



NOTICE OF ORDINARY MEETING OF COUNCIL

To be held on

Wednesday 22 September 2021

Commencing at 5.00pm

Shire of Donnybrook Balingup Council Chambers, Donnybrook

Ben Rose
Chief Executive Officer

17 September 2021

Disclaimer

Please note the items and recommendations in this document are not final and are subject to change or withdrawal.

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SHIRE OF DONNYBROOK BALINGUP
NOTICE OF ORDINARY COUNCIL MEETING

To be held at the Council Chambers
Wednesday, 22 September 2021 at 5.00pm

1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

Shire President – Acknowledgment of Country

The Shire President to acknowledge the traditional custodians of the land, the Wardandi People of the Noongar Nation, paying respects to Elders, past, present and emerging.

The Shire President to declare the meeting open and welcome the public gallery.

The Shire President advised that the meeting is being digitally recorded to assist with minute taking in accordance with Council Policy 1.25. The Shire President further stated the following:

If you do not give permission for your participation to be recorded, please indicate this at the meeting. Members are reminded that no other visual or audio recording of this meeting by any other means is allowed without the permission of the Chairperson.

2 ATTENDANCE

MEMBERS PRESENT

COUNCILLORS	STAFF
Cr Brian Piesse (President)	Ben Rose – Chief Executive Officer
Cr Jackie Massey (Deputy President)	Steve Potter – Director Operations
Cr Shane Atherton	Kim Dolzadelli – Director Corporate and Community
Cr Anita Lindemann	Archana Arun – Administration Officer – Executive Services
Cr Anne Mitchell	
Cr Chaz Newman	
Cr Chris Smith	
Cr Leanne Wringe	

PUBLIC GALLERY

2.1 APOLOGIES

2.2 APPROVED LEAVE OF ABSENCE

2.3 APPLICATION FOR A LEAVE OF ABSENCE

3 ANNOUNCEMENTS FROM PRESIDING MEMBER

4 DECLARATION OF INTEREST

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. J Massey declared an impartiality interest in *item 9.2.5 2021/2022 Major Community Grants Funding Round and item 9.2.6 2021/2022 Community Grant Funding – Service Level Agreements* as she is a member of BPA and non-voting chair of selection panel for park steward.

Cr. L Wringe declared an impartiality interest in *item 9.2.5 2021/2022 Major Community Grants Funding Round and 9.3.2 request to sub-lease portion of 70 South Western Highway* as she is Treasurer of the Donnybrook Chamber of Commerce.

Cr. A Mitchell declared a financial interest in *item 9.2.5 2021/2022 Major Community Grants Funding Round and item 9.2.6 2021/2022 Community Grant Funding – Service Level Agreements* as there may be possible financial interest as also *item 9.3.3 Transition of Tuia Loge to Leasehold Operation 30 June 2021 as Mother in care at Tuia Lodge and also being surge workforce volunteer*

Mr. B Rose declared an impartiality interest in *item 9.3.2 Request to sub-lease portion of 70 South Western Highway, Donnybrook* as his wife is Co-Chair of the Donnybrook-Capel Branch of Bendigo Bank.

5 PUBLIC QUESTION TIME

5.1 RESPONSES TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Simon McInnes

With the capital works, how many projects are completed and to what value and how many projects in the 20/21 budget were not completed and to what value and how many have been carried over to this year and to what value?

Response

2020-2021 completed projects – 30 projects, total expenditure \$3.1 million.

2020-2021 continuing projects – 16 projects, total unspent budget \$2.54 million.

2021-2022 projects brought forward for completion – 16 projects, total brought forward budget \$2.48 million.

5.2 PUBLIC QUESTION TIME

6 PRESENTATIONS

6.1 PETITIONS

6.2 PRESENTATIONS

6.3 DEPUTATIONS

7 CONFIRMATION OF MINUTES

7.1 ORDINARY MEETING OF COUNCIL – 25 AUGUST 2021

Minutes of the Ordinary Meeting of Council held 25 August 2021 are attached (attachment 7.1(1)).

EXECUTIVE RECOMMENDATION

That the Minutes from the Ordinary Meeting of Council held 25 August 2021 be confirmed as a true and accurate record.

7.2 LOCAL EMERGENCY MANAGEMENT COMMITTEE MEETING – 17 AUGUST 2021

Minutes of the Local Emergency Management Committee Meeting held 17 August 2021 are attached (*attachment 7.2(1)*).

EXECUTIVE RECOMMENDATION

That the Minutes from the Local Emergency Management Committee Meeting held 17 August 2021 be received.

8 REPORTS OF COMMITTEES

Nil.

9 REPORTS OF OFFICERS

9.1 DIRECTOR OPERATIONS

9.1.1 SOUTH WEST NATIVE TITLE SETTLEMENT – REQUEST FOR CROWN LAND ALLOCATION – LAND LIST 356

Location	Shire of Donnybrook Balingup
Applicant	Department of Planning, Lands & Heritage
File Reference	DEP 61C
Author	Kira Strange, Principal Planner
Responsible Officer	Steve Potter, Director Operations
Attachments	9.1.1(1) - DPLH Crown Land List 356
Voting Requirements	Simple majority

Recommendation

That Council:

1. **Advises the Department of Planning, Lands and Heritage (DPLH) that the Shire has no comment to make on private land tenure matters between the Crown and the Noongar People as part of the South West Native Title Settlement, however recommends that the DPLH ensure such arrangements and/or agreements are consistent with the parameters of the local Statutory and Strategic planning frameworks.**
2. **Provides responses as per Attachment 9.1.1(1) in response to the queries presented by the Department of Planning, Lands and Heritage.**
3. **Advises the Department of Planning, Lands and Heritage that the Shire may review the Local Planning Strategy and Local Planning Scheme in the near future which may or may not impact the Strategic and/or Statutory frameworks of the subject land parcel.**
4. **Request that, prior to resolving a decision on this matter, consultation is undertaken with the neighbouring landowner of Lot 62 who is understood to utilise the land for grazing purposes.**

STRATEGIC ALIGNMENT

The following outcomes from the Strategic Community Plan relate to this proposal:

Outcome	4.1	A strategically focused, open and accountable local government
Strategy	4.1.1	Provide accountable and strategic leadership
Action	4.1.1.5	Support initiatives to nurture local civic, social and community leadership

EXECUTIVE SUMMARY

Council has received correspondence from the Department of Planning, Lands and Heritage (DPLH) seeking information and comment on the potential allocation of a parcel of Crown land located within the Shire of Donnybrook-Balingup to the Noongar People as part of the South West Native Title Settlement (SWNTS). The proposed parcel may form part of the Noongar Land Estate (NLE), held by the Noongar Boodja Trust (NBT), as part of the South West Native Title Settlement.

Consistent with Council's Resolution dated 28 April 2021 (detailed below) it is recommended that Council advises the DPLH that it has no comment with regards to the proposed transfer of land, however, authorises staff to provide information regarding the Strategic and Statutory framework applicable to the lot.

BACKGROUND

The SWNTS is the largest and most comprehensive agreement to settle Aboriginal interests over land in Australia. The SWNTS area, involving six Noongar Native Title Agreement Groups, is illustrated below.



Figure 1 – Map of the South West Native Title Settlement Area and the six Noongar Native Title Agreement Groups that form the six Indigenous Land Use Agreements (ILUAs).

The State of Western Australia has committed to allocating up to 300,000 hectares of land allocated as reserve or leasehold and 20,000 hectares of land allocated as freehold for cultural or economic development use within the SWNTS area.

The land will form part of the Noongar Land Estate (NLE) which will be held by the Noongar Boodja Trust (NBT). The Trustee must manage the land in accordance with the Trust Deed of each of the six Indigenous Land Use Agreements (ILUAs) which were registered at the Native Title Tribunal on 17 October 2018. The legal processes surrounding this registration of the ILUAs have now concluded. As a result, conclusive registration of the ILUAs occurred on 27 January 2021 and the SWNTS formally commenced on 25 February 2021.

As part of the SWNTS process, the DPLH are responsible for undertaking the identification and assessment process for land parcels within the boundaries of the SWNTS area. Part of the assessment process includes referral of land parcels to the relevant agencies, including Local Government, for comment. The DPLH are doing this on an ad-hoc basis, providing the Shire with a list of parcels for consideration as the settlement progresses over the next 5 years.

Council has considered a request of this nature before, including most recently, the Ordinary Meeting held 28 April 2021 where it was resolved:

“That Council:

- 1. Acknowledges and supports the formal commencement of the South West Native Title Settlement including the transfer of land deemed appropriate by the DPLH and as agreed by the Noongar People.*
- 2. Advises the DPLH that the Shire has no comment to make on private land tenure matters between the Crown and the Noongar People as part of the South West Native Title Settlement, however recommends that the Department of Planning, Lands and Heritage ensure any arrangements and/or agreements are consistent with the parameters of the local Statutory and Strategic frameworks.*
- 3. Provides responses as per Attachment 9.1.1(1) in response to the queries presented by the Department of Planning, Lands and Heritage.*
- 4. Advises the Department of Planning, Lands and Heritage that the Shire may review the Local Planning Strategy and/or Local Planning Scheme in the near future which may or may not impact the Strategic and/or Statutory frameworks of the subject land parcels.”*

The land the subject of the current request for comment is as follows:

- Lot 501 Nieuwenhuyze Road, Brazier (Figure 2).



Figure 2 – Lot 501 Nieuwenhuyze Road, Brazier.

The DPLH has asked a series of questions relating to the parcel of land. The proposed tenure arrangement for the lot is “Freehold”.

A full review of the subject parcel and responses to questions has been completed within Attachment 9.1.1(1) however a summary is as follows:

Lot 501 Nieuwenhuyze Road, Brazier

The subject property is 3.4848 hectares, zoned ‘General Agriculture’ under the Shire of Donnybrook-Balingup Local Planning Scheme No. 7 (LPS7) and is wholly located within a designated bushfire prone area. The property is identified as Unallocated Crown Land and is on Upper Capell Road, approximately 5km west of the Kirup townsite.

The lot is partly vegetated and the ground slopes upward from approximately 205 AHD in north-west corner to 240 AHD in the south-east corner. The property does not currently appear to be fenced.

FINANCIAL IMPLICATIONS

Nil.

POLICY COMPLIANCE

Nil.

STATUTORY COMPLIANCE

Nil.

CONSULTATION

Part of the DPLH assessment process includes referral of land parcels to the relevant agencies, including Local Government, for comment.

OFFICER COMMENT

The DPLH has requested advice on the subject property which can be categorised in two parts:

1. Factual based site specific information regarding land use and development potential (local Statutory and Strategic frameworks, land interests, possible site constraints, future development, changes in zoning, bushfire status, etc.); and
2. Whether the Shire supports the proposed transfer of land (land tenure) as part of the South West Native Title Settlement.

Council is responsible for the local Statutory and Strategic frameworks which control and guide the way in which land parcels are used and developed within the Shire (i.e. point 1 above). Land ownership, management and/or leasing arrangements (i.e. land tenure as per point 2) holds minimal bearing on the way in which the land is permitted or not permitted to be used or developed under the local Statutory and Strategic framework. All land use and development within the Shire is subject to the same Statutory and Strategic framework, regardless of the party (private or public) who is responsible for and/or in ownership of the land (i.e. land tenure).

Officers therefore consider that proposed transfer of land is considered a private land tenure matter between the owner (the Crown) and the beneficiary (Noongar People). Notwithstanding, it is recommended that the DPLH consider whether proposed land tenure arrangements and/or agreements will be consistent with the local Statutory and Strategic framework to avoid any future potential land use and/or development conflict and the following summary highlights the considerations that will be communicated to the DPLH.

The subject lot is located in the General Agriculture zone and the Shire is uncertain whether the land is currently fenced. In this regard, the DPLH should consider any current arrangements (informal or formal) with the use of this land, particularly by any surrounding landowners.

The land may present physical constraints and challenges (i.e. topography, vegetation, soil classification, water and/or sewer provision, etc.) that should be considered where applicable including:

- *Land use permissibility in the 'General Agriculture' zone;*
- *Clearing of native and non-native vegetation;*
- *Significant changes to the natural ground level (i.e. site works);*
- *Physical provision of any on-site sewer management and water supply;*
- *Ongoing bushfire management and future land use; and*
- *Stormwater management.*

CONCLUSION

It is recommended that Council endorse the Officer's recommendation and the attached documentation to be provided to the DPLH.

9.1.2 PROPOSED EXPANSION OF WELLINGTON NATIONAL PARK

Location	Wellington National Park
Applicant	Department of Planning, Lands & Heritage
File Reference	PWF 16T
Author	Steve Potter, Director Operations
Responsible Manager	Steve Potter, Director Operations
Attachments	9.1.2(1) - Deposited Plan 420655 9.1.2(2) - Deposited Plan 420656 9.1.2(3) - Deposited Plan 420657 9.1.2(4) - Plan relevant to the Shire of Donnybrook Balingup
Voting Requirements	Simple Majority

Recommendation
<p>That Council:</p> <ol style="list-style-type: none"> 1. Acknowledges the proposed expansion of the portions of Wellington National Park located within the Shire of Donnybrook Balingup in accordance with DP 420655, 420656 and 420657. 2. In accordance with Council’s resolution from its Ordinary Council Meeting of 13 February 2019 advises the Department of Planning, Lands and Heritage that Council: <ol style="list-style-type: none"> 2.1 Supports initiatives that promote a sustainable timber industry; 2.2 Supports initiatives that promote a diversified and resilient local economy including expansion of tourism and eco-tourism opportunities; 2.3 Remains impartial in terms of its support or otherwise for the proposed expansion of Wellington National Park, due to the absence of supporting data to quantify the merits of the proposal; 3. In accordance with Council’s resolution from its Ordinary Council Meeting of 26 June 2019 acknowledges that the proposed expansion of the Wellington National Park is likely to be approved by the State Government and subject to such approval being granted: <p style="margin-left: 40px;">Indicates the Shire of Donnybrook Balingup’s in-principle support for the development of ecotourism opportunities in the Greater Wellington National Park with a view to increasing connectivity between tourism developments in neighbouring local government areas.</p> 4. Advises DPLH that State Government funding commitment to the development of eco-tourism opportunities at Glen Mervyn Dam, as

previously jointly endorsed by the Shire of Donnybrook Balingup and the Shire of Collie, should be considered as part of the expansion of the Wellington National Park.

STRATEGIC ALIGNMENT

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

Outcome	1.1	A diverse, prosperous economy, supporting local business and population growth.
Strategy	1.1.1	Promote, maintain and diversify investment in the district.
Action	1.1.1.2	Represent the district's interests with key stakeholders.
	1.1.1.4	Actively partner in regional Growth Planning partnerships and projects.
Outcome	1.3	An attractive visitor and tourist destination.
Strategy	1.3.1	Actively promote the district as an attractive destination.
Action	1.3.1.3	Continue to support local and regional tourism bodies and initiatives.
	1.3.1.4	Support and promote local tourism events and attractions.
Outcome	2.3	A natural environment for the benefit of current and future generations.
Strategy	2.3.3	Partner with key stakeholders for effective environmental management.
Action	2.3.3.3	Lobby key stakeholders for improved environmental management practices and initiatives.

EXECUTIVE SUMMARY

Statutory public notification of the proposed expansion of Wellington National Park is currently underway and the public is invited to make comment.

Council previously considered two separate reports on this matter in 2019 and it is recommended that Council largely reiterate the position(s) it previously reached when considering the matter as nothing has substantially changed in the interim.

BACKGROUND

At the Ordinary Council Meeting held on 13 February 2019, Council considered a request for comment from the Department of Biodiversity Conservation and Attractions (DBCA) for the proposed expansion of Wellington National Park.

In considering the proposal, Council resolved the following:

“That Council:

- 1. Supports initiatives that promote a sustainable timber industry;*

2. *Supports initiatives that promote a diversified and resilient local economy, including expansion of tourism and eco-tourism opportunities;*
3. *Requests the Chief Executive Officer to advise the Department of Biodiversity, Conservation and Attractions that there is insufficient information available to establish a position on the proposed expansion of the Greater Wellington National Park due to the absence of robust, independent data and detail to quantify the merits of the proposal; and*
4. *Requests the Chief Executive Officer to advise the Department of Biodiversity, Conservation and Attractions that an outcome which balances the interests of the timber industry, the natural environment and tourism should be sought.”*

This was followed by a separate report on the matter presented as an Elected Member's Motion by Cr. Lindemann which was considered at the Ordinary Council Meeting held on 26 June 2019 and which resulted in the following resolution:

“That Council acknowledges that the proposed expansion of the Wellington National Park is to be approved by the State Government and subject to such approval being granted:

1. *Indicates the Shire of Donnybrook Balingup's in-principle support for the development of ecotourism opportunities in the Greater Wellington National Park with a view to increasing connectivity between tourism developments in neighbouring local government areas;*
2. *Requests the Chief Executive Officer seek further clarification from the Department of Biodiversity, Conservation and Attractions as to its financial commitment and plans to develop the Greater Wellington National Park.”*

In light of the above, public notification is currently being undertaken by the Department of Planning Lands and Heritage (DPLH) indicating that the State Government is ‘intending to act’ in relation to Class “A” Reserve 46213 (Wellington National Park) by increasing it in size by 7,381.7ha with the addition of the following Crown land parcels:

- Portions of State Forest 25, totaling 6,222.8707 ha, which will be excised from the State Forest;
- Portions of State Forest No. 26, totaling of 1056.7332 ha, which will be excised from State Forest;
- Areas of Unallocated Crown Land, totaling of 9.0478 ha;
- Freehold Lot 153 on DP 72265, held in the name of State of Western Australia, being 81.0504ha;
- Portions of unconstructed road reserve, totaling 12.0201ha.

FINANCIAL IMPLICATIONS

The proposed expansion is expected to have limited direct financial implications as the State will be responsible for the additional areas including road and trail maintenance.

It may have implications for local businesses, which may be positive or negative, depending on the nature of the business.

POLICY COMPLIANCE

Not applicable.

STATUTORY COMPLIANCE

Not applicable.

CONSULTATION

The Shire is responding to the State consultation process, however has not undertaken any additional consultation of its own.

OFFICER COMMENT/CONCLUSION

Council has previously considered this matter on two separate occasions which resulted in the forming of certain positions as per the previous Council resolutions.

In reviewing the previous Council resolutions, further information regarding the funding aspect has been provided which indicates that the State Government will allocate \$3.35 million for the upgrading of roads and provision of visitor facilities such as lookouts, tracks, trails, and campgrounds which appears to be in line with Council's support for eco-tourism initiatives.

However, details regarding the economic and other implications of the proposal (either positive or negative) do not appear to have been quantified and therefore, officers retain the position that there is insufficient data to enable Council to make an informed decision with regards to supporting / not supporting the proposal.

9.2 DIRECTOR CORPORATE AND COMMUNITY

9.2.1 ACCOUNTS FOR PAYMENT

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

9.2.2 MONTHLY FINANCIAL REPORT – JULY 2021

The Monthly Financial Report for July 2021 is attached (*attachment 9.2.2(1)*).

EXECUTIVE RECOMMENDATION

That the monthly financial report for the period ended July 2021 be received.

9.2.3 MONTHLY FINANCIAL REPORT – AUGUST 2021

The Monthly Financial Report for August 2021 *will be prepared and presented to the Ordinary Council Meeting in October 2021.*

EXECUTIVE RECOMMENDATION

That the monthly financial report for the period ended August 2021 will be presented to the October Ordinary Council Meeting for compliance purposes.

9.2.4 BUDGET AMENDMENT REQUEST

Location	Shire of Donnybrook Balingup
Applicant	Shire of Donnybrook Balingup
File Reference	FNC 04/1
Author	Kim Dolzadelli, Director Corporate and Community
Responsible Manager	Kim Dolzadelli, Director Corporate and Community
Attachments	Nil
Voting Requirements	Absolute Majority

Recommendation

That Council approve the following Budget Amendment:

COA	Description	Current Budget	Amended Budget	Change in Budget
N/A	Stated Surplus Position	\$986,229	\$ -	-\$986,229
176230	Transfer to Restricted Assets - Unspent Loan Funds	\$ -	-\$986,229	\$986,229
			Net Impact	0

STRATEGIC ALIGNMENT

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

Outcome	4.2	A respected, professional and trusted organisation
Strategy	4.2.1	Effective and efficient operations and service provision
Action	4.2.1.2	Seek a high level of legislative compliance and effective internal controls

EXECUTIVE SUMMARY

Council is being requested to consider an amendment to the Adopted 2021/2022 Budget, in order to correct a technical accounting treatment of unspent loan funds.

BACKGROUND

Council adopted its 2021/2022 Municipal Budget on Thursday 25 August 2021.

In accordance with regulation 33 of the *Local Government (Financial Management) Regulations 1996* the adopted statutory Budget was lodged with the Department of Local Government, Sport and Cultural Industries on 2 September 2021.

Correspondence from the Department of Local Government, Sport and Cultural Industries was received on 6 September 2021 noting non-compliance with Section 6.34 of the *Local Government Act 1995* which states the following:

6.34. Limit on revenue or income from general rates

Unless the Minister otherwise approves, the amount shown in the annual budget as being the amount it is estimated will be yielded by the general rate is not to —
(a) be more than 110% of the amount of the budget deficiency; or
(b) be less than 90% of the amount of the budget deficiency.

The non-compliance has been bought about by the technical accounting treatment of unspent loan funds to the amount of \$986,229.

It is noted that whilst preparing the Annual 2021/2022 Budget, officers sought and were given advice on this matter in the preparation of the budget and that identification of the funding as restricted cash in the Notes would have been sufficient to meet the provisions of clause 6.34 of the Act.

The adopted 2021/2022 Budget recorded the above in Notes 2c and 6 as shown below:

NOTES TO AND FORMING PART OF THE BUDGET FOR THE YEAR ENDED 30 JUNE 2022			
2. NET CURRENT ASSETS (CONTINUED)			
EXPLANATION OF DIFFERENCE IN NET CURRENT ASSETS AND SURPLUS/(DEFICIT)			
Items excluded from calculation of budgeted deficiency			
When calculating the budget deficiency for the purpose of Section 6.2 (2)(c) of the <i>Local Government Act 1995</i> the following amounts have been excluded as provided by <i>Local Government (Financial Management) Regulation 32</i> which will not fund the budgeted expenditure.			
(b) Operating activities excluded from budgeted deficiency			
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .			
Note	2021/22 Budget 30 June 2022	2020/21 Actual 30 June 2021	2020/21 Budget 30 June 2021
	\$	\$	\$
Adjustments to operating activities			
Less: Profit on asset disposals	4(b) (24,018)	(53,620)	(9,869)
Add: Loss on disposal of assets	4(b) 28,303	6,474	32,470
Add: Extinguishment of RADS Borrowings	0	187,229	0
Add: Depreciation on assets	5 5,758,977	5,699,572	5,494,234
Movement in non-current employee provisions	0	(101,693)	0
Non cash amounts excluded from operating activities	5,763,262	5,737,962	5,516,835
(c) Current assets and liabilities excluded from budgeted deficiency			
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.			
Adjustments to net current assets			
Less: Unspent borrowings	6(c) (986,229)	0	0
Less: Cash - restricted reserves	8 (4,716,128)	(5,539,258)	(5,704,551)
- Current portion of employee benefit provisions held in reserve	17,500	0	192,881
Total adjustments to net current assets	(5,684,857)	(5,539,258)	(5,511,670)

SHIRE OF DONNYBROOK BALINGUP
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2022
 6. INFORMATION ON BORROWINGS

(b) New borrowings - 2021/22

Particulars/Purpose	Institution	Loan type	Term (years)	Interest rate	Amount borrowed budget	Total interest & charges	Amount used budget	Balance unspent
					\$	\$	\$	\$
VC Mitchell Park	WATC	Debenture	20	2.80%	2,500,000	964,354	1,513,771	986,229
					2,500,000	964,354	1,513,771	986,229

(c) Unspent borrowings

Loan Details	Purpose of the loan	Year loan taken	Amount b/fwd.	Amount used 2021/22 Budget	New loans unspent at 30 June 2022	Amount as at 30 June 2022
			\$	\$	\$	\$
New	VC Mitchell Park	2022	0	0	986,229	986,229
			0	0	986,229	986,229

FINANCIAL IMPLICATIONS

There are no financial implications with respect to the requested budget amendment in so much that budgeted unspent loan funds will be transferred to restricted assets, hence reducing the stated year end budgeted surplus.

The unspent loan funds can then be transferred back into the 2022/2023 Budget to support capital expenditure associated with the purpose of the loan funding.

POLICY COMPLIANCE

N/A.

STATUTORY COMPLIANCE

Section 6.34 of the *Local Government Act 1995* states the following:

6.34. Limit on revenue or income from general rates

Unless the Minister otherwise approves, the amount shown in the annual budget as being the amount it is estimated will be yielded by the general rate is not to —
 (a) *be more than 110% of the amount of the budget deficiency; or*
 (b) *be less than 90% of the amount of the budget deficiency.*

CONSULTATION

Consultation has occurred with Mr Alan Carmichael, Senior Advisory Officer, Department of Local Government, Sport and Cultural Industries.

The proposed budget amendment has been discussed in detail with Senior Advisory Officer, Mr Alan Carmichael who is satisfied with the outcome this will deliver.

OFFICER COMMENT/CONCLUSION

The non-compliance has been bought about by a technical accounting treatment of unspent loan funds in the amount of \$986,229, as such there is no adverse impact on the adopted 2021/22 Annual Budget.

The proposed budget amendment will correct this technical issue by transferring the budgeted unspent loan funds to restricted assets. The result of this amendment will be that the closing surplus position for 2021/22 will be \$0 and will ensure more informative and accurate monthly financial reporting and tracking.

The unspent Loan Funds can then be transferred back into the 2022/2023 Budget to support capital expenditure associated with the purpose of the loan funding.

The Officer commends the requested Budget Amendment to Council for consideration.

9.2.5 2021/2022 MAJOR COMMUNITY GRANTS FUNDING ROUND

Location	Shire of Donnybrook Balingup
Applicant	Various
File Reference	FNC 08/6
Author	James Jarvis, Manger Community Development
Responsible Manager	Kim Dolzadelli, Director Corporate and Community
Attachments	9.2.5(1) - Community Grant Funding Guidelines 9.2.5(2) - Council Policy COMD/CP-1 CGFS 9.2.5(3) - Summary of Applications 2020/2021 (Confidential) 9.2.5(4) - Summary of previous grant recipients
Voting Requirements	Simple Majority

Recommendation	
<p>That Council:</p> <ol style="list-style-type: none"> 1. Approve the recommended decisions identified in the Community Grants Funding Scheme Major Community Grants and Major Event Sponsorship categories in accordance with the confidential Summary of Applications 2021/2022 (Attachment 9.2.5(3)), totaling \$24,648. 2. Approve the surplus funding allocation transfer of \$1,374 from the undersubscribed Major Event Sponsorship category to the oversubscribed Major Community Grants category that will: <ol style="list-style-type: none"> a. Increase the total funding pool in the Major Community Grants category from \$12,324 to \$13,698; and b. Enable another worthwhile community grant to be substantially funded. 	

STRATEGIC ALIGNMENT

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

Outcome	3.1	An engaged, supportive, and inclusive community
Strategy	3.1.1	Facilitate, encourage, and support a diverse range of festivals, community events, arts, and cultural activities.
Action	3.1.1.2	Continue to encourage and support community-led events

EXECUTIVE SUMMARY

The 2021/2022 Community Grants Funding Scheme (CGFS) is the first funding round subject to the new policy arrangements that amended key funding categories and linked CGFS funding allocation as a percentage of Shire rates. There was a significant increase in competition for major community grants because of increased CGFS visibility in the community, extensive

consultation by the Community Development team and the ongoing impact of COVID-19 restrictions on other revenue generating sources for community clubs and organisations. CGFS grant round application assessments and recommendations for the contested and over-subscribed major community grant category were based on project impact, number of community members positively impacted by the funding investment, and the project idea's alignment with the Shire's Strategic Community Plan.

BACKGROUND

The Shire's CGFS policy was adopted by Council on 25 November 2020. The purpose of the Scheme is to provide funding to individuals, community groups, not-for-profit and commercial organisations that are seeking financial support to allow them to deliver projects and activities that address identified community needs. Application assessments and subsequent recommendations are linked to the Shire's Strategic Community Plan.

For each financial year, the total CGFS funding budget allocation is based as a percentage of Shire rates 2.5%. In 2021/2022 this represents \$138,471 available for the CGFS round, as identified in Table 1: 2021/2022 CGFS funding allocations by grant category.

Table1: 2021/2022 CGFS funding allocation by grant category.

Grant Category	%	\$
• Service Level Agreements	75	103,856
• Major Community Grants	8.9	12,324
• Major Event Sponsorship	8.9	12,324
• Minor Community Grants	2.4	3,323
• Minor Event Sponsorship	2.4	3,323
• Non-Cash Donations/Waiver of Fees	1.6	2,215
• Cash Donations	0.8	1,107

Full CGFS are outlined in the CGFS Guidelines (Attachment 9.2.5(1)) and Council Policy COMD/CP-1 CGFS (Attachment 9.2.5(2)). These documents include details of eligibility, ineligibility, how to apply and the assessment criteria.

On 1 May 2021, the Major Community Funding Round was advertised with applications being accepted to 25 June 2021. These applications were for projects and events which would occur in the 2021/2022 financial year. Two funding categories were advertised, including:

- (1) Major Community Grants – maximum of \$2,000 per application; and
- (2) Major Event Sponsorship - maximum of \$2,000 per application.

A total of seventeen applications were received, including:

- (1) Eleven applications for Major Community Grants totaling \$20,045; and
- (2) Six applications for Major Event Sponsorship totaling \$10,950.

A confidential overview of the applications received has been completed (Attachment 9.2.5(3)), which indicates the recommended amounts and recipients of the grants from the received applications. The assessment process also includes reviewing previous grant recipients (see Attachment 9.2.5(4)).

The major event sponsorship applications can be fully funded within the \$12,324 funding allocation, which leaves a surplus of \$1,374 in this funding category.

The major community grant category has a total application total of \$20,045 revealing a deficit of \$7,721 against the policy guided allocation of \$12,324. To increase the number of funded major community grant projects, it is recommended that the \$1,374 surplus from the major event sponsorship category is re-allocated to the major community grant category enabling a total funding allocation of \$13,698.

RECOMMENDED FINANCIAL IMPLICATIONS

\$ 13,698.00	Major Community Grants
<u>\$ 10,950.00</u>	Major Event Sponsorship
<u>\$ 24,648.00</u>	Total Major Community Grants

These are indicative figures only that are subject to variation by Council.

For reference in 2020/2021 financial year budget a total of \$107,725.00 was distributed across the Scheme categories.

POLICY COMPLIANCE

COMD/CP-1- Community Grants Funding Scheme.

STATUTORY COMPLIANCE

Not applicable.

CONSULTATION

No external consultation is required for the CGFS.

OFFICER COMMENT/CONCLUSION

The 2021/2022 CGFS major community grant ground was competitive and contested. Using the grant assessment process, recommendations have been provided that preference those community grants with the most significant community impact and have demonstrated an effective alignment with the social, economic and environmental outcomes identified in the Shire's Strategic Community Plan.

9.2.6 2021/2022 COMMUNITY GRANTS FUNDING – SERVICE LEVEL AGREEMENTS

Location	Shire of Donnybrook Balingup
Applicant	Various
File Reference	FNC 08/6
Author	James Jarvis, Manger Community Development
Responsible Manager	Kim Dolzadelli, Director Corporate and Community
Attachments	9.2.6(1) - Community Grant Funding Guidelines 9.2.6(2) - Council Policy COMD/CP-1 CGFS 9.2.6(3) - Service Level Agreement application form 9.2.6(4) - Copies of SLA applications
Voting Requirements	Simple Majority

Recommendation

That Council:

- 1. Approve the Community Grant Funding Scheme funding allocation for the Service Level Agreement (three year) category for the 2021-2022 financial year as follows:**

Community Organisation	2021/2022 Allocation
Donnybrook Regional Tourism Association	\$35,000
Balingup and Districts Tourism Association	\$35,000
Golden Valley Tree Park	\$15,000
Donnybrook Balingup Chamber of Commerce	\$15,000
Preston Press (Donnybrook Community Resource Centre)	\$5,000

Advice Note: The funding allocation for the Community Grants Funding Scheme has been approved by Council in the adoption of the Shire of Donnybrook Balingup 2021/2022 Budget at the August Ordinary Council Meeting.

- 2. Authorise the Chief Executive Officer to commence negotiations with each Service Level Agreement category applicant and to execute Service Level Agreement contracts after each applicant has aligned their key service level outcomes to the refreshed Shire of Donnybrook Balingup Strategic Community Plan 2032. The negotiations will ensure the Shire is purchasing relevant and effective service activities and will apply to four of the five applicants, including:**
 - a. Donnybrook Regional Tourism Association for the Donnybrook Visitor’s Centre service;**
 - b. Balingup and Districts Tourism Association for the Balingup Visitor’s Centre;**

c. Golden Valley Tree Park; and

d. Donnybrook Balingup Chamber of Commerce.

3. Authorise the Chief Executive Officer to execute Service Level Agreement contract with the Donnybrook Community Resource Centre Inc.

STRATEGIC ALIGNMENT

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

Outcome	3.1	An engaged, supportive, and inclusive community
Strategy	3.1.1	Facilitate, encourage, and support a diverse range of festivals, community events, arts, and cultural activities.
Action	3.1.1.2	Continue to encourage and support community-led events

EXECUTIVE SUMMARY

The 2021/2022 Community Grants Funding Scheme (CGFS) is the first funding round subject to the new policy arrangements that amended key funding categories and linked CGFS funding allocation as a percentage of Shire rates.

A new category for Service Level Agreements (SLA's) was established to enable the Shire to invest, over a three-year period, with those community-based organisations who provide an ongoing and significant service to the community where certainty and stable cashflow are important to their sustainable operations.

A restricted Expression of Interest (EOI) was extended to five organisations three who have received ongoing recurrent funding under the previous CGFS arrangements and two organisations who had not previously received recurrent funding.

The introduction of the SLA category and commissioning process is new to the Shire, which required the implementation of new systems and processes to encourage applicants to apply using a standardised application template. This commissioning process also occurred during a period when the Shire's Strategic Community Plan (SCP) 2027 was being updated resulting in refreshed strategic people, place, planet, and prosperity outcomes. As the SLA applicants were invited to align their service level outcomes and activities to the Shire's SCP, a period of negotiation is required to ensure the applicant's outcomes and service activities align effectively with the SCP 2032.

BACKGROUND

The Shire's CGFS policy was adopted by Council on 25 November 2020. The purpose of the Scheme is to provide funding to individuals, community groups, not-for-profit and commercial organisations that are seeking financial support to allow them to deliver projects and activities that address identified community needs. Application assessments and subsequent recommendations are linked to the Shire's Strategic Community Plan.

For each financial year, the total CGFS funding budget allocation is based as a percentage of Shire rates 2.5%. In 2021/2022 this represents \$138,471 available for the CGFS round, as identified in Table 1: 2021/2022 CGFS funding allocations by grant category.

Table1: 2021/2022 CGFS funding allocation by grant category.

Grant Category	%	\$
• Service Level Agreements	75	103,856
• Major Community Grants	8.9	12,324
• Major Event Sponsorship	8.9	12,324
• Minor Community Grants	2.4	3,323
• Minor Event Sponsorship	2.4	3,323
• Non-Cash Donations/Waiver of Fees	1.6	2,215
• Cash Donations	0.8	1,107

Full CGFS are outlined in the CGFS Guidelines (Attachment 9.2.6(1)) and Council Policy COMD/CP-1 CGFS (Attachment 9.2.6(2)). These documents include details of eligibility, ineligibility, how to apply and the assessment criteria.

On 27 May 2021, a restricted EOI was extended to specific community-based organisations that have received funding under the prior CGFS system of ‘Recurrent Funding’ and an additional two entities that had been in discussion with Shire on collaborative programs/projects. Separate, but similar, application templates were created for SLA funding above, or below, a \$10,000 threshold. Applications under \$10,000 required less information and were simplified.

The application template required applicant’s to outlines their service level outcomes aligned to the Shire’s SCP 2027 and the service activities they would implement to achieve those outcomes. The applicant submitted their application as an ‘Offer’ to the Shire. The next step in the commissioning process is for the Shire to undertake a due diligence assessment of the veracity of the applications and their alignment to outcomes and the activities the Shire is seeking to purchase. Upon completion of due diligence, a negotiation process should occur prior to an SLA contract being awarded.

A total of five Offers have been received, these include:

Community Organisation	2021/2022 Allocation	Total over 3 years
Donnybrook Regional Tourism Association	\$35,000	\$105,000
Balingup and Districts Tourism Association	\$35,000	\$105,000
Golden Valley Tree Park	\$15,000	\$45,000
Donnybrook Balingup Chamber of Commerce	\$15,000	\$45,000
Preston Press (Donnybrook Community Resource Centre)	\$5,000	\$15,000

A confidential overview of the applications received has been completed (Attachment 9.2.6(3)), which indicates the recommended amounts and recipients of the grants from the received applications.

The due diligence process is important as the release of the Shire’s SCP 2032 introduces updated outcomes within a People, Place, Planet and Prosperity outcome framework. Prior to

awarding contracts, the Shire must ensure alignment between Shire outcomes, applicant outcomes and the services being purchased.

The Donnybrook Community Resource Centre offer for the continuation of the Preston Press service activity is \$5,000 per annum for three years totaling \$15,000. The service activity is well established and an asset to the Shire. The offer is under the \$10,000 per annum threshold and it is recommended that a contract is awarded.

The remaining four applications should be subject to a period of due diligence and negotiation.

RECOMMENDED FINANCIAL IMPLICATIONS

The total funding available for the 2021/2022 year is \$103,853 with applications totaling \$105,000. The shortfall noted here of \$1,147 will be met over the 3-year term of the agreement as the Service Level Agreement is funded as 75% of the total CGFS allocation as a percentage of rates

These are indicative figures only that are subject to variation by Council.

For reference in 2020/2021 financial year budget a total of \$107,725.00 was distributed across the Scheme categories.

POLICY COMPLIANCE

COMD/CP-1- Community Grants Funding Scheme.

STATUTORY COMPLIANCE

Not applicable.

CONSULTATION

No external consultation is required for the CGFS.

OFFICER COMMENT/CONCLUSION

The 2021/2022 CGFS SLA category is new and subject to the development of new systems, templates, and processes to enable effective commissioning to occur. Commissioning service contracts during a period in which the SCP was being reviewed added to the complexity of the process as alignment between Shire outcomes and organisational outcomes was a critical part of the commissioning objectives. As the SCP 2032 has introduced refreshed and updated outcomes under the People, Place, Plant and Prosperity outcome framework, due diligence and negotiation will enable the Shire to purchase service activities that align with the SCP 2032.

9.2.7 SUBMISSION TO LOCAL GOVERNMENT ADVISORY BOARD FOR DISTRICT BOUNDARY ADJUSTMENT WITH SHIRE OF BOYUP BROOK

Location	Shire of Donnybrook Balingup
Applicant	Shire of Donnybrook Balingup
File Reference	A2491, A1732, A2671, A4390, A4389, A1393
Author	Stuart Eaton, Finance Projects
Responsible Manager	Kim Dolzadelli, Director Corporate and Community
Attachments	9.2.7(1) - Making a submission for a district boundary change Local Government Advisory Board - October 2017. 9.2.7(2) - Guiding Principles. Proposal to create, change the boundaries of, or abolish a local government district.
Voting Requirements	Simple Majority

Recommendation

That Council:

- 1. Endorse support for a joint submission to the Local Government Advisory Board with the Shire of Boyup Brook for a district boundary adjustment on the following properties where the Shire of Donnybrook-Balingup / Shire of Boyup Brook boundary dissects the individual lot.**

Land ID	VEN	Assess No	Cert of Title	Lot	Address
4522P162073/2	1076360	A2491	2215/767	Lot 4522	3853 Donnybrook-Boyup Brook Road, Noggerup
11P20750/1	1075849	A1732	2048/547	Lot 11	3851 Boyup Brook Road Noggerup
3804P153547/2	1076419	A2671	1897/282	Lot 3804	3905 Donnybrook-Boyup Brook Road, Noggerup
11859P157909/2	1630596	A4390	1245/290	Lot 11859	Lot 11859 Walker Road, Wilga West
12087P163478/2	1630597	A4389	1328/357	Lot 12087	199 Walker Road, Wilga West
10833P140931/2	1076069	A1393	1039/55	Lot 10833	118 Walker Road, Wilga West
11287P159733/2	1076069	A1393	1175/249	Lot 11287	118 Walker Road, Wilga West

- 2. Subject to the Council of the Shire of Boyup Brook resolving to support a joint submission in accordance with resolution 1, endorse the Chief Executive Officer to undertake consultation with landowners resolved in Resolution 1 to determine the preferred district for each affected lot.**
- 3. That the Chief Executive Officer reports back to Council following the completion of landowner consultation undertaken in accordance with Resolution 2.**

STRATEGIC ALIGNMENT

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

Outcome	4.2	A respected, professional and trusted organisation
Strategy	4.2.1	Efficient and effective operations and service provision
Action	4.2.1.2	Seek a high level of legislative compliance and effective internal controls

EXECUTIVE SUMMARY

The purpose of this report is to seek a joint Council resolution with the Shire of Boyup Brook to initiate a submission to the Local Government Advisory Board (The Board) for a district boundary change.

The Board is the body established by the Local Government Act 1995 (the Act) to assess proposals for changes to local government district boundaries. A proposal submitted to The Board is required to meet specific requirements for it to be deemed a valid submission (Attachment 9.2.7(1) and 9.2.7(2)).

The proposed boundary change is to permanently resolve issues relating to the Shire of Donnybrook Balingup and Shire of Boyup Brook shared boundary dissecting individual lots. This anomaly results in landowners having a single lot of land located in two local government districts.

It is proposed that a similar anomaly relating to one land parcel with the Shire of Bridgetown Greenbushes be dealt with as a separate process should the Shire of Bridgetown Greenbushes be receptive to a district boundary change.

BACKGROUND

Seven individual lots have been identified as having the shared boundary dissect the Shire of Donnybrook Balingup / Shire of Boyup Brook boundary.

Land ID	VEN	Assess No	Cert of Title	Lot	Address
4522P162073/2	1076360	A2491	2215/767	Lot 4522	3853 Donnybrook-Boyup Brook Road, Noggerup
11P20750/1	1075849	A1732	2048/547	Lot 11	3851 Boyup Brook Road Noggerup
3804P153547/2	1076419	A2671	1897/282	Lot 3804	3905 Donnybrook-Boyup Brook Road, Noggerup
11859P157909/2	1630596	A4390	1245/290	Lot 11859	Lot 11859 Walker Road, Wilga West
12087P163478/2	1630597	A4389	1328/357	Lot 12087	199 Walker Road, Wilga West
10833P140931/2	1076069	A1393	1039/55	Lot 10833	118 Walker Road, Wilga West
11287P159733/2	1076069	A1393	1175/249	Lot 11287	118 Walker Road, Wilga West

At its Ordinary Meeting on 24 April 2013, Council considered an approach from the Shire of Boyup Brook to initiate a Shire boundary adjustment to resolve the issue. Council considered the application and resolved the following:

*Council Decision
(Officer's Recommended Resolution)*

Moved: Cr Dawson

Seconded: Cr Logiudice

That the CEO write to the Shire of Boyup Brook advising that it would not be in favour of a Shire boundary adjustment but would be prepared to offer a 50% rating concession and a 50% concession on any waste management charges currently levied on the affected properties, specifically crown grants 11859 (A4390), 12087 (A4389) and 4522 (A2491). The provision of these concessions is subject to the Shire of Boyup Brook providing a 50% concession to the affected landowners for land situated within the Boyup Brook Shire.

The concessions were duly applied.

Due to a change in Council and officer position that a permanent solution to the matter is preferred, at its Ordinary Meeting on 25 September 2019, Council resolved in part:

COUNCIL DECISION 137/19 (Executive Recommendation)

Moved: Cr Tan Seconded: Cr Lindemann

7. Instruct the Chief Executive Officer to undertake preliminary consultation with the Shire of Boyup Brook (by no later than December 2019) regarding boundary adjustment on properties where the Shire Boundary dissects a land parcel, in preparation for a future report to Council for its consideration.

The Chief Executive Officer raised the matter with the Shire of Boyup Brook in December 2019. The Shire of Boyup Brook were transitioning through Chief Executive Officers at the time and the matter was deemed a low priority. The Shire of Boyup Brook now have a permanent Chief Executive Officer and the matter can now be collaboratively progressed.

POLICY COMPLIANCE

Not Applicable

STATUTORY COMPLIANCE

Schedule 2.1 of the Local Government Act 1995 prescribes the requirements for changing boundaries of a local government district

2. Making a proposal

- (1) *A proposal may be made to the Advisory Board by —*
 - (a) *the Minister; or*
 - (b) *an affected local government; or*
 - (c) *2 or more affected local governments, jointly; or*
 - (d) *affected electors who —*
 - (i) *are at least 250 in number; or*
 - (ii) *are at least 10% of the total number of affected electors.*

(2) *A proposal is to —*

- (a) *set out clearly the nature of the proposal, the reasons for making the proposal and the effects of the proposal on local governments; and*
- (b) *be accompanied by a plan illustrating any proposed changes to the boundaries of a district; and*
- (c) *comply with any regulations about proposals.*

CONSULTATION

In March 2021, joint correspondence from the Shires of Donnybrook Balingup and Boyup Brook was sent to property owners affected by the Shire of Donnybrook Balingup / Shire of Boyup Brook boundary to advise of a joint intent to permanently resolve the boundary issue. No objections were received.

Should both Councils resolve to progress a joint submission to The Board, a formal consultation process with affected landowners shall be undertaken to determine a preferred alignment of the district boundary.

OFFICER COMMENT/CONCLUSION

A joint approach for a formal boundary adjustment with Shire of Boyup Brook has received CEO level support. It is intended that the same resolution will be presented to the Shire of Boyup Brook Council by its officers for its consideration.

It is proposed that the following plan guide the joint submission to The Board by the Shire of Donnybrook Balingup and Shire of Boyup Brook.

The resolution that is the subject of this report relates to stage 1a and 1b only.

Stages - Boundary Change		Council Decision Required	Landowner Consultation
1	Joint Council resolution with Shire of Boyup Brook		
	a. Endorse boundary change process	√	
	b. Endorse initiating consultation with affected landowners	√	
2	Letter to landowners advising process - Include a return form where landowner indicates preferred district for the affected lot		√
3	Joint Council resolution with Shire of Boyup Brook		
	a. Endorse proposed changes to boundary alignment	√	
	b. Authorise CEOs to prepare a submission for a district boundary change to Local Government Advisory Board	√	
4	Officers prepare Local Government Advisory Board submission report		
5	Joint Council resolution with Shire of Boyup Brook adopting the submission report for a district boundary change to Local Government Advisory Board	√	
6	Submit to Local Government Advisory Board		
7	Resolve matters raised from the Local Government Advisory Board assessment process		
8	Local Government Advisory Board considers proposal and makes recommendation to Minister for Local Government		
9	Minister makes determination on proposal and advises proponent via Local Government Advisory Board		

9.3 CHIEF EXECUTIVE OFFICER

9.3.1 ADOPTION OF EXE/CP-8-POLICY FRAMEWORK

Location	Shire of Donnybrook Balingup
Applicant	Shire of Donnybrook Balingup
File Reference	ADM 11/4
Author	Loren Clifford, Corporate Planning and Governance Officer
Responsible Manager	Maureen Keegan, Manager Executive Services
Attachments	9.3.1(1) – Draft EXE/CP-8 - Policy Framework
Voting Requirements	Simple Majority

Recommendation
<p>That Council:</p> <ol style="list-style-type: none"> 1. Adopts Draft EXE/CP-8 Policy Framework as included in Attachment 9.3.1(1) 2. Instructs the Chief Executive Officer to conduct a review of all policies (excluding Local Planning Policies) in line with EXE/CP-8- Policy Framework and provide the review outcomes to Council at its November Ordinary Council Meeting.

STRATEGIC ALIGNMENT

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

Outcome	4.2	A respected, professional and trusted organisation
Strategy	4.2.1	Effective and efficient operations and service provision
Action	4.2.1.2	Maintain effective and efficient policies, planning, operating procedures and practices

EXECUTIVE SUMMARY

Council is requested to adopt the Draft EXE/CP-8- Policy Framework. The objective of the policy framework is to provide direction on the development and implementation of the Shire’s policies to reflect the Shire’s strategic goals and to fulfil statutory requirements.

BACKGROUND

An assessment of the Shire’s policies was undertaken during 2021 identifying 145 Council policies that required review of their efficacy, alignment with legislation and classification between Council and Administrative process. The assessment revealed there was a requirement for a Policy Framework to be created to guide the development and management of Shire policies to ensure consistency and relevance to the Shire operations.

FINANCIAL IMPLICATIONS

Nil

POLICY COMPLIANCE

Not applicable

STATUTORY COMPLIANCE

Section 2.7(2)(b) of the *Local Government Act 1995* prescribes one of the roles of Council as being to determine the local government's policies.

Section 5.41(c) of the *Local Government Act 1995* prescribes that a function of the Chief Executive Officer is to cause Council's decisions to be implemented and this includes giving effect to Council's Policies.

Clauses 3, 4 and 5 of Schedule 2 of the *Planning and Development (Local Planning Schemes) Regulations 2015* allow for local planning policies to be prepared, made and amended.

CONSULTATION

This framework has been developed based upon WA Local Government Association (WALGA) advice, and best practice policy development principles taken from other Council's policy frameworks such as the Town of Victoria Park and City of Joondalup.

OFFICER COMMENT/CONCLUSION

This framework has been designed to provide direction on the development and implementation of Shire policies and to ensure they reflect the Shires strategic goals as well as fulfilling Councils statutory requirements. The framework will apply to the development of new policies and the review of existing policies.

Advice received from WA Local Government Association (WALGA) was sought which recommended there be a clear distinction between the role of the council and the role of the local government administration. Separate document classifications outlined below will allow for this separation.

- 1. Council Policy** - Focus on the strategic and statutory decision-making obligations of the Council and set governing principles and guide the direction of the organisation to align with community values and aspirations.

Policy Initiated by: Resolution of Council or as appropriate by the Administration

Policy Custodian: Relevant Shire Officer (Usually Director or Manager)

Policy Decision Maker: Council

Application: Council, Elected Members and employees when fulfilling their decision-making responsibilities.

2. Administration Policy – Developed for administrative and operational purposes with an internal focus.

Policy Initiated by: Executive or as appropriate by the Administration
Policy Custodian: Relevant Officer
Policy Decision Maker: Chief Executive Officer
Application: Shire employees only. Administration Policy applies to operational activities

3. Local Planning Policy - are a subset of either Council or Administration policies that are specific to the objectives of the Local Planning Scheme. These policies relate to planning or development in the Scheme area.

Policy Initiated by: Resolution of Council or as appropriate by the Administration
Policy Custodian: Relevant Officer (Usually the Principal Planner)
Policy Decision Maker: Council (in accordance with Clauses 3, 4 and 5 of Schedule 2 of the *Planning and Development (Local Planning Schemes) Regulations 2015.*)
Application: Elected Members and Shire employees. Planning Policy applies to relevant planning determinations only

4. Operational Procedure - A series of actions conducted in a certain order or manner to give effect to Policy. Operational Procedures explain the steps and the considerations to be followed by the Administration when applying policy to a matter.

Procedure Initiated by: Executive or as appropriate by the Administration
Procedure Custodian: Relevant Officer
Procedure Decision Maker: Chief Executive Officer
Application: Shire employees only

The Local Government Act 1995 does not define what a policy is or how they are to be managed. This framework will assist in ensuring the strategic direction is aligned with policies by Council, whilst reserving the responsibility to operationalise policies by the administration through an administration policy made by the CEO.

Care should be taken to ensure that Council policy does not cross over into the statutory functions and responsibilities of the CEO for the day-to-day operations of the local government.

Guiding principles have been included in this draft to provide for good governance, ensuring policies are concise, clear, consistent and compliant.

Based on the framework the CEO will establish an Administration Policy which will determine the method of operationalising policies including standardising policy content and policy templates.

Council may consider adopting, amending or rescinding a Council Policy for one or a combination of the reasons listed below:

- Legislative requirement.
- New or changing industry and organisational standards.
- To meet the Shire’s strategic objectives.
- Community need or expectation.
- Advocacy on issues that Council considers to be significant.
- As a result of a Council resolution.

Further, Council should only consider a Council Policy response where it can be demonstrated that the policy will deliver:

- Clarity and consistency in decision making.
- Improved efficiency and effectiveness.
- Improved customer / community outcomes.

The role of each stakeholder relating to policy development has been outlined in the framework to guide how each party should be involved in policy development.

A provision has been made in the framework to guide staff to use the Community Engagement Method Matrix from Council’s Community Engagement Framework.

If Community consultation is required for any reason the Community Engagement Framework will outline the level of participation required under the IAP2 Spectrum, in most cases the level of engagement will be to “*Inform*”, this will be done by ensuring public access to all policies on the Shire’s website.

The framework establishes the requirements for all policies to reviewed based on a Risk Assessment Rating which will be outlined in the Administration Policy.

Inherent Risk Rating	Review Frequency
Extreme/High - Change in the policy’s strategic/operational environment is very likely to occur	Annual
Medium - There is limited likelihood of change in the policy’s strategic/operational environment	Biennial
Low - Very limited likelihood of change in the policy’s strategic/operational environment	Triennial

Following the adoption of this policy a further report will be provided to Council at the November 2021 Ordinary Meeting after conducting the first full review of all policies in line with EXE/CP-8- Policy Framework.

9.3.2 REQUEST TO SUB-LEASE PORTION OF 70 SOUTH WESTERN HIGHWAY, DONNYBROOK

Location	Shire of Donnybrook Balingup
Applicant	Shire of Donnybrook Balingup
File Reference	L017
Author	Loren Clifford, Corporate Planning & Governance Officer
Responsible Officer	Maureen Keegan, Manager Executive Services
Attachments	Nil
Voting Requirements	Simple Majority
Staff Conflict of Interest Notifications	The Chief Executive Officer declares an impartiality interest as his wife is co-chair of the Bendigo Bank Board.

Recommendation
<p>That Council:</p> <ol style="list-style-type: none"> 1. Provides consent for Donnybrook and Capel Districts Community Financial Services Limited to sub-lease portion office accommodation of 70 South Western Highway, Donnybrook to the Donnybrook-Balingup Chamber of Commerce & Industry Inc. 2. Instructs the Chief Executive Officer to have the sub-lease prepared, based on the following: <ol style="list-style-type: none"> 2.1 Term: Up to 30 June 2023. 2.2 Permitted Use: Office and Meeting space. 2.3 Consideration of future ownership/head-lease arrangements. 3. Authorises the Chief Executive Officer to execute the Sub-Lease as per 2.1 and 2.2 above.

STRATEGIC ALIGNMENT

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

Outcome	1.1	A diverse, prosperous economy, supporting local business and population growth
Strategy	1.1.1	Promote, maintain, and diversify investment in the district
Action	1.1.1.2	Represent the district’s interest with key stakeholders

EXECUTIVE SUMMARY

Donnybrook and Capel Districts Community Financial Services Limited (Bendigo Bank) are seeking to formalise their arrangement with the Donnybrook-Balingup Chamber of Commerce & Industry Inc. who occupy part of the shire owned and leased building at 70 South Western Highway, Donnybrook.

BACKGROUND

A lease was executed in 2003 between the Shire and Donnybrook and Capel Districts Community Financial Services Limited (Bendigo Bank) for the premises at 70 South Western Highway, Donnybrook. A deed of extension was made in 2009 which terminates on 30 June 2023.

At its Ordinary Council Meeting on 23 September 2020 Council resolved:

“That Council:

- 1. Provides consent for Donnybrook and Capel Districts Community Financial Services Limited to sub-lease portion office accommodation of 70 South Western Highway, Donnybrook to an accounting firm.*
- 2. Instructs the Chief Executive Officer to have the sub-lease prepared, based on the following:*
 - 2.1 Term: Up to 31 October 2021.*
 - 2.2 Permitted Use: Banking and Financial Services.*
- 3. Authorises the Chief Executive Officer to execute the Sub-Lease as per 2.1 and 2.2 above.”*

This sub-lease never came to fruition due to a change in circumstances from the accounting firm.

A written request has been received to formalise a sub-lease arrangement between Bendigo Bank and the Donnybrook-Balingup Chamber of Commerce & Industry Inc. to sub-let a portion of 70 South Western Highway, Donnybrook, with the permitted use being for general office and meeting space, for seven (7) days a week. The term requested for the sub-lease is to align with their Bendigo Banks existing expiry date.

Officers note that there has been an informal occupation arrangement between Bendigo Bank and the Donnybrook-Balingup Chamber of Commerce & Industry Inc. for many years. This sub-lease seeks to formalise/legitimise the arrangement.

FINANCIAL IMPLICATIONS

All costs are to be paid by the Lessee “Donnybrook and Capel Districts Community Financial Services Limited” as per sec.12.1(a)(v) of the lease.

POLICY COMPLIANCE

Nil

STATUTORY COMPLIANCE [CHIEF EXECUTIVE OFFICER COMMENT]

As the Chief Executive Officer has recorded an Impartiality Interest in this matter (his wife is co-chair of the Board of the Donnybrook and Capel Districts Community Financial Services Limited), it is not appropriate for the Chief Executive Officer to exercise his delegation in this matter.

CONSULTATION

Nil

OFFICER COMMENT

Pursuant to section 12 of the existing lease document, provisions are made to allow for sub-leasing, which states that the Lessor “The Shire of Donnybrook Balingup” will not unreasonably withhold its consent.

9.3.3 TRANSITION OF TUIA LODGE TO LEASEHOLD OPERATION 30 JUNE 2021

Location	Shire of Donnybrook Balingup
Applicant	Shire of Donnybrook Balingup
File Reference	FNC 04/1
Author	Ben Rose, Chief Executive Officer
Responsible Manager	Ben Rose, Chief Executive Officer
Attachments	Nil
Voting Requirements	Simple Majority

Recommendation
That Council receive and note the information provided in this report - Transition of Tuia Lodge to Leasehold Operation 30 June 2021.

STRATEGIC ALIGNMENT

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

Outcome	3.2	Well supported community groups and facilities.
Strategy	3.2.1	Provide and maintain appropriate community facilities.
Outcome	3.3	A safe and healthy community environment for all ages.
Strategy	3.2.1	Promote ‘aging in place’.

EXECUTIVE SUMMARY

This report provides Council with an update on the outcomes of the major land transaction for the lease of Tuia Lodge at 30 Allnutt Street, Donnybrook ultimately to Hall and Prior, with a completion date of 30 June 2021.

BACKGROUND

Council considered a proposed business plan for the major land transaction at a Special Council Meeting held on 27 January 2021 and resolved as follows:

RESOLUTION 5/21

That Council instruct the Chief Executive Officer to release the attached Business Plan for a Major Land Transaction for statutory consultation, as per section 3.59 of the Local Government Act 1995.

Subsequently, at its Ordinary Council Meeting on 28 April 2021, Council endorsed “... *the recommendations outlined in the Confidential Report*” to progress the lease of Tuia Lodge and outsource its operations.

Following this resolution, officers commenced the progression of the project and the transfer of operations of Tuia Lodge to Hall and Prior was completed effective 1 July 2021.

FINANCIAL IMPLICATIONS

There are no financial implications directly associated with this report.

POLICY COMPLIANCE

Not applicable.

STATUTORY COMPLIANCE

There is no statutory compliance obligation associated with this report.

CONSULTATION

No consultation has been undertaken or is required on this matter.

OFFICER COMMENT

A number of activities and obligations were required to be undertaken leading up to, during and after the transition of operations as at 1 July 2021. These matters are detailed in the Business Sale Agreement between the Shire and Great Southern Care Company Pty Ltd (Hall & Prior). Although the necessary activities to instigate the transfer have already occurred, a final reconciliation of this transition is required to be undertaken by mid October 2021. The acceptance and satisfaction of all obligations detailed in this final reconciliation will finalise the matter.

Actions which have been undertaken to date to facilitate the transfer are briefly discussed below to update Council on the current status.

Lease of the premises

The lease of Tuia Lodge site to Hall and Prior commenced as planned on 1 July 2021 with all management responsibilities transferred to the lessee on that date. This was undertaken relatively seamlessly with only a few minor items requiring clarification of update following commencement.

Transfer of staff

A total of 58 employees retained the option of remaining at Tuia Lodge based on an obligatory offer of employment by Hall and Prior. Two employees have remained in the direct employment of the Shire of Donnybrook Balingup due to current workers compensation matters requiring finalisation prior to transfer.

Hall and Prior have confirmed that all other staff have received an offer of immediate employment with their organisation.

In accordance with contractual and employment obligations, the monetary value of all staff entitlements in existence as at 30 June 2021 (such as annual leave, long service leave etc.) have been paid to Hall and Prior. This action ensures that all obligations relating to Shire's employees have been appropriately funded for the point where the employees need to utilise them.

To minimise the financial impact on the Shire, the full balance of the Employee Entitlements Reserve (\$195,740) was utilised to assist in funding this contribution.

Transfer of Accommodation Bonds

The Shire transferred all accommodation bonds for current residents held at 30 June 2021 (totaling \$5,177,675.60) to Hall and Prior at that date. Bonds held on behalf of residents who had already departed Tuia Lodge (totaling \$1,000,272.90) were retained by the Shire for distribution in accordance with statutory requirements. Bonds retained by the Shire have now been paid where required documentation is available. As at 31 August 2021 the Shire is holding remaining bonds (totaling \$600,272.90) which will be refunded once all documentation has been received.

Transfer of business equipment

All business equipment and business trading stock as defined in the Business Sale Agreement has been transferred to Hall and Prior for operation of Tuia Lodge. Any leased property which was able to be novated to Hall and Prior has been finalised, however, due to lease terms restricting the ability to novate, and Hall and Prior advising that they are not required, seven laptops and three mobile phones have been retained by the Shire. These have been stored pending internal needs and will reduce the need to purchase equivalent replacement items in the short term.

Approved Provider Licence and Key Personnel

The Shire has surrendered its Approved Provider License and all Key Personnel listings (Councillors and Senior Staff) have been de-registered.

Social Media account

Access and log-in to the Shire's Tuia Lodge Facebook account has been transitioned to Hall & Prior.

Debtors/Creditors

Account details with all debtors/creditors have been changed to Hall & Prior.

Jack Denning Bequeathment Funds

Funds of \$269,443.20 (includes interest accrued) are retained by the Shire via the Jack Denning Bequeathment. This funding was originally reserved (2019/20) for future works to Tuia Lodge, however, with the commercial lease of the facility to Hall & Prior, the Shire has determined to preserve these funds for other activities in the local aged care environment.

Evidenced financial impact post disposal

As reported during the 2021-2022 Annual Budget process, the resulting impact on the finances of the Shire of this transition has been positive.

For the year ended 30 June 2021, the Shire incurred total expenditure (excluding depreciation/accrual entries and inclusive of internal allocations) of \$3,954,115. Revenue for the period calculated in the same manner (and inclusive of the reserve transfer to partially fund employee entitlements) was \$3,557,111.

The result for 2020-2021 was a cash expenditure of \$397,004.

Forecasts for future years include lease income escalating in accordance with the lease agreement and CPI. On the basis of an average CPI over the 21 year lease, total revenue in current dollars should amount to approximately \$6.1 million.

In addition, estimated savings in operational expenditure amount to between \$140,000 and \$160,000 per annum (cash basis). Accumulated savings over the 21 year lease period equate to approximately \$2.9 million. This represents a total benefit to the Shire over the period of approximately \$9 million.

Having transferred the property to a commercial enterprise, rates and other related charges are now payable annually. At this stage, no estimate is available of the quantum of rates. A valuation has been requested from the State Office of the Valuer General, and the Shire is still awaiting its provision.

10 ELECTED MEMBER MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil.

11 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF THE MEETING

12 MEETINGS CLOSED TO THE PUBLIC

12.1 MATTERS FOR WHICH THE MEETING MAY BE CLOSED

12.1.1 RFT 02/2122 – SOUTHAMPTON ROAD RECONSTRUCTION - CONFIDENTIAL

This report is confidential in accordance with Section 5.23(c) of the Local Government Act 1995, which permits the meeting to be closed to the public.

(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.

RECOMMENDATION

That the meeting be closed in accordance with section 5.23(2) of the Local Government Act 1995 to discuss the following confidential items:

12.1.1 RFT 02/2122 – SOUTHAMPTON ROAD RECONSTRUCTION – CONFIDENTIAL

12.1.2 CHIEF EXECUTIVE OFFICER ANNUAL PERFORMANCE REVIEW 2021/22

This report is confidential in accordance with Section 5.23(a) of the Local Government Act 1995, which permits the meeting to be closed to the public.

(a) a matter affecting an employee or employees.

RECOMMENDATION

That the meeting be closed in accordance with section 5.23(2) of the Local Government Act 1995 to discuss the following confidential items:

12.1.1 CHIEF EXECUTIVE OFFICER ANNUAL PERFORMANCE REVIEW 2021/22

12.2 PUBLIC READING OF RESOLUTIONS THAT MAY BE MADE PUBLIC

13 CLOSURE

The Shire President to advise that the next Ordinary Council Meeting will be held on 27 October 2021 commencing at 5.00pm in the Balingup Town Hall.