

Kojonup



SHIRE OF KOJONUP

AGENDA

Ordinary Council Meeting

18 February 2020

TO: THE SHIRE PRESIDENT AND COUNCILLORS

NOTICE is hereby given that a meeting of the Council will be held in the Council Chambers, Administration Building, 93 Albany Highway, Kojonup on Tuesday, 18 February 2020 commencing at 3:00pm.

Qualified Persons Advice, etc.

I certify that with respect to all advice, information or recommendation provided to the Council in or with this Agenda:

- i. The advice, information or recommendation is given by a person who has the qualifications or experience necessary to give such advice, information or recommendation; and
- ii. Where any advice is directly given by a person who does not have the required qualifications or experience, that person has obtained and taken into account in that person's general advice the advice from an appropriately qualified or experienced person.

Your attendance is respectfully requested.

RICK MITCHELL-COLLINS
CHIEF EXECUTIVE OFFICER

14 February 2020

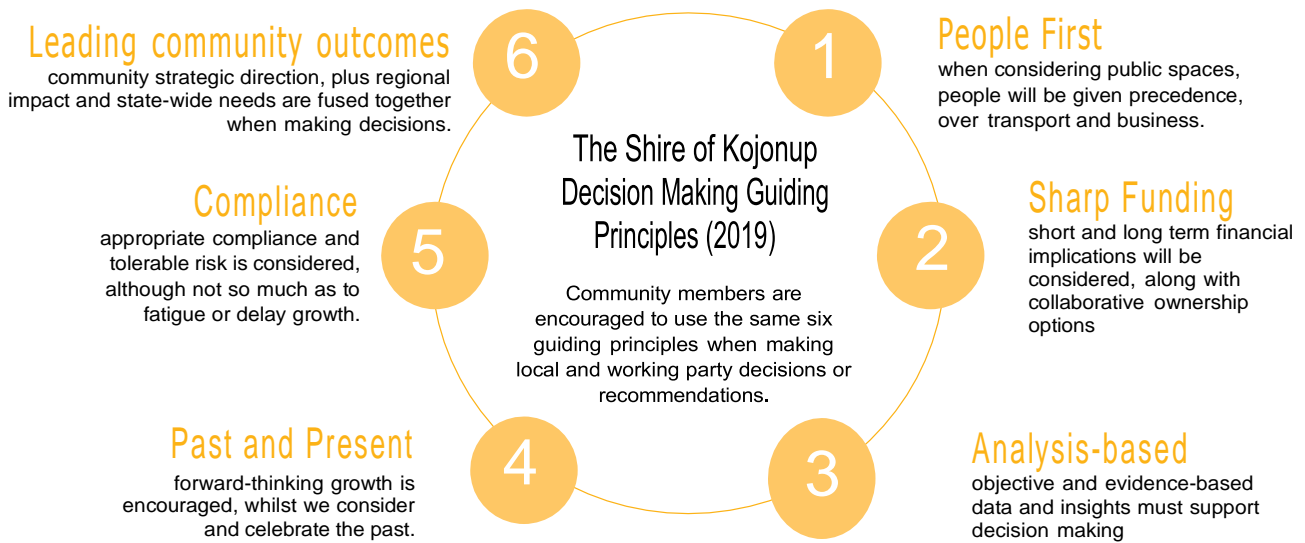
AGENDA FOR THE COUNCIL MEETING TO BE HELD ON 18 FEBRUARY 2020

TABLE OF CONTENTS

1	DECLARATION OF OPENING AND ANNOUNCEMENT OF GUESTS.....	5
2	ATTENDANCE AND APOLOGIES	6
3	SUMMARY OF RESPONSE TO PREVIOUS QUESTIONS TAKEN ON NOTICE.....	6
4	PUBLIC QUESTION TIME.....	8
5	PETITIONS, DEPUTATIONS AND PRESENTATIONS	8
6	APPLICATIONS FOR LEAVE OF ABSENCE	8
7	CONFIRMATION OF MINUTES	8
8	ANNOUNCEMENTS BY THE PRESIDING MEMBER WITHOUT DISCUSSION.....	8
9	DECLARATIONS OF INTEREST	8
10	KEY PILLAR 1 – ‘PLACE’ REPORTS.....	9
10.1	KOJONUP POLOCROSSE CLUB – INVOICE 25261.....	9
11	KEY PILLAR 2 – ‘CONNECTED’ REPORTS	14
11.1	LOCAL LAWS ADOPTION	14
11.2	INITIATION OF NEW SHIRE OF KOJONUP LOCAL PLANNING SCHEME No. 4	24
11.3	RESERVE 48745 – FORESHORE MANAGEMENT REQUEST	28
12	KEY PILLAR 3 – ‘PERFORMANCE’ REPORTS	31
12.2	FINANCIAL MANAGEMENT – MONTHLY STATEMENT OF FINANCIAL ACTIVITY (DECEMBER 2019).....	31
12.3	FINANCIAL MANAGEMENT – MONTHLY STATEMENT OF FINANCIAL ACTIVITY (JANUARY 2020).....	33
12.4	MONTHLY PAYMENTS LISTING DECEMBER 2019	35
12.5	MONTHLY PAYMENTS LISTING JANUARY 2020.....	37
12.6	FINANCIAL MANAGEMENT – BUDGET REVIEW 2019/2020.....	39
12.7	CHANGE TO STANDPIPE WATER COSTS IN CURRENT FEES AND CHARGES	42
12.8	SUNDRY DEBTOR WRITE OFF 2019/2020.....	45
12.9	ORCHID VALLEY HALL CLOSURE	48
12.10	MANAGEMENT OF COMMUNITY HALLS.....	53
12.11	LEASE OF COUNCIL PROPERTY – 162 BLACKWOOD ROAD, KOJONUP - TENDER 11 OF 2019/20	61
13	KEY PILLAR 4 – ‘PROSPERITY’ REPORTS	67
13.1	DISPOSAL BY LEASE - PORTION OF LOT 9999 THORNBURY CLOSE, KOJONUP	67
14	KEY PILLAR 5 – ‘DIGITAL’ REPORTS	71

15	MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN.....	72
16	NEW BUSINESS	72
17	CONFIDENTIAL REPORTS.....	72
18	NEXT MEETING	72
19	CLOSURE	72
20	ATTACHMENTS (SEPARATE).....	73

The Shire of Kojonup has a set of six guiding principles it uses when making decisions. These principles are checked and enhanced every two years; in line with the Strategic Community Plan review schedule.



AGENDA

1 DECLARATION OF OPENING AND ANNOUNCEMENT OF GUESTS

The Shire President shall declare the meeting open at 3.00pm and alert the meeting of the procedures for emergencies including evacuation, designated exits and muster points and draw the meeting's attention to the disclaimer below:

Disclaimer

No person should rely on or act on the basis of any advice or information provided by a Member or Officer, or on the content of any discussion occurring, during the course of the meeting.

The Shire of Kojonup expressly disclaims liability for any loss or damage suffered by any person as a result of relying on or acting on the basis of any advice or information provided by a member or officer, or the content of any discussion occurring, during the course of the meeting.

Where an application for an approval, a license or the like is discussed or determined during the meeting, the Shire warns that neither the applicant, nor any other person or body, should rely upon that discussion or determination until written notice of either an approval and the conditions which relate to it, or the refusal of the application has been issued by the Shire.

Acknowledgement of Country

The Shire of Kojonup acknowledges the first nations people of Australia as the Traditional custodians of this land and in particular the Keneang people of the Noongar nation upon whose land we meet.

We pay our respect to their Elders past, present and emerging

Prayer

Gracious Father, we acknowledge you as our Maker and Judge. We ask for wisdom for our reigning monarch Queen Elizabeth. Grant to her good health and strength in the executing of her duties.

We pray for all Ministers and Cabinet members of the Australian Federal and State Government. Grant to them wisdom in the welfare of Australia, so that truth and justice is established for all Australians.

Lastly Gracious Father, we pray for ourselves. We ask that you might grant to us the ability to speak with integrity and to work with uncompromising diligence. Grant to us the wisdom to make good decisions, remembering that we are one community. Grant to us the good humour to keep things in perspective in a community that is a diverse population.

We ask that we might always be mindful of the safety and welfare of the people of Kojonup. Grant to all who serve on Public Committees the ability to listen and work together with mutual respect for one another. Bless us with the personal joy of knowing that we have done our best.

2 ATTENDANCE and APOLOGIES

COUNCILLOR

Cr Benn	Shire President
Cr Radford	Deputy Shire President
Cr Gale	
Cr Pedler	
Cr Singh	
Cr Webb	
Cr Wieringa	

STAFF

Rick Mitchell-Collins	Chief Executive Officer
Anthony Middleton	Manager Corporate and Community Services
Rob Cowie	Payroll and Emergency Management Officer
Heather Marland	Senior Finance Officer
Judy Stewart	Senior Administration Officer
Lorraine Wyatt	Executive Assistant
Phil Shephard	Planner

LEAVE OF ABSENCE

Nil

APOLOGIES

Cr Fleay

3 SUMMARY OF RESPONSE TO PREVIOUS QUESTIONS TAKEN ON NOTICE

Response to item 4.2 Ian Pedler: Town Planning Scheme Number 3: Zoning on Albany Highway: Commercial to Residential

Dear Ian

Town Planning Scheme Number 3: Zoning on Albany Highway: Commercial to Residential

I refer to the above matter raised during Public Question Time at the Shire of Kojonup Ordinary Meeting of Council held 10 December 2019 and advise as follows:

Questions of Notice:

For the period 1 July 2019 to 31 December 2019, how many staff hours have been expended specifically in relation to the zoning of property along Albany Highway as in Town Planning Scheme No 3 and what was the nature of the work undertaken?

Response:

The Shire Planner has recorded 6 hours in the time period undertaking the following work:

- Obtained Town Planning Scheme No 2 maps and text from WA Planning Commission.
- Telephone conversation with 1 affected landowner.
- Prepared correspondence response to affected landowners.
- Discussed landowners request with staff and Councillors.

The following comments are provided in relation to the information provided by Mr Pedler:

- The CEO has agreed that the new draft planning strategy and scheme is to be completed as a priority with the new scheme to be recommended for initiation at the February 2020 Council meeting.
- The continued reference to ‘non-conforming uses’ is not correct. The Shire correspondence of 23 February 2006 from the Environmental Development Manager incorrectly explains how a non-conforming use is created. The term is defined in Schedule 1 of TPS 3 as follows:

Non-Conforming Use – means a use of land which, though lawful immediately prior to the coming into operation of this Scheme, is not in conformity with the Scheme.

The permissibility of residential and shop land uses in both TPS 2 and TPS 3 are shown in the table below:

	Commercial Zone	Residential Zone	
Dwelling	AA	P	TPS 2
Shop	P	X	
Residential	SA	P	TPS 3
Shop	P	X	

P = permitted, AA = discretionary, SA – discretionary requires advertising, X – not permitted

As residential is a permissible, and not a prohibited land use in the Commercial zone under TPS 3, it is not correct to describe the use of any of the properties as non-conforming and the quoted scheme provisions do not apply.

- The scheme comparison identified 31 properties (some lots have been subdivided/amalgamated during the period covered) that were zoned commercial when TPS 3 was gazetted on 9 October 1998. 21 of these properties have dwellings/houses constructed on them, some are vacant.
- The Main Street Masterplan does not conflict with the existing TPS 3. It supports the flexible zoning along Albany Highway under TPS 3 and provides recommendations on improving the streetscape and visitor experience to Kojonup.

Please do not hesitate to contact CEO, Mr Mitchell-Collins should you require any further clarification on the above.

Yours sincerely

Cr John Benn
Shire President

4 PUBLIC QUESTION TIME

5 PETITIONS, DEPUTATIONS AND PRESENTATIONS

6 APPLICATIONS FOR LEAVE OF ABSENCE

7 CONFIRMATION OF MINUTES

7.1 COUNCIL MEETING 10 DECEMBER 2019

Minutes of the Council Meeting which was held on 10 December 2019 were previously circulated under separate cover and are at [Attachment 7.1.1](#)

OFFICER RECOMMENDATION

That the Minutes of the Council Meeting held on 10 December 2019 be confirmed as a true record.

8 ANNOUNCEMENTS by the Presiding Member without discussion

9 DECLARATIONS OF INTEREST

10 KEY PILLAR 1 – ‘PLACE’ REPORTS

10.1 KOJONUP POLOCROSSE CLUB – INVOICE 25261

AUTHOR	Rick Mitchell-Collins – Chief Executive Officer
DATE	Wednesday, 5 February 2020
FILE NO	FM.DEB.2
ATTACHMENT(S)	10.1.1 - Email request from Kojonup Polo & Polocrosse Club 3 February 2020

STRATEGIC/CORPORATE IMPLICATIONS		
“Smart Possibilities – Kojonup 2027+”		“Smart Implementation – Kojonup 2018-2022”
Key Pillar	Community Outcomes	Corporate Actions
KP 1 - Place	1.1 Have maximised our ‘One Community’ program through specific events, celebration of built form and enhancement of our environment.	1.1.4 – Through delivery of an Events Strategy, sponsor, support and promote events that stimulate economic activity and attract visitors to the area.

DECLARATION OF INTEREST

Nil

SUMMARY

The purpose of this report is to ascertain if Council wishes to apply a further discount to the 50% discount already applied by the CEO for Invoice 25261 which presently has an outstanding balance of \$2497.50.

BACKGROUND

The CEO received the following email on 22 Oct 2019, at 3:30 pm,

“Dear Shire of Kojonup Staff & Councillors

I am writing on behalf of the many polo and polocrosse enthusiasts of our community to humbly request urgent assistance from the Shire of Kojonup to help us prepare the polo and polocrosse fields at Wandecle, in time for our rapidly forthcoming tournaments, the first of which will be taking place this weekend.

As you would be aware, the Kojonup Polo and Polocrosse Club not only hosts annual tournaments, but also the Wandecle Picnic race meeting each February - a renowned community event organised and operated solely by our club members as a fundraising enterprise to enable us to manage our grounds and interests entirely self-sufficiently. We enjoy sharing the facilities we have created, regularly extending a warm welcome to a diverse number of visitors to Kojonup throughout the year for the various sporting and social events which we offer. Our multipurpose sporting venue and homely clubhouse provide a functional base for not only the local polo and polocrosse players, but also the Kojonup Pony Club and Moberup Riding School.

That a group of local farming families professionally operate the race day, and manage our grounds throughout the year entirely by ourselves in order to stage our sporting events, is testament to the community spirit of Kojonup, and an achievement of which we are all extremely proud.

As a result of our race day fundraising, we have been able to invest in the equipment that we need to prepare our grounds for polo, polocrosse and racing entirely independently, however due to an unfortunate set of circumstances we currently find ourselves unable to mow our fields adequately for the imminent polocrosse and polo activities that we have scheduled, to which we look forward to hosting a welcome influx of visitors from far and wide to our community.

We would greatly appreciate the support of our shire towards our cause, if not in time for the polocrosse tournament this weekend, then perhaps by our forthcoming Polo In The Country event on the 9th and 10th of November.

Both events have attracted entries from leading international sports people across Western Australia, together with their entourage, and promise to create the most wonderful family atmosphere at our beautiful grounds.

To that end, on behalf of the members of the Kojonup Polo and Polocrosse Club, I would like to take this opportunity to extend a warm invitation to any of you who may be available to join us on either, or both, weekends.

*With many thanks in anticipation of your kind support and assistance at our time of need,
Zoe Ednie-Brown
Kojonup Polo Captain, Kojonup Polo & Polocrosse Club WAPA”*

The Shire CEO responded same day as follows:

“Hi Zoe

Thank you for email request and I have asked works manager to follow up assistance with you ASAP via a private works authority and then I can determine amount of donation as offset as important course looks good.

All the best

*Rick Mitchell- Collins
CEO”*

24 October 2019

Good afternoon Rick

The mowing has been completed on the Polo x grounds and they have asked if we could mow the polo grounds next week for the tournament on the 9th & 10th November. They were very appreciative of our efforts in mowing and because we got to it straight away.

Regards

Marina

COMMENT

Nowhere in the above request were the words “in-kind” financial support or “no charge” referred as the focus was seeking Council assistance to mow the fields in time for the various upcoming events. It is understood that the Club had an issue with a belt that made its machinery inoperative. The 50% donation applied did recognise the value of the venue and its member’s contribution to Kojonup but also listed full costs incurred by Council in transporting and operating plant and equipment to meet the upcoming event time frames.

The Club would have incurred costs to mow the facility by club members although at a much lower level as the Shire of Kojonup is bound under its financial and audit obligations to list all expenses incurred and income received as well as discounts/donations applied/granted.

CONSULTATION

Manager Works & Services
Peter Trethowan
Zoe Ednie-Brown

STATUTORY REQUIREMENTS

Local Government (Financial Management) Regulations 1996

POLICY IMPLICATIONS

Policy 1.3 Community Organisations waiving of Development Fees

OBJECTIVE

To encourage, develop and promote community organisations.

POLICY

Fees and charges for community or sporting groups may be waived where the community will benefit from or have use of the facility, programme etc., at the discretion of the CEO. Donations to be journaled from the Donation Account to the relevant income account so that the value of donations can be recorded.

The CEO has exercised a 50% reduction in accordance with Policy 1.3 and any further reduction should be via a formal resolution of Council.

FINANCIAL IMPLICATIONS

Costs directly attributed to the request to provide assistance with ground preparation as per time sheets:

Wages (22.5 hours)	\$2025
Trucks (3 hours)	\$690
Mower (8.5 hours)	\$1615
Tractor (3.5 hours)	\$665
TOTAL	\$4995

Email to Sundry Debtors Officer – 19 November 2019:

I wish to apply a 50% subsidy to the Private Works mowing total charge as a community donation from Council.

Regards

Rick Mitchell-Collins

Chief Executive Officer

The annual budget includes two donation cost allocations Code 2006 – ‘CEO discretion’ \$500 and Code 2008 – ‘Council’ \$750.

Mr Peter Trethowan discussed Invoice amount mid-January 2020 after he and CEO missed return telephone calls to ascertain if a further reduction could apply. CEO informed Mr Trethowan that such a request needed to be put in writing for Council consideration, resulting in email request from Zoe Ednie-Brown received 3 February 2020. (Refer Attachment 10.1.1)

RISK MANAGEMENT IMPLICATIONS

RISK MANAGEMENT FRAMEWORK			
Risk Profile	Risk Description/Cause	Key Control	Current Action
Engagement Practices Failure to maintain effective working relationships with the Community (including local Media), Stakeholders, Key Private Sector Companies, Government Agencies and/or Elected Members. This includes activities where communication, feedback or consultation is required and where it is in the best interests to do so.	<i>Potential causes include; Relationship breakdowns with community groups. Budget/funding issues. Miscommunication</i>	<i>Community engagement/networking Customer Service Charter Support local community Volunteer groups</i>	<i>Review and assess Community Engagement Strategy and Plan</i>
RISK RATING <i>Consequence (Minor)</i> <i>Likelihood (Likely)</i> <i>Overall Risk Rating (Moderate)</i>			

IMPLICATIONS

Is it an unrealistic expectation from Community Groups that fees will automatically be waived when an approach is made to Council even if a discount is already applied, as Council still needs to bear costs? Communication at very outset needs to indicate approximate costs based on request.

In this instance, until work was undertaken an estimate did not appear to have been provided by Works & Services as focus was on completing works as requested by the club given the impending events. CEO did advise Club via email that request to be treated as Private Work until all costs established in order to assess level of donation. Club upon receiving invoice shocked at amount despite 50% discount being applied and requests further consideration. Club has no issue with what works were done.

Would Club have proceeded with Council undertaking works had \$5000 estimate less 50% discount been provided? Would have required Club to source plant from another operator at short notice with/without cost.

ASSET MANAGEMENT IMPLICATIONS

Nil

**SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS)
IMPLICATIONS**

Nil

VOTING REQUIREMENTS

Absolute

OFFICER RECOMMENDATION

Options

1. Not apply any further reduction of Invoice 25261 given the 50% discount already applied by the CEO in accordance with Policy 1.3. but extend payment time frame until 30 May 2021.

or

2. Apply a further \$1,000 donation to Invoice 25261 bringing the outstanding balance to \$1497.50 with payment on or before 30 November 2020 and the donation amount being reflected against Code 2008.

or

3. Waive the full amount of \$2497.50 against Donations – Code 2008 which has an annual budget allocation of \$750 noting that, with the full waiving of Invoice 25261, Code 2008 will be over expended by \$2527.50 as at 18 February 2020 given previous donations applied by Council to other organisations.

11 KEY PILLAR 2 – ‘CONNECTED’ REPORTS

11.1 LOCAL LAWS ADOPTION

AUTHOR	Judy Stewart – Senior Administration Officer
DATE	Thursday, 6 February 2020
FILE NO	LE.LCL.1
ATTACHMENT(S)	<p>11.1.1 – VROC Local Law Review</p> <p>11.1.2 – Comparison Comments</p> <p>11.1.3 – Existing Local Laws</p> <p>11.1.4 – Model Local Laws showing changes</p> <p>11.1.5 – Model Local Laws clean</p>

STRATEGIC/CORPORATE IMPLICATIONS		
“Smart Possibilities – Kojonup 2027+”		“Smart Implementation – Kojonup 2021 +”
Key Pillar	Community Outcomes	Corporate Actions
2 - Connected	2.3 – Be providing for a safe and secure environment by working with State and Federal authorities.	2.3.2 – Support appropriate initiatives to improve safety and reduce crime (N2.4.2).

DECLARATION OF INTEREST

Nil

SUMMARY

The purpose of this report is for Council to consider:

- Adopting four local laws based, where applicable, on Western Australian Local Government Association (WALGA) model local laws to replace existing local laws; and
- Adopting three new local laws based on WALGA model local laws

as proposed at its 19 November 2019 Ordinary Meeting and following the required public advertising period.

BACKGROUND

At its Ordinary Meeting held on 17 March 2015, Council resolved:

Decision 35/15

‘That Council endorse a collaborative approach to a review of Local Laws of each Southern Link Voluntary Regional Organisation of Councils (VROC) member Council.’

Following the 2015 decision to endorse a collaborative approach to the review of the VROC members’ local laws, the Shire of Broomehill-Tambellup Chief Executive Officer (CEO), Keith Williams, compiled a Local Law Review report. This report included a brief description of each member Council’s local laws, a comparison of each member’s local laws with the other members’ local laws (and, in some instances, those of other local governments), and made recommendations based on those findings.

At its Ordinary Meeting held on 17 April 2018 Council, after receiving the Shire of Broomehill-Tambellup Chief Executive Officer's Local Law Review report, resolved as follows:

Decision 32/18

'That the Chief Executive Officer be requested to review, via further detailed agenda items to the Council, the Shire of Kojonup Local Laws as follows:

- 1. Update existing local laws in accordance with the Model Local Law:**
 - ***Activities in Thoroughfares and Trading in Thoroughfares and Public Places;***
 - ***Cemeteries;***
 - ***Health;***
 - ***Local Government Property; and***
 - ***Standing Orders.***
- 2. Adopt new local laws in accordance with the Model Local Law:**
 - ***Bushfire Brigades Local Law***
 - ***Dogs Local Law***
 - ***Fencing Local Law***
 - ***Urban Environment and Nuisance Local Law***
- 3. Not pursue the following proposed local laws as identified in the Southern Link VROC Local Law Review:**
 - ***Landfill and Transfer Station Local Law***
 - ***Parking and Parking Facilities Local Law***
 - ***Pest Plants Local Law***
 - ***Waste Services Local Law***
 - ***Cats Local Law***
- 4. Further investigation into the pros and cons around having an Extractive Industries Local Law.'**

During 2018 the author took over the VROC Local Law Review process and compared the WALGA model local laws with each VROC member shire's existing local laws. The differences, in addition to the earlier recommendations from Keith Williams' Local Law Review report, were provided to each member local government CEO and/or their staff for further comment and recommendation to accept or remove differences identified during the comparison.

An Extractive Industries Local Law was researched further and, at its Ordinary Meeting held on 16 April 2019, Council resolved as follows:

Decision 37/19

'That the Shire of Kojonup does not form an Extractive Industries Local Law.'

At its 19 November 2019 Ordinary Meeting, Council resolved to propose that the following replacement and newly created local laws be advertised for public comment in accordance with legislative requirements, as follows:

Decision 138/19

1. ***“That the following replacement local laws be endorsed for proposal, as presented, and advertised for public comment in accordance with s. 3.12 (3) of the Local Government Act 1995:***

- ***Activities in Thoroughfares and Public Places and Trading Local Law 2020***
Purpose: To stipulate activities that can or cannot occur in thoroughfares and public places within the Shire of Kojonup and to provide information on how activities are to take place.
Effect: To provide for orderly conduct in thoroughfares and public places in the local government district.

- ***Cemeteries Local Law 2020***
Purpose: To provide administrative instruction on funeral matters, burials, memorials and placement of ashes, and general information related to conduct within cemeteries in the Shire of Kojonup.
Effect: To specify appropriate and respectful conduct by all persons involved in the administration of cemetery matters or use of the cemeteries within the district.

- ***Local Government (Council Meetings) Local Law 2020***
Purpose: To provide rules and guidelines which apply to the conduct of meetings of the Shire of Kojonup Council and its committees and to meetings of electors, in accordance with legislative requirements.
Effect: To result in better decision making, orderly conduct of meetings dealing with Council business, a better understanding of the process of conducting meetings, and more efficient and effective use of time at meetings conducted by the Shire of Kojonup Council.

- ***Local Government Property Local Law 2020***
Purpose: To provide for determination of the use of local government property by defining activities that may be pursued or prohibited thereon and to specify requirements of use and appropriate behaviour on local government property in the district.
Effect: To define allowable and disallowed local government property uses and the conditions of those uses within the Shire of Kojonup.”

And

2. ***“That the following new local laws be endorsed for proposal, as presented, and advertised for public comment, in accordance with s. 3.12 (3) of the Local Government Act 1995:***

- ***Bush Fire Brigades Local Law 2020***
Purpose: To provide administrative rules for establishment, organisation and maintenance of bush fire brigades, types of membership and management of members, provision of equipment, and rules governing brigade operations within the Shire of Kojonup.
Effect: The enabling of administrative consistency and effective governance within the Shire of Kojonup’s bush fire brigades.

- ***Dogs Local Law 2020***

Purpose: To address the impounding of dogs, requirements and limitations on the keeping of dogs, and the requirements of approved kennel establishments within the district.

Effect: To provide for consistent and effective management of the dog population within the Shire of Kojonup.

- ***Fencing Local Law 2020***

Purpose: To prescribe a sufficient fence and the standard for the construction of fences throughout the district.

Effect: To establish the minimum requirements for fencing within the district.

prior to them being brought back to Council for consideration of submissions or amendments, if any, and subsequent adoption.”

COMMENT

Local Laws are required to be reviewed every 8 years; most of the Shire of Kojonup’s local laws have not been reviewed within this timeframe as is the case with a number of other VROC members’ local laws.

Using model local laws where possible not only brings all VROC members into line with current statutory requirements but has the added benefit of more consistency for local and regional staff, contractors, consultants and business operators working throughout the VROC member council areas.

Since Council’s 19 November 2019 endorsement of the above *proposed* local laws, public advertising has occurred in accordance with s. 3.12 (3) of the *Local Government Act 1995*. Nil submissions or comments have been received regarding each proposed replacement or new local law and they are now brought before Council for adoption.

When gazettal dates of local laws were being researched for the 19 November 2019 report to Council, there were a number of local law related listings identified on the Department of Local Government, Sport and Cultural Industries’ (Department) website (dating back to 1936) that, although they may have since been superseded by legislation, still appear (on the website) as being ‘on the books’. The Department has further investigated these listings and it is anticipated that a separate report to Council will be forthcoming in the near future, to address the anomalies found.

It is envisaged that the existing Health Local Laws 2000 will now be presented to Council at the same time as the future item discussed above (to bring it into line with review requirements) and that the Health Local Laws 2000 will be recommended for retention ‘as is’. Dealing with the two local law matters (repeal of superseded local laws and review of the Health Local Laws 2000) at the same time should result in less advertising costs compared to dealing with and advertising them separately.

All relevant documentation attached to Council’s 19 November 2019 Local Law Review agenda report is attached again to this report.

CONSULTATION

Michelle Dennis, Development Services Coordinator

STATUTORY REQUIREMENTS

The specific head of power for making Local Laws is the *Local Government Act 1995* (s. 3.5 and s. 3.10 specifically):

3.5. Legislative power of local governments

(1) *A local government may make local laws under this Act prescribing all matters that are required or permitted to be prescribed by a local law, or are necessary or convenient to be so prescribed, for it to perform any of its functions under this Act.*

(3) *The power conferred on a local government by subsection (1) is in addition to any power to make local laws conferred on it by any other Act.*

3.10. Creating offences and prescribing penalties

(1) *A local law made under this Act may provide that contravention of a provision of the local law is an offence, and may provide for the offence to be punishable on conviction by a penalty not exceeding a fine of \$5 000.*

(2) *If the offence is of a continuing nature, the local law may make the person liable to a further penalty not exceeding a fine of \$500 in respect of each day or part of a day during which the offence has continued.*

(3) *The local law may provide for the imposition of a minimum penalty for the offence.*

(4) *The level of the penalty may be related to —*

(a) the circumstances or extent of the offence;

(b) whether the offender has committed previous offences and, if so, the number of previous offences that the offender has committed.

[(5) deleted]

(6) *A local law made under this Act may specify the method and the means by which any fines imposed are to be paid and collected, or recovered.*

[Section 3.10 amended: No. 1 of 1998 s. 7.]

Sections 3.12 to 3.16 of the *Local Government Act 1995* set out the procedures for making, advertising, changing, commencing, publishing and reviewing local laws.

A Council may determine (by absolute majority) whether or not it considers that a Local Law should be repealed or amended. All existing local laws being replaced will be repealed as the updated local law comes into effect; this is reflected in each replacement local law.

If a Council resolves to repeal and/or amend any Local Law outside the above process (that is, other than when an existing local law is being replaced or updated as above), then the process to do so must be undertaken in the same manner as adoption of a Local Law under s. 3.12. If a Council resolves not to repeal and/or amend any Local Law, no further action is required and the review process is finalised. Sections 3.12 to 3.16:

3.12. Procedure for making local laws

- (1) *In making a local law a local government is to follow the procedure described in this section, in the sequence in which it is described.*
- (2A) *Despite subsection (1), a failure to follow the procedure described in this section does not invalidate a local law if there has been substantial compliance with the procedure.*
- (2) *At a council meeting the person presiding is to give notice to the meeting of the purpose and effect of the proposed local law in the prescribed manner.*
- (3) *The local government is to —*
- (a) *give local public notice stating that —*
 - (i) *the local government proposes to make a local law the purpose and effect of which is summarized in the notice; and*
 - (ii) *a copy of the proposed local law may be inspected or obtained at any place specified in the notice; and*
 - (iii) *submissions about the proposed local law may be made to the local government before a day to be specified in the notice, being a day that is not less than 6 weeks after the notice is given;*
 - and*
 - (b) *as soon as the notice is given, give a copy of the proposed local law and a copy of the notice to the Minister and, if another Minister administers the Act under which the local law is proposed to be made, to that other Minister; and*
 - (c) *provide a copy of the proposed local law, in accordance with the notice, to any person requesting it.*
- (4) *After the last day for submissions, the local government is to consider any submissions made and may make the local law* as proposed or make a local law* that is not significantly different from what was proposed.*

** Absolute majority required.*

- (5) *After making the local law, the local government is to publish it in the Gazette and give a copy of it to the Minister and, if another Minister administers the Act under which the local law is proposed to be made, to that other Minister.*
- (6) *After the local law has been published in the Gazette the local government is to give local public notice —*
- (a) *stating the title of the local law; and*
 - (b) *summarizing the purpose and effect of the local law (specifying the day on which it comes into operation); and*
 - (c) *advising that the local law is published on the local government’s official website and that copies of the local law may be inspected at or obtained from the local government’s office.*
- (7) *The Minister may give directions to local governments requiring them to provide to the Parliament copies of local laws they have made and any explanatory or other material relating to them.*

(8) *In this section —*

making in relation to a local law, includes making a local law to amend the text of, or repeal, a local law.

3.13. Procedure where significant change in proposal

If during the procedure for making a proposed local law the local government decides to make a local law that would be significantly different from what it first proposed, the local government is to recommence the procedure.

3.14. Commencement of local laws

(1) *Unless it is made under section 3.17, a local law comes into operation on the 14th day after the day on which it is published in the Gazette or on such later day as may be specified in the local law.*

(2) *A local law made under section 3.17 comes into operation on the day on which it is published in the Gazette or on such later day as may be specified in the local law.*

3.15. Local laws to be publicised

A local government is to take reasonable steps to ensure that the inhabitants of the district are informed of the purpose and effect of all of its local laws.

3.16. Periodic review of local laws

(1) *Within a period of 8 years from the day when a local law commenced or a report of a review of the local law was accepted under this section, as the case requires, a local government is to carry out a review of the local law to determine whether or not it considers that it should be repealed or amended.*

(2) *The local government is to give local public notice stating that —*

(a) *the local government proposes to review the local law; and*

(b) *a copy of the local law may be inspected or obtained at any place specified in the notice; and*

(c) *submissions about the local law may be made to the local government before a day to be specified in the notice, being a day that is not less than 6 weeks after the notice is given.*

(3) *After the last day for submissions, the local government is to consider any submissions made and cause a report of the review to be prepared and submitted to its council.*

(4) *When its council has considered the report, the local government may determine* whether or not it considers that the local law should be repealed or amended.*

** Absolute majority required.*

Further, Council must give notice of the purpose and effect of a local law, as per r. 3 of the Local Government (Functions and General) Regulations:

3. Prescribed manner of giving notice of purpose and effect of proposed local law (Act s. 3.12(2))

For the purpose of section 3.12 of the Act, the person presiding at a council meeting is to give notice of the purpose and effect of a local law by ensuring that –

- (a) the purpose and effect of the proposed local law is included in the agenda for that meeting; and
- (b) the minutes of the meeting of the council include the purpose and effect of the proposed local law.

The specific head of power for making Local Laws is the *Local Government Act 1995* (s. 3.5 and s. 3.10 specifically). The following Local Laws making up this report are made referencing this head of power:

- Activities in Thoroughfares and Public Places and Trading;
- Bush Fire Brigades;
- Cemeteries;
- Dog Act;
- Fencing;
- Local Government (Council Meetings); and
- Local Government Property.

Additionally, Local Laws may be made under a head of power provided for in specific Acts, for example:

- Bush Fire Brigades – s. 33(5a), s. 43 and s. 62 of the *Bush Fires Act 1954*;
- Cemeteries – s. 54 and s. 55 of the *Cemeteries Act 1986*;
- Dogs – s. 49, s. 49A and s. 51 of the *Dog Act 1976*;

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Advertising costs are associated with this review (previous public notice and future Government Gazette) for which there is provision within the budget at Chart of Account code 1922 - Advertising.

RISK MANAGEMENT IMPLICATIONS

RISK MANAGEMENT FRAMEWORK			
Risk Profile	Risk Description/Cause	Key Control	Current Action
<i>3. Failure to Fulfil Compliance Requirements (Statutory/Regulatory)</i>	<i>Inadequate compliance framework</i>	<i>Nil; however, governance calendar reminder system is in place</i>	<i>Nil</i>
<i>Risk rating - Adequate</i>			
IMPLICATIONS			
Maximising compliance with legislation mitigates risk of damage to image and reputation as well as penalties associated with non-compliance; compliance demonstrates that best practice methodology is in place.			

ASSET MANAGEMENT IMPLICATIONS

There are no asset management implications for this report.

SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

The Southern Link VROC Strategic Directions 2015-2020 identifies at Goal Four (Increase capacity through collaboration) the following strategy:

Strategy 1 – ‘Share systems and processes between member LGAs’.

VOTING REQUIREMENTS

Absolute Majority

OFFICER RECOMMENDATION

1. ***“That the following local laws be adopted, as presented, following advertising for public comment, in accordance with s. 3.12 (3) of the Local Government Act 1995, and no comments being received:***
 - ***Activities in Thoroughfares and Public Places and Trading Local Law 2020***
Purpose: To stipulate activities that can or cannot occur in thoroughfares and public places within the Shire of Kojonup and to provide information on how activities are to take place.
Effect: To provide for orderly conduct in thoroughfares and public places in the local government district.
 - ***Cemeteries Local Law 2020***
Purpose: To provide administrative instruction on funeral matters, burials, memorials and placement of ashes, and general information related to conduct within cemeteries in the Shire of Kojonup.
Effect: To specify appropriate and respectful conduct by all persons involved in the administration of cemetery matters or use of the cemeteries within the district.
 - ***Local Government (Council Meetings) Local Law 2020***
Purpose: To provide rules and guidelines which apply to the conduct of meetings of the Shire of Kojonup Council and its committees and to meetings of electors, in accordance with legislative requirements.
Effect: To result in better decision making, orderly conduct of meetings dealing with Council business, a better understanding of the process of conducting meetings, and more efficient and effective use of time at meetings conducted by the Shire of Kojonup Council.

- **Local Government Property Local Law 2020**
Purpose: To provide for determination of the use of local government property by defining activities that may be pursued or prohibited thereon and to specify requirements of use and appropriate behaviour on local government property in the district.
Effect: To define allowable and disallowed local government property uses and the conditions of those uses within the Shire of Kojonup.”

- **Bush Fire Brigades Local Law 2020**
Purpose: To provide administrative rules for establishment, organisation and maintenance of bush fire brigades, types of membership and management of members, provision of equipment, and rules governing brigade operations within the Shire of Kojonup.
Effect: The enabling of administrative consistency and effective governance within the Shire of Kojonup’s bush fire brigades.

- **Dogs Local Law 2020**
Purpose: To address the impounding of dogs, requirements and limitations on the keeping of dogs, and the requirements of approved kennel establishments within the district.
Effect: To provide for consistent and effective management of the dog population within the Shire of Kojonup.

- **Fencing Local Law 2020**
Purpose: To prescribe a sufficient fence and the standard for the construction of fences throughout the district.
Effect: To establish the minimum requirements for fencing within the district.”

11.2 INITIATION OF NEW SHIRE OF KOJONUP LOCAL PLANNING SCHEME No. 4

AUTHOR	Phil Shephard – Town Planner
DATE	Friday, 31 January 2020
FILE NO	LP.PLN.16
ATTACHMENT(S)	11.2 - Scheme Area Map

STRATEGIC/CORPORATE IMPLICATIONS		
“Smart Possibilities – Kojonup 2027+”		“Smart Implementation – Kojonup 2018-2022”
Key Pillar	Community Outcomes	Corporate Actions
KP2 – Connected	2.4 Have enhanced and facilitated improved housing options through public and private partnerships.	2..4.1 Adopt new Town Planning Scheme to support infill residential growth and private subdivisions and advocate for change in the cost of development headworks at a state level. 2.4.3 Support the creation of additional residential lots.
	KP4 - Prosperity	4.3 Be attracting support industries and diverse and new business sectors to the region.
4.4 Have collaborated to enhance and attract diverse retail to ensure a successful and renewed Main Street.		4.4.1 Support Main Street urban renewal through in-kind support and policy development.

DECLARATION OF INTEREST

Nil.

SUMMARY

To undertake the initiation of the proposed new Local Planning Scheme No 4 to replace existing Town Planning Scheme No 3.

The recommendation is to initiate the preparation of the new Local Planning Scheme No 4.

BACKGROUND

The Council has for some time pursued the development of a new planning scheme to replace the existing planning scheme that was gazetted in October 1998 and has been subject to 14 amendments since then.

COMMENT

The preparation of the new planning scheme commences with Council initiating the preparation of a new scheme in accordance with the *Planning and Development Act 2005* and *Planning and Development (Local Planning Schemes) Regulations 2015*.

This resolution must then be advertised in the local newspaper and referred to adjoining local governments, Water Corporation, Department of Biodiversity, Conservation and Attractions and any other public authority likely to be affected by the new scheme with a request for comments for 21-days or longer if approved by Council. In addition, the notice and any other information they request, must be referred to the Environmental Protection Authority for assessment. Any comments received must then be considered in the review of the scheme.

The Planning Act also requires the Council to prepare a local planning strategy to support the new local planning scheme.

The Planning Act also requires the Council to prepare a local planning strategy to support the new local planning scheme.

The following documents will be prepared for the new strategy and scheme:

- The scheme review report to recommend the existing scheme be repealed and a new scheme prepared;
- A local planning strategy to assist Council to implement its corporate strategic plan; support the new planning scheme and ensure compliance with the planning regulations;
- A new scheme text to incorporate the model and deemed provisions from the regulations and transfer existing scheme provisions from TPS 3 to apply under the new scheme; and
- New scheme maps to define zonings/reservations to apply under the new scheme.

The following timeframe is proposed for the review:

Task	Completed for Council Meeting
Council initiate new planning scheme	February 2020
Notice of new planning scheme advertised/referred for comment for 21-days	April 2020
Scheme review report completed	May 2020
New planning strategy completed	May 2020
New planning scheme text/maps completed for referral to the Planning Commission for public advertising.	June 2020

These timeframes may be delayed due to receiving late responses or requests for additional information from external agencies or others and are outside of staff control.

CONSULTATION

The initiation of a new planning scheme is required to be advertised/referred for comment for a minimum period of 21-days as set out in the Act/Regulations.

STATUTORY REQUIREMENTS

Planning and Development Act 2005 and Planning and Development (Local Planning Schemes) Regulations 2015 – The preparation, adoption and approval of any new local planning scheme and/or strategy is required to comply with the Act/Regulations.

POLICY IMPLICATIONS

All existing Town Planning Policies will be retained through the new planning scheme controls.

FINANCIAL IMPLICATIONS

The preparation of the scheme/strategy documents including the mapping requirements will be completed by staff in conjunction with the Department of Planning, Lands and Heritage mapping services.

The estimate to complete the scheme/strategy is up to \$20,000 including officer time, document preparation, mapping, referral/advertising costs etc. and will be allocated from the existing 2019/2020 Budget

RISK MANAGEMENT IMPLICATIONS

RISK MANAGEMENT FRAMEWORK			
Risk Profile	Risk Description/Cause	Key Control	Current Action
6 – Engagement Practices	Failure to maintain effective working relationships with the Community. This includes activities where communication, feedback or consultation is required and where it is in the best interests to do so. For example: -Local planning initiatives; and	Public Notices/Local papers/website communication	Nil

	-Strategic planning initiatives.		
<i>Risk rating: Adequate</i>			
IMPLICATIONS			
<i>The advertising of an intent to initiate a new Shire of Kojonup Local Planning Scheme No. 4 is the first step in the process of meeting public consultation requirements in the process of forming a new Local Planning Scheme.</i>			

ASSET MANAGEMENT IMPLICATIONS

Nil.

SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil.

VOTING REQUIREMENTS

Simple Majority – under LG Act required.

OFFICER RECOMMENDATION

That Council adopt the following resolution:

Planning and Development Act 2005

RESOLUTION TO PREPARE OR ADOPT A LOCAL PLANNING SCHEME No 4

For the entire district of the Shire of Kojonup

Resolved that the local government, pursuant to section 75 of the *Planning and Development Act 2005*, prepare the above Local Planning Scheme with reference to the entire area within the Shire of Kojonup and as shown on the plan presented to the Council of the local government at its meeting of 18 February 2020 to be referred to as the Scheme Area Map.

11.3 RESERVE 48745 – FORESHORE MANAGEMENT REQUEST

AUTHOR	Judy Stewart – Senior Administration Officer
DATE	Friday, 7 February 2020
FILE NO	PR.RES.2
ATTACHMENT(S)	<p>11.3.1 – Correspondence – Department of Planning, Lands and Heritage</p> <p>11.3.2 – Aerial Map - Reserve 48745</p> <p>11.3.3 – Detail Map – Reserve 48745</p> <p>11.3.4 – Photographs of Reserve 48745</p>

STRATEGIC/CORPORATE IMPLICATIONS		
“Smart Possibilities – Kojonup 2027+”		“Smart Implementation – Kojonup 2018-2022”
Key Pillar	Community Outcomes	Corporate Actions
2 – Connected	2.3 – Be providing for a safe and secure environment by working with State and Federal authorities	Nil Delivered Activity: Provision of fire and emergency prevention, preparedness and response functions

DECLARATION OF INTEREST

Nil

SUMMARY

The purpose of this report is to consider a Department of Planning, Lands and Heritage (Department) request to accept a management order over Reserve 48745, in the Shire of Kojonup (Shire), for the purpose of “Foreshore Management”.

BACKGROUND

Nil

COMMENT

The Department has advised that, as a result of a freehold subdivision, Lot 23 on Deposited Plan 28152 (Reserve 48745) has been ceded to the Crown. As per the attached correspondence, the Department is asking if Council is willing to accept a management order over Reserve 48745 for the purpose of Foreshore Management.

Reserve 48745 consists of 3.1822 hectares of ‘foreshore’ land and is located along a portion of the Balgarup River to the south east of the Muradup townsite; it is surrounded by the Muradup showground and Crown Reserve 15522 to the northwest and farming land in other directions. There is no known public road access to this Reserve.

Officers have endeavoured to establish advantages and disadvantages of accepting a management order for Reserve 48745 and have identified the following costs (and associated risk) to the Shire:

Disadvantages -

- Responsibility for fire reduction measures (cost of approximately \$2,000 per year in contractor expenses to slash/mow/whipper snip the area);
- Responsibility for erosion mitigation measures;
- Permission from the Department of Environmental Regulation for a clearing permit to create a thoroughfare through the neighbouring Reserve (15522) allowing vehicular/machinery access to the area (potential access issues – Reserve 15522 and Reserve 48745 - if the river is running); and
- Potential future fencing maintenance.

Advantages -

- Nil

The Department has advised that the land was approved for subdivision by the Shire in 2001 and that the Department expectation is such that the local government authority or a like entity will take on the management of this foreshore area.

The Shire's insurer, Local Government Insurance Services, has agreed that accepting a management order for Reserve 48745 would increase the Shire's liability risk exposure by placing a significant maintenance burden on the Shire with little, if any, tangible benefit.

CONSULTATION

J L King, Department of Planning, Lands and Heritage
P McBride, Principal Risk Consultant – Legal
Chief Executive Officer
Manager Corporate and Community Services
Manager Works and Services
Senior Ranger

STATUTORY REQUIREMENTS

Nil

POLICY IMPLICATIONS

Policy 2.3.5 – Risk Management

Objective: To state the Shire of Kojonup's (the Shire's) intention to identify potential risks before they occur so that impacts can be minimised or opportunities realised, ensuring that the Shire achieves its strategic and corporate objectives efficiently, effectively and within good corporate governance principles.

FINANCIAL IMPLICATIONS

Nil if not accepting the Department's offer to manage Reserve 48745.

Approximately \$2,000 per year in contractor expenses to slash/mow/whipper snip the area, costs to create a thoroughfare for access and expenses associated with erosion mitigation measures that may arise.

RISK MANAGEMENT IMPLICATIONS

RISK MANAGEMENT FRAMEWORK			
Risk Profile	Risk Description/Cause	Key Control	Current Action
7 – Environment Management	<i>Lack of adequate planning and management of coastal erosion issues/weather events and natural disasters/climate change/weed and pest management difficulties</i>	<i>Environmental management compliance/Revegetate and weed control of bushland areas</i>	<i>Nil</i>
<i>Risk rating: Adequate</i>			
IMPLICATIONS			
<i>Risk implications exist around taking on responsibility for the environmental management of Reserve 48745. If not managed correctly, especially with regard to appropriate fire and erosion mitigation measures, the Shire could be deemed responsible for contributing to fire risk/damage or erosion damage to neighbouring land. Inadequate environmental management has the potential to increase financial and reputational risk.</i>			

ASSET MANAGEMENT IMPLICATIONS

Nil

SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION

That the Department of Planning, Lands and Heritage be advised that the Shire of Kojonup does not wish to accept a Management Order over Reserve 48745 given this land does not have constructed access, the risk associated with fire and erosion mitigation measures is too excessive, and there may be potential fencing costs into the future.

12 KEY PILLAR 3 – ‘PERFORMANCE’ REPORTS

12.1 FINANCIAL MANAGEMENT – MONTHLY STATEMENT OF FINANCIAL ACTIVITY (DECEMBER 2019)

AUTHOR	Anthony Middleton – Manager Corporate & Community Services
DATE	Tuesday, 14 January 2020
FILE NO	FM.FNR.2
ATTACHMENT(S)	12.1.1 – December 2019 Monthly Financial Statements

STRATEGIC/CORPORATE IMPLICATIONS		
“Smart Possibilities – Kojonup 2027+”		“Smart Implementation – Kojonup 2021 +”
Key Pillar	Community Outcomes	Corporate Actions
KP – 3 Performance	3.4 – Be organised and transparent with our financial management.	3.4.1 - Increase regularity of readable financial reporting to the community. 3.4.2 – Act with sound long-term and transparent financial management and deliver residents considered value for money.

DECLARATION OF INTEREST

Nil.

SUMMARY

The purpose of this report is to note the Monthly Financial Statements for the period ending 31 December 2019.

BACKGROUND

In addition to good governance, the presentation to the Council of monthly financial reports is a statutory requirement, with these to be presented at an ordinary meeting of the Council within two (2) months after the end of the period to which the statements relate.

COMMENT

The attached Statement of Financial Activity for the period 1 July 2019 to 31 December 2019 represents six (6) months, or 50% of the year.

The following items are worthy of noting:

- Closing surplus position of \$1.6m;
- Operating results:
 - 55% of budgeted operating revenue has been received; and
 - 44% of budgeted operating expenditure spent;
- Capital expenditure achieved 22% of budgeted projects;
- The value of outstanding rates equates to 15.5% of 2019/2020 rates raised (includes outstanding instalment plans);

- Cash holdings of \$6.16m of which \$2.9m is held in cash backed reserve accounts and \$1.73m is a grant held for other parties; and
- Page 9 & 10 of the statements detail major variations from year to date (amended) budgets in accordance with Council Policy 2.1.6.

CONSULTATION

Nil.

STATUTORY REQUIREMENTS

Regulation 34 of the *Local Government (Financial Management) Regulations 1996* sets out the basic information which must be included in the monthly reports to Council.

POLICY IMPLICATIONS

Council Policy 2.1.6 defines the content of the financial reports.

FINANCIAL IMPLICATIONS

This item reports on the current financial position of the Shire. The recommendation does not in itself have a financial implication.

RISK MANAGEMENT IMPLICATIONS

There are no risk management implications for this report.

ASSET MANAGEMENT IMPLICATIONS

There are no asset management implications for this report.

**SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS)
IMPLICATIONS**

Nil.

VOTING REQUIREMENTS

Simple Majority.

OFFICER RECOMMENDATION

That the monthly financial statements for the period 1 July 2019 to 31 December 2019, as attached, be noted.

12.2 FINANCIAL MANAGEMENT – MONTHLY STATEMENT OF FINANCIAL ACTIVITY (JANUARY 2020)

AUTHOR	Anthony Middleton – Manager Corporate & Community Services
DATE	Friday, 7 February 2020
FILE NO	FM.FNR.2
ATTACHMENT(S)	12.2.1 – January 2020 Monthly Financial Statements

STRATEGIC/CORPORATE IMPLICATIONS		
“Smart Possibilities – Kojonup 2027+”		“Smart Implementation – Kojonup 2021 +”
Key Pillar	Community Outcomes	Corporate Actions
KP3 - Performance	3.4 – Be organised and transparent with our financial management.	3.4.1 - Increase regularity of readable financial reporting to the community. 3.4.2 – Act with sound long-term and transparent financial management and deliver residents considered value for money.

DECLARATION OF INTEREST

Nil.

SUMMARY

The purpose of this report is to note the Monthly Financial Statements for the period ending 31 January 2020.

BACKGROUND

In addition to good governance, the presentation to the Council of monthly financial reports is a statutory requirement, with these to be presented at an ordinary meeting of the Council within two (2) months after the end of the period to which the statements relate.

COMMENT

The attached Statement of Financial Activity for the period 1 July 2019 to 31 January 2020 represents seven (7) months, or 58% of the year.

The following items are worthy of noting:

- Closing surplus position of \$3.06m;
- Operating results:
 - 56% of budgeted operating revenue has been received; and
 - 50% of budgeted operating expenditure spent;
- Capital expenditure achieved 27% of budgeted projects;
- The value of outstanding rates equates to 11.0% of 2019/2020 rates raised (includes outstanding instalment plans);
- Cash holdings of \$7.87m of which \$2.9m is held in cash backed reserve accounts and \$1.73m is a grant held for other parties; and

- Page 9 of the statements detail major variations from year to date (amended) budgets in accordance with Council Policy 2.1.6.

CONSULTATION

Nil.

STATUTORY REQUIREMENTS

Regulation 34 of the *Local Government (Financial Management) Regulations 1996* sets out the basic information which must be included in the monthly reports to Council.

POLICY IMPLICATIONS

Council Policy 2.1.6 defines the content of the financial reports.

FINANCIAL IMPLICATIONS

This item reports on the current financial position of the Shire. The recommendation does not in itself have a financial implication.

RISK MANAGEMENT IMPLICATIONS

There are no risk management implications for this report.

ASSET MANAGEMENT IMPLICATIONS

There are no asset management implications for this report.

SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil.

VOTING REQUIREMENTS

Simple Majority.

OFFICER RECOMMENDATION

That the monthly financial statements for the period 1 July 2019 to 31 January 2020, as attached, be noted.

12.3 MONTHLY PAYMENTS LISTING DECEMBER 2019

AUTHOR	Melissa Binning – Finance Officer
DATE	Thursday, 2 January 2020
FILE NO	FM.AUT.1
ATTACHMENT	12.3.1 – Monthly Payment Listing 1/12/2019 to 31/12/2019

STRATEGIC/CORPORATE IMPLICATIONS		
“Smart Possibilities – Kojonup 2027+”		“Smart Implementation – Kojonup 2021 +”
Key Pillar	Community Outcomes	Corporate Actions
KP 3 - Performance	3.4 – Be organised and transparent with our financial management.	3.4.1 - Increase regularity of readable financial reporting to the community. 3.4.2 – Act with sound long-term and transparent financial management and deliver residents considered value for money.

DECLARATION OF INTEREST

Nil

SUMMARY

To receive the list of payments covering the month of December 2019.

BACKGROUND

Not applicable.

COMMENT

The attached list of payments is submitted for receipt by the Council.

Any comments or queries regarding the list of payments is to be directed to the Manager of Corporate and Community Services prior to the meeting.

CONSULTATION

No consultation was required.

STATUTORY REQUIREMENTS

Regulation 12(1)(a) of the *Local Government (Financial Management) Regulations 1996* provides that payment may only be made from the municipal fund or trust fund if the Local Government has delegated the function to the Chief Executive Officer.

The Chief Executive Officer has delegated authority to authorise payments. Relevant staff have also been issued with delegated authority to issue orders for the supply of goods and services subject to budget limitations.

Regulation 13 of the *Local Government (Financial Management) Regulations 1996* provides that if the function of authorising payments is delegated to the Chief Executive Officer then

a list of payments is to be presented to the Council at the next ordinary meeting and recorded in the minutes.

POLICY IMPLICATIONS

Council's Policy 2.1.2 provides authorisations and restrictions relative to purchasing commitments.

FINANCIAL IMPLICATIONS

All payments made in line with Council Policy.

STRATEGIC/CORPORATE IMPLICATIONS

There are no strategic/corporate implications involved with presentation of the list of payments.

RISK MANAGEMENT IMPLICATIONS

A control measure to ensure transparency of financial systems and controls regarding creditor payments.

ASSET MANAGEMENT PLAN IMPLICATIONS

There are no asset management implications for this report.

SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Refer to the VROC Strategic Plan

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION

That in accordance with Regulation 13(1) of the *Local Government (Financial Management) Regulations 1996*, the list of payments as attached made under delegated authority:

FROM – 1 December 2019		TO – 31 December 2019
Municipal Cheques	14183 – 14191	\$19,915.42
EFTs	25084 – 25273	\$1,436,895.55
Direct Debits		\$394,857.85
Total		\$1,851,668.82

be received.

12.4 MONTHLY PAYMENTS LISTING JANUARY 2020

AUTHOR	Heather Marland - Senior Finance Officer
DATE	Friday 7 February 2020
FILE NO	FM.AUT.1
ATTACHMENT	12.4.1 – Monthly Payment Listing 1/01/2020 to 31/01/2020

STRATEGIC/CORPORATE IMPLICATIONS		
“Smart Possibilities – Kojonup 2027+”		“Smart Implementation – Kojonup 2021 +”
Key Pillar	Community Outcomes	Corporate Actions
KP 3 - Performance	3.4 – Be organised and transparent with our financial management.	3.4.1 - Increase regularity of readable financial reporting to the community. 3.4.2 – Act with sound long-term and transparent financial management and deliver residents considered value for money.

DECLARATION OF INTEREST

Nil

SUMMARY

To receive the list of payments covering the month of January 2020.

BACKGROUND

Not applicable.

COMMENT

The attached list of payments is submitted for receipt by the Council.

Any comments or queries regarding the list of payments is to be directed to the Manager of Corporate and Community Services prior to the meeting.

CONSULTATION

No consultation was required.

STATUTORY REQUIREMENTS

Regulation 12(1)(a) of the *Local Government (Financial Management) Regulations 1996* provides that payment may only be made from the municipal fund or trust fund if the Local Government has delegated the function to the Chief Executive Officer.

The Chief Executive Officer has delegated authority to authorise payments. Relevant staff have also been issued with delegated authority to issue orders for the supply of goods and services subject to budget limitations.

Regulation 13 of the *Local Government (Financial Management) Regulations 1996* provides that if the function of authorising payments is delegated to the Chief Executive Officer then

a list of payments is to be presented to the Council at the next ordinary meeting and recorded in the minutes.

POLICY IMPLICATIONS

Council's Policy 2.1.2 provides authorisations and restrictions relative to purchasing commitments.

FINANCIAL IMPLICATIONS

All payments made in line with Council Policy.

STRATEGIC/CORPORATE IMPLICATIONS

There are no strategic/corporate implications involved with presentation of the list of payments.

RISK MANAGEMENT IMPLICATIONS

A control measure to ensure transparency of financial systems and controls regarding creditor payments.

ASSET MANAGEMENT PLAN IMPLICATIONS

There are no asset management implications for this report.

SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Refer to the VROC Strategic Plan

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION

That in accordance with Regulation 13(1) of the *Local Government (Financial Management) Regulations 1996*, the list of payments as attached made under delegated authority:

FROM – 1 January 2020		TO – 31 January 2020
Municipal Cheques	14192 – 14206	\$149,353.47
EFTs	25275 – 25451	\$547,665.26
Direct Debits		\$400,353.70
Total		\$1,097,372.43

be received.

12.5 FINANCIAL MANAGEMENT – BUDGET REVIEW 2019/2020

AUTHOR	Anthony Middleton – Manager Corporate & Community Services
DATE	Friday, 7 February 2020
FILE NO	FM.FNR.2
ATTACHMENT	12.5.1 – Budget Review 2019/2020

STRATEGIC/CORPORATE IMPLICATIONS		
Community Strategic Plan 2017 – 2027 “Smart Possibilities – Kojonup 2027+”		Corporate Business Plan 2017 – 2021 “Smart Implementation – Kojonup 2021 +”
Key Pillar	Community Outcomes	Corporate Actions
KP – 3 Performance	3.4 – Be organised and transparent with our financial management.	3.4.1 - Increase regularity of readable financial reporting to the community. 3.4.2 – Act with sound long-term and transparent financial management and deliver residents considered value for money.

DECLARATION OF INTEREST

Nil.

SUMMARY

The purpose of this report is to consider a review of the Annual Budget for 2019/2020.

BACKGROUND

The *Local Government (Financial Management) Regulations 1996* state that a local government must undertake a budget review annually.

Regardless of statutory requirements, conducting a budget review at least once each year is sound financial management practice. It enables the Council to analyse the financial performance of the year to date and make changes to the authorisations that it puts in place for the performance of the local government’s functions.

COMMENT

The detailed budget review papers are attached to this agenda as a separate document. Previous years’ reviews have entailed a detailed line-by-line review process, culminating in many minor adjustments being made to numerous accounts. This budget review has been performed focussing on major changes only, with a more holistic assessment being made at a sub-program level. The items proposed for change are contained within page 1 and 2 of the budget review document.

CONSULTATION

The Senior Management Team, Ranger/Building Maintenance Coordinator and Development Services Coordinator have assisted in the compilation of the Budget Review document.

STATUTORY REQUIREMENTS

Local Government (Financial Management) Regulation 33A states:

“Review of budget

- (1) Between 1 January and 31 March in each year a local government is to carry out a review of its annual budget for that year.
- (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.”

POLICY IMPLICATIONS

Nil.

FINANCIAL IMPLICATIONS

The budget review recommends changes to the adopted budget and, therefore, changes the projects previously authorised by the Council. Whilst individual projects have varying financial implications, the resulting changes maintain a balanced budget (Refer to page 8 of the Budget Review document.)

The financial implications of the suggested changes to adopted budget figures are as follows:

- Budget remains in balance - Final budgeted position remains at \$0 (zero based budgeting);
- Operating Result - The Statement of Comprehensive Income shows a surplus net position improvement of \$49,255;
- Capital Expenditure – An increase in capital investment of \$53,260 has been achieved in the proposed changes;
- Reserve Accounts – The budgeted 30 June 2020 closing position of all reserve accounts has increased \$5,200;
- Loans - No changes to loan accounts are proposed;

RISK MANAGEMENT IMPLICATIONS

Nil.

ASSET MANAGEMENT IMPLICATIONS

Nil.

SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil.

VOTING REQUIREMENTS

Absolute Majority.

OFFICER RECOMMENDATION

That the 2019/2020 Annual Budget be amended in accordance with the proposed changes in the attached 2019/2020 Budget Review document.

12.6 CHANGE TO STANDPIPE WATER COSTS IN CURRENT FEES AND CHARGES

AUTHOR	Rob Cowie Payroll and Emergency Services Officer
DATE	Tuesday, 28 January 2020
FILE NO	WS.SRP.2
ATTACHMENT(S)	Nil

STRATEGIC/CORPORATE IMPLICATIONS		
“Smart Possibilities – Kojonup 2027+”		“Smart Implementation – Kojonup 2019-2023”
Key Pillar	Community Outcomes	Corporate Actions
KP 3 - Performance	3.4 – Be organised and transparent with our financial management.	3.4.2 Act with sound long-term and transparent financial management and deliver residents considered value for money.

DECLARATION OF INTEREST

Nil

SUMMARY

Council is being asked to consider the recommendation to increase the current fee for Water Standpipe use from \$5.00 per kilolitre (kL) to \$10.00 per kL in order to cover WaterCorps new pricing structure.

BACKGROUND

Council at its meeting held 18 September 2018, resolution 116/18 adopted the Kojonup Water Standpipe Action Plan

In November 2019, the CEO signed an agreement with the Water Corporation that, as per the Council decision above, the Stock Road Standpipe has been designated as the primary location for potable water and is currently being rated by WaterCorp as **Option 3 - Commercial Standpipe (High Flow)** and attract the following fees;

- (i) Annual service charge of \$1700.40 for the 50mm size delivery
- (ii) \$8.562 per kilolitre

The three other Standpipes (Katanning Road, Muradup and Carlecatup Road) have been designated as **Option 4 – Fire Standpipe (no public access)**. These are closed off to public use and are available for Emergency Use only. These Standpipes attract zero fees from WaterCorp.

COMMENT

The officer recommends that Council approves the increase of fees for the Potable Water supply from \$5.00 per kL to \$10.00 per kL, applicable from 13 March 2020 and that Council authorise the Chief Executive Officer to give notice in the Great Southern Herald and the Kojonup News of the intention to increase fees for the Potable Water supply.

The increase from \$5.00 to \$10.00 per kL will cover the full consumption fee and the annual service charge. It will also allow for any excess amounts to be used on maintenance and asset replacement/renewal in the future.

There needs to be at least 1100 kL sold to cover the Annual Service fee. Current data from all standpipes for the current financial year (7 months) shows that we have sold 2450.11 kL.

Standpipe Usage	Kiloliter's used
Stock Road	486.07
Other Standpipes	1964.04

CONSULTATION

Nil

STATUTORY REQUIREMENTS

Section 6.15 of the *Local Government Act 1995* (the Act) enables a local government to receive revenue or income from fees and charges either authorised by the Act, or another written law.

If introduced after the annual budget has been adopted, Section 6.19 of the Act requires that Council give local public notice of its intention to impose any fee or charge as well as the date from which it is proposed the fees or charges will be imposed.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Imposing this fee will cover the cost of water currently being supplied from WaterCorp to the Stock Road potable water standpipe.

RISK MANAGEMENT IMPLICATIONS

Nil

ASSET MANAGEMENT IMPLICATIONS

Nil

SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil

VOTING REQUIREMENTS

Absolute Majority

OFFICER RECOMMENDATION

That Council approves the increase of fees for the Potable Water supply from \$5.00 per kL to \$10.00 per kL, applicable from 13 March 2020 and authorises the Chief Executive Officer to give public notice in the Great Southern Herald and the Kojonup News.

12.7 SUNDRY DEBTOR WRITE OFF 2019/2020

AUTHOR	Rob Cowie Payroll and Emergency Services Officer
DATE	Friday, 10 January 2020
FILE NO	FM.DEB.1
ATTACHMENT(S)	Nil

STRATEGIC/CORPORATE IMPLICATIONS		
“Smart Possibilities – Kojonup 2027+”		“Smart Implementation – Kojonup 2019-2023”
Key Pillar	Community Outcomes	Corporate Actions
KP 3 - Performance	3.4 – Be organised and transparent with our financial management.	3.4.2 Act with sound long-term and transparent financial management and deliver residents considered value for money.

DECLARATION OF INTEREST

Nil

SUMMARY

Council is being asked to consider the recommendation to write off Sundry Debtor accounts totaling \$1128.92

BACKGROUND

The following debtors have had outstanding amounts dating back to January 2018. The nature and amount of these debts makes it unlikely that any payment will be made by the Debtors.

Debtor	Amount	Description
76991 Albany Communications Engineering	\$300.00	Private Work’s job carried out by Depot staff in June 2018. The Company became insolvent in July 2018
77008 Rebecca Wood	\$115.00	Ex Staff member. Invoice was for power charges at Newton St unit in February 2019. Debtor has returned to the UK and does not answer email requests for payment.
70224 Hills Agricultural Contractors	\$713.92	Invoice raised for Private Work’s carried out in Jan 2018 for depot staff to assist with fallen power lines. Debtor has refused to pay, and is now ignoring all calls and statements.

The previous write of Bad Debt was August 2015. Council usually carries a monthly debt amount of approximately \$130,000. There is an amount in the budget of \$2000.00 for provision of bad debt.

COMMENT

The officer recommends that the amounts be written off as bad debt.

CONSULTATION

Nil

STATUTORY REQUIREMENTS

Local Government Act 1965 section 6.12 - Power to defer, grant discounts, waive or write off debts.

POLICY IMPLICATIONS

2.1.3 Debtor Control Policy

Objective:

“To ensure Council receives payment for goods and services provided within its credit terms, bad debts are minimised and debtor control is cost effective.”

Policy

Sundry Debtors:

1. *The following accounts are to be paid for prior to the service being provided:*
 - a. *Photocopying;*
 - b. *Sale of Goods, Materials or Publications;*
 - c. *Hall Hire and ancillary charges;*
 - d. *Building Applications;*
 - e. *Septic Tank Application Fees; and*
 - f. *Freedom of Information Act 1992 Application Fees.*
2. *The terms of credit given by the Shire of Kojonup via the Local Government Act 1995 is 30 days. The Manager of Corporate and Community Services is to ensure that procedures are in place to limit the risk of debts turning bad.*
3. *Where Private Works are to be undertaken an estimated value is to be provided to the person/group/firm requesting the private works. The Shire of Kojonup requires an agreement to be signed for any private works prior to the work being undertaken.*

FINANCIAL IMPLICATIONS

Provision for writing off these amounts is covered in the current budget allocation of \$2000.00 as doubtful debts.

RISK MANAGEMENT IMPLICATIONS

Nil

ASSET MANAGEMENT IMPLICATIONS

Nil

SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil

VOTING REQUIREMENTS

Absolute Majority

OFFICER RECOMMENDATION

That Council approves the write off of the following Debtor accounts totaling \$1128.92

Debtor	Amount	Description
76991 Albany Communications Engineering	\$300.00	Private Work's job carried out by Depot staff in June 2018. The Company became insolvent in July 2018
77008 Rebecca Wood	\$115.00	Ex Staff member. Invoice was for power charges at Newton St unit in February 2019. Debtor has returned to the UK and does not answer email requests for payment.
70224 Hills Agricultural Contractors	\$713.92	Invoice raised for Private Work's carried out in Jan 2018 for depot staff to assist with fallen power lines. Debtor has refused to pay, and is now ignoring all calls and statements.

12.8 ORCHID VALLEY HALL CLOSURE

AUTHOR	Judy Stewart – Senior Administration Officer
DATE	Monday, 7 October 2019
FILE NO	RM.PRO.2
ATTACHMENT(S)	<p>12.8.1 - Photographs of the interior, exterior and surrounds of Orchid Valley Hall</p> <p>12.8.2 - Orchid Valley Hall Asbestos Report</p> <p>12.8.3 - Orchid Valley School History 1935-1943</p> <p>12.8.4 - Reserve 10346 – Management Order</p>

STRATEGIC/CORPORATE IMPLICATIONS		
“Smart Possibilities – Kojonup 2027+”		“Smart Implementation – Kojonup 2018-2022”
Key Pillar	Community Outcomes	Corporate Actions
<p>KP3 – Performance</p>	<p>3.3 – Use a Building Assessment Framework and control our investment in building maintenance</p> <p>3.4 – Be organised and transparent with our financial management.</p>	<p>3.3.1 – Implement an asset rationalisation process based on the Building Assessment Framework.</p> <p>3.3.2 – Maximise usage of community facilities whilst reducing the financial obligation on the Shire and its people.</p> <p>3.3.4 – Undertake an asset management planning process to review and rationalise Shire buildings to maximise their use and value to the community.</p> <p>3.4.2 – Act with sound long-term and transparent financial management and deliver residents considered value for money.</p>

DECLARATION OF INTEREST

Nil

SUMMARY

The purpose of this report is for Council to consider formally closing the Orchid Valley Hall (Hall) and placing a commemorative plaque at the Hall site.

BACKGROUND

Since March 2019 Shire staff and elected members have been involved in a major review of the Shire’s Risk Management system, culminating in the adoption of a new Risk Management

Framework at Council’s May 2019 Ordinary Meeting. A lack of formal agreements for the use of community halls was a risk identified from the above review which resulted in an agenda item being taken to Council in July 2019 to address community hall retention and management arrangements.

COMMENT

The Orchid Valley Hall is a community hall that has, since researching other community halls, been identified as requiring recognition within the Shire’s Building Assessment Framework and action under its Risk Management Framework. The Shire’s insurers have been asked to place the Hall on the Shire’s Property Register for insurance purposes (indemnity value and extinguishment cost only).

The Orchid Valley Hall (originally the Orchid Valley School from 1935 to 1943) is located on Reserve 10346 for which the Shire has a Management Order and the power to lease for 21 years; the Purpose of the Reserve is ‘Recreation’. There is currently no agreement in place with the Shire for the use of this Hall and local knowledge has suggested it has not been used or managed for over twenty years. The Hall has also had nil maintenance or improvements applied by the Shire for many years and the Shire does not pay utility costs. Photographs of the interior, exterior and surrounds of the Hall form attachments to this report.

Due to the state of disrepair that the Orchid Valley Hall and its surrounds are currently in (including the presence of asbestos containing materials) and its long term lack of use, it is recommended that Council formally closes the Hall.

Reserve 10346



Orchid Valley Hall (August 2019)



CONSULTATION

John Andrioff and Lynda Martin - Department of Lands, Planning and Heritage
Manager Corporate and Community Services
Building Maintenance Coordinator

STATUTORY REQUIREMENTS

Section 46 of the *Lands Administration Act 1997* - Care, control and management of reserves states:

- (1) *The Minister may by order place with any one person or jointly with any 2 or more persons the care, control and management of a reserve for the same purpose as that for which the relevant Crown land is reserved under section 41 and for purposes ancillary or beneficial to that purpose and may in that order subject that care, control and management to such conditions as the Minister specifies.*
- (2) *The Minister may, with the consent of the management body of a reserve and of the holders of any interests within the reserve, by order vary any condition to which the care, control and management of the reserve is subject.*

POLICY IMPLICATIONS

Policy 2.3.4 – Asset Management
Policy 2.3.5 – Risk Management

FINANCIAL IMPLICATIONS

It is estimated that the Hall and surrounds may require up to \$500.00 to make it secure.

If Council resolves to place a commemorative plaque at the Hall site, there would be a cost associated with such an action. This could be considered in the 2020/2021 budget process.

RISK MANAGEMENT IMPLICATIONS

The Building Assessment and Risk Management Frameworks are primary tools to minimise risk across all areas of the Shire. Public access to facilities, buildings or infrastructure that is not maintained is beyond the intervention levels for asset management and does not meet basic legal compliance, representing an unacceptable risk to the organisation.

ASSET MANAGEMENT IMPLICATIONS

	Currently	After Disposal of All Buildings with a Score < 30	Difference (Savings)
ASSET VALUE			
Depreciable Assets	\$142.33m	\$136.83m	\$5.51m
Building Assets	\$46.26m	\$40.75m	\$5.51m or 11.9%.
MAINTENANCE			
Underspend on Buildings Maintenance	\$6,390 per year for the next 20 years	\$6,034 per year for the next 20 years	\$356 per year for the next 20 years
Total Maintenance Gap	\$127,802 after 20 years	\$120,680 after 20 years	\$7,122 after 20 years
RENEWAL			
Underspend on Buildings Renewal (Renewal Gap)	\$791,852 per year	\$581,497 per year	\$210,355 per year
Total Renewal Funding Gap	\$15.84m after 20 years	\$11.63m after 20 years	\$4.21m over 20 years

The renewal gap figures shown in the above table clearly demonstrate how important this process is for the future financial management of the Shire.

SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority

This matter was laid on the table at the 19 November 2019 Ordinary Council Meeting.

PROCEDURAL MOTION

That the matter be lifted off the table.

OFFICER RECOMMENDATION

That Council:

- 1) Closes the Orchid Valley Hall (Hall) due to its state of disrepair, makes the Hall secure and tidies its surrounds (recognising the cost as unbudgeted expenditure), and advertises accordingly; and**
- 2) Considers the cost of placing a commemorative plaque, at the Orchid Valley Hall site, in its 2020/2021 budget process.**

12.9 MANAGEMENT OF COMMUNITY HALLS

AUTHOR	Judy Stewart – Senior Administration Officer Anthony Middleton – Manager Corporate and Community Services
DATE	Friday, 15 November 2019
FILE NO	RM.PRO.2
ATTACHMENT(S)	12.9.1 - Correspondence from Muradup Agricultural Hall Committee 12.9.2 - Correspondence from Qualeup Hall Committee x 2 12.9.3 - Correspondence from Boscabel Hall Committee

STRATEGIC/CORPORATE IMPLICATIONS		
“Smart Possibilities – Kojonup 2027+”		“Smart Implementation – Kojonup 2021 +”
Key Pillar	Community Outcomes	Corporate Actions
KP3 - 3 Performance	3.1 - Be a continually engaged and strategic community which leads and organises throughout the entire stakeholder group.	3.1.3 - Encourage interaction and input to the Shire of Kojonup, particularly through contemporary working party teams.
	3.3 – Use a Building Assessment Framework and control our investment in building maintenance	3.3.1 - Implement an asset rationalisation process based on the Building Assessment Framework. 3.3.2 - Maximise usage of community facilities whilst reducing the financial obligation on the Shire and its people. 3.3.4 - Undertake an asset management planning process to review and rationalise Shire buildings to maximise their use and value to the community.
	3.4 – Be organised and transparent with our financial management.	3.4.2 - Act with sound long-term and transparent financial management and deliver residents considered value for money. 3.4.4. - Design a program of activities to imbed sound asset management practice, its culture and activities at all levels of the organisation.

DECLARATION OF INTEREST

Nil

SUMMARY

The purpose of this report is to progress the addressing and mitigating of risk associated with a lack of written agreements between community groups and the Shire of Kojonup (Shire) for the management of community halls throughout the Shire.

BACKGROUND

In July 2017, the Council adopted its Building Assessment Framework (BAF), a comprehensive asset management process that assessed all of the Shire's 91 (at the time) buildings and prioritised them against established criteria. The BAF gave all buildings a score out of 100 and the Council requested an assessment be completed on all buildings with a score of less than 30. Twenty-five (25) buildings scored 30 or less and included four community halls being Changerup, Qualeup (and toilets), Boscabel (and toilets), and the Old Scout Hall (to the south side of the Toy Library and Playgroup).

As per a report to Council in July 2019, research had established that the Reserve that the Changerup Hall is located on is managed by the Changerup District Recreation Centre Incorporated and, therefore, the Shire has no responsibilities in relation to its maintenance or management. Whilst not included in the 25 buildings that scored 30 or less in the BAF assessment process, the Muradup Agricultural Hall is managed, as are the Qualeup and Boscabel Halls, by a community committee and without a written agreement in place between the committees and the Shire.

Earlier this year Shire staff and elected members were involved in a major review of the Shire's Risk Management system, culminating in the adoption of a new Risk Management Framework at Council's May 2019 Ordinary Meeting. Shire staff and a number of Councillors were engaged in Risk Management workshops conducted by Local Government Insurance Services (LGIS) resulting in staff updating practices and documentation in line with current best practice principles.

Community groups were also invited to attend an Event Risk Management workshop outlining their responsibilities in managing risk from a community group committee perspective; that is, their responsibilities to their members and to the general public and also the reasoning behind community groups having public liability insurance. Following on from the community workshop, community groups were forwarded a copy of the slideshow presented at the workshop and other relevant information to assist them in meeting their risk management obligations.

For some years community groups/members in localities of the Shire have informally managed their local community halls with the Shire contributing financially towards major maintenance items in some instances. In other instances, there has been little or nil Shire maintenance especially in the less utilised community halls.

Council, at its July 2019 Ordinary Meeting, resolved as follows:

Decision 76/19

“That:

- 1. The Council note the advice received in regards to the ownership of the Changerup Hall by the Changerup District Recreation Centre Inc. and, as such, the Shire has no responsibilities in relation to its ownership, maintenance or management;**
- 2. The Community representatives currently managing the Qualeup, Boscabel and Muradup Halls be formally contacted to ascertain:**
 - a. If the local community wish for their hall to be retained for use; and**
 - b. Their willingness to enter into a formalised written agreement (Memorandum of Understanding) that would include as a minimum:**
 - i. The responsibilities of each party;**
 - ii. The requirement to hold insurances applicable to each party’s needs;**
 - iii. A clause that indemnifies each party against any negligence of the other;**
 - iv. The preparation by the community group of a risk management plan for its management of the community hall; and**
 - v. Recognition that there may be a time when a hall is deemed unfit for public use and is required to close until it is made fit for purpose or another option is determined;**
- 3. The Old Scout Hall is considered surplus to both Shire and Community requirements and be offered for sale (building only) and removal by public tender.”**

Reserve 24632 – Qualeup



Qualeup Hall



Reserve 15186 - Boscabel



Boscabel Hall



Reserve 11487 – Muradup



Muradup Hall



As the community management committees have all expressed a desire to continue with the management of their respective community halls, a draft Memorandum of Understanding (MOU) will be drawn up for negotiation with clauses including, but not limited to, those that address points 3 (i) to (xi) of the officer recommendation, unless Council resolves otherwise. It is anticipated that an MOU would commence on 01 July 2020.

CONSULTATION

Management committees of the Qualeup, Boscabel and Muradup Halls

STATUTORY REQUIREMENTS

Nil

POLICY IMPLICATIONS

Policy 2.3.4 – Asset Management

Policy 2.3.5 – Risk Management

FINANCIAL IMPLICATIONS

- If Council adopts the officer recommendation, a cost of \$1,500 x 3 Halls (total \$4,500) per year would be incurred.
- It is anticipated, as per advice to the community hall management committees, that a clause will be included in the MOU that will recognise that, if a Hall becomes unfit for public use, it may be closed until it is made fit for purpose; such a decision is likely to be finance and risk based.

RISK MANAGEMENT IMPLICATIONS

Risk Profile 10 – Management of Facilities, Venues and Events: Key Control - Lease agreements for all Shire facilities

The BAF and sound asset management practices are primary tools to minimise risks across all areas of the Shire. Public access to facilities, buildings or infrastructure that is not maintained, is beyond the intervention levels for asset management, and does not meet basic legal compliance represents an unacceptable risk to the organisation. This process is an important step to address such issues.

This agenda item seeks to address an identified high risk area, being third party management and occupation of a public building without written agreement and minimum conditions.

ASSET MANAGEMENT IMPLICATIONS

As part of the *Asset Management Plan 2017* review process, modelling was undertaken to demonstrate the impact of rationalising the 25 lowest scoring buildings, of which three of these halls form a part. Hypothetically, if it is assumed that the Council disposed of these 25 buildings immediately, the results would be as follows:

	Currently	After Disposal of All Buildings with a Score < 30	Difference (Savings)
ASSET VALUE			
Depreciable Assets	\$142.33m	\$136.83m	\$5.51m
Building Assets	\$46.26m	\$40.75m	\$5.51m or 11.9%.
MAINTENANCE			
Underspend on Buildings Maintenance	\$6,390 per year for the next 20 years	\$6,034 per year for the next 20 years	\$356 per year for the next 20 years
Total Maintenance Gap	\$127,802 after 20 years	\$120,680 after 20 years	\$7,122 after 20 years
RENEWAL			
Underspend on Buildings Renewal (Renewal Gap)	\$791,852 per year	\$581,497 per year	\$210,355 per year
Total Renewal Funding Gap	\$15.84m after 20 years	\$11.63m after 20 years	\$4.21m over 20 years

The renewal gap figures shown in the above table clearly demonstrate how important this process is for the future financial management of the Shire. Determining the management (or otherwise) of the Shire's community halls will assist with determining asset management requirements into the future.

SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority

This matter was laid on the table at the 19 November 2019 Ordinary Council Meeting.

PROCEDURAL MOTION

That the matter be lifted off the table.

OFFICER RECOMMENDATION

That:

- 1. Correspondence from the Muradup Agricultural Hall Committee, Qualeup Hall Committee and Boscabel Hall Committee regarding their wishes to continue management of their respective community halls, as presented, be received.**
- 2. Council acknowledges, by entering into a Memorandum of Understanding (MOU) with the Qualeup and Boscabel Hall Committees, it is choosing not to dispose of these Halls as identified in Council’s Building Assessment Framework.**
- 3. The Chief Executive Officer be authorised to negotiate an MOU between the Shire of Kojonup (Shire) and each of the aforementioned Hall Committees for the management of their respective community Halls and that such an MOU will include, but is not limited to, the following:**
 - i. The responsibilities of each party;**
 - ii. The Hall Management Committee must be an incorporated organisation under the *Associations Incorporation Act 2015*;**
 - iii. The Shire will make an annual financial contribution to the running of the Hall of \$1,500 per year;**
 - iv. Each party to the MOU is required to hold the following insurances:**
 - Shire – building and contents insurance, public liability**
 - Hall Committee – public liability, volunteers insurance (and any other as applicable to activities undertaken) - copies of Certificates of Currency to be provided by both parties each year;**
 - v. All building maintenance to be completed by the Hall Committee (requests for financial assistance on major items will be considered by the Shire on a case by case basis);**
 - vi. The Hall must meet applicable public building standards prior to any use;**
 - vii. Clauses that indemnify each party against any negligence of the other;**
 - viii. Recognition that there may be a time when the community Hall is deemed unfit for public use and is required to close until it is made fit for purpose or another option is determined;**
 - ix. Provision by each Committee to the Shire of a risk management plan for the management of the community hall in their community;**
 - x. Each Hall Management Committee is to provide the Shire with financial statements, Hall usage figures and a copy of its fees and charges, annually; and**
 - xi. The MOU is to be reviewed every three years.**

12.10 LEASE OF COUNCIL PROPERTY – 162 BLACKWOOD ROAD, KOJONUP - TENDER 11 OF 2019/20

AUTHOR	Judy Stewart – Senior Administration Officer
DATE	4 February 2020
FILE NO	CP.LEA.1
ATTACHMENT(S)	12.10.1 – Map showing 162 Blackwood Road, Kojonup 12.10.2 - Tender – Kojonup Cougars Football Club

STRATEGIC/CORPORATE IMPLICATIONS		
“Smart Possibilities – Kojonup 2027+”		“Smart Implementation – Kojonup 2021 +”
Key Pillar	Community Outcomes	Corporate Actions
KP3 - Performance	3.1 - Be a continually engaged and strategic community which leads and organises throughout the entire stakeholder group. 3.4 – Be organised and transparent with our financial management.	3.1.1 – Build partnerships with WA recreation, business and tourism. 3.1.7 – Determine responsibilities for all assets and review and update lease conditions where other entities have partial or full responsibility for assets on Council managed land.

DECLARATION OF INTEREST

Nil

SUMMARY

The purpose of this report is to consider a tender received for the lease of Lot 162 Blackwood Road, Kojonup.

BACKGROUND

Lot 162 Blackwood Road, Kojonup, represents approximately 34 hectares of agricultural land situated between Kojonup’s industrial estate and the Showgrounds/Sporting Precinct on Blackwood Road. Previously, this land has been leased by the Kojonup Football and Cricket Clubs for farming purposes to provide funding for the Clubs’ ongoing operations. The current lease over this land expires on 29 February 2020.

Council resolved, at its 10 December 2019 Ordinary Meeting, as follows:

Decision 176/19

“That Council:

- 1. calls for public tender the lease of lot 162 Blackwood Road, Kojonup with the following conditions applying:**
 - a) Term of lease to be for a period of three (3) years;**
 - b) The lessee accepts the property on an ‘as is’ basis;**
 - c) The lessee is to maintain perimeter fences at the current standards;**

- d) *The Shire will not be liable for any issues arising from fencing and/or containment of stock;*
- e) *The lessee is responsible for managing and minimising any fire hazard and complying with any relevant conditions of the annual fire break order; and*
- f) *Any stocking rates will be agreed by both parties on an 'as needs' basis to respond to any animal welfare, fire hazard reduction, and land quality preservation issues that may arise.*

and

2. applies the following tender grading criteria to each tender for these leases:

- ***Contribution to Smart Possibilities*** ***60%***
- ***Price*** ***10%***
- ***Proposed Property Improvements*** ***20%***
- ***Community Benefit*** ***10%”***

The tender was subsequently advertised in The West Australian (in accordance with s. 3.58 of the *Local Government Act 1995* and r.13 of the *Local Government (Functions and General) Regulations 1996*), the Great Southern Herald and on the Shire’s website and public noticeboard.

COMMENT

At the close of tenders on 31 January 2020 one (1) tender had been received from Kojonup Cougars Football Club for Tender 11 of 2019/20, being the lease of 162 Blackwood Road, Kojonup. This tender addresses all tender grading criteria; however, has not been scored due to only one tender being received.

Council may or may not accept any tender presented.

CONSULTATION

Nil

STATUTORY REQUIREMENTS

Local Government Act 1995 s. 3.58:

3.58. Disposing of property

(1) *In this section —*

dispose *includes to sell, lease, or otherwise dispose of, whether absolutely or not;*

property *includes the whole or any part of the interest of a local government in property, but does not include money.*

(2) *Except as stated in this section, a local government can only dispose of property to —*

(a) *the highest bidder at public auction; or*

(b) *the person who at public tender called by the local government makes what is, in the opinion of the local government, the most acceptable tender, whether or not it is the highest tender.*

Local Government (Functions and General) Regulations 1996 r. 13 and r. 18:

r. 13. Requirements when local government invites tenders though not required to do so
If a local government, although not required by this Division to invite tenders before entering into a contract for another person to supply goods or services, decides to invite tenders, the tenders are to be publicly invited according to the requirements of this Division.

r. 18. Rejecting and accepting tenders

(5) *The local government may decline to accept any tender.*

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

The current lease payment for this parcel of land is \$3,520; if Council resolves to award the tender to the Kojonup Cougars Football Club this tender represents an increase of \$662 per annum on the existing lease and also a cost reduction in fire hazard control for the Shire as the lessee is responsible for this task.

RISK MANAGEMENT IMPLICATIONS

RISK MANAGEMENT FRAMEWORK			
Risk Profile	Risks Description/Cause	Key Controls	Current Action
10 – Management of Facilities, Venues and Events	Lack of Lease/Contract/Agreement/MOU/Licence documentation	Lease agreements for Shire facilities	Develop Lease agreements register for all Shire facilities
IMPLICATIONS			
The formation of leases for Shire owned or managed land defines the terms that apply to all parties and lessens the ambiguity if an issue arises during the term of the lease.			
Due diligence in the use/maintenance of the land by another party (e.g.; a lessee) provides for fire hazard risk reduction.			

ASSET MANAGEMENT IMPLICATIONS

Leasing of 162 Blackwood Road, Kojonup, ensures the use, maintenance and fire hazard reduction of this land asset whilst also providing revenue to the Shire and the community.

SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION

That

- 1. The tender from Kojonup Cougars Football Club for \$4,182.00 per annum for the lease of 162 Blackwood Road, Kojonup, for a three (3) year period beginning 1 March 2020 and concluding 28 February 2023, for cropping purposes, be accepted;**
- 2. A clause be included in the above mentioned lease agreement for 162 Blackwood Road, Kojonup, recognising that Council, as part of its water harvesting and re-use programme, may allocate an area within 162 Blackwood Road where a dam may be formed and, if such a dam is formed, access to that dam is from Blackwood Road (if necessary), during the term of the above mentioned lease;**
- 3. A further clause be included in the above mentioned lease agreement that Council will not pay any compensation to the Kojonup Cougars Football Club (Lessee) for any land lost for cropping as a result of the dam being constructed; and**
- 4. Council liaise with the Kojonup Cougars Football Club as to the dam's potential location prior to the Clubs 2020 seeding program.**

12.11 MINUTES OF THE SOUTHERN LINK VOLUNTARY ORGANISATION OF COUNCILS (VROC) MEETINGS HELD 16 AUGUST AND 8 NOVEMBER 2019

AUTHOR	Rick Mitchell-Collins – Chief Executive Officer
DATE	6 February 2020
FILE NO	GR.LRL.2
ATTACHMENT(S)	12.11.1 - Minutes of the Southern Link VROC Meetings held 16 August and 8 November 2019.

STRATEGIC/CORPORATE IMPLICATIONS		
“Smart Possibilities – Kojonup 2027+”		“Smart Implementation – Kojonup 2018-2022”
Key Pillar	Community Outcomes	Corporate Actions
KP 3 - Performance	3.1 – Be a continually engaged and strategic community which leads and organises throughout the entire stakeholder group.	3.1.2 Encourage interaction and input to the Shire of Kojonup, particularly through contemporary working party teams.

DECLARATION OF INTEREST

Nil

SUMMARY

The minutes of the Southern Link Voluntary Organisation of Councils (VROC) meetings held 16 August and 8 November 2019 are presented for Council information.

BACKGROUND

The inaugural meeting of the VROC was held on 27 November 2008. A partnering agreement was developed between the four member Councils (Broomehill-Tambellup, Cranbrook, Kojonup and Plantagenet) and the Minister for Local Government the Hon John Castrilli attended the signing ceremony. Subsequently the VROC’s first strategic plan was developed and adopted by each member Council. During 2014, as part of its forward planning and in recognition of changes to funding opportunities, the VROC agreed that a new strategic plan was required and a consultant (Bevan Bessan – Tuna Blue Pty Ltd) was appointed to drive this process.

Each VROC member Council has two (2) elected voting members (currently Cr John Benn and Cr Ronnie Fleay with Cr Sandra Pedler – Proxy) attend Full VROC meetings with chairmanship and administrative support rotating on a yearly basis between the member Councils. The Shire of Kojonup – Shire President and CEO presently undertake this function for the 2019/20 period.

Minutes of Full VROC meetings are usually distributed to Councillors via Docs on Tap and included on the Shire Web site for community information unless there are specific actions requiring Council determination or consideration whereby a separate agenda item is prepared by the Chief Executive Officer. As four (4) new Councillors were elected to Council following the October 2019 Local Government Elections and a review of the VROC Strategic

Direction 2015 -2020 is planned mid-year it is prudent to table and receive full VROC minutes for the August and November 2019 meetings as background.

COMMENT

The Southern Link VROC meets at least quarterly for Full Meetings and bi monthly for CEO Meetings to progress Strategic Direction outcomes for the Member Shire. This is predominantly achieved utilising existing resources to collate and prepare project applications which is in addition to each member shire requirements.

CONSULTATION

VROC Members/CEO

STATUTORY REQUIREMENTS

Local Government Act 1995 – Part 3, Division 4 Regional Local Governments and regional subsidiaries s3.61 - s3.72

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Annual Budget Provision under Governance (General) plus Codes 2075/2076 – VROC Shared Services & Projects \$7500.

RISK MANAGEMENT IMPLICATIONS

Nil

ASSET MANAGEMENT IMPLICATIONS

Nil

SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Recognises the Shire of Kojonup’s continued commitment to achieving the VROC’s Strategic Directions.

VOTING REQUIREMENTS

Simple Majority.

OFFICER RECOMMENDATION

That Council receive the minutes of the Southern Link VROC meetings held 16 August and 8 November 2019.

13 KEY PILLAR 4 – ‘PROSPERITY’ REPORTS

13.1 DISPOSAL BY LEASE - PORTION OF LOT 9999 THORNBURY CLOSE, KOJONUP

AUTHOR	Judy Stewart – Senior Administration Officer
DATE	Wednesday, 5 February 2020
FILE NO	A22323; LP.PLN.2
ATTACHMENT(S)	13.1.1 - Correspondence from Syd Matthews & Co Pty Ltd - 24 September 2019 (including map).

STRATEGIC/CORPORATE IMPLICATIONS		
“Smart Possibilities – Kojonup 2027+”		“Smart Implementation – Kojonup 2018-2022”
Key Pillar	Community Outcomes	Corporate Actions
KP4 – Prosperity	<p>4.2 – Have added value to the agricultural sectors to attract new people to the region.</p> <p>4.3 – Be attracting support industries and diverse and new business sectors to the region.</p>	<p>4.2.2 – Enable and advocate for new industry to set up in and around Kojonup.</p> <p>4.3.4 – Drive population growth through the support of local industry, development of new industry and promotion of Kojonup’s point of difference.</p>

DECLARATION OF INTEREST

Nil

SUMMARY

The purpose of this report is for Council to receive advice of nil submissions or comments having been received in response to the advertising of a portion of Lot 9999 Thornbury Close, Kojonup, for lease and to proceed with the leasing of this land to Syd Matthews and Co Pty Ltd for a period of two years.

BACKGROUND

The previous lease on this portion of Lot 9999 Thornbury Close, Kojonup, terminated early on 1 August 2019.

Following a written proposal from Syd Matthews & Co Pty Ltd (proponent) to lease this land for a period of two years, whilst the anticipated subdivision of the land proceeds to change the lease area into a freehold lot, Council, at its 19 November 2019 Ordinary Meeting, resolved as follows:

Decision 157/19

“That Council in accordance with s.3.58 of the Local Government Act 1995, advertise the proposed lease of Portion Lot 9999 Thornbury Close, Kojonup (Shown as A on the Proposed Subdivision plan) for \$9,500 (plus GST) per annum for 2-years commencing on 1 January 2020.”

The proponent has advised that the land would be used as a transport depot and for grain cleaning/storage activities.

Staff are progressing the proposed subdivision of the land which will be the subject of a future report to Council (further information regarding the proposed subdivision is provided in item 13.1 of Council's 19 November 2019 Ordinary Meeting minutes).

COMMENT

This report is brought to Council in accordance with the statutory requirements for disposal of land and for Council to formally receive advice that there were nil submissions/comments received in response to the advertising of the proposal to lease a portion of Lot 9999, Thornbury Close, Kojonup.

Previously, Council resolved (157/19) to commence the proposed lease on 1 January 2020; however, the requirement of Council to be aware of any public submissions/comments (if any) before agreeing to lease, delays Council's ability to enter into a lease agreement until after the Council meeting at which Council becomes aware of the results of advertising.

CONSULTATION

Phil Shephard, Town Planner

Craig McVee, Manager of Works and Services

STATUTORY REQUIREMENTS

Section 3.58 of the *Local Government Act 1995* – Disposing of Property

3.58. *Disposing of property*

(1) *In this section —*

dispose *includes to sell, lease, or otherwise dispose of, whether absolutely or not;*

property *includes the whole or any part of the interest of a local government in property, but does not include money.*

(2) *Except as stated in this section, a local government can only dispose of property to —*

(a) *the highest bidder at public auction; or*

(b) *the person who at public tender called by the local government makes what is, in the opinion of the local government, the most acceptable tender, whether or not it is the highest tender.*

(3) *A local government can dispose of property other than under subsection (2) if, before agreeing to dispose of the property —*

(a) *it gives local public notice of the proposed disposition —*

(i) *describing the property concerned; and*

(ii) *giving details of the proposed disposition; and*

(iii) *inviting submissions to be made to the local government before a date to be specified in the notice, being a date not less than 2 weeks after the notice is first given;*

and

(b) *it considers any submissions made to it before the date specified in the notice and, if its decision is made by the council or a committee, the decision and the*

reasons for it are recorded in the minutes of the meeting at which the decision was made.

(4) *The details of a proposed disposition that are required by subsection (3)(a)(ii) include –*

(a) the names of all other parties concerned; and

(b) the consideration to be received by the local government for the disposition; and

(c) the market value of the disposition –

(i) as ascertained by a valuation carried out not more than 6 months before the proposed disposition; or

(ii) as declared by a resolution of the local government on the basis of a valuation carried out more than 6 months before the proposed disposition that the local government believes to be a true indication of the value at the time of the proposed disposition.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

The early termination of the previous lease (\$5,200 per annum from 1 November to 31 October) as of 1 August 2019 represented three months less income than budgeted within the previous lease term. Due to the statutory requirement for Council to advertise and consider any public submission or comment regarding a disposal of land before agreeing to its disposal, the proposed lease commencement date is recommended to be 1 March 2020 which will equate to a total of seven months less lease income than anticipated under the previous lease (that would normally have expired 31 October 2021).

The proposed lease (the subject of this report) represents income to the Shire to the value of \$9,500 (sworn valuation) plus GST per annum for two years, representing a revenue increase of \$4,300 per annum and an extension of leasing on the previous lease agreement for this land by four months (from 31 October 2021 to 28 February 2022).

The difference in revenue resulting from the termination of the previous lease and the uptake of the new lease will be reflected in Chart of Account code 9683 – Lease of KSC Properties – for 2019/20.

Disposal of the land places the responsibility for maintenance of the land with the lessee and, therefore, reduces costs associated with same.

Council will incur costs involved with the relocation of materials stored on the proposed lease area. These costs will be dependent on where these materials can be relocated to.

RISK MANAGEMENT IMPLICATIONS

RISK MANAGEMENT FRAMEWORK			
Risk Profile	Risks Description/Cause	Key Controls	Current Action
10 – Management of Facilities, Venues and Events	Lack of Lease/Contract/Agreement/MOU/Licence documentation	Lease agreements for Shire facilities	Develop Lease agreements register for all Shire facilities
IMPLICATIONS			
<p><i>The formation of leases for Shire owned or managed land defines the terms that apply to all parties and lessens the ambiguity if an issue arises during the term of the lease.</i></p> <p><i>Risk management also applies in relation to the use/maintenance and fire hazard risk reduction.</i></p>			

ASSET MANAGEMENT IMPLICATIONS

Disposing of this portion of Lot 9999, Thornbury Close, Kojonup will remove asset management implications for the Shire.

SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION

1. Council Motion 157/19 be amended by replacing the lease commencement date of 1 January 2020 with a lease commencement date of 1 March 2020; and
2. That, as nil submissions have been received in response to advertising the proposed lease of 3.79 hectares of Lot 9999, Thornbury Close, Kojonup, as per the attached map, the lease agreement is executed with Syd Matthews & Co Pty Ltd (lessee) for transport depot and grain cleaning/storage facility purposes for two years at \$9,500 (plus GST) per annum.
3. Council authorise the Chief Executive Officer to investigate land options for the relocation of the Council materials currently located on the proposed lease area.

14 **KEY PILLAR 5 – ‘DIGITAL’ REPORTS**

Nil

15 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

16 NEW BUSINESS

Nil

17 CONFIDENTIAL REPORTS

Nil

18 NEXT MEETING

Ordinary Council Meeting Tuesday, 17 March 2020 commencing at 3.00pm

19 CLOSURE

There being no further business to discuss, the President thanked the members for their attendance and declared the meeting closed at pm.

20 ATTACHMENTS (SEPARATE)

Item 7	7.1.1	Minutes of the Ordinary Council Meeting held 10 December 2019
Item 10.1	10.1.1	10.1.1 - Email request from Kojonup Polo & Polocrosse Club 3 February 2020
Item 11.1	11.1.1	VROC Local Law Review
	11.1.2	Comparison Comments
	11.1.3	Existing Local Laws
	11.1.4	Model Local Laws showing changes
	11.1.5	Model Local Laws clean
Item 11.2	11.2.1	Scheme Area map
Item 11.3	11.3.1	Correspondence – Department of Planning, Lands and Heritage
	11.3.2	Aerial Map - Reserve 48745
	11.3.3	Detail Map – Reserve 48745
	11.3.4	Photographs of Reserve 48745
Item 12.1	12.1.1	December 2019 Financial Statements
Item 12.2	12.2.1	January 2020 Monthly Financial Statements
Item 12.3	12.3.1	Monthly Payment Listing 01/12/2019 to 31/12/2019
Item 12.4	12.4.1	Monthly Payment Listing 01/1/2020 to 31/1/2020
Item 12.5	12.5.1	Budget Review 2019/2020
Item 12.8	12.8.1	Photographs of the interior, exterior and surrounds of Orchid Valley Hall
	12.8.2	Orchid Valley Hall Asbestos Report
	12.8.3	Orchid Valley School History 1935-1943
	12.8.4	Reserve 10346 – Management Order
Item 12.9	12.9.1	Correspondence from Muradup Agricultural Hall Committee
	12.9.2	Correspondence from Qualeup Hall Committee x 2
	12.9.3	Correspondence from Boscabel Hall Committee
Item 12.10	12.10.1	Map showing 162 Blackwood Road, Kojonup
	12.10.2	Tender – Kojonup Cougars Football Club
Item 12.11	12.11.1	Minutes of the Southern Link VROC Meetings held 16 August and 8 November 2019.
Item 13.1	13.1.1	Correspondence from Syd Matthews & Co Pty Ltd - 24 September 2019