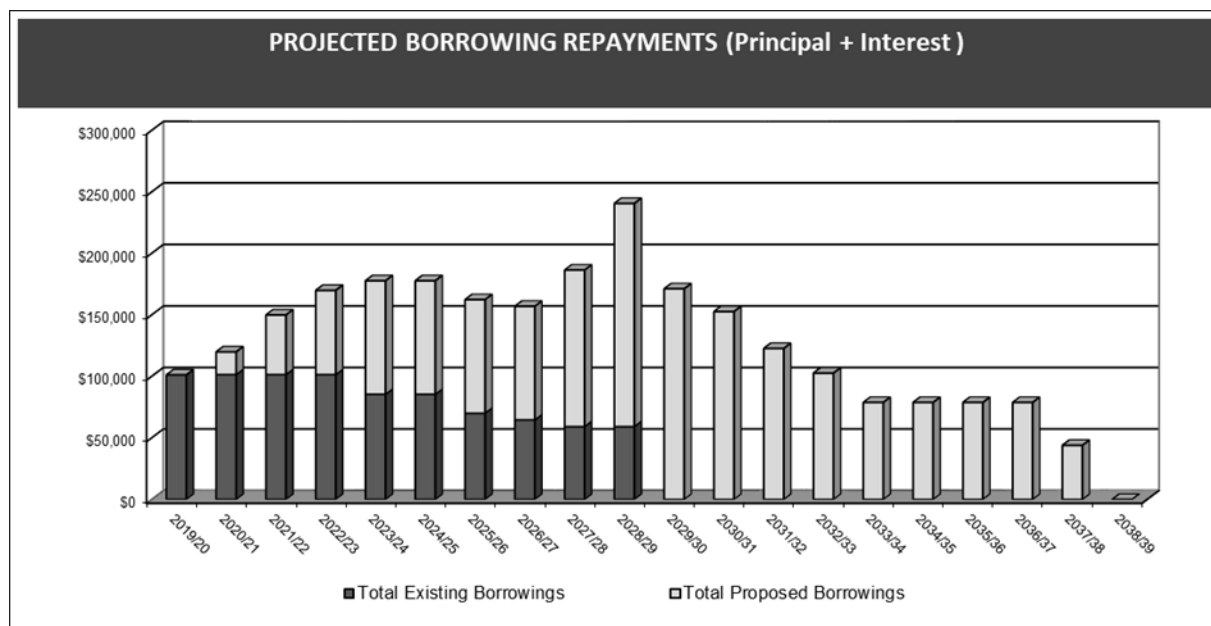
The Integrated Financial Planning and Reporting framework establishes budgetary obligation in order to meet planned expenditure requirements detailed in the suite of documents

The Integrated Financial Planning and Reporting framework for 2019/20 identifies an additional amount of \$306,820 from the 2018/19 Annual Budget requiring funding. The majority of this increase relates to the introduction of two new infrastructure asset plans for;

- a) Buildings.
- b) Parks & Reserves.

	2018/19	1 2019/20	2 2020/21	3 2021/22	4 2022/23	5 2023/24	6 2024/25	7 2025/26	8 2026/27	9 2027/28	10 2028/29
<b>Transfer to Reserve</b>											
Information Technology Reserve	0	0	0	0	0	0	0	0	0	0	0
Recreation Centre Equipment Reserve	0	0	0	0	0	0	0	0	0	0	0
Vehicle Reserve	350,000	320,000	330,000	340,000	350,000	360,000	370,000	380,000	390,000	400,000	410,000
Building Reserve	110,680	270,000	270,000	270,000	270,000	270,000	270,000	270,000	250,000	250,000	250,000
Pathways	0	0	0	0	0	0	0	0	0	0	0
Small Plant & Equipment (Works) Reserve	0	0	0	0	0	0	0	0	0	0	0
Drainage & Storm Water Reserve	0	0	0	0	0	0	0	0	0	0	0
Parks & Reserves	22,500	150,000	180,000	220,000	260,000	300,000	350,000	400,000	450,000	500,000	510,000
Roads	0	0	0	0	0	0	0	0	0	0	0
Aged Care Equipment Reserve	0	0	0	0	0	0	0	0	0	0	0
Aged Care Housing Reserve	0	0	0	0	0	0	0	0	0	0	0
Employee Entitlements	0	10,000	10,100	10,201	10,303	10,406	10,510	10,615	10,721	10,829	10,937
27 Pay Periods	0	0	0	19,500	20,475	21,499	22,574	23,702	24,887	26,132	27,438
Revaluation Reserve	0	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Strategic Planning Studies Reserve	0	0	0	0	0	0	0	0	0	0	0
Council Elections	0	0	14,500	14,500	15,000	15,000	15,750	15,750	16,500	16,500	17,250
Unspent Grants & Contributions	0	0	0	0	0	0	0	0	0	0	0
Waste Management Reserve	0	0	0	0	0	0	0	0	0	0	0
Bushfire Control & Management Reserve	0	0	0	0	0	0	0	0	0	0	0
Arbuthnott Scholarship	0	0	0	0	0	0	0	0	0	0	0
Land Development Reserve	0	0	0	0	0	0	0	0	0	0	0
Central Business District Reserve	0	0	0	0	0	0	0	0	0	0	0
Apple Funpark Reserve	0	0	0	0	0	0	0	0	0	0	0
Contribution to Works Reserve	0	0	0	0	0	0	0	0	0	0	0
<b>Sub Total - Reserves</b>	<b>483,180</b>	<b>790,000</b>	<b>844,600</b>	<b>914,201</b>	<b>965,778</b>	<b>1,016,905</b>	<b>1,078,834</b>	<b>1,140,068</b>	<b>1,182,109</b>	<b>1,243,460</b>	<b>1,265,625</b>
<b>Borrowing Repayments</b>											
Borrowing Repayments (net of SSL)	90,653	90,653	109,158	139,158	159,158	166,997	166,997	151,636	151,636	186,496	240,737
<b>Sub Total - Reserves</b>	<b>90,653</b>	<b>90,653</b>	<b>109,158</b>	<b>139,158</b>	<b>159,158</b>	<b>166,997</b>	<b>166,997</b>	<b>151,636</b>	<b>151,636</b>	<b>186,496</b>	<b>240,737</b>
<b>Total</b>	<b>573,833</b>	<b>880,653</b>	<b>953,758</b>	<b>1,053,359</b>	<b>1,124,936</b>	<b>1,183,902</b>	<b>1,245,831</b>	<b>1,291,704</b>	<b>1,333,745</b>	<b>1,429,956</b>	<b>1,506,362</b>
Change from previous year		306,820	73,104	99,601	71,577	58,967	61,929	45,873	42,041	96,211	76,406

The Borrowings Plan highlights the requirement for 6 new borrowings over 15 years to meet identified asset management requirements. The forecast annual borrowing repayments for the next 20 years are tabled below.



**POLICY COMPLIANCE**

Not applicable.

**STATUTORY COMPLIANCE**

S5.56(1) of the Local Government Act 1995 requires local governments produce a plan for the future.

**CONCLUSION**

The effective management of local government assets is crucial to the sustainable delivery of those services to meet the current and future needs of the community. Local governments are typically rich in assets and are responsible for managing a large stock of long-lived assets. Asset management planning is therefore essential to ensure that assets are created, maintained, renewed and retired (or replaced) at appropriate intervals to ensure continuity of services.

**CHIEF EXECUTIVE OFFICER COMMENT**

The suite of plans that form the Integrated Planning and Reporting Framework (attached) are intended to facilitate sound long term financial planning and identify the true cost of managing Council’s asset portfolio (as it exists today). By endorsing the attached suite of IPRF documents, the Council is instructing the Chief Executive Officer to develop the Draft 2019/20 Budget (for Council detailed review and consideration) on the basis of a required increased allocation to Reserve accounts of \$306,820. In the (unlikely) scenario that all budget allocations from 2018/19 were replicated to 2019/20 (i.e. no +/- cost changes from year to year), this increased transfer to reserves of \$306,820 would equate to a 6.75% increase in rates, compared to the 2018/19 financial year.

Acknowledging much expert and social commentary regarding the prevailing national economic conditions and outlook, an alternate approach for Council consideration is to stage the implementation of the Asset Management Plans, as follows:

- Applying the Parks and Reserves Plan for 2019/20; and
- Deferring application of the Building Plan by one year to 2020/21 (yet undertaking those works identified for 2019/20 from existing building reserves).

This will lower the required funding for 2019/20 by \$159,320 and defer that increase until the following year (the existing budget allocation for transfer to Building Reserve of \$110,680 is recommended to be maintained in 2019/20). Under this scenario, the required funds for transfer to reserves for 2019/20 will decrease from the identified amount of \$306,820 to \$147,500. This equates to a 3.01% increase in rates, compared to the 2018/19 financial year.

If this is the preferred approach of the Council, the motion could be as follows:

1. *Receive the following Integrated Planning and Reporting Framework documents for consideration and implementation by the Chief Executive Officer in preparing the Draft 2019/20 Budget:*
  - a. *Asset Management Plan – Parks and Reserves.*
  - b. *Asset Management Plan – Vehicles.*
  - c. *Borrowings Plan.*
  - d. *Reserve Fund Plan.*
  - e. *External Sourced Funding Plan.*
  - f. *Rating Principles Plan.*
2. *Defer consideration of application of the Asset Management Plan – Buildings and instruct the Chief Executive Officer to consider and implement the Asset Management Plan – Buildings for the Draft 2020/21 Budget.*
3. *Acknowledges that, in instructing the Chief Executive Officer in resolution 1 and 2, above, an additional transfer to reserve accounts of \$147,500 will be required to be accounted for within the Draft 2019/20 Budget.*
  - a) *Endorse changes to Reserve Funds for consideration in the Draft 2019/20 Annual Budget, as follows:*

*[table same as per recommendation].*

Whilst the above approach (staged implementation of Asset Management Plans) is highlighted for Council as a potential course of action to ameliorate the potential rates increase effect to ratepayers, it is recommended that the Draft 2019/20 Budget is prepared with recognition of both the Parks and Reserves Asset Management Plan and the Buildings Asset Management Plan. This will allow the Council to make a decision on the Draft and Final 2019/20 Budget with full knowledge of the financial impact of transferring \$306,820 to reserves, rather than effecting the decision before being provided with the full information. Endorsing the IPRF and Asset Management Plans now (or at any stage) does not bind the Council to mandatorily including

provision for them within an Annual Budget. That said, the Shire is attempting to shift its financial management practices from an annual cycle (annual Budget-driven) to a longer term cycle (10+ years) and consistency of decisions with long term strategies greatly assists this change.

## EXECUTIVE RECOMMENDATION

That Council:

1. **Receive the following Integrated Planning and Reporting Framework documents for consideration and implementation by the Chief Executive Officer in preparing the Draft 2019/20 Budget:**
  - 1.1 **Asset Management Plan – Buildings.**
  - 1.2 **Asset Management Plan – Parks and Reserves.**
  - 1.3 **Asset Management Plan – Vehicles.**
  - 1.4 **Borrowings Plan.**
  - 1.5 **Reserve Fund Plan.**
  - 1.6 **External Sourced Funding Plan.**
  - 1.7 **Rating Principles Plan.**
  
2. **Acknowledges that, to achieve the implementation of recommendations in resolution 1, above, an additional transfer to reserve accounts of \$306,820 will be required to be accounted for within the Draft 2019/20 Budget (subject to the year-end Budget surplus/deficit position).**
  
3. **Endorse changes to Reserve Funds for consideration in the Draft 2019/20 Annual Budget, as follows:**

<b>Current Reserve Name</b>	<b>Current Reserve Purpose</b>	<b>New Name</b>	<b>New Reserve Purpose</b>	<b>Comments</b>
Electronic Equipment Reserve	To provide future funding for the purchase and upgrade of electronic equipment.	Information Technology Reserve	To accumulate funds for the acquisition and replacement of information technology equipment and software.	An asset management plan is identified to be developed for this asset class.
N/A	N/A	Recreation Centre Equipment Reserve	To accumulate funds for the acquisition and replacement of fitness equipment at the Recreation Centre.	New Reserve. An asset management plan is identified to be developed for this asset class.

Plant Replacement Reserve	To fund the Shire's plant replacement program.	Vehicle and Plant Reserve	To accumulate funds for the acquisition and replacement of Council's vehicle fleet.	Allocations to and from this fund are determined by Council's Asset Management Plan - Vehicles.
Buildings Reserve	To fund the purchase and upgrade of Shire buildings.	Building Reserve	To accumulate funds for the construction, renewal and major maintenance of Council buildings.	Allocations to and from this fund are determined by Council's Asset Management Plan - Buildings.
Building Maintenance Reserve	To set aside funds for the future maintenance of Shire owned buildings in accordance with Council's Asset Management Programs.	N/A	N/A	Close and amalgamate with Building Reserve
N/A	N/A	Pathway Reserve	To accumulate funds for the construction, renewal and major maintenance of pathways.	New Reserve. An asset management plan is identified to be developed for this asset class.
N/A	N/A	Small Plant & Equipment (Works) Reserve	Established to accumulate funds for the acquisition and replacement of Council's small works plant & equipment.	New Reserve. An asset management plan is identified to be developed for this asset class.
N/A	N/A	Drainage & Stormwater Reserve	Established to accumulate funds for the construction, renewal and major maintenance of drainage infrastructure.	New Reserve. An asset management plan is identified to be developed for this asset class.
N/A	N/A	Parks & Reserves Reserve	Established to accumulate funds for the construction, renewal and	Allocations to and from this fund are determined by Council's Asset



			major maintenance of parks & reserves infrastructure.	Management Plan – Parks & Reserves.
Roadworks Reserve	To contribute to the funding of the Shire's roadworks programme.	Roadworks Reserve	Established to accumulate funds for the construction, renewal and major maintenance of road infrastructure.	An asset management plan is identified to be developed for this asset class.
N/A	N/A	Aged Care Equipment Reserve	Established to accumulate funds for the acquisition and replacement of furniture & equipment in Council's aged care facilities.	New Reserve. An asset management plan is identified to be developed for this asset class.
Aged Care Housing Reserve	To receive any surplus funds from aged housing operations to provide future funding for the upgrade of aged housing facilities.	Aged Care Housing Reserve	Established to manage funds from aged housing schemes for the upgrade of Council managed aged housing facilities.	
Employee Leave & Gratuity Reserve	To fund the payment of annual leave, long service leave and gratuity payments to employees.	Employee Entitlements Reserve	Established to provide funds for the payment of long service leave and grandfathered gratuity scheme entitlements.	Past employees are entitled to transport their accrued Long Service Leave within Local Government. As such Council remains liable for Long Service Leave for the period of employment with Council.
N/A	N/A	27 Pay Period Reserve	Established to provide funds for the additional cash outlay in each eleventh year when 27 pay fortnights occur	New Reserve

			instead of the normal 26.	
Valuation Reserve	To assist in funding the cost of periodic revaluations of Unimproved and Gross Rental Valuations for rating purposes	Revaluation Reserve	Established to accumulate funds for; a) Asset Revaluations b) Rates Gross Rental Valuation - General Revaluation	
Town Planning Reserve	To fund future Town Planning projects including Town Planning Scheme Reserves, Rural Strategy, Municipal Inventory and Environmental plan.	Strategic Planning Studies Reserve	Established to accumulate funds for engaging strategic studies / reports.	
N/A	N/A	Council Election Reserve	This Reserve is established to accumulate funds for Council postal elections.	To annualise the cost of biennial Council election
N/A	N/A	Unspent Grants Reserve	To hold unexpended grants to be utilised in future financial periods.	New Reserve
Waste Management Reserve	To receive funds collected from the Shire's Waste Management levy for the purpose of providing waste management facilities.	Waste Management Reserve	To receive funds collected from the Shire's Waste Management levy for the purpose of providing waste management facilities	No Change
Bushfire Control & Management Reserve	To receive funds collected from the Shire's Fire Protection Levy for the purpose of providing fire fighting equipment to	Bushfire Control & Management Reserve	To receive funds collected from the Shire's Fire Protection Levy for the purpose of providing fire fighting equipment to	This levy no long raised. Replaced by the Emergency Services Levy (ESL).  A small balance remains in this

	meet the needs of the district.		meet the needs of the district.	reserve (\$2,282) as at 30 June 2018.  Recommend closure of this reserve as no longer required. Balance allocated to firefighting equipment purchased in excess of ESL funding.
Arbuthnott Memorial Scholarship	To fund the payment of the Arbuthnott Scholarship.	Arbuthnott Memorial Scholarship Reserve	To fund the payment of the Arbuthnott Scholarship.	No Change
Land Development Reserve Fund	To fund the purchase of land for future community purposes.	Land Development Reserve Fund	To fund the purchase of land for future community purposes.	No Change
Central Business District Reserve	To fund future Central Business District projects.	Central Business District Reserve	To fund future Central Business District projects.	No Change Only minimal funds in the Reserve, \$3,058 as a 30 June 2018.
Apple Funpark Reserve	To receive donations and to provide for the future capital upgrade and maintenance of equipment and facilities at the Apple Funpark in Collins Street, Donnybrook.	Apple Funpark Reserve	To receive donations and to provide for the future capital upgrade and maintenance of equipment and facilities at the Apple Funpark in Collins Street, Donnybrook.	No Change
N/A	N/A	Contribution To Works Reserve	To hold contributions for future works.	New Reserve

**COUNCIL DECISION 39/19  
(Alternate Motion)**

**Moved Cr King                      Seconded Cr Tan**

**1. Receive the following IPRF documents for consideration by the CEO and Council in preparing the Draft 2019/2020 Annual budget.**

- **Asset Management Plan - Buildings**
- **Asset Management Plan - Parks and Reserves**
- **Asset Management - Plan vehicles**
- **Borrowings Plan**
- **Reserve Fund Plan**
- **External Sourced Funding Plan**
- **Rating Objectives Strategy**

**2. Endorse changes to Reserve Funds for consideration in the Draft 2019/20 Annual Budget, as follows:**

<b>Current Reserve Name</b>	<b>Current Reserve Purpose</b>	<b>New Name</b>	<b>New Reserve Purpose</b>	<b>Comments</b>
Electronic Equipment Reserve	To provide future funding for the purchase and upgrade of electronic equipment.	Information Technology Reserve	To accumulate funds for the acquisition and replacement of information technology equipment and software.	An asset management plan is identified to be developed for this asset class.
N/A	N/A	Recreation Centre Equipment Reserve	To accumulate funds for the acquisition and replacement of fitness equipment at the Recreation Centre.	New Reserve. An asset management plan is identified to be developed for this asset class.
Plant Replacement Reserve	To fund the Shire's plant replacement program.	Vehicle and Plant Reserve	To accumulate funds for the acquisition and replacement of Council's vehicle fleet.	Allocations to and from this fund are determined by Council's Asset Management Plan - Vehicles.
Buildings Reserve	To fund the purchase and upgrade of Shire buildings.	Building Reserve	To accumulate funds for the construction, renewal and major maintenance of	Allocations to and from this fund are determined by Council's Asset Management

			Council buildings.	Plan - Buildings.
Building Maintenance Reserve	To set aside funds for the future maintenance of Shire owned buildings in accordance with Council's Asset Management Programs.	N/A	N/A	Close and amalgamate with Building Reserve
N/A	N/A	Pathway Reserve	To accumulate funds for the construction, renewal and major maintenance of pathways.	New Reserve. An asset management plan is identified to be developed for this asset class.
N/A	N/A	Small Plant & Equipment (Works) Reserve	Established to accumulate funds for the acquisition and replacement of Councils small works plant & equipment.	New Reserve. An asset management plan is identified to be developed for this asset class.
N/A	N/A	Drainage & Stormwater Reserve	Established to accumulate funds for the construction, renewal and major maintenance of drainage infrastructure.	New Reserve. An asset management plan is identified to be developed for this asset class.
N/A	N/A	Parks & Reserves Reserve	Established to accumulate funds for the construction, renewal and major maintenance of parks & reserves infrastructure.	Allocations to and from this fund are determined by Council's Asset Management Plan – Parks & Reserves.
Roadworks Reserve	To contribute to the funding of the Shire's roadworks programme.	Roadworks Reserve	Established to accumulate funds for the construction, renewal and major maintenance of	An asset management plan is identified to be developed for this asset class.

			road infrastructure.	
N/A	N/A	Aged Care Equipment Reserve	Established to accumulate funds for the acquisition and replacement of furniture & equipment in Council's aged care facilities.	New Reserve. An asset management plan is identified to be developed for this asset class.
Aged Care Housing Reserve	To receive any surplus funds from aged housing operations to provide future funding for the upgrade of aged housing facilities.	Aged Care Housing Reserve	Established to manage funds from aged housing schemes for the upgrade of Council managed aged housing facilities.	
Employee Leave & Gratuity Reserve	To fund the payment of annual leave, long service leave and gratuity payments to employees.	Employee Entitlements Reserve	Established to provide funds for the payment of long service leave and grandfathered gratuity scheme entitlements.	Past employees are entitled to transport their accrued Long Service Leave within Local Government. As such Council remains liable for Long Service Leave for the period of employment with Council.
N/A	N/A	27 Pay Period Reserve	Established to provide funds for the additional cash outlay in each eleventh year when 27 pay fortnights occur instead of the normal 26.	New Reserve
Valuation Reserve	To assist in funding the cost of periodic revaluations of Unimproved and Gross Rental Valuations for rating purposes	Revaluation Reserve	Established to accumulate funds for; a) Asset Revaluations b) Rates Gross Rental Valuation - General Revaluation	

Town Planning Reserve	To fund future Town Planning projects including Town Planning Scheme Reserves, Rural Strategy, Municipal Inventory and Environmental plan.	Strategic Planning Studies Reserve	Established to accumulate funds for engaging strategic studies / reports.	
N/A	N/A	Council Election Reserve	This Reserve is established to accumulate funds for Council postal elections.	To annualise the cost of biennial Council election
N/A	N/A	Unspent Grants Reserve	To hold unexpended grants to be utilised in future financial periods.	New Reserve
Waste Management Reserve	To receive funds collected from the Shire's Waste Management levy for the purpose of providing waste management facilities.	Waste Management Reserve	To receive funds collected from the Shire's Waste Management levy for the purpose of providing waste management facilities	No Change
Bushfire Control & Management Reserve	To receive funds collected from the Shire's Fire Protection Levy for the purpose of providing fire fighting equipment to meet the needs of the district.	Bushfire Control & Management Reserve	To receive funds collected from the Shire's Fire Protection Levy for the purpose of providing fire fighting equipment to meet the needs of the district.	This levy no long raised. Replaced by the Emergency Services Levy (ESL).  A small balance remains in this reserve (\$2,282) as at 30 June 2018.  Recommend closure of this reserve as no longer required. Balance allocated to firefighting equipment purchased in

				excess of ESL funding.
Arbuthnott Memorial Scholarship	To fund the payment of the Arbuthnott Scholarship.	Arbuthnott Memorial Scholarship Reserve	To fund the payment of the Arbuthnott Scholarship.	No Change
Land Development Reserve Fund	To fund the purchase of land for future community purposes.	Land Development Reserve Fund	To fund the purchase of land for future community purposes.	No Change
Central Business District Reserve	To fund future Central Business District projects.	Central Business District Reserve	To fund future Central Business District projects.	No Change Only minimal funds in the Reserve, \$3,058 as a 30 June 2018.
Apple Funpark Reserve	To receive donations and to provide for the future capital upgrade and maintenance of equipment and facilities at the Apple Funpark in Collins Street, Donnybrook.	Apple Funpark Reserve	To receive donations and to provide for the future capital upgrade and maintenance of equipment and facilities at the Apple Funpark in Collins Street, Donnybrook.	No Change
N/A	N/A	Contribution To Works Reserve	To hold contributions for future works.	New Reserve

**CARRIED 5/4 – by Shire President’s casting vote**



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**10 ELECTED MEMBER MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

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**10.1 COUNCILLOR**

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Nil.

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**11 QUESTIONS FROM MEMBERS**

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**12 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF THE MEETING**

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Cr King has submitted a late item for consideration titled '12.1 Elected Member Motion – 3% Rates Increase for the Draft 2019/20 Annual Budget'.

**COUNCIL DECISION 40/19**

**Moved Cr Mills**

**Seconded Cr King**

**That Council pursuant to Clause 5.4 of the Meeting Procedures Local Law, agree to receive the item titled 'Elected Member Motion – 3% Rates Increase for the Draft 2019/20 Annual Budget' as a matter of urgent business.**

**CARRIED 8/0**

Cr Atherton left the meeting at 7.28pm and returned at 7.30pm.

## 12.1 ELECTED MEMBER MOTION – 3% RATES INCREASE FOR THE DRAFT 2019/20 ANNUAL BUDGET

<b>Location</b>	Shire of Donnybrook Balingup
<b>Applicant</b>	Cr Mike King
<b>File Reference</b>	DEP 22/14
<b>Author</b>	Cr Mike King
<b>Attachments</b>	Nil
<b>Voting Requirements</b>	Simple Majority
<b>Executive Summary</b>	For the draft 2019/20 Annual Budget to be prepared with a target of 3% Rates Increase

### STRATEGIC ALIGNMENT

Outcome 4.1 A strategically focussed, open and accountable local government.

### BACKGROUND

Officers will be developing the draft 2019/20 Annual Budget for consideration by Council at the budget meeting planned for 19 June 2019.

The Shire Administration, at the Integrated Planning and Reporting Framework (IPRF) workshop held on 20 March 2019, presented Councillors with the Draft IPRF Building Asset Maintenance Plan, a Borrowings and Reserve Funds Strategy, a Rating Principles Plan and the Draft Agenda document for adoption of this suite of proposals at the 25 April 2019 Ordinary Meeting of Council, to guide the preparation of the 2019/2020 Annual Budget.

The cumulative effect of the proposals was to add \$306,000 (or approximately 6.75% of rates) to be placed in Reserves within the 2019/2020 budget, in addition to the normal year on year operational increases (this year 2-3%?) of budget.

Over the last six years, Donnybrook Balingup Shire rates have increased at approximately 6% year, or a cumulative 30% rise (while local Government cost indices, CPI and wage increases have been at less than half these levels, or a cumulative increase of less than 15%).

**WALGA documentation sent to Councillors recently, suggested that Local Governments need to determine/consider the capacity of their community to pay. Continuing rate rises at 2-3 times CPI and wage rises are not sustainable in the long term.**

In 2013, Council developed a Long Term Financial Plan, which recommended successive rates increases of 6.7% year on year. This was primarily to assist in financing two major capital projects (neither of which has been commenced or completed) and to increase the amount held in Reserve funds. Since then, rate increases of 6.7% then 6.0% and in some years 5% have been maintained. In most years there has been an end of year surplus, often transferred to Reserve funds.

Funds not used for the projects for which they were budgeted appear not to have been placed in reserves to complete these projects in future years, but at least in some cases were used to fund budget overruns on other projects.

Long term financial plans are being presented to Council at the 25 April 2019 Ordinary Council Meeting to guide the preparation of the draft 2019/20 Annual Budget. The cumulative effect of the proposals will add \$306,000 (requiring a nominal 6% increase on 2018/19 rates) to be placed into Reserves within the 2019/20 budget. This is in addition to the normal annual operational increase to the budget.

This appears to be penalising the current ratepayers for a perceived lack of disciplined Reserve building in previous years and decades.

There is a forecast surplus of \$268,000 from the current 18/19 Budget, which could be used to partially replenish some of the \$306,000 Reserve funding, requiring only a minor top-up from revenues generated in the 19/20 budget process.

Council is requested to consider directing the CEO to prepare the draft 2019/20 Annual budget which targets an increase in general rate in the dollar no greater than 3.0%.

## **DETAILS**

### **Historical Shire Rate Increases**

The following table details the percentage rate increases for the past eight years adopted in the Annual Budget.

2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
	7.5%	6.7%	6.0%	5.0%	5.0%	5.0%	6.0%
6.5% GRV							
7.5% UV							

Shire rate increases have repeatedly been between twice to three times CPI and annual wage increase rates. Fundamentally, this is not sustainable over successive years. Eventually, ratepayers will reach a point where their disposable income is being progressively absorbed by increases in Shire rates, Federal and State taxes, and other increases such as increased utilities charges.

Last year, WALGA's economic briefing predicted an outlook for low wage and economic growth (and this is being echoed by the Reserve Bank predictions for 2019/20). It prompted the State Government to investigate legislation limiting the level of Council rate increases, and the WALGA President suggested Councils rein-in rates increases.

In fact, a majority of the metropolitan Councils did this. I believe one Council achieved no rates increase, with 16 of the remaining 22 Councils announcing rate increases in the range 1.0% to 2.5%. Further four councils increased rates by 3%.

### **Organisational Restructuring to achieve Financial and Productivity Improvements**

Through the 2018/19 Budget, Council supported the recommendations of the CEO (with one recommendation excepted) on the need for an organisational restructure to drive improvements in efficiency, productivity and output.

As of early 2019 this structure is essentially in place – and Council should now begin to reap the rewards driven by these organisational improvements in three main categories; financial, performance and reputation.

### **Assembly of the IPRF Informing Documentation**

Council does recognise the efforts of staff in commencing the assembly of all the IPRF documentation, which presently is an accurate listing of all Building Assets, and an estimate of future expenditure required to maintain all the current buildings in their present condition in perpetuity. It will eventually progress to a Building Asset Management plan.

This might well involve not maintaining some of the older assets, in order to replace/retain assets which are better functional and performing assets with lower service costs. Similar advice/assessment and recommendations on Parks and Garden Reserves etc will be required. However, there is considerable work to present the data required for Council to direct staff on these issues.

The documents presented represent only a fraction of the work required to allow Shire staff to provide recommendations on forward asset management planning, and responsible and informed decisions on the Shires building asset portfolio by Council.

### **POLICY COMPLIANCE**

Not applicable.

### **CONCLUSION**

This elected member's motion will instruct the CEO to develop a budget with a targeted rate increase of 0-3% (being a maximum 150% of CPI for the 2018-19 year to March 2019).

It is recognised this may require the delay or postponement of some capital works programs, the reduction levels of service on some lower priority services, whilst maintaining the higher priority services, but it must also require the consideration of efficiency, effectiveness and productivity across all Shire activities.

### **CHIEF EXECUTIVE OFFICER COMMENTS**

Officers are progressing the development of an Integrated Planning and Reporting Framework for the Shire, seeking to improve the long term financial sustainability of the Shire of Donnybrook Balingup.

This corporate planning framework will provide greater integration of plans and, over time, become a key strategic driver for the Annual Budget.

A suite of financial planning systems are being developed and implemented that will:

- a) Accurately demonstrate the Shire's capability to deliver services and manage its asset portfolio that can sustain our community into the future.
- b) Accurately determine the real cost of managing the Shire's asset portfolio.
- c) Accurately determine the real cost of delivering services to the community.
- d) Accurately determine the real contribution residents and users should make to the cost of services and facilities.

One aspect of the financial planning framework is realigning the underlying foundation of the Annual Budget to respond to the aforementioned points in order to improve the long term financial sustainability for the Shire.

It is advised that Council has considered regard to longer-term considerations in making annual budget decisions (enabled through the IPRF suite of corporate plans). Without adopting a long-term, strategic view, the Shire is likely to be faced with future financial challenges. These long-term financial plans let Council see what its future financial obligations are. The plans help Council assess the need for early intervention to reduce future risks and associated revenue raising requirements of future generations.

In accordance with s6.32 of the *Local Government Act 1995* (the Act) the setting of rates is determined by Council when adopting the Annual Budget:

**6.32. Rates and service charges**

- (1) *When adopting the annual budget, a local government —*
  - (a) *in order to make up the budget deficiency, is to impose\* a general rate on rateable land within its district, which rate may be imposed either —*
    - (i) *uniformly; or*
    - (ii) *differentially;**and*
  - (b) *may impose\* on rateable land within its district —*
    - (i) *a specified area rate; or*
    - (ii) *a minimum payment;**and*
  - (c) *may impose\* a service charge on land within its district.*

*\* Absolute majority required.*

In accordance with the Act (as above), determining rates prior to adopting the Annual Budget is not binding on Council, however, will be binding on the Administration's preparation of the Draft Budget – for Council consideration. Therefore, it is recommended that the Council decision concerning the level of rates be determined when considering the Annual Budget, and that the Elected Member Motion (as it has been drafted) direct the CEO to prepare the draft 2019/20 Budget on a particular general rate increase (3%) from the 2018/19 Budget.

**COUNCIL DECISION 41/19**

**Moved Cr King      Seconded Cr Tan**

**That Council directs the Chief Executive Officer to prepare the draft 2019/20 Annual Budget with an increase in the General Rate in the Dollar no greater than 3.0%.**

**CARRIED 8/0**

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## **13 MEETINGS CLOSED TO THE PUBLIC**

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### **13.1 MATTERS FOR WHICH THE MEETING MAY BE CLOSED**

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#### **13.1.1 BRIDGE STREET, DONNYBROOK – PARTNERSHIP HOUSING PROJECT**

#### **13.1.2 UNIT 9 PRESTON RETIREMENT VILLAGE RE-LEASE**

These reports are confidential in accordance with section 5.23(2)(c) of the *Local Government Act 1995*, which permits the meeting to be closed to the public for business relating to the following:

(c) a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting.

Confidential reports and recommendations have been circulated separately and are not for circulation.

### **COUNCIL DECISION 42/19**

**Moved Cr Tan      Seconded Cr Lindemann**

**That the meeting be closed to the public in accordance with section 5.23(2)(c) of the *Local Government Act* to discuss the following agenda items:**

**13.1.1 Bridge Street, Donnybrook – Partnership Housing Project**

**13.1.2 Unit 9 Preston Retirement Village Re-Lease**

### **CARRIED 8/0**

The meeting was closed to members of the public at 7.43pm. The Shire President thanked members of the public for their attendance.

Cr Tan left the meeting at 7.42pm and returned at 7.43pm.

The Chief Executive Officer left the meeting at 7.41pm and returned at 7.43pm.

**COUNCIL DECISION 45/19**

**Moved Cr Tan      Seconded Cr King**

**That:**

- 1. That the meeting be re-opened to the public**
- 2. In accordance with Section 5.23(2) of the *Local Government Act 1995* and Section 4A of the *Local Government (Administration Regulations) 1996*, agenda items 13.1.1 and 13.1.2 are to remain confidential as sensitive information is detailed in the reports.**
- 3. When the information in the reports is not sensitive the items will be included in the next occurring Council Agenda.**

**CARRIED 8/0**

The meeting was re-opened to members of the public at 7.57pm.

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**13.2 PUBLIC READING OF RESOLUTIONS THAT MAY BE MADE PUBLIC**

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Nil.

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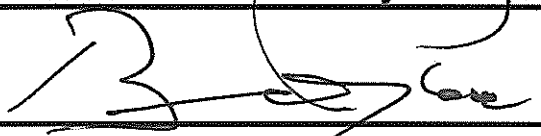

**14 CLOSURE**

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Cr Mills made a statement expressing his disappointment at the last minute interest shown regarding the relocation of the milling equipment, along with the emotional public question time. Cr Mills suggested the Shire and Council work at better involving the community in their decisions.

The Shire President advised that the next Ordinary Council Meeting will be held on Wednesday 22 May 2019 commencing at 5.00pm at the Shire of Donnybrook Balingup Council Chambers, Donnybrook.

The meeting was closed at 7.58pm.

<b>These Minutes were confirmed by the Council as a true and accurate record at the Ordinary Council Meeting held on 27 March 2019</b>	
	
<b>Shire President</b>	<b>Presiding Member</b>