

An aerial photograph of a park area. In the center, there is a circular stone viewing platform with a metal railing. Two people are standing on the platform, looking out over a dense forest of green trees. In the background, a city skyline is visible under a clear blue sky.

Ordinary Council Meeting

Agenda

25 June 2025

Notice is hereby given of an Ordinary Meeting of Council to be held in Council Chambers, City of Kwinana Administration Centre commencing at 6:00pm. Wayne Jack, Chief Executive Officer

Members of the public who attend Council meetings should not act immediately on anything they hear at the meetings, without first seeking clarification of Council's position. Persons are advised to wait for written advice from the Council prior to taking action on any matter that they may have before Council. Agendas and Minutes are available on the City's website <https://www.kwinana.wa.gov.au/>

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1 OPENING AND ANNOUNCEMENT OF VISITORS

Presiding Member to declare the meeting open and welcome all in attendance.

Presiding Member to announce that the Ordinary Council Meeting is being live streamed and recorded in accordance with the City's Live streaming and Recording Council Meetings policy.

By being present at this meeting, members of the public consent to the City recording and livestreaming their image and/or voice.

2 ACKNOWLEDGEMENT OF COUNTRY

Presiding Member to read the Acknowledgement of Country:

"It gives me great pleasure to welcome you all here and before commencing the proceedings, I would like to acknowledge that we come together tonight on the traditional land of the Nyoongar people and we pay our respects to their Elders past and present."

3 DEDICATION

Councillor Matthew Rowse to read the dedication:

“May we, the Elected Members of the City of Kwinana, have the wisdom to consider all matters before us with due consideration, integrity and respect for the Council Chamber.

May the decisions made be in good faith and always in the best interest of the greater Kwinana community that we serve.”

4 ATTENDANCE, APOLOGIES, LEAVE(S) OF ABSENCE (PREVIOUSLY APPROVED)

Apologies:

Unknown at the time of issuing the Agenda.

Leave(s) of Absence (previously approved):

Deputy Mayor Barry Winmar

5 PUBLIC QUESTION TIME

In accordance with the *Local Government Act 1995* and the *Local Government (Administration) Regulations 1996*, any person may during Public Question Time ask any question.

In accordance with Regulation 6 of the *Local Government (Administration) Regulations 1996*, the minimum time allowed for Public Question Time is 15 minutes.

A member of the public who raises a question during Question Time is to state his or her name and address.

Members of the public must provide their questions in writing prior to the commencement of the meeting. A public question time form must contain all questions to be asked, include contact details and the form must be completed in a legible form.

Please note that in accordance with Section 3.4(5) of the *City of Kwinana Standing Orders Local Law 2019* a maximum of two questions are permitted initially. An additional question will be allowed by the Presiding Member if time permits following the conclusion of all questions by members of the public.

6 RECEIVING OF PETITIONS, PRESENTATIONS AND DEPUTATIONS

6.1 PETITIONS

A petition must –

- be addressed to the Mayor;
- be made by electors of the district;
- state the request on each page of the petition;
- contain at least five names, addresses and signatures of electors making the request;

- contain a summary of the reasons for the request;
- state the name of the person to whom, and an address at which, notice to the petitioners can be given; and
- be respectful and temperate in its language and not contain language disrespectful to Council.

The only motion which shall be considered by the Council on the presentation of any petition are –

- that the petition be received;
- that the petition be rejected; or
- that the petition be received and a report prepared for Council.

6.2 PRESENTATIONS

In accordance with Clause 3.6 of the *Standing Orders Local Law 2019* a presentation is the acceptance of a gift, grant or an award by the Council on behalf of the local government or the community.

Prior approval must be sought by the Presiding Member prior to a presentation being made at a Council meeting.

Any person or group wishing to make a presentation to the Council shall advise the CEO in writing before 12 noon on the day of the meeting. Where the CEO receives a request in terms of the preceding clause the CEO shall refer it to the presiding member of the Council committee who shall determine whether the presentation should be received.

A presentation to Council is not to exceed a period of fifteen minutes, without the agreement of Council.

6.3 DEPUTATIONS

In accordance with Clause 3.7 of the *Standing Orders Local Law 2019*, any person or group of the public may, during the Deputations segment of the Agenda with the consent of the person presiding, speak on any matter before the Council or Committee provided that the person has requested the right to do so in writing addressed to the Chief Executive Officer by noon on the day of the meeting:

- setting out the agenda item to which the deputation relates;
- whether the deputation is supporting or opposing the officer's or committee's recommendation; and
- included sufficient detail to enable a general understanding of the purpose of the deputation.

A deputation to Council is not to exceed a period of fifteen minutes, without the agreement of Council.

7 CONFIRMATION OF MINUTES

7.1 MINUTES OF THE ORDINARY COUNCIL MEETING HELD ON 28 MAY 2025

RECOMMENDATION

That the Minutes of the Ordinary Council Meeting held on 28 May 2025 be confirmed as a true and correct record of the meeting.

8 DECLARATIONS OF INTEREST (FINANCIAL, PROXIMITY, IMPARTIALITY - BOTH REAL AND PERCEIVED) BY MEMBERS AND CITY OFFICERS

Section 5.65(1) of the *Local Government Act 1995* states:

A member who has an interest in any matter to be discussed at a council or committee meeting that will be attended by the member must disclose the nature of the interest —

in a written notice given to the CEO before the meeting; or
at the meeting immediately before the matter is discussed.

Section 5.66 of the *Local Government Act 1995* states:

If a member has disclosed an interest in a written notice given to the CEO before a meeting then —

before the meeting the CEO is to cause the notice to be given to the person who is to preside at the meeting; and
at the meeting the person presiding is to bring the notice and its contents to the attention of the persons present immediately before the matters to which the disclosure relates are discussed.

9 REQUESTS FOR LEAVE OF ABSENCE

10 ITEMS BROUGHT FORWARD FOR THE CONVENIENCE OF THOSE IN THE PUBLIC GALLERY

11 ANY BUSINESS LEFT OVER FROM PREVIOUS MEETING

12 RECOMMENDATIONS OF COMMITTEES

12.1 MINUTES OF THE BOOLA MAARA ABORIGINAL CONSULTATIVE COMMITTEE MEETING HELD ON 9 JUNE 2025

SUMMARY

The City of Kwinana Aboriginal Consultative Committee is established by the City of Kwinana with the primary purpose of enhancing the relationship between the City and Committee members, while focusing on the dual objectives of environmental guardianship and the wellbeing of the Aboriginal community. This committee recognises the vital role of the Aboriginal community in Kwinana and aims to ensure their perspectives and expertise are integrated into the decision-making processes of the City.

OFFICER RECOMMENDATION

That Council notes the Minutes of the Boola Maara Aboriginal Consultative Committee held on 9 June 2025 as at attachment 12.1.1.

VOTING REQUIREMENT

Simple majority

DISCUSSION

The primary purpose of the Committee is to provide Council with expertise in relevant Aboriginal cultural matters to assist its decision making of the Kwinana Community. The Committee will assist the Council in making culturally appropriate, respectful, and informed decisions pertaining to community matters, particularly those affecting the Aboriginal community and the environment.

STRATEGIC IMPLICATIONS

Outcome: Leadership / Boordiya Katidjin (Leader of knowledge)

Objective: Proactive leadership

Action in CBP: Facilitate the Boola Maara Aboriginal Consultative Committee Meetings

SUSTAINABILITY FRAMEWORK

Sustainability Guiding Principle

2 - Community Wellbeing

8 - Integrated and Transparent Decision-making

Sustainability Priority Area

3 - Liveability

4 - Engagement and Social Inclusion

LEGAL/POLICY IMPLICATIONS

No legal/policy implications have been identified as a result of this report or recommendation.

FINANCIAL/BUDGET IMPLICATIONS

There are no financial implications that have been identified as a result of this report or recommendation.

ASSET MANAGEMENT IMPLICATIONS

No asset management implications have been identified as a result of this report or recommendation.

ENVIRONMENTAL/PUBLIC HEALTH IMPLICATIONS

No environmental or public health implications have been identified as a result of this report or recommendation.

COMMUNITY ENGAGEMENT

There are no community engagement implications as a result of this report or recommendation.

ATTACHMENTS

1. Minutes - Boola Maara Aboriginal Consultative Committee - June 2025 [12.1.1 - 11 pages]

12.2 MINUTES OF THE AUDIT AND RISK COMMITTEE MEETING HELD ON JUNE 9 2025

SUMMARY

The Audit and Risk Committee provides independent oversight of the management of the business, and where necessary, provides advice to Council on critical risks and other matters within the scope of their Terms of Reference. The minutes of this meeting are included at Attachment 12.2.1 for Council's noting.

OFFICER RECOMMENDATION

That Council notes the Minutes of the Audit and Risk Committee Meeting held on 9 June 2025 as at Attachment 12.2.1.

VOTING REQUIREMENT

Simple majority

DISCUSSION

The Audit and Risk Committee plays a key role in assisting an organisation to fulfil its corporate governance responsibilities in managing the affairs of the local government as required by Regulation 16 of the *Local Government (Audit) Regulations 1996*. This responsibility includes financial reporting, risk management, compliance requirements, and internal and external audits, the scope of which is detailed in the Audit and Risk Committee's Terms of Reference.

The purpose of this report is to present the confirmed minutes of the Audit and Risk Committee, for Council review and noting.

Where a report referred to the Audit and Risk Committee requires a decision of Council, that report is separately included in the Ordinary Council Meeting Agenda and includes any comment or recommendation from the Audit and Risk Committee.

STRATEGIC IMPLICATIONS

Outcome: Leadership / Boordiya Katidjin (Leader of knowledge)
Objective: Accountable and ethical governance

N/A - There is no specific action in the CBP, yet this report will help achieve the indicated outcomes and strategic objectives.

SUSTAINABILITY FRAMEWORK

Sustainability Guiding Principle

8 - Integrated and Transparent Decision-making

Sustainability Priority Area**3 - Liveability****LEGAL/POLICY IMPLICATIONS**

Regulation 16 of the *Local Government (Audit) Regulations 1996*.

An audit committee has the following functions —

- (a) to guide and assist the local government in carrying out —
 - (i) its functions under Part 6 of the Act; and
 - (ii) its functions relating to other audits and other matters related to financial management;
- (b) to guide and assist the local government in carrying out the local government's functions in relation to audits conducted under Part 7 of the Act;
- (c) to review a report given to it by the CEO under regulation 17(3) (the **CEO's report**) and is to —
 - (i) report to the council the results of that review; and
 - (ii) give a copy of the CEO's report to the council;
- (d) to monitor and advise the CEO when the CEO is carrying out functions in relation to a review under —
 - (i) regulation 17(1); and
 - (ii) the Local Government (Financial Management) Regulations 1996 regulation 5(2)(c);
- (e) to support the auditor of the local government to conduct an audit and carry out the auditor's other duties under the Act in respect of the local government;
- (f) to oversee the implementation of any action that the local government —
 - (i) is required to take by section 7.12A(3); and
 - (ii) has stated it has taken or intends to take in a report prepared under section 7.12A(4)(a); and
 - (iii) has accepted should be taken following receipt of a report of a review conducted under regulation 17(1); and
 - (iv) has accepted should be taken following receipt of a report of a review conducted under the Local Government (Financial Management) Regulations 1996 regulation 5(2)(c);
- (g) to perform any other function conferred on the audit committee by these regulations or another written law.

FINANCIAL/BUDGET IMPLICATIONS

There are no financial implications that have been identified as a result of this report or recommendation.

ASSET MANAGEMENT IMPLICATIONS

No asset management implications have been identified as a result of this report or recommendation.

ENVIRONMENTAL/PUBLIC HEALTH IMPLICATIONS

No environmental or public health implications have been identified as a result of this report or recommendation.

COMMUNITY ENGAGEMENT

There are no community engagement implications as a result of this report or recommendation.

ATTACHMENTS

1. Minutes - Audit and Risk Committee Meeting - 9 June 2025 [**12.2.1** - 388 pages]

12.3 AUDIT & RISK COMMITTEE - TERMS OF REFERENCE REVIEW

DECLARATION OF INTEREST

There were no declarations of interest declared.

SUMMARY

The Audit and Risk Committee's (Committee) Terms of Reference defines its purpose, authority, membership, functions and responsibilities. A review of the Terms of Reference has been undertaken, with proposed changes intended to ensure compliance with impending changes to the *Local Government Act 1995* under Tranche 2 of reforms by State Government. This includes:

- Amending the name of the Committee to 'Audit, Risk and Improvement Committee';
- Expanding the Committee's scope to formally incorporate continuous improvement as a core function, consistent with the legislative reforms; and
- Requiring the presiding member and deputy presiding member to be independent members.

Formatting and other minor changes have also been made to enhance readability.

A copy of the Terms of Reference as amended is provided at **Attachment 12.3.1** and is recommended for Committee noting and Council adoption. A tracked changes version is also provided at **Attachment 12.3.2**.

AUDIT AND RISK COMMITTEE RECOMMENDATION

That Council:

1. **Adopt the amended Audit and Risk Committee Terms of Reference as at Attachment 12.3.1; and**
2. **Change the name of the Audit and Risk Committee to the 'Audit, Risk and Improvement Committee'.**

VOTING REQUIREMENT

Absolute majority

DISCUSSION

Amendments to the *Local Government Act 1995* by State Government will require that local governments have an audit, risk and improvement committee. Such committees must have an independent presiding member to ensure a level of neutrality and impartial oversight in chairing these meetings. An independent presiding member must be a person who is not a council member of a local government or an employee of the local government. If a deputy presiding member is appointed, they must also be independent.

The requirement for an independent presiding member provides an opportunity for increased community confidence in a local government's financial and risk management. Local government operations may also benefit through appointing an independent chair with risk and financial management expertise that may otherwise be unavailable.

The above requirements take effect on a date that State Government proclaims that section 87 of the *Local Government Amendment Act 2024* comes into effect. It is currently unclear as to when this will occur.

STRATEGIC IMPLICATIONS

There are no strategic implications as a result of this proposal.

SUSTAINABILITY FRAMEWORK

Sustainability Guiding Principle

8 - Integrated and Transparent Decision-making

Sustainability Priority Area

3 - Liveability

LEGAL/POLICY IMPLICATIONS

Local Government Amendment Act 2024:

7.1A. Establishment of audit, risk and improvement Committee

- (4) A local government must establish a committee of its council under section 5.8 to be called the audit, risk and improvement committee.
- (4) The following provisions apply in respect of the membership of the audit, risk and improvement committee —
 - (c) an employee of the local government is not to be a member;
 - (c) no member is to be nominated by, or is to be appointed to represent, any employee of the local government;
 - (c) section 5.10(1)(b) does not apply.
- (4) The presiding member of the audit, risk and improvement committee cannot be a council member of the local government or of any other local government.
- (4) Any deputy presiding member of the audit, risk and improvement committee cannot be a council member of the local government or of any other local government.

FINANCIAL/BUDGET IMPLICATIONS

There are no financial implications that have been identified as a result of this report or recommendation.

ASSET MANAGEMENT IMPLICATIONS

No asset management implications have been identified as a result of this report or recommendation.

ENVIRONMENTAL/PUBLIC HEALTH IMPLICATIONS

No environmental or public health implications have been identified as a result of this report or recommendation.

COMMUNITY ENGAGEMENT

There are no community engagement implications as a result of this report or recommendation.

ATTACHMENTS

1. Audit and Risk Committee Terms of Reference [**12.3.1** - 6 pages]
2. Audit and Risk Committee - Terms of Reference (Tracked Changes) - June 2025 [**12.3.2** - 9 pages]

12.4 INTEGRATED PLANNING DOCUMENTS - STRATEGIC COMMUNITY PLAN MAJOR REVIEW

DECLARATION OF INTEREST

There were no declarations of interest declared.

SUMMARY

As part of future planning requirements under section 5.56 of the *Local Government Act 1995*, all local governments in Western Australia must develop a Strategic Community Plan (SCP) and Corporate Business Plan (CBP). The SCP outlines the community's long-term vision and aspirations for the area, while the CBP details how that vision will be achieved by linking the City's business operations to the community's vision.

Collectively, the SCP and CBP form the City's '*Plan for the Future – Kwinana 2030*.'

The *Local Government (Administration) Regulations 1996* requires Council to undertake a minor review of the SCP every two years and a major review every four years, to ensure that the community's changing aspirations are reflected. The City's SCP therefore due for a major review in 2025.

The Department Local Government Sports and Communities' Integrated Planning and Reporting (IPR) Framework and Guidelines state that a major review of the SCP involves re-engagement with the community on vision, outcomes and priorities, along with a comprehensive review of the entire IPR suite.

The City has conducted its major review of the SCP and in turn the CBP, with the re-setting of both documents now completed. These documents are provided at Attachment A and B for noting and comment by the Audit and Risk Committee prior to being presented to Council at the Ordinary Council Meeting of 25 June 2025.

AUDIT AND RISK COMMITTEE RECOMMENDATION

That Council:

- 1. Adopt the Strategic Community Plan 2025 – 2035 (as at Attachment 12.4.1) and Corporate Business Plan 2025 – 2029 (as at Attachment 12.4.2);**
- 2. Adopt the following supporting documents as the strategic direction for the City:**
 - a) Long Term Financial Plan as at Attachment 12.4.3;**
 - b) Infrastructure Strategy as at Attachment 12.4.4; and**
 - c) Workforce Plan as at Attachment 12.4.5;**
- 3. Endorse the Chief Executive Officer to make minor amendments such as grammatical or spelling corrections to the Strategic Community Plan and Corporate Business Plan.**

VOTING REQUIREMENT

Absolute majority

DISCUSSION

Integrated planning and reporting are intended to ensure that local governments have a clear vision for their community and a strategic direction for their organisation. They are to align with medium and long-term priorities as well as resources over a ten-year period.

To facilitate the major review of the Strategic Community Plan, the City has delivered extensive community engagement. The 'Heading towards one hundred' campaign was created and designed to gain broad visioning ideas and thoughts about the future of Kwinana. This first phase of community engagement was delivered in May 2024 to July 2024 through an integrated campaign that included postcards, an online engagement portal and a community roadshow. This round sought to gain information from the community on three focus areas:

1. A big/small idea for the City of Kwinana.
2. In 30 years' time, what their ideal Kwinana looks like.
3. Where should the City's focus be over the next 30 years.

Based on the 347 community responses received, a new vision for the future of Kwinana was unearthed.

The City's community engagement journey continued with the community having the opportunity to participate in the MARKYT Community Scorecard and Wellbeing Scorecard. Residents feedback is the primary focus of these surveys, which provides an opportunity for them to rate the services and facilities provided by the City in their local area, as well as tell the City about their needs. This helps to ensure that the community's priorities are understood and that plans are put in place to ensure that their needs are met.

Over 1,198 community members completed a scorecard, with 94 per cent of respondents rating the City positively as a place to live. Many of the City's service areas received ratings ahead of the industry average, in particular the City's management of roads, youth services, community centres and facilities, footpaths, trails and cycleways, traffic management, and access to housing.

The community identified six top priorities for the future of Kwinana:

- Community safety and crime prevention
- Streetscapes, trees and verges
- Verge side bulk rubbish collections
- General waste and recycling services
- Conservation and environmental management
- Playgrounds, parks and reserves

The City utilised this information to develop a draft SCP, which was informed by a suite of key resourcing documents, which have also been reviewed and include:

Long Term Financial Plan

- Indicates forecast budgets.
- Sets out the City's 'roadmap' in terms of achieving an Asset Sustainability Ratio of 80%.

Infrastructure Strategy

- Indicates forecast capital investment areas to build and maintain infrastructure.
- Indicates the asset renewal gap which contributes to the need for a plan to improve the Asset Sustainability Ratio.
- Shows the effect on asset level of service and whole of life cost, of funding asset renewals for major asset classes.
- Details major capital projects planned over the life of the Long-Term Financial Plan.

Workforce Plan

- Sets out workforce resourcing in response to growth.
- Indicates workforce development and improvement strategies.

The key information from these documents was condensed into a clear and engaging consultation document, which was built from the pre-engagement and highlights the key priorities and options facing the City. The consultation document served as the primary tool for the final phase of community engagement, which was the which was delivered from 17 April 2025 to 18 May 2025.

The consultation document was made available at City owned facilities, through the City's online engagement portal, Love My Kwinana, promoted through social media and a community roadshow of pop-up consultation opportunities was conducted. The City received an overwhelmingly positive response to this community engagement, with all strategies and projects outlined in the Consultation Document gaining favourable feedback.

Along with the community engagement, the City's Elected Members and Executive Team participated in many workshops as part of the major review process, which lead to the development of a new strategic direction for the City, to adjust its efforts towards achieving the community's priorities:

Community vision

A vibrant and inclusive community that leads with innovation and sustainability, where our unique identity and strong reputation makes Kwinana a place you're proud to call home.

To support and define this vision, the SCP includes a number of Outcomes and Objectives including:

| Outcomes and Objectives | |
|--|---|
| Outcome | Objectives |
| Environmental Stewardship A naturally beautiful environment that is actively protected and enhanced through a commitment to environmental sustainability. We prioritize the care for our land and resources, cultivating green streetscapes and a city of trees to address climate change challenges while fostering a community that values and actively participates in the stewardship of our natural heritage. | <ul style="list-style-type: none"> • Transition to net zero emissions • Support biodiversity and natural landscape conservation • Support a low-waste, circular economy • Retain and improve our streetscapes and open spaces |
| Quality of Life A dynamic and thriving city that offers a unique blend of vibrancy, safety, and social diversity. We prioritise lifestyle prosperity through a resilient economy, fostering a community that is ready to embrace exciting opportunities and ensuring a healthy social environment where everyone can flourish. | <ul style="list-style-type: none"> • Creating a safer City • Improved health and wellbeing • Enhanced public spaces • Thriving local economy • Enhance job readiness • Pride in our place |
| Built Environment Sustainable infrastructure and services that enhance health and well-being, designed to foster connectivity throughout the community. By integrating green spaces, efficient transport | <ul style="list-style-type: none"> • Building communities • Accessible and connected community • High-quality parks and playgrounds |

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| options, and accessible facilities, we create an environment that encourages active lifestyles and social interaction, ultimately contributing to the overall quality of life in Kwinana. | |
| Leadership Visionary leadership that acts with accountability and integrity, fostering trust and confidence within the community. Through transparent decision-making and a commitment to ethical governance, we ensure that the needs of our residents are met with foresight, responsibility, and a genuine dedication to the long-term wellbeing of Kwinana. | <ul style="list-style-type: none"> • Customer experience • Accountable and ethical governance • Continuous improvement and efficiency • Proactive leadership |

These strategies received an 80% positive rating from community members who shared their views as part of the City's final phase of community engagement.

The key consultation projects the community was invited to share their feedback on included:

| Consultation Document Key Projects | | | | |
|---|---|---|-----------------------------|--------------------------|
| Key Project | Community Priority | Cost | Community Engagement Result | |
| | | | | |
| Community safety and crime prevention initiatives boost The City is committed to expanding initiatives like Street by Street, Love Where You Live, CCTV subsidies, and strategic collaborations, alongside Safety Month, to enhance education, development, and engagement opportunities. | Community safety and crime prevention is the top priority for the community | It is proposed that \$120,000 be allocated each year, commencing in the 2025/2026 Budget. The expected annual cost to average ratepayer is \$5 per year, \$0.10 per week. | Proceed 80% | Don't Proceed 20% |
| Implement the City's CCTV Strategy <i>The City is implementing its first CCTV Strategy to guide the funding, maintenance, and expansion of CCTV capabilities, using risk assessment and asset</i> | Community safety and crime prevention is the top priority for the community | The repairs and necessary upgrades identified in the strategy will cost \$450,000 to deliver, the City is proposing to do this by initially allocating \$100,000 per year in the 2025/2026 and 2027/2028 Budgets, | Proceed 80% | Don't Proceed 20% |

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| <i>management principles to enhance asset protection and improve community safety and security.</i> | | <p>then \$50,000 per year in the 2028/2029 budgets onwards.</p> <p>The expected annual cost to average ratepayer is \$3.80 per year, \$0.07 per week.</p> | | |
| <p>Kwinana Adventure Park Splash Pad upgrade</p> <p><i>The proposed upgrade to the Kwinana Adventure Park includes expanding the water play area to offer more aquatic play opportunities, featuring splash pads and interactive water features to enhance creativity and fun for children.</i></p> | Playgrounds, parks and reserves are one of the top six community priorities. | <p>This project is based on at least 50% funding from the State Government from recent conversations have suggested their contribution could be up to \$1.5 million.</p> <p>The expected impact on rates will be an annual cost to average ratepayer of \$7.60 per year, \$0.15 per week.</p> | <p>Proceed</p> <p>74%</p> | <p>Don't Proceed</p> <p>26%</p> |
| <p>Implement the Urban Forest Strategy</p> <p><i>The City of Kwinana's Urban Forest Strategy 2024-2044 aims to increase tree canopy coverage from 19.9% to 22.6% over the next 20 years, requiring the planting of 29,889 trees to create cooler, tree-lined streets, parks, and reserves, enhancing the city's character and outdoor spaces.</i></p> | Streetscapes, trees and verges, Conservation and environmental management and playgrounds, parks and reserves are all within the top six community priorities. | <p>The Urban Forest Strategy is set to begin implementation in the 2026/2027 budget, with an initial allocation of \$250,000 in the first year, followed by annual increases. The pace of investment will depend on the community's preferred timeline for achieving the target. At a slower rate, approximately 50% of the target tree plantings (approximately 14,945 trees) will be</p> | <p>Proceed: Fast Rate</p> <p>67.5%</p> | <p>Don't Proceed</p> |

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|---|---|---|--|---------------------------------|
| | | <p>completed within 20 years. Alternatively, a faster approach can be taken to achieve the full planting target within the same timeframe. Full canopy coverage is expected to be reached 10 years after planting.</p> <p>The expected annual cost to average ratepayer for the first year is \$9.50 per year, \$0.18 per week.</p> <p>Slow Rate – Year 2 onwards The expected annual cost to average ratepayer is \$2.10 per year, \$0.04 per week.</p> <p>Fast Rate - Year 2 onwards The expected annual cost to average ratepayer is \$4.20 per year, \$0.08 per week.</p> | <p>Proceed: Slow Rate</p> <p>25%</p> | 7.5% |
| <p>Underground the power network</p> <p><i>Several suburbs in Kwinana have a unique opportunity to receive underground power through a Western Power initiative, which replaces aging overhead powerlines with underground infrastructure, supported by both Western Power and State Government grants, with the program continuing for the next 25 years.</i></p> | <p>Streetscapes, trees and verges is one of the top six community priorities.</p> | <p>The cost of undergrounding power within Kwinana, as a part of the State Underground Power Program (SUPP), is shared between the State Government, Western Power, Local Government and property owners. It is expected the cost to residents will be in the order of \$3,500. To support residents, the City will have in place a prefunding arrangement, to allow the cost to be paid over a few years.</p> | <p>Proceed</p> <p>74%</p> | <p>Don't Proceed</p> <p>26%</p> |

Due to the favourable feedback received from the community regarding these projects, they have all been included within the CBP as key projects for the City. In regard to undergrounding the power network, due to the general support for the State Underground Power Program (SUPP), the City will work with Western Power and the community to deliver the program in an equitable and affordable way.

The most significant changes made to the SCP include the following:

- The inclusion of dual language for the City's new vision and outcomes;
- Full alignment to the City's Sustainability Framework;
- Re-setting to our new community priorities following the community engagement undertaken;
- Reducing the City's outcomes from five to four; and creating graphics to represent each one and their objectives;
- Introducing the City's Performance Monitoring Framework;
- Referencing Federal and State impact;
- Adding a strategic direction 'at a glance' section as well as an overview snapshot of each of the City's Outcomes;
- Including recent achievements for each outcome; and
- Meeting the IPR Framework and Guidelines Advanced standard.

In conjunction with the SCP review, a review of the CBP has also been undertaken. The CBP is an internal business planning tool that translates council priorities into operations within the resources available. The plan highlights the services, operations, projects and initiatives a local government will deliver within a defined period. It also includes the measures associated with delivering services, operations and projects and the costs associated.

The most significant changes made to the CBP include the following:

- Updating of community priorities in accordance with the City's recent community engagement and updates to key actions within the four-year implementation plan being made;
- Introducing an 'At a glance' section, where a full overview of each the City's outcomes is available;
- Aligning the four-year implementation plan to the City's Sustainability Framework, United Nations Sustainable Development Goals and the City's Performance Monitoring Framework;
- Performance measures being reviewed to align with current data;
- Including a 'snap shot' of all new key actions forming part of the four-year implementation plan;
- Inclusion of additional information regarding the City's informing plans and strategies as well as the Local Planning Strategy; and
- Reference to the Federal and State Key strategies and plans.

A full graphic design of both documents has been undertaken to align with the City's updated Style Guide.

Once adopted, local public notice is required for the SCP. The City will also ensure copies of the SCP and CBP are made available in the Kwinana Library, Administration Centre and on the City's Website.

Reporting on the City's achievements towards the vision set out in the SCP is detailed within the Annual Report each year, as will any changes to the CBP. City Officers provide Performance Reports to Council on a quarterly basis to give a progress updated on all actions and measures in the CBP and will in future, also include updates on the City's Performance Monitoring Framework.

STRATEGIC IMPLICATIONS

| | |
|-------------------|---|
| Outcome: | Leadership / Boordiya Katidjin (Leader of knowledge) |
| Objective: | Continuous improvement and efficiency |

Action in CBP: Driving continuous improvement through the Corporate Business System

SUSTAINABILITY FRAMEWORK

Sustainability Guiding Principle

8 - Integrated and Transparent Decision-making

Sustainability Priority Area

3 - Liveability

LEGAL/POLICY IMPLICATIONS

Local Government Act 1995:

5.56 Planning for the future

1. A local government is to plan for the future of the district.
2. A local government is to ensure that plans made under subsection (1) are in accordance with any regulations made about planning for the future of the district.

The Integrated Planning and Reporting Framework is governed by the *Local Government (Administration) Regulations 1996*, which sets out the minimum requirements for the Strategic Community Plan.

Local Government (Administration) Regulations 1996:

19C. Strategic community plans, requirements for (Act s. 5.56)

- (10) A local government is to ensure that a strategic community plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending 30 June 2013.
- (10) A strategic community plan for a district is to cover the period specified in the plan, which is to be at least 10 financial years.
- (10) A strategic community plan for a district is to set out the vision, aspirations and objectives of the community in the district.
- (10) A local government is to review the current strategic community plan for its district at least once every 4 years.
- (10) In making or reviewing a strategic community plan, a local government is to have regard to –
 - (c) the capacity of its current resources and the anticipated capacity of its future resources; and
 - (c) strategic performance indicators and the ways of measuring its strategic performance by the application of those indicators; and
 - (c) demographic trends.
- (10) Subject to sub regulation (9), a local government may modify its strategic community plan, including extending the period the plan is made in respect of.
- (10) A council is to consider a strategic community plan, or modifications of such a plan, submitted to it and is to determine* whether or not to adopt the plan or the modifications.

*Absolute majority required.

- (10) If a strategic community plan is, or modifications of a strategic community plan are, adopted by the council, the plan or modified plan applies to the district for the period specified in the plan.

- (10) A local government is to ensure that the electors and ratepayers of its district are consulted during the development of a strategic community plan and when preparing modifications of a strategic community plan.
- (10) A strategic community plan for a district is to contain a description of the involvement of the electors and ratepayers of the district in the development of the plan or the preparation of modifications of the plan.

19DA. Corporate business plans, requirements for (Act s. 5.56)

- (6) A local government is to ensure that a corporate business plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending 30 June 2013.
- (6) A corporate business plan for a district is to cover the period specified in the plan, which is to be at least 4 financial years.
- (6) A corporate business plan for a district is to —
 - (c) set out, consistently with any relevant priorities set out in the strategic community plan for the district, a local government's priorities for dealing with the objectives and aspirations of the community in the district; and
 - (c) govern a local government's internal business planning by expressing a local government's priorities by reference to operations that are within the capacity of the local government's resources; and
 - (c) develop and integrate matters relating to resources, including asset management, workforce planning and long-term financial planning.
- (6) A local government is to review the current corporate business plan for its district every year.
- (6) A local government may modify a corporate business plan, including extending the period the plan is made in respect of and modifying the plan if required because of modification of the local government's strategic community plan.
- (6) A council is to consider a corporate business plan, or modifications of such a plan, submitted to it and is to determine* whether or not to adopt the plan or the modifications.
*Absolute majority required.
- (7) If a corporate business plan is, or modifications of a corporate business plan are, adopted by the council, the plan or modified plan applies to the district for the period specified in the plan.

The *Local Government (Administration) Regulations 1996* also requires local public notice be given as a result of adopting the new Strategic Community Plan.

19D. Public notice of adoption of strategic community plan (Act s. 5.56)

- (1) If a strategic community plan is adopted, the CEO must —
 - (a) give local public notice that the plan has been adopted; and
 - (b) publish the plan on the local government's official website.
- (2) If modifications to a strategic community plan are adopted, the CEO must —
 - (a) give local public notice that modifications to the plan have been adopted; and
 - (b) publish the modified plan on the local government's official website.

Integrated Planning and Reporting Framework and Guidelines

The Integrated Planning and Reporting Framework and Guidelines set out the standards to which the Strategic Community Plan, Corporate Business Plan, Long Term Financial Plan, Asset Management Strategy (Infrastructure Strategy) and Workforce Plan will be rated in terms of its quality. The City strives to achieve the highest standard, Advanced.

FINANCIAL/BUDGET IMPLICATIONS

All future financial commitments, resulting from the strategic community planning process, are included within the Long-Term Financial Plan.

An amount of \$1,000 is estimated for the printing of both the SCP and CBP documents.

ASSET MANAGEMENT IMPLICATIONS

The SCP has a major focus on addressing financial sustainability and achieving an 80% ratio of investment in the consumption of assets. This investment will address the consumption of the City's assets and the resulting reduction in levels of service and increased whole-of-life costs. A 10-year capital programme has been developed to identify forecast capital expenditure.

ENVIRONMENTAL/PUBLIC HEALTH IMPLICATIONS

The community of Kwinana has consistently emphasised the importance of sustainable practices. In response, the City of Kwinana made a commitment in 2021 to align its initiatives with the United Nations Sustainable Development Goals. Recognising the absence of a comprehensive, whole-of-organisation approach to sustainability within our sector, we were inspired to create a Sustainability Framework tailored specifically to the needs of both our community and organisation. The City's goal is for its SCP to reflect and align with the guiding principles and priority areas outlined in this Sustainability Framework.

COMMUNITY ENGAGEMENT

To conduct the major review of the SCP, the City undertook extensive community engagement as detailed within this report.

Boola Maara Aboriginal Consultative Committee

The draft SCP and the Consolation Document were presented to the Boola Maara Aboriginal Consultative Committee at their meeting held on 5 May 2025, where they endorsed the use of dual language within the SCP and provided the following comments:

Boola Maara Aboriginal Consultative Committee Comments:

- Committee Chair noted that it was great to see the expected project cost breakdowns for ratepayers' clarity and understanding. This was impactful.
- Committee Chair praised Alicia for her time and effort put into the many community consultations and the high quality of the document.
- Committee agreed that it was good to show community the project cost breakdowns as to where their money is going as it provides transparency.
- Confirmed that the dual language Vision Statement was not a direct translation as it is a spoken language and there is no direct translation, however, much consideration was given to making it the closest translation of meaning possible.
- Confirmed that consultation for the dual language was sought from Committee Chair Deputy Mayor Barry Winmar, Indigenous language teachers and Ethan Chadd from the Institute of Indigenous Wellbeing and Sport, workshopped with community members and the Nyoongar Language Centre where multiple resources were used including the Rose Whitehurst Nyoongar Dictionary.
- Committee requested that the City consider signage/wayfaring for public open spaces as a community priority.

ATTACHMENTS

1. Strategic Community Plan 2025 - 2035 [12.4.1 - 68 pages]
2. Corporate Business Plan 2025 - 2029 [12.4.2 - 60 pages]

3. Long Term Financial Plan - Strategic Community Plan Major Review - 2025 [**12.4.3** - 32 pages]
4. Infrastructure Strategy [**12.4.4** - 32 pages]
5. Workforce Plan - Strategic Community Plan Major Review - 2025 [**12.4.5** - 28 pages]

13 ENBLOC REPORTS

14 REPORTS - COMMUNITY

Nil

15 REPORTS - ECONOMIC

Nil

16 REPORTS - NATURAL ENVIRONMENT

Nil

17 REPORTS - BUILT INFRASTRUCTURE

17.1 AMENDMENT 166 TO LOCAL PLANNING SCHEME NO. 2 - EXPANSION OF DEVELOPMENT CONTRIBUTION AREA 8 AND MINOR TEXTUAL UPDATES

SUMMARY

The primary purpose of Amendment 166 is to add approximately 90 hectares of land to the area covered by Development Contribution Area 8. The need for the additional 90 hectares being added arises from the rezoning of this land to Urban under the MRS and consequential rezoning to Development under LPS No.2. The opportunity is also being taken to make some clarifications and corrections to the text.

The City of Kwinana has prepared and is seeking adoption of Amendment No.166 to its Local Planning Scheme No.2 (LPS2) in order to:

- b) Extend the area encompassed by Development Contribution Area 8 (DCA8) in Mandogalup to align with the Development zone shown on the LPS2 Scheme Map (**Attachment 17.1.1**). The proposed amendment is set out in the Scheme Amendment Report (**refer Attachment 17.1.2**); and
- b) Make minor administrative changes to the description of common/civil infrastructure items in DCPs 2 – 7 to better align these with the relevant descriptor in DCPs 8 – 15 for community infrastructure items (**as per Attachment 17.1.2**).

The subject land within Mandogalup was rezoned from 'Urban Deferred' and 'Rural' to 'Urban' under Metropolitan Region Scheme (MRS) Amendments 1350/27 and 1405/57. These MRS Amendments were approved on 12 April 2019 and 31 May 2024, respectively. The zoning of the land under LPS2 was changed to 'Development' by Amendments 159 and 161, gazetted on 10 October 2023, and 31 October 2023, respectively. MRS Amendment 1405/57 also concurrently rezoned the southern portion of land within Mandogalup to Development under LPS2.

Two local structure plans exist within Mandogalup, with the Department of Planning, Lands and Heritage (DPLH) currently assessing amendments to both LSPs that extend the LSP area to cover the rezoned land:

- Mandogalup East LSP – Florence Estate, Satterley
- Mandogalup West LSP – Aspley Estate, Qube

The projected population of the rezoned land does not result in the need for additional community infrastructure, however, will require access to the community infrastructure already planned by the City's Community Infrastructure Plan and funded through development contribution plans. There is a clear nexus between the need of this population for community facilities and the infrastructure facilitated by DCP8, and therefore an obligation that the new development area contributes to the cost of this infrastructure. To provide the statutory basis for development to contribute to the community infrastructure, DCP8 needs to be expanded to cover the rezoned land.

The second component of Amendment 166 is to address community infrastructure item inconsistencies in Development Contribution Plans 2-7 (DCPs 2-7), including bringing the name of two respective items in line with the Community Infrastructure Plan, resolving inconsistent numbering, and removal of a DCA map which duplicates Special Control Areas (SCAs) shown on the Scheme Map.

Amendment 166 falls within the 'Complex' amendment requirements under clause 34 of the *Planning and Development (Local Planning Schemes) Regulations 2015* given that it requires amendment of a DCA boundary.

OFFICER RECOMMENDATION**That Council:**

1. In accordance with Section 75 of the *Planning and Development Act 2005*, resolves to prepare Amendment No. 166 to the City of Kwinana Local Planning Scheme No. 2 as shown in Attachment 17.1.2.
2. In accordance with Regulation 35(2) of the *Planning and Development (Local Planning Schemes) Regulations 2015*, determines that Amendment No. 166 to the City of Kwinana Local Planning Scheme No. 2 is a complex amendment for the following reasons:
 - a. Amendment No. 166 is to amend a development contribution area.
3. Subject to the Western Australian Planning Commission's advice that it considers the amendment suitable for advertising, with or without any modification, and the Environmental Protection Authority determining that an environmental review is not required, resolves in accordance with Regulation 37 of the *Planning and Development (Local Planning Schemes) Regulations 2015* (Regulations) to proceed to advertise the amendment in accordance with Regulation 38 of the Regulations.

VOTING REQUIREMENT

Simple majority

DISCUSSIONDevelopment Contribution Plans

The City currently administers 15 Development Contribution Plans (DCPs) over 15 separate Development Contribution Areas (DCAs). DCPs 1-7 administer standard infrastructure (e.g. roads, drainage, public open space), whilst DCPs 8-15 administer community infrastructure (e.g. community centres, libraries, youth centres).

These contribution areas and plans have been in place for several years, with DCAs 8-15 (refer Figure 1 below) having first been approved by the WAPC and gazetted on 19 June 2012.

The development contributions for community infrastructure are guided by the City's Community Infrastructure Plan 2021-2036 (CIP). The CIP was first adopted in 2011, and most recently amended in 2021.

Figure 1 below shows the 8 community infrastructure DCAs for the City, along with the 3 District areas taken from the CIP. DCA8 applies to Mandogalup and is the subject of this report.

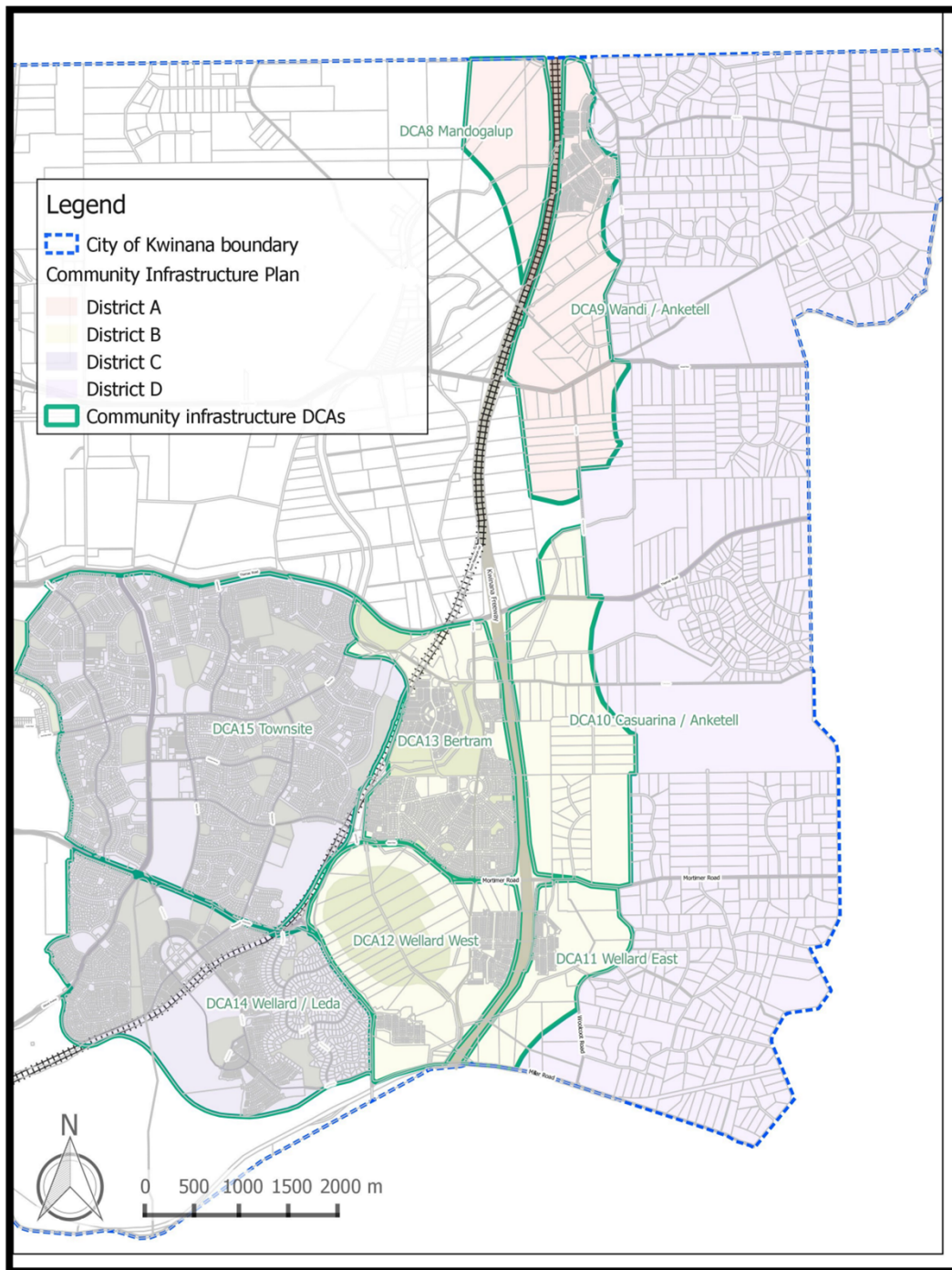


FIGURE 1: EXISTING DCAS 8 – 15

Mandogalup Urban Expansion Area

Since October 2023, additional land has been zoned Urban under the MRS and Development under LPS2, referred to as the 'Mandogalup Urban Expansion Area'. Specific dates and references for these amendments are as follows:

- MRS Amendment 1350/27, approved 12 April 2019;
- MRS Amendment 1405/57, approved 31 May 2024. Note the Development zone under LPS2 was extended at the same time as a concurrent amendment;
- LPS Amendment 159, gazetted 10 October 2023; and
- LPS Amendment 161, gazetted 31 October 2023.

Figure 2 below shows the Mandogalup Urban Expansion area (black dashed line) over the MRS and LPS, and includes details of the above amendments.

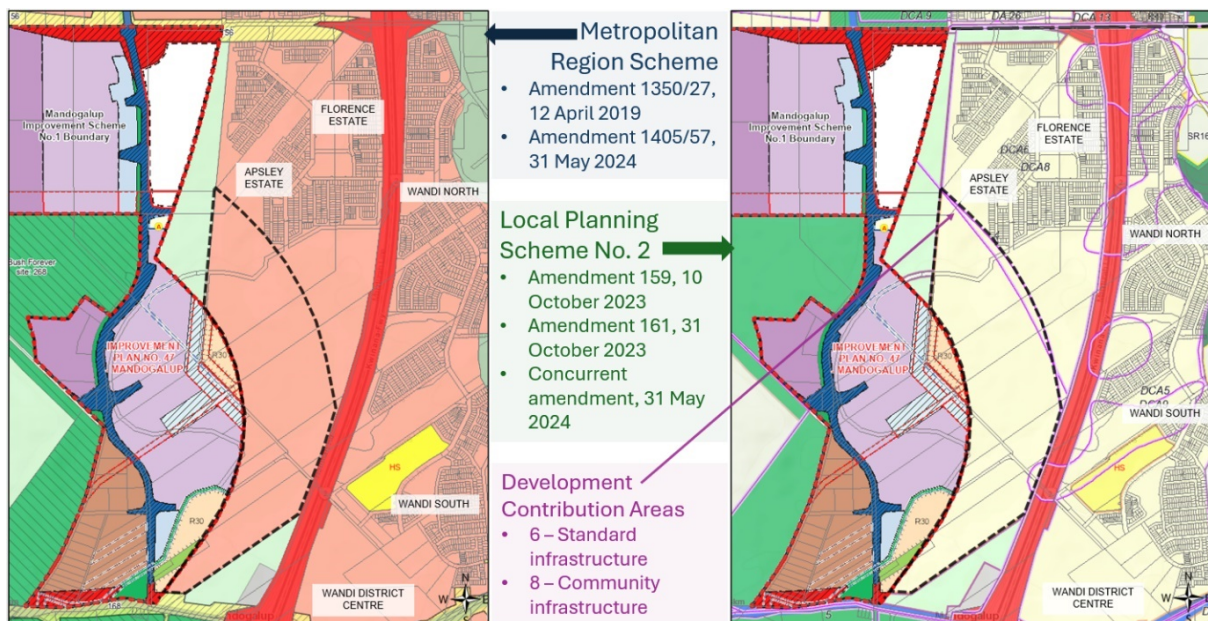


Figure 2: Urban Expansion Area – MRS and LPS Amendments

The Mandogalup Urban Expansion Area covers approximately 90 hectares, bring the total land for urban development within Mandogalup to approximately 201 hectares, as shown in Figure 3 below.

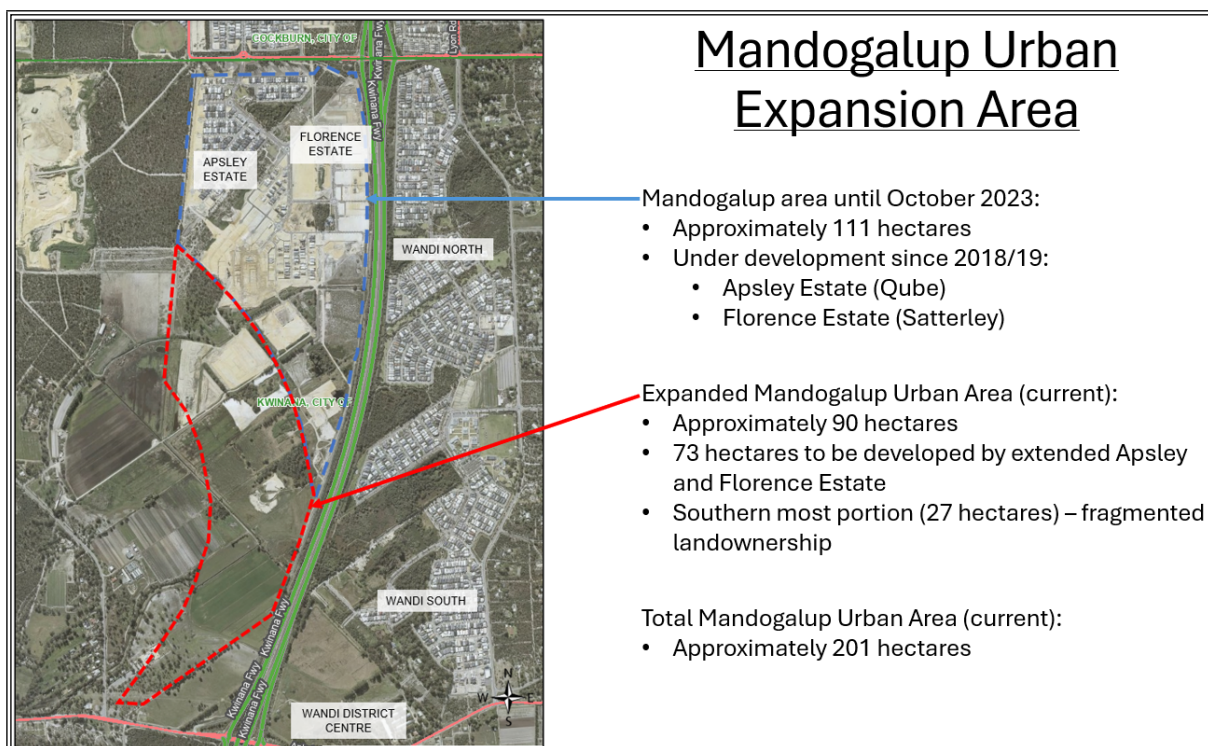


Figure 3: Summary details of Urban Expansion Area

Local Structure Planning

Amendments to both the Mandogalup West and Mandogalup East Local Structure Plans have been prepared and are under assessment by the WAPC at the time of writing this report. The amendments propose to extend the LSP area to cover most of the Mandogalup Urban Expansion Area. The most southern portion of the Expansion Area is not currently subject to any structure planning.

Table 1 below details the projected land area impact of the Mandogalup Urban Expansion Area along with the projected population and dwelling yields.

Table 1: Urban Expansion Area – key details

| Location | Gross Area (ha) | Residential Lot Yield | Dwelling Yield | Projected Population |
|--|------------------------|------------------------------|-----------------------|-----------------------------|
| Existing Mandogalup West LSP (22 March 2018) | 68.46 | 900 | 900 | 2,520 |
| Existing Mandogalup East LSP (28 March 2018) | 42.67 | 581 | 674 | 1,887 |
| <i>Sub total – existing</i> | <i>111.13</i> | <i>1,481</i> | <i>1,574</i> | <i>4,407</i> |
| Amendment 1 to Mandogalup West LSP | 25.82 | 260 | 260 | 728 |
| Amendment 1 to Mandogalup East LSP | 36.82 | 330 | 246 | 689 |
| Mandogalup south remaining MRS Urban land, excluding transmission easements (estimated 15 dwellings per gross hectare) | 27.8 | 338 | 338 | 945 |
| <i>Sub total – expanded area</i> | <i>90.4</i> | <i>928</i> | <i>844</i> | <i>2,362</i> |
| Total | 201.6 | 2,409 | 2,418 | 6,769 |

Community Infrastructure Plan

Table 2 below provides an analysis of the impact of the additional population projected by the Mandogalup Urban Expansion Area on the need for community infrastructure, based on the population thresholds of the CIP. As shown, there is no need for any additional infrastructure due to the additional population, except for a primary school, which will be determined and delivered through normal structure planning process. Additional local parks and public open space will also be determined through the structure planning and subdivision process.

Table 2: Mandogalup Urban Expansion Area Community Needs

| Community Infrastructure Plan category | Needs Threshold | Current Projected Population | Projected Population with Expansion Area | Is Additional Infrastructure Required? |
|---|------------------------|-------------------------------------|---|--|
| Sub-Regional Facilities (City-wide) | 1:75,000 | 74,501 | 76,005 | No |
| District Facilities | 1:25,000 – 75,000 | 13,792 | 15,296 | No |
| Local Facilities | 1:7,00 – 15,000 | 5,265 | 6,769 | No |
| Primary School | 1:1500 dwellings | 1,574 dwellings | 2,418 dwellings | Yes, 1 primary school to be delivered through local structure planning |

DISCUSSION

There are two components to Amendment 166:

1. To expand DCA8 to include the Mandogalup Urban Expansion Area to ensure that urban development within this area contributes to necessary community infrastructure; and
2. To make minor administrative changes to the description of standard infrastructure items in DCPs 2 – 7 to better align these with the relevant descriptor in DCPs 8 – 15 for community infrastructure items.

Component 1 – Expand DCA8

Community needs for the new residential growth areas within the City have been planned and guided for by the City's Community Infrastructure Plan. The Mandogalup Urban Expansion Area is an extension of the residential growth area. The CIP establishes community needs and specifies necessary infrastructure to support the new residents.

Although the projected population of the Mandogalup Urban Expansion Area doesn't, of itself, generate the need for additional community infrastructure, the increased population will need to access and use the community infrastructure already planned for and listed in the CIP. Therefore the expanded area should contribute to funding of the infrastructure as there is a direct nexus between the expanded area of urban development and the provision of community infrastructure.

DCP8 already establishes what community infrastructure is to be funded by the DCP, the methodology for collection of funds and their apportionment. As the Mandogalup Urban Expansion Area immediately abuts DCP8, it is simply proposed to expand DCA8 to include the new area, and to retain the same methodology and apportionment already established by LPS2.

The attached Scheme Amendment Report provides a thorough assessment of the proposal against the eight guiding principles of *State Planning Policy 3.6: Infrastructure Contributions*.

Impact on Per Lot Contribution Rate

The current per lot contribution for DCP8 is \$3,309.17 (February 2024 CAS). Adding the lots within the Mandogalup Urban Expansion Area to the apportionment model will result in a decrease in per lot contribution to \$2,815.84 based on the February 2024 CAS. A per lot reduction of \$493.33.

The additional lots will also lead to slightly reduced per lot costs across other DCPs for shared District and Sub-regional items.

Updated per lot / dwelling costs will be reflected in a revised CAS upon approval of Amendment 166. It must be noted that the above amounts are indicative and will change, particularly due to the annual review of estimated costs in the CAS, which is currently underway.

Component 2 – Administrative Amendments to DCPs 2 - 7

Minor changes are proposed to the description of standard infrastructure items in DCPs 2 – 7 to better align these with the relevant descriptor in DCPs 8 – 15 for community infrastructure items. This is set out in Table 3 below, and in further detail in **Attachment 17.1.2**. It is important to state that the minor changes do not affect the apportionment or contributions for the DCP items.

Table 3: Summary of proposed changes

| Current LPS2 terminology / numbering | Proposed change | Reason |
|---|--|--|
| District Sporting Ground (DCPs 2-7) | Rename item to 'District Hard Courts'. | To provide consistent naming and reference between the Community Infrastructure Plan (CIP) and DCPs. |
| Land acquisition costs for: <ul style="list-style-type: none"> • Branch Library (serves Districts A and B) as part | Combine the separate infrastructure items to simply be land acquisition costs for 'District Multipurpose | To provide consistent naming and reference between the Community Infrastructure Plan (CIP) and DCPs. |

| | | |
|--|---|---|
| of a combined community facility; • District Youth Centre as part of a combined community centre; and • Local Community Centre as part of a combined community centre. | Community Facility (serves Districts A and B)'. | |
| Clause and paragraph numbering throughout. | Rectify incorrect or inconsistent numbering. | In particular, re-numbering of the 'Administrative Costs' section of DCPs 2-7 to correct errors. |
| Figure on page 131 – 'Development Contribution Areas 2-7 – Amendment 100A' | Delete figure. | Development Contribution Areas 2-7 are shown on the Scheme Map as Special Control Areas. The figure is unnecessary and imprecise which may lead to confusion. |

STRATEGIC IMPLICATIONS

There are no strategic implications as a result of this proposal.

SUSTAINABILITY FRAMEWORK

Sustainability Guiding Principle

6 - Resilient and Adaptable Communities

Sustainability Priority Area

3 - Liveability

LEGAL/POLICY IMPLICATIONS

For the purpose of Councillors and Officers considering a declaration of interest, ownership details of the land subject to the proposed expansion of DCP8 are:

Table 1: Ownership details within Amendment 166 area

| Land Description | Landowner |
|---|---|
| <i>Amendment 1 area to Mandogalup West LSP – 25.82ha total</i> | |
| Part Lot 9018 DP427825 | Qube Mandogalup Development Pty Ltd. Greta White Pty Ltd. JJ White Pty Ltd. |
| Part Lot 5000 DP428894 | Reserve held by State of Western Australia (Lot 3), as part of the Peel Main Drain. |
| <i>Amendment 1 area to Mandogalup East LSP – 36.82ha total</i> | |
| Part Lot 9000 DP31293 Mandogalup Road, Mandogalup; Part Lot 9002 DP69132 Mandogalup Road, Mandogalup; and Part Lot 9006 DP70124, Lyon Road, Mandogalup. | Wandi Anketell Holdings Pty Ltd |
| Part Lot 11 DP76538 Hoffman Road, Mandogalup | Santo and Annunziata Galati Rando |
| <i>Southern portion of Expansion Area – 27.8ha total</i> | |
| Part Lot 602 DP18614, Lot 8006 DP45203 Mason Road (drainage lot) | State of Western Australia |

| | |
|--|---|
| Part Lot 666 DP202618 (70) Mandogalup Road, Mandogalup | Malcolm G Karabatic. Ivan J Karabatic |
| Part Lot 667, DP202618 (56) Mandogalup Road, Mandogalup | Li C Chan |
| Part Lot 668 DP202618, Part Lot 669 DP202618, (20) Mandogalup Road, Mandogalup | Qube Mandogalup Development Pty Ltd. Greta White Pty Ltd. JJ White Pty Ltd. |
| Part Lot 2 DP39567 (12) Mandogalup Road, Mandogalup | Saiva Maha Sabai of WA Inc. |

Acts and Regulations

Planning and Development Act 2005

Planning and Development (Local Planning Schemes) Regulations 2015

Schemes

Metropolitan Region Scheme

City of Kwinana Local Planning Scheme No. 2

State Planning Policies

State Planning Policy 3.6 – Infrastructure Contributions

Local Planning Policies

Local Planning Policy 4 - Administration of Development Contributions

FINANCIAL/BUDGET IMPLICATIONS

The City's Operating Budget and Administrative Costs items of the DCPs cover the cost of preparing and processing this amendment, including advertising costs.

Should Amendment 166 be gazetted, within 90 days the City is required to prepare and adopt a revised cost apportionment schedule, in accordance with LPS2.

ASSET MANAGEMENT IMPLICATIONS

The City will become responsible for the community infrastructure items within DCAs 8-15 once these have been developed and maintained for the required period, as applicable.

ENVIRONMENTAL/PUBLIC HEALTH IMPLICATIONS

Nil

COMMUNITY ENGAGEMENT

There is no requirement for community engagement prior to Council adopting Amendment 166, however both main developers have been briefed on the proposed expansion of DCP8.

Once granted consent to advertise by the WAPC, Amendment 166 is then required to be advertised for public comment for a period of at least 60 days, after which the Council will be presented with a report on submissions and a recommendation on whether to proceed with the amendment, with or

without modification. The power to grant final approval of the amendment rests with the Minister for Planning.

ATTACHMENTS

1. D 25 22158 Attachment 17.1.1 - Amendment 166 Scheme Amendment Map DC A 8 - 6 June 2025 [**17.1.1** - 1 page]
2. D25 22027 Attachment 17 1 2 Amendment No 166 to LPS 2 Scheme Amendment Report [**17.1.2** - 25 pages]

18 REPORTS - CIVIC LEADERSHIP

18.1 DELEGATED AUTHORITY REGISTER 2025/2026

SUMMARY

The *Local Government Act 1995* ('Act') and various other Acts, regulations and local laws permit Council to delegate the exercise of select powers or the discharge of duties to the CEO and City Officers. The Act requires the City to maintain a register of all such delegations, which is to be reviewed at least once each financial year.

A review of all Council delegations has been completed, with the Register of Delegated Authority 2025/2026 ('Register') presented at **Attachment 18.1.1** for adoption by Council. A tracked changes version is provided at **Attachment 18.1.2** highlighting the proposed amendments.

The majority of the proposed changes to the Register focus on formatting adjustments and simplifying the structure to enhance clarity and usability.

Delegations issued under local laws that have recently been repealed by the City are recommended for removal from the Register. Additionally, it is proposed that delegation 1.1.17, pertaining to expressions of interest, panels of pre-qualified suppliers and tender processes for the supply of goods and services be replaced with new delegations 1.1.40 through 1.1.47.

Several delegations relating solely to the signing of documents on behalf of the City are recommended for removal and inclusion within the City's Execution of Documents Policy. The execution of City documents is more appropriately managed by way of Council policy. Such policy aims to streamline administrative processes, ensuring compliance with the *Local Government Act 1995* while promoting efficiency, consistency and transparency regarding document execution.

The Execution of Documents Policy as amended is presented at **Attachment 18.1.3** for Council endorsement.

OFFICER RECOMMENDATION

That Council:

1. Approve the delegation of its powers in accordance with the Register of Delegated Authority 2025/2026 as detailed in Attachment 18.1.1 for adoption by Council;
2. Adopt the amended Execution of Documents Policy as detailed in Attachment 18.1.3; and
3. Note that if minor amendments (limited to formatting, typographical errors and the like) to the Delegation Authority Register 2025/2026 are required these will be made administratively.

VOTING REQUIREMENT

Absolute majority

DISCUSSION

Section 5.42 of the Act prescribes that Council may delegate to the CEO select powers and duties that they would ordinarily exercise.

Delegations from Council are an effective way to increase efficiency and improve customer satisfaction through prompt decision-making processes. Using the power of delegation appropriately assists local governments to efficiently deal with a wide range of operational matters that are minor, administrative in nature and potentially time consuming.

Council remains responsible for making decisions of high importance, some of which require absolute majority decisions and cannot be delegated.

Pursuant to section 5.44 of the Act, the CEO is responsible for delegating (where appropriate) to any employee the exercise of the CEO's powers or the discharge the CEO's duties under the Act (other than the power of delegation). Council approval is only required for the original delegation from Council to CEO.

A summary table below outlines the key adjustments made to the delegations as part of the current Register review, noting minor formatting changes have been excluded:

| Delegation | Notes |
|---|---|
| 1.1.5 Administration of Banksia Park Retirement Estate and Callistemon Court Aged Persons Until | Delegation removed from Register. This delegation addressed the execution (signing) of documents by the CEO on behalf of the City pursuant to s.9.49A(4). WALGA advised that this is more appropriately managed by way of Council Policy, which is the approach taken by the majority of local governments. |
| 1.1.9 Administration of a Corporate Discount Agreement | Removed condition relating to the now revoked Healthy Lifestyles Policy. |
| 1.1.10 Make variation and execute legal agreements in accordance with Local Planning Policy (LLP) No 2 – Streetscapes | Delegation removed from Register. This delegation addressed the execution (signing) of documents by the CEO on behalf of the City pursuant to s.9.49A(4). WALGA advised that this is more appropriately managed by way of Council Policy, which is the approach taken by the majority of local governments. |
| 1.1.16 Power to invest | Amended the conditions section to reference and accurately reflect relevant legislation. |
| 1.1.17 Expression of interest, panels of pre-qualified suppliers and tenders for supply of goods and services | It was identified that the delegation was causing some confusion in relation to the procurement process. Consequently, it was decided to revoke delegation 1.1.17 and replace it with new procurement delegations. New delegations 1.1.40 through 1.1.47 have been established to clarify each Officer's requirements and delegations when handling a procurement process. These delegations are heavily based on the WALGA template. Essentially delegation 1.1.17 has been split into eight individual delegations for ease and clarification. |
| 1.1.23 Entering into legal agreements in accordance with Local Planning Policy (LLP) No 4 – Administration of | Delegation removed from Register. This delegation addressed the execution (signing) of documents by the CEO and officers on behalf of the City pursuant to s.9.49A(4). WALGA advised that this is more appropriately managed by way of |

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| development contribution plans | Council Policy, which is the approach taken by the majority of local governments. |
| 1.1.40 Determining that tenders do not have to be invited for the supply of goods and services (sole supplier) | Extracted from delegation 1.1.17, delegation 1.1.40 grants authority to determine sole supplier arrangements for goods and services when it's unlikely there is more than one supplier |
| 1.1.41 Tenders for good and services – Call for Tenders | Extracted from delegation 1.1.17, delegation 1.1.41 grants authority to call for tenders for goods and services, invite tenders, set criteria for acceptance, and vary tender information before the close of tenders. |
| 1.1.42 Extension of Contract | Extracted from delegation 1.1.17, delegation 1.1.42 grants authority to exercise a contract extension option that was included in the original tender specification and contract in accordance with r.11(2)(j). |
| 1.1.43 Tenders for goods and services – Accepting, clarifying and rejecting Tenders: Minor variation to goods and services prior to contract | <p>Extracted from delegation 1.1.17, delegation 1.1.43 empowers the CEO and sub-delegates to assess, reject, accept tenders based on compliance and evaluation criteria, negotiate minor variations to contracts before finalising agreements, and select alternative tenders if initial agreements fail. It enforces record-keeping, limits financial thresholds, and adheres to legislative and policy requirements to ensure transparency and efficiency in procurement processes.</p> <p>The conditions on this delegation increase the value to \$2 million dollars for single project contracts and \$2.5 million for multi-year operational contracts. This increase reflects the length of time the existing values have been in place (at least 10 years) and significant increases in costs, particularly construction, over this time.</p> |
| 1.1.44 Variation to contract for the supply of goods and services | Extracted from delegation 1.1.17, delegation 1.1.44 grants authority to vary a tendered contract, <u>after</u> it has been entered into, provided the variation/s are necessary for the goods and services to be supplied, and do not change the scope of the original contract |
| 1.1.45 Panels of pre-qualified suppliers for goods and services | Extracted from delegation 1.1.17, delegation 1.1.45 is to establish panels of pre-qualified suppliers for goods or services, assess and accept applications based on defined criteria, and manage contracts with these suppliers. Delegates are authorized to act within the scope of the Local Government Act 1995 and relevant regulations, ensuring compliance with council policies and budgetary constraints. Delegates may also request clarifications, reject submissions, and enter contracts, ensuring all actions align with procedural and legislative requirements. |
| 1.1.46 Expression of interest for goods and services | Extracted from delegation 1.1.17, delegation 1.1.46 grants the Chief Executive Officer authority to determine when to seek and invite Expressions of Interest for goods and services and to evaluate submissions for listing acceptable tenderers. Delegates must comply with the relevant legislation and record-keeping requirements, ensuring all actions are documented in the Delegated Authority Register and the Tender Register. Sub-delegation is permitted under the CEO, with the same conditions applying to sub-delegates. |
| 1.1.47 Tenders for Goods and Services – Exempt Procurement | Extracted from delegation 1.1.17, delegation 1.1.47 grants authority to undertake tender exempt procurement, in accordance with the Procurement Policy requirements, where the total consideration under the resulting contract is expected to be included in the adopted Annual Budget [F&G.r.11(2)]. |

| | |
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| 1.3.2 Bee Keeping Local Law 2002 | The City's Bee Keeping Local Law 2002 was repealed and replaced by the Animal, Environment and Amenity Local Law 2024 and as such it is recommended that the City revoke delegation 1.3.2 Bee Keeping Local Law. The Council adopted the delegations related to the new Local Law during its meeting in December 2024. These delegations are documented under delegation 1.3.10 Animal, Environment and Amenity Local Law. |
| 1.3.8 Urban Environment and Nuisance Local Law | The City's Urban Environment and Nuisance Local Law was repealed and replaced by the Animal, Environment and Amenity Local Law 2024 and as such it is recommended that the City revoke delegation 1.3.8 Urban Environment and Nuisance Local Law. The Council adopted the delegations related to the new Local Law during its meeting in December 2024. These delegations are documented under delegation 1.3.10 Animal, Environment and Amenity Local Law. |
| 7.1.2 Food Act 2008 – Functions of enforcement agency | Amended to remove the Coordinator Environment and Waste, this position no longer holds to relevant qualification to undertake the work under this delegation. |
| 10.1.1 Designated Authorised Officers – Public Health Act 2016 | Amended to remove the Coordinator Environment and Waste role, as this position no longer holds to relevant qualification to undertake the work under this delegation. Removed reference to the repealed Health (Keeping of Horse and Equine Premises) Local Law 1997, which was superseded by the City's new Animal, Environment and Amenity Local Law 2024. |

An amendment has been made to the Execution of Documents Policy to delegate authority to the Chief Executive Officer and Directors for the execution of caveats, easements, and restrictive covenants. This change is intended to streamline administrative processes for these routine instruments, which are regularly required as part of development and planning approvals.

STRATEGIC IMPLICATIONS

Outcome: Leadership / Boordiya Katidjin (Leader of knowledge)
Objective: Proactive leadership

N/A - There is no specific action in the CBP, yet this report will help achieve the indicated outcomes and strategic objectives.

How does this proposal achieve the outcomes and strategic objectives?

In addition to ensuring compliance with legislated responsibilities, this report assists the City in providing good governance and meeting the needs of the community.

SUSTAINABILITY FRAMEWORK

Sustainability Guiding Principle

8 - Integrated and Transparent Decision-making

Sustainability Priority Area

3 - Liveability

How does this proposal achieve the guiding principle and priority area?

The Chief Executive Officer is authorised to execute duties associated with delegated authority, ensuring the provision of necessary services to the community. Additionally, these duties must be performed with a commitment to integrated and transparent decision-making.

LEGAL/POLICY IMPLICATIONS

The Act provides as follows:

Local Government Act 1995:

5.42. Delegation of some powers and duties to CEO

(1) A local government may delegate* to the CEO the exercise of any of its powers or the discharge of any of its duties under —

- (a) this Act other than those referred to in section 5.43; or
- (b) the Planning and Development Act 2005 section 214(2), (3) or (5).

* Absolute majority required.

5.43. Limits on delegations to CEO

A local government cannot delegate to a CEO any of the following powers or duties —

- (a) any power or duty that requires a decision of an absolute majority or a 75% majority of the local government;
- (b) accepting a tender which exceeds an amount determined by the local government for the purpose of this paragraph;
- (c) appointing an auditor;
- (d) acquiring or disposing of any property valued at an amount exceeding an amount determined by the local government for the purpose of this paragraph;
- (e) any of the local government's powers under section 5.98, 5.98A, 5.99, 5.99A or 5.100;
- (f) borrowing money on behalf of the local government;
- (g) hearing or determining an objection of a kind referred to in section 9.5;
- (ha) the power under section 9.49A(4) to authorise a person to sign documents on behalf of the local government;
- (h) any power or duty that requires the approval of the Minister or the Governor;
- (i) such other powers or duties as may be prescribed.

5.46. Register of, and records relevant to, delegations to CEO and employees

- (1) The CEO is to keep a register of the delegations made under this Division to the CEO and to employees.
- (2) At least once every financial year, delegations made under this Division are to be reviewed by the delegator.
- (3) A person to whom a power or duty is delegated under this Act is to keep records in accordance with regulations in relation to the exercise of the power or the discharge of the duty.

The Planning and Development (Local Planning Schemes) Regulations 2015 provides as follows:

82. Delegations by local government

- (1) The local government may, by resolution, delegate to a committee or to the local government CEO the exercise of any of the local government's powers or the discharge of any of the local government's duties under this Scheme other than this power of delegation.
- (2) A resolution referred to in subclause (1) must be by absolute majority of the council of the local government.
- (3) The delegation must be in writing and may be general or as otherwise provided in the instrument of delegation.

83. Local government CEO may delegate powers

- (1) *The local government CEO may delegate to any employee of the local government the exercise of any of the CEO's powers or the discharge of any of the CEO's functions under this Scheme other than this power of delegation.*
- (2) *A delegation under this clause must be in writing and may be general or as otherwise provided in the instrument of delegation.*
- (3) *Subject to any conditions imposed by the local government on its delegation to the local government CEO under clause 82, this clause extends to a power or duty the exercise or discharge of which has been delegated by the local government to the CEO under that clause.*

FINANCIAL/BUDGET IMPLICATIONS

There are no financial implications that have been identified as a result of this report or recommendations.

ASSET MANAGEMENT IMPLICATIONS

No asset management implications have been identified as a result of this report or recommendation.

ENVIRONMENTAL/PUBLIC HEALTH IMPLICATIONS

No environmental or public health implications have been identified as a result of this report or recommendation.

COMMUNITY ENGAGEMENT

There are no community engagement implications as a result of this report or recommendation.

ATTACHMENTS

1. DRAFT Delegated Authority Register 2025 2026 002 2 (2) [**18.1.1** - 208 pages]
2. Tracked Change - DRAFT - Delegated Authority Register - 2025-2026 (002) (2) [**18.1.2** - 206 pages]
3. Attachment - Tracked Change - Council Policy - Execution of Documents [**18.1.3** - 6 pages]

18.2 TEN 03/25 - PROVISION OF ELECTRICAL SERVICES

SUMMARY

The City of Kwinana invited Tenders from suitably experienced and resourced contractors for the provision of electrical services.

The Request for Tender was advertised in “The Weekend West” newspaper on Saturday 29 March 2025. The Tender was also advertised on the City’s official website, the City’s public notice boards and issued through the City’s e-tendering portal Tenderlink.

The City received eleven (11) submissions, and these were assessed by City Officers, with their assessment outlined in Confidential Attachment A. City Officers recommend that Council award the tender as per the recommendations of Attachment A.

OFFICER RECOMMENDATION

That Council:

- 1. Award Contract TEN 03/25 for the Provision of Electrical Services to Leedenn and Lorson Pty Ltd as Trustee for Graesslin Family Trust trading as Elexacom in accordance with the City’s general conditions of the Contract, the specifications and their Tender submission including their schedule of rates for a period of three (3) years commencing 14 July 2025 with the option to extend the contract for an additional period of twelve (12) months or part thereof.**
- 2. Authorise the Chief Executive Officer to execute the optional extension period, subject to satisfactory performance and entirely at the Chief Executive Officer’s discretion; and**
- 3. Approves the above Contract for the specified Contract term, subject to price increases based on quarterly Consumer Price Index (CPI) (All Groups) (Perth) allocated to the Contractor at scheduled intervals during the Contract Term. The price adjustment will be automatically applied by the Principal.**

VOTING REQUIREMENT

Simple majority

DISCUSSION

Background

The RFT scope requires a suitably resourced and experienced contractor to provide electrical services at nominated services throughout the City. The Contractor must meet all obligations and responsibilities in relation to regulatory compliance and maintenance activities.

The work to be carried out by the Contractor consists of, but are not limited to, the following general activities:

- Preventative maintenance of electrical components, devices and fittings as directed by the Principal;
- Installations as requested by quotation for specific parcels of work;
- Preparation and maintenance of prescribed records and documents;
- Preparation and submission of regular reports;
- Consultancy and reporting, including carrying out inspections and audits as requested by the Principal;
- Other minor works not specifically identified but necessary for the effective completion of the specified tasks and procedures;
- Undertake maintenance and repair work in response to breakdowns, call-outs, or as a result of an inspection during a routine service visit, or upon request from an authorised Principal representative; and
- The Contractor shall minimise the need for call-outs by inspecting the systems during routine service visits with the view to effecting any minor repairs, replacements or maintenance during these visits.

Addendums

No addendums were issued during the RFT process.

Submissions

The RFT closed at 2.00pm AWST, Thursday 24 April 2025, the following eleven (11) submissions were received.

| No. | Company Name |
|-----|---|
| 1 | Arra Moda Engineering Pty Ltd TA Arra Moda Engineering |
| 2 | Ballantyne All Commercial Property Services |
| 3 | DnA Electrics & Co Pty Ltd T/A DnA Electrics & Co |
| 4 | Leedenn and Lorson Pty Ltd as Trustee for Graesslin Family Trust T/A Elexacom |
| 5 | Lece Pty Ltd |
| 6 | M Power U Pty Ltd ATF Montini Family Trust T/A M Power U Electrical Contracting |
| 7 | MMJ Electrical Pty Ltd |
| 8 | Northlake Electrical Pty Ltd |
| 9 | PEAP Contractors Pty Ltd |
| 10 | SJ Electric (Vic) Pty Ltd T/A SJ Electric |
| 11 | Tasman Asset Management Services Pty Ltd T/A Tasman Asset Management Services |

Initial Compliance Check

Non-conforming Tender

An initial commercial compliance check was conducted by the Chairperson to identify any nonconforming Tenders. The Chairperson assessed the compliance criteria in accordance with Local Government (Functions and General) Regulations, 1996 and the Conditions of Tendering and the result of this compliance check are detailed in Confidential Attachment A.

Evaluation

The evaluation panel comprised of:

- a. The Senior Procurement and Contracts Officer who evaluated the Tenderers' submissions in accordance with the compliance criteria provided in the Request for Tender documentation; and
- b. The Manager City Operations, the Retirement Village Manager, the Coordinator Facility Maintenance and the Technical Officer Facility Maintenance, who evaluated the Tenderers' submissions in accordance with the qualitative criteria included in the Request for Tender documentation.

The panel evaluated the tender submissions in accordance with the documented compliance and qualitative criteria (refer to Confidential Attachment A). The evaluation recommendation report is under confidential cover as it contains commercial-in-confidence information.

Evaluation Qualitative Criteria

The price and qualitative criteria weightings for evaluation are provided below.

| Item | Criteria | Weighting |
|--------------|----------------------------|-----------|
| A | Relevant Experience | 10% |
| B | Personnel and Resources | 20% |
| C | Demonstrated Understanding | 40% |
| D | Sustainability | 10% |
| | Price | 20% |
| TOTAL | | 100% |

STRATEGIC IMPLICATIONS

Outcome: Built Environment/ Ngalak Moort Mia Mia (Family gathering places)
Objective: Building communities

Action in CBP: Review the Infrastructure Strategy

SUSTAINABILITY FRAMEWORK

Sustainability Guiding Principle

8 - Integrated and Transparent Decision-making

Sustainability Priority Area

6 - Responsible Investment and Procurement

LEGAL/POLICY IMPLICATIONS

Local Government Act 1995

Local Government (Functions and General) Regulations 1996 - Part 4 – Provision of goods and services

City of Kwinana Procurement Policy

FINANCIAL/BUDGET IMPLICATIONS

The budget implications are detailed in Confidential Attachment A.

ASSET MANAGEMENT IMPLICATIONS

Servicing of electrical devices such as emergency and exit lighting, portable appliances and residual current devices are carried out in accordance with Australian Standards and manufacturers requirements. Breakdowns and repairs to stolen, damaged and vandalised electrical components also form part of this contract.

ENVIRONMENTAL/PUBLIC HEALTH IMPLICATIONS

There are no environmental implications as a result of this report. Regulatory electrical tested is completed to ensure public building compliance.

COMMUNITY ENGAGEMENT

There was no community engagement for this report.

ATTACHMENTS

This attachment is Confidential in accordance with Section 5.23(2) of the *Local Government Act 1995* for the following reason(s):

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

1. Attachment A - TEN 03 25 - Confidential Recommendation Report for Council [**18.2.1** - 15 pages]

18.3 COUNCIL POLICY REVIEW

SUMMARY

Council policies are high-level statements articulating the intent of the City's strategic objectives as well as guiding the City's operations. Appropriate policies help strengthen the City's governance as well as support consistency in decision-making and outcomes.

High-risk policies are to be reviewed every two years, while lower-risk policies may be reviewed every four years. Policies are required to be updated as needed even if the review timeframe is not due, in response to changes in legislation, procedures and other relevant factors.

As part of the City's ongoing policy review process, the new Conservation of Native Vegetation and Habitat policy (**Attachment 18.3.1**) is recommended for adoption.

The following existing policies have additionally undergone review and are recommended for adoption by Council:

- Application for Exemption as to Limitations on the Keeping of Dogs (**Attachment 18.3.2**);
- Homelessness (**Attachment 18.3.4**);
- Leasing (**Attachment 18.3.6**);
- Community Facilities Usage (**Attachment 18.3.8**);
- Public Library – Collection Development (**Attachment 18.3.10**); and
- Naming of Streets, Parks, Places and Buildings (**Attachment 18.3.12**)
- Scattering of Ashes, Memorial Plaque and Tree Request (**Attachment 18.3.14**)

A tracked change and clean version of each of the policies is provided for ease of reference.

The Advertising and Directional Signage in Thoroughfares and on Local Government Property policy (**Attachment 18.3.16**) and Conservation of Remnant Vegetation policy (**Attachment 18.3.17**) are recommended to be revoked with further information in relation to the revocation of these policies located within the below table.

OFFICER RECOMMENDATION

That Council:

- 1. Adopt the new Conservation of Native Vegetation and Habitat policy as detailed in Attachment 18.3.1.**
- 2. Adopt the following Council policies as amended:**
 - Application for Exemption as to Limitations of the Keeping of Dogs (**Attachment 18.3.2**)
 - Homelessness (**Attachment 18.3.4**);
 - Leasing (**Attachment 18.3.6**);
 - Community Facilities Usage (**Attachment 18.3.8**); and
 - Public Library – Collection Development (**Attachment 18.3.10**);
 - Naming of Streets, Parks, Places and Buildings (**Attachment 18.3.12**); and
 - Scattering of Ashes, Memorial Plaque and Tree Requests (**Attachment 18.3.14**)

3. Revoke the following Council policies

- **Advertising and Directional Signage in Thoroughfares and on Local Government Property (Attachment 18.3.16); and**
- **Conservation of Remnant Vegetation (Attachment 18.3.17)**

VOTING REQUIREMENT

Simple majority

DISCUSSION

As part of the City's policy review process, the following have been reviewed.

New Policy for Adoption

The City is recommending revoking the 'Conservation of Remnant Vegetation' policy and replacing it with the newly developed 'Conservation of Native Vegetation and Habitat' policy. While both policies share a common purpose, to preserve the bushland character and ecological integrity of the City, the new policy significantly expands the scope, detail, and implementation mechanisms for biodiversity protection. The below information outlines the key differences between the two policies and the implications of the proposed transition.

The original *Conservation of Remnant Vegetation* policy primarily focused on the retention of existing trees and remnant bushland, especially in the context of residential development. It set general guidelines for developers, such as retaining trees, integrating ecological linkages, and managing weeds. The new *Conservation of Native Vegetation and Habitat* (Policy) policy broadens this scope to encompass all forms of native vegetation and habitat, including wetlands, local natural areas, and broadens ecological networks. It includes provisions for private and public land, active restoration, and long-term biodiversity strategies.

The Policy introduces comprehensive definitions for key terms such as "Ecological Linkages", "Endemic", "Local Natural Area", "Minimum Good Condition", and "Native Vegetation". These definitions improve clarity and facilitate consistent interpretation and enforcement. In contrast, the older policy does not include definitions, potentially leading to ambiguity in its application.

It also, explicitly aligns with a suite of strategic environmental planning documents, including the Local Biodiversity Strategy, Urban Forest Strategy, and Environment Strategy. It is supported by multiple layers of legislation such as the *Environmental Protection Act 1986*, *Biodiversity Conservation Act 2016*, and *Environment Protection and Biodiversity Conservation Act 1999*. The former policy referenced only the *Local Government Act 1995* and lacked direct linkage to broader legislation and strategic framework.

The previous policy contained eight policy statements, largely focused on tree retention, mulch reuse, and developer responsibilities. It was operationally focused with limited enforcement provisions. The proposed Policy includes more robust and enforceable provisions, these include:

- Prohibition of clearing in high-value ecological areas (e.g., Conservation Category Wetlands).
- Mandatory ecological assessments and approvals for significant vegetation removal
- Dieback management measures
- Education campaigns for community awareness about environmental weeds
- Clear consequences for unauthorised clearing, including potential prosecution and rehabilitation requirements up to five years.

While both policies acknowledge the role of the community, the new Policy places a stronger emphasis on public education and community participation. It introduces mechanisms such as the Biodiversity Stewardship Program and outline engagement strategies for landholders and resident, which were absent from the original policy.

The “Conservation of Native Vegetation and Habitat” policy represents a significant advancement from the “Conservation of Remnant Vegetation” policy. It reflects contemporary environmental management practices, incorporates current legislation and strategy, and introduces clearer definitions and stronger enforcement provisions. The proposed replacement aims to ensure more holistic, sustainable, and enforceable outcomes for biodiversity conservation within the City. The transition from the former to the new policy aligns with the City’s long-term environmental goals and reflects a modernised commitment to preserving its unique ecological character.

Amended Policies for Adoption

The following policies have been reviewed and are recommended for adoption (as amended):

| Policy Name | Comment |
|---|---|
| Applications for Exemption as to Limitations on the Keeping of Dogs | The City’s Application for Exemption as to Limitations on the Keeping of Dogs policy has been review and amended. These updates ensure alignment with the standardised policy template. A tracked change version of the policy is provided at Attachment 18.3.3 . |
| Homelessness | <p>The City’s Homelessness policy has been reviewed and updated to ensure alignment with the City’s new policy template and to reflect the growing and evolving needs within our community. The revised policy strengthens the City’s strategic direction in addressing homelessness, with clearer commitments to advocacy, early intervention, culturally safe practices, and local partnerships.</p> <p>Key updates include the addition of a dedicated section on youth-focused responses, recognising the City’s direct delivery of case management support for young people aged 12 to 18 through Kwinana Detached Youth Services (YSK), funded by the Department of Communities. This inclusion reinforces the City’s commitment to supporting vulnerable young people and acknowledges this program as a priority service.</p> <p>The policy now presents a more structured, responsive, and locally relevant framework to guide the City’s actions in preventing and addressing homelessness. A tracked change version can is provided at Attachment 18.3.5.</p> |
| Leasing | <p>The amendments to the City’s Leasing (Policy) policy include several new additions and updates, the new amended policy now highlights the standard rent for local government properties must align with a market valuation conducted within the past six months by a licensed valuer, as required by s3.58 of the <i>Local Government Act 1995</i>. The City may subsidise rent for eligible organisations, with the eligibility criteria set out in Annexure 1 and summarised in Annexure 2.</p> <p>All leases and licenses will be subject to annual reviews based on methods such as consumer price index (CPI), fixed rate, market review, or as outlined in the City’s Fees and Charges. The Policy outlines tenant responsibilities, including maintaining public liability</p> |

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| | <p>insurance, being liable for actions or omissions of subtenants, and keeping the property in good condition. Tenants must obtain written consent from the City before making alterations, hiring, or subleasing the property.</p> <p>In cases where tenants have fully or substantially funded and constructed a building on City property, specific conditions regarding rent, outgoings, and maintenance responsibilities apply.</p> <p>These amendments aim to ensure that the use of City properties is enhanced in accordance with the City's Strategic Community Plan and Corporate Business Plan, promoting fair and market aligned rental agreements that support community organisations and businesses. A tracked changed version of the Policy is provided at Attachment 18.3.7</p> |
| Community Facilities Usage | <p>The Community Facilities Usage policy has been updated to reflect the City's commitment to providing a diverse range of community facilities that cater to the needs of the City's residents and visitors. The revised policy outlines the Council's position on the use and objectives of these facilities, ensuring a consistent and fair approach to their management and utilisation. Key changes include the introduction of clear guidelines and principles to optimise community engagement, promote health and well-being, and support the sustainable use of resources. The policy now emphasizes collaboration with various stakeholders to create an inclusive and accessible environment that benefits the entire community. A tracked change version of the policy is provided at Attachment 18.3.9.</p> |
| Public Library - Collection Development | <p>The Library Collection Development Policy for the City has been updated to reflect the latest guidelines and requirements. The policy now emphasizes the importance of promoting Diversity, Equity, and Inclusivity (DEI) in the selection of library materials. Additionally, the criteria for removing surplus items from the collection have been clarified, including considerations for out-of-date content, limited interest, and poor physical condition. The policy also reaffirms the commitment to providing free and open access to information while adhering to relevant legislation. In addition, the Policy has also been amended to align with the City's policy template. A tracked change version of the policy is provided at Attachment 18.3.11</p> |
| Naming of Streets, Parks, Places and Buildings | <p>The Naming of Streets, Parks, Places and Buildings policy has undergone several significant changes. The updated policy now emphasizes the importance of consistency, cultural sensitivity, and community involvement in the naming process. It aims to provide clear guidelines and procedures to ensure names reflect the historical, cultural, and geographical significance of the area. The scope has been expanded to include all streets, parks, places, and buildings within the City, with a focus on avoiding offensive names and names of living persons or current companies/businesses. New definitions have been added for various terms, and the Geographic Names Committee (GNC) and Council must approve new street names. The City has established a "Naming of Parks, Places and Buildings Working Group" to consider and recommend names, ensuring consistency and fairness with input from the community and stakeholders. The policy encourages names with relevance to the area, including historical, cultural, heritage, environmental, geographical, or botanical significance, and discourages derogatory or</p> |

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| | offensive names. In addition, the Policy has also been amended to align with the City's policy template. A tracked change version of the policy is provided at Attachment 18.3.13 |
| Scattering of Ashes, Memorial Plaque and Tree Requests | The Scattering of Ashes Memorial Plaque and Tree Requests policy has been updated to align with the City's Council Policy Template. This update involved adding sections on Introduction, Purpose, Objective, and Scope, ensuring that the policy is comprehensive and well-structured. The Introduction section provides an overview of the policy's intent, while the Purpose outlines the reasons for its existence and importance. The Objective section details the specific goals the policy aims to achieve, and the Scope defines the boundaries within which the policy will operate. Despite these additions, the Policy Provisions remain unchanged, continuing to offer guidelines on how memorial plaques and tree requests are managed and processed. A tracked change version of the policy is provided at Attachment 18.3.15 |

Policies to be Revoked

The following policy is recommended to be revoked:

| Policy Name | Comment |
|---|---|
| Advertising and Directional Signage in Thoroughfares and on Local Government Property | <p>The City's Advertising and Directional Signage in Thoroughfares and on Local Government Property policy has been reviewed internally by the City's Building Services team and Essential Services team. Both teams have recommended that this policy be revoked, as it has been deemed redundant due to the implementation of the following regulations:</p> <ul style="list-style-type: none"> • Local Planning Policy 9: Addresses signage on private land. • Street Banners Policy: Governs banners displayed on Gilmore Avenue. • Activities on Thoroughfares and Public Places and Trading Local Law: Provides comprehensive rules for public signage, including advertising and election signs, with specific conditions regarding placement, size, safety, and removal. <p>A copy of this Policy is as detailed in Attachment 18.3.16.</p> |
| Conservation of Remnant Vegetation | <p>As outlined earlier within this Council report, the City's Conservation of Remnant Vegetation is recommended to be revoked and replaced with the City's newly developed Conservation of Native Vegetation and Habitat. Upon the adoption of the new Conservation of Native Vegetation and Habitat the Conservation of Remnant Vegetation policy becomes redundant. A copy of this Policy is as detailed in Attachment 18.3.17.</p> |

STRATEGIC IMPLICATIONS

Outcome: Leadership / Boordiya Katidjin (Leader of knowledge)
Objective: Proactive leadership

N/A - There is no specific action in the CBP, yet this report will help achieve the indicated outcomes and strategic objectives.

How does this proposal achieve the outcomes and strategic objectives?

Although there is no specific action to the City's SCP or CBP the review, adoption and revoking of Council Policies should reflect the City desired achievements of the outcomes and objective of the visionary leadership of the City.

SUSTAINABILITY FRAMEWORK**Sustainability Guiding Principle**

8 - Integrated and Transparent Decision-making

Sustainability Priority Area

3 - Liveability

How does this proposal achieve the guiding principle and priority area?

Through these policies, the City of Kwinana demonstrates visionary leadership dedicated to acting for its community, modelling accountable and ethical governance, and strengthening trust with the community. The City's approach to policy development and review ensures that sustainability principles are embedded in its operations, promoting a healthier, more resilient, and sustainable community.

LEGAL/POLICY IMPLICATIONS

Local Government Act 1995

2.7. Role of council

(2) Without limiting subsection (1), the council is to —

- (a) oversee the allocation of the local government's finances and resources; and*
- (b) determine the local government's policies.*

FINANCIAL/BUDGET IMPLICATIONS

There are no financial implications that have been identified as a result of this report or recommendation.

ASSET MANAGEMENT IMPLICATIONS

No asset management implications have been identified as a result of this report or recommendation.

ENVIRONMENTAL/PUBLIC HEALTH IMPLICATIONS

No environmental or public health implications have been identified as a result of this report or recommendation.

COMMUNITY ENGAGEMENT

There are no community engagement implications as a result of this report or recommendation.

ATTACHMENTS

1. Attachment - Draft Council Policy - Conservation of Native Vegetation and Habitat - March 2025 - Tr **[18.3.1 - 6 pages]**
2. Attachment - Clean - Council Policy - Applications for Exemption as to Limitations on the Keeping of **[18.3.2 - 7 pages]**
3. Attachment - Tracked Changes - Council Policy - Applications for Exemption as to Limitations on the **[18.3.3 - 13 pages]**
4. Attachment - Clean - Council Policy - Homelessness **[18.3.4 - 4 pages]**
5. Attachment - Tracked Change Version - Homelessness - Council Policy **[18.3.5 - 6 pages]**
6. Attachment - Clean - Leasing - Council Policy **[18.3.6 - 9 pages]**
7. Attachment - Tracked Change Version - Leasing - Council Policy **[18.3.7 - 13 pages]**
8. Attachment - Clean - Council Policy - Community Facilities Usage **[18.3.8 - 7 pages]**
9. Attachment - Tracked Change Version - Council Policy - Community Facilities Usage **[18.3.9 - 15 pages]**
10. Attachment - Clean - Council Policy - Public Library - Collection Development **[18.3.10 - 4 pages]**
11. Attachment - Tracked Change Version - Council Policy - Public Library - Collection Development **[18.3.11 - 8 pages]**
12. 18.3.12 - Attachment - Clean - Council Policy - Naming of Streets, Parks, Places and Buildings **[18.3.12 - 5 pages]**
13. 18.3.13 - Attachment - Tracked Change Version - Council Policy - Naming of Streets, Parks, Places and **[18.3.13 - 8 pages]**
14. Attachment - Clean - Council Policy - Scattering of Ashes, Memorial Plaque and Tree Requests **[18.3.14 - 6 pages]**
15. Attachment - Tracked Change Version - Council Policy - Scattering of Ashes, Memorial Plaque and Tree **[18.3.15 - 9 pages]**
16. Attachment - Advertising and Directional Signage in Thoroughfares on Local Government Property - to be revoked **[18.3.16 - 5 pages]**
17. Attachment - Conservation of Remnant Vegetation - to be revoked **[18.3.17 - 3 pages]**

18.4 PROPOSED DISPOSITION BY WAY OF LEASE, SUITE 13, DARIUS WELLS LIBRARY AND RESOURCE CENTRE BEING PART OF 2 (LOT 107) ROBBOS WAY, KWINANA BETWEEN CITY OF KWINANA AND COMMUNICARE

SUMMARY

The City of Kwinana (**City**) is the owner of the Darius Wells Library and Resource Centre (**Darius Wells**) situated at 2 Robbos Way in Kwinana, being part of Lot 107 on Deposited Plan 70670, comprised in Certificate of Title Volume 2786 Folio 114. Communicare Incorporated (**Communicare**) seek to continue their lease of Suite 13 (**Premises**) from the City, being a 126m² office space located on the first floor of the Darius Wells.

This report seeks Council approval a new lease of the Premises to Communicare, who are a not-for-profit organisation the objects of which are charitable, cultural, educational or of similar nature.

Rent of \$21,140.00 per annum is proposed, which has been determined by applying a 30% discount to the valuation amount, in accordance with the City's Leasing Policy (**Policy**).

The disposition of the premises is not required to be advertised in accordance with section 3.58 of the *Local Government Act 1995 (Act)*, as the lease is an exempt disposition under regulation 30(2)(b)(i) of the *Local Government (Functions and General) Regulations 1996*.

OFFICER RECOMMENDATION

That Council:

Authorise the Chief Executive Officer and Mayor to execute a lease agreement between the City of Kwinana and Communicare Incorporated (including make modifications where the intent of the agreements does not change) in relation to 2 Robbos Way, Kwinana being part of Lot 107 on Deposited Plan 70670, comprised in Certificate of Title Volume 2786 Folio 114.

VOTING REQUIREMENT

Absolute majority

DISCUSSION

Communicare is an organisation providing innovative services and is an advocate for social and economic inclusion. Communicare provide children's services, family services, education, training, settlement services, family violence support, justice services and employment services.

Communicare has operated from Suite 13 at the Darius Wells facility since 2013. Over this period, they have consistently expanded their range of services to better support the community. These services include family and domestic violence assistance, financial aid, migrant support services, and, more recently, active participation and advocacy in White Ribbon Australia's initiatives.

The proposed term of the lease agreement is yet to be decided as long term funding is currently under review.

STRATEGIC IMPLICATIONS

Outcome: Quality of Life / Ngalang moorditj wirrin (Our strong spirit)
Objective: Thriving local economy

N/A - There is no specific action in the CBP, yet this report will help achieve the indicated outcomes and strategic objectives.

Outcome: Built Environment/ Ngalak Moort Mia Mia (Family gathering places)
Objective: Accessible and connected community

N/A - There is no specific action in the CBP, yet this report will help achieve the indicated outcomes and strategic objectives.

SUSTAINABILITY FRAMEWORK

Sustainability Guiding Principle

2 - Community Wellbeing

3 - Thriving Local Economy

Sustainability Priority Area

4 - Engagement and Social Inclusion

LEGAL/POLICY IMPLICATIONS

Section 3.58 (3) and (4) of the *Local Government Act 1995* states:

- (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.*

Regulation 30 of the *Local Government (Functions and General) Regulations 1996* states:

- (1) *A disposition that is described in this regulation as an exempt disposition is excluded from the application of section 3.58 of the Act.*
- (2) *A disposition of land is an exempt disposition if —*
 - (a) *the land is disposed of to an owner of adjoining land (in this paragraph called the transferee) and —*
 - (i) *its market value is less than \$5 000; and*
 - (ii) *the local government does not consider that ownership of the land would be of significant benefit to anyone other than the transferee; or*
 - (b) *the land is disposed of to a body, whether incorporated or not —*
 - (i) *the objects of which are of a charitable, benevolent, religious, cultural, educational, recreational, sporting or other like nature; and (ii) the members of which are not entitled or permitted to receive any pecuniary profit from the body's transactions; or*
 - (c) *the land is disposed of to —*
 - (i) *the Crown in right of the State or the Commonwealth; or*
 - (ii) *a department, agency, or instrumentality of the Crown in right of the State or the Commonwealth; or*
 - (iii) *another local government or a regional local government; or*
 - (d) *it is the leasing of land to an employee of the local government for use as the employee's residence; or*
 - (e) *it is the leasing of land for a period of less than 2 years during all or any of which time the lease does not give the lessee the exclusive use of the land; or*
 - (f) *it is the leasing of land to a person registered under the Health Practitioner Regulation National Law (Western Australia) in the medical profession to be used for carrying on his or her medical practice; or*
 - (g) *it is the leasing of residential property to a person.*
- (2a) *A disposition of property is an exempt disposition if the property is disposed of within 6 months after it has been —*
 - (a) *put out to the highest bidder at public auction, in accordance with section 3.58(2)(a) of the Act, but either no bid is made or any bid made does not reach a reserve price fixed by the local government; or*
 - (b) *the subject of a public tender process called by the local government, in accordance with section 3.58(2)(b) of the Act, but either no tender is received or any tender received is unacceptable; or*
 - (c) *the subject of Statewide public notice under section 3.59(4) of the Act, and if the business plan referred to in that notice described the property concerned and gave details of the proposed disposition including —*
 - (i) *the names of all other parties concerned; and*
 - (ii) *the consideration to be received by the local government for the disposition; and*
 - (iii) *the market value of the disposition as ascertained by a valuation carried out not more than 12 months before the proposed disposition.*
- (2b) *Details (see section 3.58(4) of the Act) of a disposition of property under subregulation (2a) must be made available for public inspection for at least 12 months from the initial auction or tender, as the case requires.*
- (3) *A disposition of property other than land is an exempt disposition if —*
 - (a) *its market value is less than \$20 000; or*
 - (b) *the entire consideration received by the local government for the disposition is used to purchase other property, and where the total consideration for the other property is not more, or worth more, than \$75 000.*

FINANCIAL/BUDGET IMPLICATIONS

The lease will provide an annual income of \$21,140.00 plus GST and outgoings. The income before the discount would be \$30,200.00 plus GST.

ASSET MANAGEMENT IMPLICATIONS

The implications for this report are the ongoing management and administration required of the property.

ENVIRONMENTAL/PUBLIC HEALTH IMPLICATIONS

No environmental implications have been identified as a result of this report or recommendation.

COMMUNITY ENGAGEMENT

As a result of leasing the Premises to Communicare there will be various and continued positive community engagement implications.

ATTACHMENTS

1. Valuation v 014-25 Suites 1, 10, 13 & 16 Darius Wells, 2 (Lot 107) Robbos Way, Kwinana 10.02.25 ame [**18.4.1** - 19 pages]

18.5 MONTHLY FINANCIAL REPORT APRIL 2025

SUMMARY

The Monthly Financial Reports has been prepared and includes the monthly financial variance between actual and budget for the period ending 30 April 2025.

OFFICER RECOMMENDATION

That Council:

1. **Accepts the Monthly Statements of Financial Activity for the period ended 30 April 2025, as detailed at Attachment 18.5.1; and**
2. **Accepts the explanations for material variances for the period ended 30 April 2025, as detailed at Attachment 18.5.1.**

VOTING REQUIREMENT

Simple majority

DISCUSSION

The purpose of this report is to provide a monthly financial report in accordance with Section 6.4 of the *Local Government Act 1995*. This report is a summary of the financial activities of the City at the reporting date 30 April 2025 and includes the following key reporting data:

- Statement of Financial Activity by Nature or Type
- Statement of Financial Position
- Net Current Funding Position
- Outstanding debtors (Rates and Sundry Debtors)
- Capital Acquisitions
- Borrowings
- Cash Reserves
- Operating and Non-Operating Grants and Contribution

Closing Surplus Position

As of April 2025, the municipal surplus is \$28,810,151, exceeding the budgeted amount of \$19,192,931. This increase in surplus is primarily due to timing of income and expenditure which will be addressed in the May budget review.

Revenue Summary for April 2025

Year-to-date income for the period ending April 2025 is \$77,475,476, compared to the current budgeted income of \$75,506,248, resulting in a variance of \$1,969,228. This income includes revenue from capital grants, subsidies, and contributions.

Expenditure Summary for April 2025

The total expenditure for April 2025 was \$78,172,505, which is \$6,753,771 less than the current budget of \$84,926,276. This amount includes both operating and capital expenses, detailed as follows:

- Operating expenses: \$70,756,113
- Capital acquisitions: \$7,416,392

For detailed information on significant variances on operating and capital expenditure against the current budget, refer to Note 1 and Note 6 in the Monthly Financial Report attached as Attachment A.

Rates Receivables

For the 2024/2025 financial year, the rates notices were issued on 2 August 2024, whereas the previous year's issue date was 14 July 2023. As a result, 11.61% of the rates remain pending this year, compared to 6.95% at the same time last year. This difference is due to the later issuance of rates notices due to the transition of Rates Modules to Technology One.

Investment Summary

The City currently has \$ 97,002,311 in its investment portfolio, managed in accordance with the City's Investment Policy. A primary objective is to ensure these funds are invested in sustainable and ethical instruments that align with the City's Sustainability Framework initiatives. As of April 2025, 20.92% of the total portfolio is allocated to fossil fuel-free investments. For further information on the City's investment portfolio, please refer to Note 3 in the Monthly Financial Report attachment.

STRATEGIC IMPLICATIONS

There are no strategic implications as a result of this proposal.

SUSTAINABILITY FRAMEWORK

Sustainability Guiding Principle

3 - Thriving Local Economy

Sustainability Priority Area

3 - Liveability

LEGAL/POLICY IMPLICATIONS

Section 6.4 of the *Local Government Act 1995* requires a Local Government to prepare an annual financial statement for the preceding year and other financial reports as are prescribed.

Regulation 34 (1) of the *Local Government (Financial Management) Regulations 1996* as amended requires the Local Government to prepare monthly financial statements and report on actual performance against what was set out in the annual budget.

FINANCIAL/BUDGET IMPLICATIONS

Any material variances that have an impact on the outcome of the budgeted closing surplus position are detailed at Attachment A.

ASSET MANAGEMENT IMPLICATIONS

There are no asset management implications associated with this report.

ENVIRONMENTAL/PUBLIC HEALTH IMPLICATIONS

No environmental or public health implications have been identified as a result of this report or recommendation.

COMMUNITY ENGAGEMENT

There are no community engagement implications as a result of this report.

ATTACHMENTS

1. Monthly Financial Report April 2025 [**18.5.1** - 28 pages]

18.6 PROPOSED MANAGEMENT AGREEMENT - SMIRKS COTTAGE AT 2 BEACHAM CRESCENT, MEDINA - KWINANA HERITAGE GROUP INC

SUMMARY

The City of Kwinana (**City**) is the owner of historical Smirk's Cottage (**Cottage**) situated at 2 Beacham Crescent, Medina being part of Lot 115 on Deposited Land 189580. The Cottage dates back to 1902 and was home to early settlers of the region.

Since 1990, the City has collaborated with the Kwinana Heritage Group Inc (**KHG**) for the management of the Cottage on the City's behalf. As the most recent agreement expired in 2021, a new agreement is required to provide the framework for KHG's continued management of the site.

The proposed management agreement between the City and KHG covers Smirk's Cottage and the immediate surroundings, including gardens and landscaping, as well as the Museum, Soldiers Settler Cottage and other small buildings located on the site.

This report recommends Council resolve to enter into a new management agreement with KWH for a period of 5 years and the waiver of the subsequent fees associated with the creation of the agreement and the ongoing subsidised rent.

OFFICER RECOMMENDATION

That Council:

- a. **Approve the continued disposition by way of management agreement in relation to 2 Beacham Crescent, Medina being part of Lot 115 on Deposited Land 189580 for 5 years with the option to extend for a further 5 years to Kwinana Heritage Group Inc.**
- b. **Approve the waiver of the annual subsidised fee and the administration fee.**
- c. **Authorise the Chief Executive Officer and Mayor to execute the management agreement in relation to 2 Beacham Crescent, Medina being part of Lot 115 on Deposited Land 189580, between the City of Kwinana and the Kwinana Heritage Group Inc.**

VOTING REQUIREMENT

Absolute majority

DISCUSSION

The Kwinana Heritage Group Inc are incorporated association and registered charity. They have a long history of managing heritage facilities of the City. The group have been involved in the restoration of both Sloan's and Smirk's cottages and since the 1990's has been responsible for the management, operations and maintenance of these facilities, the arrangements for which have been previously formalised through agreements with the City.

The most recent management agreement between the City and KHG expired in June 2021. The previous agreement coupled with the financial support the City offers has seen the area well preserved. KHG conduct public open days to increase awareness of the site and its heritage related contents along with school and group visits for other interested parties.

Under the new agreement KHG will be responsible for the management and coordinate bookings for appropriate community use, ensure hirers comply with the City's hire conditions, and use funding solely for delivering these services and related costs. Additionally, the Association must maintain the Cottages in a clean, safe, and tidy condition and ensure all City-owned fixtures and fittings remain in good repair. Funding is to be used by the Association solely for the provision of Services by them and associated costs, including but not limited to their utilities expenses and mutually agreed capital works to the Premises.

Smirk's cottage is located at Beacham Crescent Medina. Located on site are Smirk's Cottage, a Museum, the Solder's Settler Cottage, and a number of storage sheds. The site is surrounded by lawns and gardens.

This management agreement does not require advertising as per the *Local Government Act 1995* section 3.58, as they are exempt under regulation 30(2)(b)(i) of the *Local Government (Functions and General) Regulations 1996*.

The A/Manager Community Engagement has authorised the waiver of the subsidised rent and administration fee, given that the City currently provides financial support to the organisation through an annual grant. As such, it is considered inefficient for the City to provide funding and subsequently recover a portion of it through internal charges.

STRATEGIC IMPLICATIONS

Outcome: Quality of Life / Ngalang moorditj wirrin (Our strong spirit)
Objective: Improved health and wellbeing
Action in CBP: Implement the Arts and Culture Strategy

Outcome: Quality of Life / Ngalang moorditj wirrin (Our strong spirit)
Objective: Enhanced public spaces

Action in CBP: Implement the Heritage Plan

How does this proposal achieve the outcomes and strategic objectives?

By providing a local point of interest and meeting place which will attract likeminded people to interact

SUSTAINABILITY FRAMEWORK

Sustainability Guiding Principle

- 1 - Social Inclusion
- 2 - Community Wellbeing

Sustainability Priority Area

- 4 - Engagement and Social Inclusion

How does this proposal achieve the guiding principle and priority area?

By providing a local point of interest and meeting place which will attract likeminded people to interact

LEGAL/POLICY IMPLICATIONS

The *Local Government Act 1995* provides as follows:

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.*

The *Local Government (Functions and General) Regulations 1996* provides as follows:

30. Dispositions of property excluded from Act s. 3.58

- (1) *A disposition that is described in this regulation as an exempt disposition is excluded from the application of section 3.58 of the Act.*
- (2) *A disposition of land is an exempt disposition if —*
 - (a) *the land is disposed of to an owner of adjoining land (in this paragraph called the transferee) and —*
 - (i) *its market value is less than \$5 000; and*
 - (ii) *the local government does not consider that ownership of the land would be of significant benefit to anyone other than the transferee;*
 - Or*
 - (b) *the land is disposed of to a body, whether incorporated or not -*

- cultural,
- (i) the objects of which are of a charitable, benevolent, religious, educational, recreational, sporting or other like nature; and
 - (ii) the members of which are not entitled or permitted to receive any pecuniary profit from the body's transactions;
- Or
- (c) the land is disposed of to —
 - (i) the Crown in right of the State or the Commonwealth; or
 - (ii) a department, agency, or instrumentality of the Crown in right of the State or the Commonwealth; or
 - (iii) another local government or a regional local government;
 - or
 - (d) it is the leasing of land to an employee of the local government for use as the employee's residence; or
 - (e) it is the leasing of land for a period of less than 2 years during all or any of which time the lease does not give the lessee the exclusive use of the land; or
 - (f) it is the leasing of land to a person registered under the Health Practitioner Regulation National Law (Western Australia) in the medical profession to be used for carrying on his or her medical practice; or
 - (g) it is the leasing of residential property to a person.
- (2a) A disposition of property is an exempt disposition if the property is disposed of within 6 months after it has been —
- (a) put out to the highest bidder at public auction, in accordance with section 3.58(2)(a) of the Act, but either no bid is made or any bid made does not reach a reserve price fixed by the local government; or
 - (b) the subject of a public tender process called by the local government, in accordance with section 3.58(2)(b) of the Act, but either no tender is received or any tender received is unacceptable; or
 - (c) the subject of Statewide public notice under section 3.59(4) of the Act, and if the business plan referred to in that notice described the property concerned and gave details of the proposed disposition including —
 - (i) the names of all other parties concerned; and
 - (ii) the consideration to be received by the local government for the disposition; and
 - (iii) the market value of the disposition as ascertained by a valuation carried out not more than 12 months before the proposed disposition.
- (2b) Details (see section 3.58(4) of the Act) of a disposition of property under subregulation (2a) must be made available for public inspection for at least 12 months from the initial auction or tender, as the case requires.
- (3) A disposition of property other than land is an exempt disposition if —
- (a) its market value is less than \$20 000; or
 - (b) it is disposed of as part of the consideration for other property that the local Government is acquiring for a consideration the total value of which is not more, or worth more, than \$50 000.

FINANCIAL/BUDGET IMPLICATIONS

Current funding agreement to support Kwinana Heritage Group Inc to continue and the waiver of the administration fee and annual subsidised rental amount for the duration of the agreement.

ASSET MANAGEMENT IMPLICATIONS

The implications of this report are the establishment of clear responsibilities, ensuring the site's preservation and continued public access while aligning with legal, cultural, and financial considerations.

ENVIRONMENTAL/PUBLIC HEALTH IMPLICATIONS

No environmental implications have been identified as a result of this report or recommendation

COMMUNITY ENGAGEMENT

The Local History Officer and the Community Development officer, Arts & Culture have been consulted regarding any specific heritage clauses which may need to be included for perseverance and maintenance of the site. This agreement will be created in harmony with the ongoing Service Funding Agreement.

ATTACHMENTS

Nil

18.7 ACCOUNTS FOR PAYMENT FOR THE MONTH ENDED 31 MAY 2025

SUMMARY

The purpose of this report is to present to Council a list of accounts paid under delegated authority for the month ended 31 May 2025 as required by the *Local Government (Financial Management) Regulations 1996*.

OFFICER RECOMMENDATION

That Council:

1. **Accepts the list of accounts, totalling \$7,590,529.33 paid under delegated authority in accordance with Regulation 13(1) of the *Local Government (Financial Management) Regulations 1996* for the period ended 31 May 2025, as detailed at Attachment 18.7.1.**
2. **Accepts the detailed transaction listing of credit card expenditure paid for the period ended 31 May 2025, as detailed at Attachment 18.7.2.**

VOTING REQUIREMENT

Simple majority

DISCUSSION

Council has delegated, to the Chief Executive Officer, the exercise of its power to make payments from the City's Municipal and Trust funds. In accordance with Regulation 13 of the *Local Government (Financial Management) Regulations 1996* a list of accounts paid is to be provided to Council, where such delegation is made.

The following table summarises the payments for the period by payment type, with full details of the accounts paid contained within Attachment 18.7.1.

| Payment Type | Amount (\$) |
|--------------------------------|------------------------|
| Automatic Payment Deductions * | \$ 51,073.56 |
| Cheque | \$ 538.80 |
| EFT Payments | \$ 5,841,948.99 |
| Payroll Payments | \$ 1,696,967.98 |
| Total Attachment 18.7.1 | \$ 7,590,529.33 |

*Automatic Payment deductions include a payment of **\$20,622.49** for credit card payments. A detailed transaction listing of credit card expenditure paid for the period ended 31 May 2025, is included at Attachment 18.7.2.

A detailed listing of May 2025 payments, including short descriptions for each payment, is provided in Attachment 18.7.1.

STRATEGIC IMPLICATIONS

Outcome: Quality of Life / Ngalang moorditj wirrin (Our strong spirit)
Objective: Thriving local economy

N/A - There is no specific action in the CBP, yet this report will help achieve the indicated outcomes and strategic objectives.

SUSTAINABILITY FRAMEWORK

Sustainability Guiding Principle

3 - Thriving Local Economy

Sustainability Priority Area

3 - Liveability

LEGAL/POLICY IMPLICATIONS

Regulation 13 of the *Local Government (Financial Management) Regulations 1996* states:

- 13. Payments from municipal fund or trust fund by CEO, CEO's duties as to etc.**
- (3) *If the local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing for each account paid since the last such list was prepared —*
- (b) the payee's name; and*
 - (b) the amount of the payment; and*
 - (b) the date of the payment; and*
 - (b) sufficient information to identify the transaction.*
- (3) *A list of accounts for approval to be paid is to be prepared each month showing*
- (b) for each account which requires council authorisation in that month —*
 - (iii) the payee's name; and*
 - (iii) the amount of the payment; and*
 - (iii) sufficient information to identify the transaction, and*
 - (b) the date of the meeting of the council to which the list is to be presented.*
- (3) *A list prepared under sub-regulation (1) or (2) is to be —*
- (b) presented to the council at the next ordinary meeting of the council after the list is prepared; and*
 - (b) recorded in the minutes of that meeting.*

FINANCIAL/BUDGET IMPLICATIONS

All expenditure included in the list of payments is in accordance with City's annual budget.

ASSET MANAGEMENT IMPLICATIONS

There are no asset management implications that have been identified as a result of this report.

ENVIRONMENTAL/PUBLIC HEALTH IMPLICATIONS

There are no implications on any determinants of health as a result of this report.

COMMUNITY ENGAGEMENT

There are no community engagement implications as a result of this report.

ATTACHMENTS

1. AP Payment Listing Summary - May 2025 [**18.7.1** - 9 pages]
2. Credit Card Transactions Report - May 2025 [**18.7.2** - 5 pages]

18.8 BUDGET ADOPTION 2025-2026

SUMMARY

To consider and adopt the proposed budget for the 2025-2026 financial year, together with supporting schedules, including imposition of rates and minimum payments, adoption of fees and charges, setting of Elected Members fees for the year, and other consequential matters arising from the budget papers.

The 2025/2026 budget has been prepared after taking into consideration the City's Strategic Community Plan (SCP), Long Term Financial Plan (LTFP), detailed business cases, various plans, and budget workshops. The presented budget for 2025/2026 is a balanced budget.

OFFICER RECOMMENDATION

That Council Adopts:

1. Budget

The 2025/2026 Budget as per Attachment 18.8.1 and Attachment 18.8.2, pursuant to the provisions of Section 6.2 of the Local Government Act 1995 and Part 3 of the Local Government (Financial Management) Regulations 1996 and includes the following statements:

- Statement of Comprehensive Income by Nature or Type showing a net deficit for that year of \$850,075.
- Statement of Cash Flows showing a net cash provided by operations of \$14,320,855 and net increase in cash held of \$22.
- Statement of Financial Activity, reflecting a balanced end of year position.
- Supporting notes to and forming part of the Statutory Budget.
- Capital Expenditure Budget by project showing a total of \$35,777,857. (including 2024/2025 carry forward projects of \$7,870,857).
- Transfers to/from Reserves as detailed on the Cash Backed Reserves Statement showing a 30 June 2026 closing balance of \$65,384,116.

2. Rates

The differential rates, based on zoning of the land and the purpose for which the land is held or used, with the imposition of the following rates in the dollar and minimum payments for the 2025/2026 financial year:

| Rating Category | Minimum Payment (\$) | Rate in the Dollar (\$) |
|----------------------------------|----------------------|-------------------------|
| <i>GRV Rating Categories</i> | | |
| Improved Residential | 1,277 | 0.092441 |
| Improved Commercial & Industrial | 1,664 | 0.111470 |

| | | |
|------------------------------------|--------------|-----------------|
| Vacant | 1,277 | 0.202887 |
| <i>UV Rating Categories</i> | | |
| General Industry | 1,664 | 0.019275 |
| Rural | 1,277 | 0.004464 |
| Mining & Industrial | 1,664 | 0.009343 |

3. Waste Levy

Pursuant to the provisions of the Waste Avoidance and Resource Recovery Act 2007 Part 6, Division 3, section 67, levy a charge of \$414 in respect of the removal of the contents of three refuse bins from all properties, one being weekly collection of 140L bin for general waste, a fortnightly collection of 240L or 360L bin for recyclable material and one organic 240L bin.

4. Instalments

Pursuant to Section 6.45 of the Local Government Act 1995 and Regulation 64(2) of the Local Government (Financial Management) Regulations 1996, ADOPTS the following due dates for payment by instalments:

- a) one (1) instalment option (full payment) – Friday 29 August 2025.
- b) two (2) instalment option – first instalment Friday 29 August 2025 and second instalment Wednesday 16 January 2026.
- c) four (4) instalment option - first instalment Friday 29 August 2025, second instalment Friday 31 October 2025, third instalment Friday 16 January 2026, and fourth instalment Friday 27 March 2026.
- d) nineteen (19) fortnightly instalments (for direct debits only) commencing on Friday 29 August 2025; and
- e) thirty-nine (39) weekly instalments (for direct debits only) commencing on Friday 29 August 2025.

5. Instalment Interest

Pursuant to section 6.45(3) and 6.45(4)(e) of the Local Government Act 1995, impose interest of three percent (3%), as provided in regulation 68 of the Local Government (Financial Management) Regulations 1996, on all accounts where the owner elects to pay rates and charges by instalments, other than rates and charges attributable to a property owned by an entitled pensioner/senior under the Rates and Charges (Rebates and Deferments) Act 1992.

6. Penalty Interest

Pursuant to section 6.51(1) of the Local Government Act 1995, impose an interest rate of seven percent (7%), as provided in regulation 70 of the Local Government (Financial Management) Regulations 1996, and costs of proceedings to recover such charges, on all rates and charges that remain unpaid after becoming due and payable; either unpaid due to no election being made to pay the rates by instalments or alternative payment arrangements; or, where an election has been made to pay rates and charges by instalments or alternate payment arrangement and an instalment remains unpaid after it is due and payable [other than rates and

charges attributable to a property owned by an entitled pensioner/seniors under the Rates and Charges (Rebates and Deferments) Act 1992].

7. Sundry Debtor Interest

Pursuant to section 6.13 of the Local Government Act 1995, impose an interest rate of seven percent (7%), as provided in regulation 19A of the Local Government (Financial Management) Regulations 1996, on all money owed to the local government (other than rates and service charges) that is outstanding for more than 35 days after the date of issue of invoice.

8. Elected Members' Fees and Allowances

Councillor fees and allowances, as reviewed per the Western Australian Salaries and Allowances Tribunal and broken down as follows:

- a) Set the annual attendance fee at \$35,480 for 2025/2026, to be paid monthly in arrears to Councillors pursuant to section 5.98(1)(b) of the Local Government Act 1995, Regulation 30 of the Local Government (Administration) Regulations 1996 and the Western Australia Salaries and Allowances Tribunal Determination pursuant to Western Australian Salaries and Allowances Act 1975 section 7B;
- b) Set the annual attendance fee for the Mayor at \$53,215 for 2025/2026, to be paid monthly in arrears, pursuant to section 5.98(1)(b) of the Local Government Act 1995, Regulation 30 of the Local Government (Administration) Regulations 1996 and the Western Australia Salaries and Allowances Tribunal Determination pursuant to Western Australia Salaries and Allowances Act 1975 section 7B;
- c) Set the annual Mayoral Allowance at \$100,514 for 2025/2026, to be paid monthly in arrears, pursuant to section 5.98(5) of the Local Government Act 1995 and the Western Australia Salaries and Allowances Tribunal Determination pursuant to Western Australia Salaries and Allowances Act 1975 section 7B;
- d) Set the annual Deputy Mayoral Allowance at \$25,128 for 2025/2026, to be paid monthly in arrears, pursuant to section 5.98A(1) of the Local Government Act 1995 and the Western Australia Salaries and Allowances Tribunal Determination pursuant to Western Australia Salaries and Allowances Act 1975 section 7A and 7B; and
- e) Set an annual Information and Communications Technology Allowance of \$3,500 less any fees for usage of equipment for 2025/2026, to be paid monthly in arrears, pursuant to section 5.99A of the Local Government Act 1995 and the Western Australia Salaries and Allowances Tribunal Determination pursuant to Western Australia Salaries and Allowances Act 1975 section 7A and 7B.

9. Fees and Charges

Pursuant to section 6.16 of the Local Government Act 1995 and other legislation, adopts the fees and charges set out in Attachment 18.8.3.

10. Material Variance for 2025/2026 Financial Year

Adopts the following:

- a) In accordance with regulation 34(5) of the Local Government (Financial Management) Regulations 1996 adopts the level to be used in the monthly statements of financial activity in 2025/2026 for reporting material variances to be the greater of:**
 - I. 10%; or**
 - II. \$50,000.**

applicable to each revenue and expenditure item within the Nature or Type classification and capital income and expenditure.
- b) Authorises the Chief Executive Officer to adjust budget line values to manage over and under expenditures within the adopted budget, noting that any new operating or capital expenditure will require an amendment to the budget by Council.**

12. New Borrowings

Pursuant to section 6.20 of the Local Government Act 1995, authorise new borrowings of \$6,800,000 for the refurbishment of the City's Administration building.

13. New Reserves

Pursuant to section 6.11 of the Local Government Act 1995 authorise the following new Reserves accounts to be created:

Biodiversity Reserve – Purpose is to be used for the implementation of the Biodiversity Strategy.

Kwinana Recquatic Reserve - Purpose is to fund the refurbishment of the Kwinana Recquatic Centre.

VOTING REQUIREMENT

Absolute majority

DISCUSSION

A comprehensive review of the SCP was conducted during the financial year and is being recommended to be adopted at the 25 June 2025 Ordinary Council Meeting. The result of this major review significantly influences the Long Term Financial Plan (LTFP) and the budget, aligning it more closely with the expectations of our community

The Long Term Financial Plan (LTFP) for 2026-2035 has been updated to reflect various funding adjustments and project modifications that occurred during the financial year. The core principles of the LTFP focus on prioritising asset renewal, implementing minimal rate increases, and optimising services and projects for community benefit.

This budget maintains a strong emphasis on preserving the City's substantial asset base, which exceeds \$860 million in physical assets, to mitigate the risk of asset failure and the associated costs of repairs. Investing in asset renewals is vital for sustaining service levels to the community and ensuring public safety.

It is projected that the City will generate \$56,311,710 in rate income, including estimated interim rates, for the 2025/2026 financial year. Rate income constitutes 58% of the City's total revenue sources for this budget. Additional funding is derived from grants and contributions for operating and capital purposes (17%), fees and charges (17%), interest earnings (4%), and other revenue, such as reimbursements (1%).

2025/2026 Carried forward Projects

During May 2025, City officers undertook the April 2025 Budget Review. The main aim of the review is to account for any capital projects and operating projects that are forecasted to be incomplete at the end of the financial year and hence their expenditure together with relating fundings are to be carried forward to 2025/2026.

Several carry forwards totalling \$7,870,857 have been included in the current capital budget are listed below:

| Capital Expenditure | Amount | Comments |
|--|-----------|---|
| Plant Replacement Program - Plant | 315,000 | Due to delays in delivery |
| 2024/25 Plant Replacement Program - Light Fleet | 36,000 | Due to delays in delivery |
| 2024/25 Plant Replacement Program – Plant | 146,000 | Due to delays in delivery |
| Parks Upgrade Apex Park | 140,892 | Costs have escalated, requiring a project rescope. |
| Kwinana Loop Trail Upgrade | 3,448,436 | Project at the initial stage of Procurement Planning |
| Honeywood Oval - Pump Track Wandi Youth - LRCI 4 | 110,000 | Concrete work cannot be carried out in wet weather; therefore, delivery must be delayed until September. |
| Animal Shelter – design | 53,300 | Finding an available contractor has been challenging |
| 2 Stidworthy Court (DoH) | 30,000 | Project has not yet commenced |
| Business Incubator - Roof plumbing - Gutters/Downpipes | 17,000 | Project has not yet commenced |
| Fiona Harris Pavilion - External repaint | 30,000 | To align with potential mural work to be completed by City Life |
| Mandogalup Fire Station - A/C | 25,000 | Mandogalup Fire AC preferred timing for works is July/August September, unable to plan in time for start of 2024/2025 FY. |
| Bright Futures - A/C | 14,800 | Project on hold pending decision about facility use |
| Zone Youth Centre - Ventilation Fans | 42,700 | Zone AC, wasn't able to schedule at a suitable time, summer weather ran longer than expected. |
| Civic Administration Centre - Upgrade or Renewal | 61,621 | Project is in design stage |

| | | |
|---|------------------|---|
| DCA 12 - Local Sporting Ground with Community Centre / Clubroom - Wellard West | 1,667,035 | Forecast expenditure to June as construction has not commenced. |
| Public Art for new facility - Local Sporting Ground with Community Centre / Clubroom - Wellard West | 28,800 | To commence once construction works is completed |
| Thomas Oval Changeroom Extension/Upgrade | 807,406 | Forecast approx. expenditure to June as construction has not commenced. |
| Public Art for new facility-Thomas Oval Changeroom Extension/Upgrade | 20,000 | To commence once construction works is completed |
| POS/Parks & Reserve Renewal - Rushbrook Park – Playground | 140,089 | Rushbrooke was delayed from the original program as the cost is significantly more than originally budgeted and required a variation. |
| Blackspot - Wellard Road and Henley Blvd Roundabout (stage 1) | 342,253 | The design work is complete, and the remaining budget will be allocated to construction in the next financial year. |
| Furniture & Fittings - Local Sporting Ground with Community Centre / Clubroom - Wellard West | 48,400 | To be purchased once construction works is completed in 2025/26 |
| Furniture & Fittings - Thomas Oval Changeroom Extension/Upgrade | 16,000 | To be purchased once construction works is completed in 2025/26 |
| Library -Replacement couches and chairs to replace existing furniture | 12,016 | Lead times on furniture mean delivery by 30 June unlikely |
| 100-110KVA trailer mounted generator | 40,000 | Works to commence in 2025/2026 to allow for additional funding to be granted |
| 2023/24 Kwinana Tennis Club Lighting Project | 12,000 | Works are still to be undertaken by the Club and the \$12K is the City's contribution towards the project. |
| DCA 5 - Galati Triangle, Honeywood oval | 206,109 | Works to commence in September 2025 |
| Partridge Pop-Up | 5,000 | To be reviewed in 2025/26 as budget is not sufficient |
| 156 Medina Ave External remedial repairs | 20,000 | 156 Media Ave has been on hold pending a decision on the future of the site. |
| Margaret Feilman - Structural Brickwork Remediation | 35,000 | Requires further planning to minimise disruption to tenant |
| | | |
| Totals | 7,870,857 | |

There was also a total of \$1,202,095 of operating projects that were incomplete in 2024/2025 and have been carried forward to 2025/2026 budget and includes:

- \$236,133 for various strategic projects
- \$215,000 for the balance of the Go Bin Project
- \$41,200 Waste illegal dumping action Plan and Natural Environment project

- \$748,466 for Youth services projects including ArcLight Initiative, Kwinana Early Years and Youth Social Justice Program.
- \$56,861 Strategic planning projects.

Forecast Carried Forward Surplus

The projected opening surplus for the 2025/2026 fiscal year is \$2,654,277, primarily attributed to the carryover of capital projects and key operating initiatives. This estimation also assumes that 75% of Financial Assistance Grants will be prepaid by the Federal Government of \$1,779,978 and an estimated closing position of \$874,299 for carry-forward expenditure. The closing surplus for the 2024/2025 fiscal year is an estimate, as is the forecast for carry forward projects. These estimates will be submitted to the Council for review following the annual audit of the 2024/2025 Annual Financial Statements. The current estimates are deemed reasonable for calculating the opening surplus for 2025/2026.

Rating Strategy and Rates

The LTFP is a strategic document designed to ensure the financial sustainability of the City for at least 10 years. Following the successful grant application of a \$17 million Federal grant for the renewal and upgrade of the Recquatic Centre and the City Centre Precinct Plan, a review of the LTFP was prompted. The total combined cost for the refurbishment of the Recquatic centre and the Precinct Centre Plan is forecasted to be \$41 million. The LTFP review will bring forward the refurbishment of the Recquatic Centre and will assist the City achieving the 80% asset sustainability target as set in the 2025-2035 Strategic Community Plan. This project played a key role in determining the 4.5% rate increase that was proposed at the 16 April 2025 Ordinary Council Meeting.

The LGCI as published by WALGA in April 2025 is forecasted at 3.3% for 2025/2026 financial year. Although the LGCI is projected at 3.3%, City officers recommend a 4.5% increase to maintain the renewal ratios for 2025/2026 as discussed below:

- Major infrastructure projects require an additional 0.9% rate increase to finance the repayment of a loan in 2027 for the refurbishment of the Recquatic Centre. The remaining 0.3% of the increase will be allocated to the Asset Management Reserve for maintaining City assets in line with the City's asset management plans. The current level of the asset management reserve is insufficient to sustain the maintenance of the City's diverse and ageing assets.
- Additionally, the effect of low rate increases in previous years, which were below both the CPI and the LGCI, contributes to the recommendation of a 4.5% increase.

The Kwinana Recquatic Centre is ageing and therefore the City officers believe that the proposed rates increases are necessary to ensure the long-term sustainability and proper management of the City's assets and infrastructure. The City plans to also review its operational efficiencies to ensure funding is available for asset renewal without affecting the level of service. An overall rates levy of 4.5% is proposed, which will generate rates income of \$56,311,710.

The following rating categories, rates in the dollar and minimum payments for 2025/2026 were endorsed for advertising at the 16 April 2025 OCM meeting:

| Rating Category | Minimum Payment (\$) | Rate in the Dollar (\$) |
|----------------------------------|----------------------|-------------------------|
| GRV Rating Categories | | |
| Improved Residential | 1,277 | 0.092441 |
| Improved Commercial & Industrial | 1,664 | 0.111470 |
| Vacant | 1,277 | 0.202887 |
| UV Rating Categories | | |
| General Industry | 1,664 | 0.021203 |
| Rural | 1,277 | 0.005518 |

| | | |
|---------------------|-------|-----------------|
| Mining & Industrial | 1,664 | 0.009823 |
|---------------------|-------|-----------------|

However, the following rates are proposed to be the final recommended rates for 2025/2026 and the reason for the change is stated below:

| Rating Category | Minimum Payment (\$) | Rate in the Dollar (\$) |
|----------------------------------|----------------------|-------------------------|
| GRV Rating Categories | | |
| Improved Residential | 1,277 | 0.092441 |
| Improved Commercial & Industrial | 1,664 | 0.111470 |
| Vacant | 1,277 | 0.202887 |
| UV Rating Categories | | |
| General Industry | 1,664 | 0.019275 |
| Rural | 1,277 | 0.004464 |
| Mining & Industrial | 1,664 | 0.009343 |

The rate in the dollar for UV rating categories has decreased due to the delayed update of the annual UV valuation. Had the rate not been updated, UV-rated properties would have experienced rate increases exceeding 4.5%, potentially reaching up to 6%. The late upload of the UV valuation was a result of the implementation of a new rating system. This issue is a one-time occurrence and has been addressed for future updates.

In accordance with section 6.35(3) of the *Local Government Act 1995*, the local government is to ensure that not more than 50% of the total of separately rated properties in the district or 50% of the number of properties in each category, are on the minimum rate. The 2025/2026 Vacant differential rate category has more than 50% of vacant properties on the minimum payment, requiring Ministerial approval, which has been provided.

In accordance with section 6.33(3) of the *Local Government Act 1995* the local government is not to, without the approval of the Minister, impose a differential general rate which is more than twice the lowest differential general rate imposed by it. Based on the proposed advertised differential rates, the City has received approval of the Minister to impose differential rates for:

1. UV General Industry rate in the dollar is more than twice the value of the lowest UV rating category, Rural.
2. GRV Vacant rate in the dollar is more than twice the value of the lowest GRV rating category, Improved Residential.

Rates Payment Options and Hardship Relief

Penalty interest is being maintained at 7%, according to *Regulation 70 of the Local Government (Financial Management) Regulation 1996* which stipulates that the maximum interest rate can be 11%.

Additionally, the City is maintaining a reduced interest rate of 3% on instalment plan options, despite *Regulation 68 of the Local Government (Financial Management) Regulation 1996* recommending a maximum rate of 5.5%. This reduced penalty interest and interest rates on instalment plan aim to assist residents facing difficulties in the current economic conditions.

The City offers a choice of options to pay rates, including a direct debit system that can be utilised to pay rates, waste fees and the State Government's Emergency Services Levy, in weekly (39 payments) or fortnightly (19 payments) repayment options.

The City continues to ensure the Hardship Policy is accessible to all ratepayers that are in financial stress or in a position of vulnerability.

Employee Costs

Employee costs, comprising 37% of total expenditure, have risen by 7.6% when compared to the recent budget review for April where total salary was \$33,305,996. An analysis of the increase is due to:

- Salary increase of equivalent of 5.5% for the new year. This increase is subject to ongoing negotiations of the City's Industrial Agreement, which began late last year and remain unresolved. The current proposal includes a 3% salary increase, 3 additional days of annual leave (equivalent to 1.1%), and the reinstatement of leave loading (equating to 1.4%). This agreement is intended to cover a three-year period but may be subject to change. Any updates to the Industrial Agreement negotiations will be updated in the subsequent budget reviews.
- New staff constitutes an additional 1% of the total staff increase and includes a 1.5 Full-Time Equivalent (FTE) dedicated to community safety, which has been identified as a key priority during the SCP consultation process. Although requests for new staff have been restricted, the increasing demand for services and projects necessitates staff increases to ensure service levels are maintained.
- In the 2025/2026 period, superannuation contributions will be increased by 0.5%, resulting in a mandatory contribution rate of 12%.
- An increase in annual leave expenditure of 0.6% which will be funded from the Employee Leave Reserve.

Capital Expenditure

Total capital expenditure for 2025/2026 is \$35,777,857 with \$9,455,049 being funded from non-operating grants and contributions. The balance of the funding for the capital works program is from sale of assets, reserve funds, borrowings, and municipal fund. The detailed capital expenditure is as per Appendix 1 of Attachment B.

Apart from the ongoing capital renewal projects this year there has been a significant increase in major capital projects which includes the renewal of the Administration building, Kwinana Loop Trail, Wellard West Community Facility, Recquatic Centre, Kwinana City Centre Precinct Plan and Thomas Oval changeroom upgrade. Further details of these projects totalling \$21,567,781 are provided below:

- **Wellard West Community Facility (\$5,163,234)**

The Wellard West Community Facility will address community infrastructure needs at the Wellard West Sportsground (McWhirter Oval). Construction has commenced with completion scheduled for March 2026. The architects have designed the facility to ensure the best value for money outcome while meeting community needs. Sustainability is a priority, with the building incorporating energy-efficient features such as solar power. Functionality and user flow have been carefully considered to maximize community access, with separate areas designated for sporting and community use. The estimated construction cost is \$6,418,728 and is funded from the Developer Contributions Reserve (DCA12).

- **Administration Building Renewal/Upgrade (\$8,718,239)**

Construction is scheduled to commence on the civic and administration building, late 2025 to early 2026. The aging facility was scheduled for substantial renewals of components with major expenses including over \$1.5 million for an overdue HVAC system replacement, which will also necessitate replacing the ceiling and adding insulation. The fire alarm system is also at the end of its life, causing frequent false alarms due to corrosion. Overall, approximately \$5 million will be needed over the next 10 years to address these issues, with most of the funding required in the next few years.

The refurbishment aligns with community feedback from the City Centre Precinct Structure Plan consultation which highlighted support to retain the Administration Building at the current site provide a 'like-new' building within the City's funding capacity and retains the building's significant embodied carbon.

The estimated cost of the refurbishment will be \$9,020,000 which will be funded from the Asset Management Reserve with the remaining \$6,800,000 funded through a loan.

- **Kwinana Loop Trail (\$3,499,847)**

The Kwinana Loop Trail is a 21-kilometre circuit around the perimeter of the City of Kwinana. The City engaged consultants to develop a Master Plan which has identified the opportunity to improve the existing trail for mountain biking and hiking and opens the prospect to develop cultural tourism, interpretive signage and guided tours of significant Aboriginal sites and heritage assets along the trail. The total project budget is estimated to be around \$10 million, to be delivered in three stages.

Stage 1, scheduled for construction commencement in 2025/26 includes resurfacing, realignments and upgrade of directional signage and gates. The City has also appointed a Trails Officer for a period of 5 years to support the implementation of the Master Plan and oversee activations and promotion of the trail.

The estimated cost of Stage 1 construction is \$3,653,857 with \$3,500,000 funded from the Western Australia Government Outdoor Adventure Tourism package and the balance of the funds from municipal funds.

In 2025 re-elected Member for Brand Madeleine King committed \$2.5 million for the Kwinana Loop Trail's Stage 2 upgrade, planning for this phase has also commenced and will be included in future budgets.

- **Thomas Oval Changeroom Extension (\$2,636,961)**

In 2021, Madeline King MP pledged \$2.4m to fund construction of the Thomas Oval Changerooms, bringing the project forward from 2028 as listed in the Community Infrastructure Plan 2021 - 2031. Confirmation of the grant was received by the City in December 2023.

The design was considered with a particular focus on functionality for the end user and feedback sought from existing sports clubs, and regular and casual hirers at Thomas Hall. With a commitment to sustainability, the building incorporates energy efficiency with low carbon construction materials, natural ventilation, and lighting. The four changerroom spaces include treatment pods with direct access to outside the building.

The estimated cost of the construction is \$3,333,350 which will be funded from the Commonwealth of Australia, Department of Infrastructure, Transport, Regional Development, Communications, and the Arts (\$2.4m) and Developer Contributions (DCA12).

- **Kwinana Recquatic upgrade and Renew (\$1,033,000)**

In 2025 the City was successful in obtaining a Federal Grant of \$15 million for the renewal and upgrade of the Recquatic Centre which resulted in this project being brought forward. The total cost for the refurbishment of the Recquatic centre is forecasted to be \$37 million.

The proposed redevelopment of the Recquatic Centre involves enhancing the capacity of the existing site by expanding the aquatic areas. This includes an additional 25 x 12m warm water program pool that can cater for a range of activities such as learn-to-swim and group exercise activities. In addition, the redevelopment will include replacing, upgrading, and modernising a range of facility components to enhance functionality and useability, thereby driving a range of health, well-being and social outcomes.

- **Kwinana City Centre Precinct Plan (\$516,500)**

In 2025 the City was successful in obtaining a Federal Grant of \$2.1 million for the Kwinana City Precinct Plan which is estimated to cost approximately 4million.

The Kwinana City Centre precinct plan seeks to create a vibrant, accessible, and sustainable urban space for the growing community. This project will improve key connections between the civic precinct and city centre with new surface treatments, public art, and wayfinding. Public spaces will be enhanced with landscaping, seating, and strategic lighting. Water-sensitive design will boost sustainability and improve functionality of public spaces like The Grove. The project includes design elements that respond to the undulating terrain to enhance accessibility for Kwinana's diverse community. The project prioritises connectivity, amenity, and social cohesion to activate public spaces the community can be proud of.

Fees and Charges

Each Division has conducted a thorough review of the applicable fees and charges within their respective areas. Recommendations are presented within this report for Council's consideration as part of the Budget adoption process. The consolidated schedule of fees and charges, included in Attachment C, provides detailed descriptions of each fee, outlines how each fee or charge was calculated, specifies GST implications, and references any relevant legislation associated with the fee or charge.

Refuse Collection and Three Bin Garden Organic (GO) implementation

The waste service charge has been increased to \$414 for the 2025/2026 financial year, representing a 5.3% rise. This adjustment was necessary to meet the expenses associated with the City's waste management contracts, waste operations, and the implementation of the 3-bin Garden Organics (GO) service, which was successfully introduced this financial year. Most of the costs (75%) for the 3-bin roll-out was funded from the Refuse Reserve, with the remaining costs to be recouped over a three-year period, concluding in the 2026/27 financial year. The Refuse Reserve is unable to be used to fully fund the project as it is required for contaminated sites liabilities and future strategic waste management projects.

The service includes weekly collection of a 140L general waste bin, fortnightly collection of a 240L or 360L recycling bin and fortnightly collection of a 240L organic bin, in addition to five pre-booked verge collection service.

Swimming Pool Inspection Fee

The mandatory swimming pool inspection fee has been maintained at \$68.00 in the 2025/2026 financial year. The City has reviewed the cost of the swimming pool inspection fee and on average it costs the City \$272 per inspection. A swimming pool is inspected once every four years.

Budget Variations and Material Variances

To streamline administrative processes for City Officers and Council, it is suggested that budget variations submitted to Council be restricted to new operating and capital expenditures only. All deficits and surpluses for approved budget lines will be managed and authorised by the Chief Executive Officer.

Material variances between actual income and expenditure versus the current budget will continue to be reported in the Monthly Financial Report. City Officers are proposing a reporting material variance of 10% or \$50,000, whichever is greater, to be used in the monthly financial statements of financial activity.

New Borrowing

The loan for the refurbishment of the Administration Building amounting to \$6,800,000 was brought forward to the new financial year as 2024/25 was focused on the design of the building. The refurbishment is estimated to cost \$9,020,000. This loan has an indicative interest rate of 5.153% provided by West Australian Treasury Corporation for a 20-year loan term, with total interest amounting to \$4,175,515.

The additional loan will increase the City's total borrowings to \$13,796,373 from \$7,197,300 at the end of the financial year.

Reserves

The Reserve opening balance as of 1 July 2025, is estimated to be \$73,440,987, as noted in **Attachment 18.8.1** (note 9). This includes a transfer to the reserve of \$9,414,908 and a transfer out of the reserve of \$17,471,779, leaving an estimated closing balance of \$65,384,116.

Transfer to reserve

The transfer to reserve of \$9,414,908 includes the following material movements:

- Asset Management Reserve - \$1,500,944 of this amount is allocated for the Administrative Building renewal and future asset renewal expenditure.
- Plant and Equipment Replacement Reserve - \$575,000 relates to the transfer of proceeds from disposal of assets
- Information Technology Reserve \$120,000 for the replacement of future IT equipment.
- Refuse Reserve - \$450,634 relates to recoupment of the 3-bin Go Rollout project and operational savings.
- Interest on all reserves is forecasted to be \$2,330,000,000 for this financial year.
- Transfer of \$1500,000 to DCA1-15 for estimated new contributions for the year.
- Kwinana Recquatic Reserve transfer of \$2,556,644 from the asset management reserve. This is for monies that are being set aside for the refurbishment of the Recquatic Centre.

Transfer from reserve

A total of \$17,471,779 funds were transferred out of reserve and the items with significant movements are listed below:

- Asset Management Reserve (\$6,505,015) - \$244,932 for the renewal of various parks and infrastructure, \$1,785,200 for various building renewal initiatives as per the City's asset management plans, renovation of the Administration building for \$1,918,239, and \$2,556,644 transferred to the new Recquatic Reserve.
- Information Technology Reserve (\$730,000) – \$80,000 for replacement of IT hardware at Darius Wells library and Koorliny Arts Centre and \$650,000 for OneCouncil improvements
- Plant and Equipment Replacement Reserve (\$1,373,500) - \$646,500 relates to Light Fleet and \$727,000 are for other Plant items.
- Refuse Reserve (\$215,000) – This is the final balance for the 3-Bin Go Rollout project, which was implemented late this financial year.
- Renewable energy efficiency Reserve (\$150,125) - \$129,125 for installation of solar panels at city's own buildings and \$21,000 for revolving energy project.
- DCA12-Wellard West - \$5,163,234 for the major works at Wellard West Community Facility
- DCA 5 - \$206,109 for Galati triangle capital project.
- DCA 14 - \$715,876 relates to Thomas oval changeroom extension and \$87,805 for Wellard Village primary school feasibility study projects
- Leave Employment Reserve – transfer of \$300,000 for forecasted leave to be taken in 2025/2026
- Restricted Grant and Contributions reserve (\$956,916) – grants have met their contractual obligations, and the income is now recognised.
- Election Expense Reserve - transfer of \$174,360 to cover the costs associated with the election of elected members in the upcoming financial year.
- Valuation Expense Reserve - transfer of \$175,000 for the tri-annual valuation of GRV properties.

In this budget 2 additional reserves are being created to assist with expanding project, namely:

- Biodiversity Reserve, the purpose of this reserve is to be used for the implementation of the Biodiversity Strategy whose primary goal is to protect, enhance, and advocate for the

biodiversity of Kwinana, ensuring it remains a community asset for current and future generations.

- Kwinana Recquatic Reserve, whose primary purpose is to fund the refurbishment of the Kwinana Recquatic Centre.

STRATEGIC IMPLICATIONS

Outcome: Leadership / Boordiya Katidjin (Leader of knowledge)

Objective: Continuous improvement and efficiency

N/A - There is no specific action in the CBP, yet this report will help achieve the indicated outcomes and strategic objectives.

SUSTAINABILITY FRAMEWORK

Sustainability Guiding Principle

3 - Thriving Local Economy

Sustainability Priority Area

3 - Liveability

LEGAL/POLICY IMPLICATIONS

This Budget has been prepared in accordance with the *Local Government Act 1995*, the *Local Government (Financial Management) Regulations 1996* and *Australian Accounting Standards*.

Section 6.2 of the *Local Government Act 1995* requires the Local Government to prepare an annual budget not later than 31 August in each financial year.

Divisions 5 and 6 of Part 6 of the *Local Government Act 1995* refers to the setting of budgets and raising of rates and charges.

Section 67 of the *Waste Avoidance and Resource Recovery Act 2007* enables a local government to impose an annual charge for waster services.

Section 6.16 of the *Local Government Act 1995* requires Council to approves the City's Annual fees and charges.

Section 5. 5.98 and 5.98A of the *Local Government Act 1995* and Section 7B(2) of the *Salaries and Allowances Act* sets out the fees and allowances payable to the Council members, Deputy Mayor and Mayor.

FINANCIAL/BUDGET IMPLICATIONS

After considering all income and expenses and an estimated opening surplus this has resulted in a balanced budget for the City.

ASSET MANAGEMENT IMPLICATIONS

The allocation of funds towards the upgrading, renewal and maintenance of existing City assets in the budget is in line with the LTFP.

ENVIRONMENTAL/PUBLIC HEALTH IMPLICATIONS

Broad public health implications are identified as a result of this Budget. No specific environmental implications exist as a result of this recommendation that have not otherwise been identified.

COMMUNITY ENGAGEMENT

The Budget is based on the City's LTFP, which was developed in parallel with the Strategic Community Plan.

A comprehensive process of pre-engagement, community surveys and post engagement are used to develop these key strategic documents. Within the final consultation document, it was confirmed that the basis of rates would use the LGCI along with key new projects.

The proposed rates were advertised by local public notice in The West Australian newspaper on the 1 May 2025 and in the Sound Telegraph newspaper on 30 April 2025 and 7 May 2025, detailing each rate in the dollar and minimum payment. A submission period of 21 days was provided. Submissions closed at 5pm, 23 May 2024, and 161 submissions were received.

The City has received an increased number of submissions this financial year. Despite the increase in the volume of submissions, no submissions were received disputing the City's current differential rates and as such the City is pursuing its current Rating Strategy. A contributing factor to the increase in the number of submissions is the timing of the roll-out of the Go Bins.

ATTACHMENTS

1. D 25 22340 2025-2026 Statutory Budget [**18.8.1** - 32 pages]
2. D 25 22342 2025-2026 Statutory Budget Appendixes 1-3 [**18.8.2** - 7 pages]
3. D 25 22337 2025-2026 Fees and Charges [**18.8.3** - 56 pages]

18.9 LONG TERM FINANCIAL PLAN 2026-2035

SUMMARY

In accordance with section 5.56 of the Local Government Act 1995, Council is required to plan for the future of the district. As part of the integrated planning framework set out by the Department of Local Government, Sport and Cultural Industries, the Long Term Financial Plan balances the financial capacity of the City with the outcomes from the Strategic Community Plan (SCP), Corporate Business Plan (CBP), Community Infrastructure Plan, Workforce Plan, various plans and strategies and Asset Management Plans.

The Long-Term Financial Plan is an 'informing strategy' within the Integrated Planning and Reporting Framework and plays a vital role in prioritisation and integration, supporting the local government in current and future decision making. It enables the local government to achieve SCP and CBP outcomes, based on their resourcing capabilities, for the delivery of short, medium, and long-term community priorities. It is also an indicator of a local government's long term financial sustainability and allows early identification of financial issues and longer-term impacts. The LTFP highlights linkages between specific plans and strategies and enhances the transparency and accountability of the council to the community.

In June 2024, the Council adopted a 10-year LTFP covering 2025-2034. However, changes in the economic landscape and project adjustments due to successful funding rendered the assumptions of the 10-year LTFP outdated. Consequently, a revised Long-Term Financial Plan must be developed for the period from 2026 to 2035.

To ensure the LTFP remains relevant amidst economic uncertainties and shifting population dynamics, annual reviews of the plan will be conducted. This process will help the city address changing community needs and expectations, maintain essential services and programs, uphold capital renewal initiatives, and implement new capital projects, thereby ensuring Kwinana's overall financial sustainability.

A comprehensive review of the SCP was conducted during the 2024/2025 financial year and is expected to be adopted at the 25 June 2025 Ordinary Council Meeting. The result of this major review significantly influences the Long Term Financial Plan (LTFP), aligning it more closely with the expectations of our community.

OFFICER RECOMMENDATION

That Council adopt the Long Term Financial Plan 2025/2026 to 2034/2035 detailed in Attachment 18.9.1.

VOTING REQUIREMENT

Simple majority

DISCUSSION

The City of Kwinana's Long Term Financial Plan 2026-2035 is a comprehensive review of the 10-year Long Term Financial Plan. This plan forecasts the income and expenditure the City expects to

incur over the coming years. It is a crucial document to ensure that the City meets its objectives set by the Strategic Community Plan (SCP) while maintaining financial sustainability.

Consideration was given to the following areas when preparing this Strategic document:

- Current levels of services
- Introduction of new services
- New infrastructure
- Workforce growth
- Community growth

Assumptions must be made when creating a forward-looking plan. Therefore, the assumptions around growth and cost increases have been conservative, and this is reflected in the planned rate increases.

The City's rating and revenue strategy to tie rate increases to the Local Government Cost Index (LGCI) and any infrastructure projects aimed at improving the City's asset sustainability ratio is to ensure a consistent approach to rate increases. As costs increase for the City; labour, construction, contractors, utilities; the rate rises will mirror these increases.

The draft budget for 2025-2026 is used as the baseline data for the 10-year LTFP. Assumptions are then made to the baseline data, which are detailed in the attached report and a summary is provided below to project the budgets for future years. The Long-Term Financial Plan will be reviewed annually.

A summary of the key assumptions within the LTFP includes:

- Unless otherwise indicated through new proposals, service delivery levels are maintained at current levels (refer Appendix 3).
- All income and expenditure throughout the LTFP have been escalated based on relevant index rates.
- Rates are planned to increase by 4.5% for the first year to reflect the Local Government Cost Index (LGCI) plus the cost of new renewal projects, namely the Recquatic Centre (0.9%) and setting aside 0.3% for further asset renewals. Subsequent rate increases are set at 3.5% in 2026/27, 3.8% in 2027/28, 3.8% in 2028/29 and 3.7% for 2029/30 to 2031/32 and 3.5% for 2031/32 to 2034/35.
- Employee costs are determined by ongoing negotiations of the City's Industrial Agreement, which began late last year and remain unresolved. The current proposal includes a 3% salary increase, 3 additional days of annual leave (equivalent to 1.1%), and the reinstatement of leave loading (equating to 1.4%). This agreement is intended to cover a three-year period but may be subject to change. Any updates to the Industrial Agreement negotiations will be reflected in next year's LTFP.
- Staff numbers have increased conservatively reflecting the growing population and expanding services provided by the City (refer Appendix 4).
- The Superannuation Guarantee is set at a fixed percentage of 13% for the Long-Term Financial Plan (LTFP) and includes the City of Kwinana's Industrial Agreement to provide an additional co-contribution of 1%.
- Fees and Charges have been increased by the LGCI.
- Interest earnings have increased by the 5 year borrowing rates of WATC less one percent.
- Perth Consumer Price Index (CPI) and Local Government Cost Index (LGCI) have been estimated conservatively and used for the remainder of the costs.
- Loan Borrowings from WATC are based on WATC's 20-year and 25-year borrowing rates.

In addition to the above assumptions the following were some key additions to the LTFP:

- Federal grant funding of \$17.1 million was secured for the refurbishment of Kwinana Recquatic Centre and the City Centre Precinct Plan. As a result, the City has advanced these two projects totalling \$41 million, with design works scheduled to commence in 2025/2026 and construction late 2026 through to the end of 2027.
- Kwinana Loop Trail – Funding for Stage 2 of \$2.5m was obtained through a Federal Election Commitment.
- The City has been gifted 47 hectares of land, along with \$500,000 for design costs for the Regional Open Space during the recent State Election. The Kwinana Regional Open Space project presents a unique opportunity to address the sport and recreation needs of the South Metro Corridor for the next fifty-plus years. Design work for the Regional Open Space has been included in the LTFP and as this project progresses and the funding structure is established, it will be incorporated into future iterations of the Long-Term Financial Plan (LTFP).
- Splash Pad – A funding application to LotteryWest will be submitted for \$1.5m for the renewal of the splash pad at Adventure Park. This project has been included in the 2027 financials in the LTFP and is projected to be \$2.5 million in total costs.

Below are some of the key projects that have been included within the LTFP. It should be noted that some of these projects are still in the feasibility phase, and their project timelines are subject to change and will be subsequently refined during the annual review of the LTFP. These projects are:

- Wellard West Community Facility
- Administration Building
- Kwinana Loop Trail
- Thomas Oval Changerooms
- Recquatic Upgrade
- City Precinct Plan

The LTFP is a robust and dynamic document is continuously reviewed and aligned with the City's evolving strategies and plans, allowing for adjustment to changes in the external environments.

STRATEGIC IMPLICATIONS

Outcome: Leadership / Boordiya Katidjin (Leader of knowledge)
Objective: Accountable and ethical governance

N/A - There is no specific action in the CBP, yet this report will help achieve the indicated outcomes and strategic objectives.

SUSTAINABILITY FRAMEWORK

Sustainability Guiding Principle
3 - Thriving Local Economy

Sustainability Priority Area
3 - Liveability

LEGAL/POLICY IMPLICATIONS

Section 5.56 of the *Local Government Act 1995* states:

- (1) *A local government is to plan for the future of the district.*
- (2) *A local government is to ensure that plans made under subsection (1) are in accordance with any regulations made about planning for the future of the district.*

Section 6.2(2) of the *Local Government Act 1995* states:

In the preparation of the annual budget the local government is to have regard to the contents of the plan for the future of the district made in accordance with section 5.56 and to prepare a detailed estimate for the current year of —

- (a) the expenditure by the local government; and*
- (b) the revenue and income, independent of general rates, of the local government; and*
- (c) the amount required to make up the deficiency, if any, shown by comparing the estimated expenditure with the estimated revenue and income.*

The Integrated Planning and Reporting Long Term Financial Plan Guidelines issued by the Department of Local Government and Communities in September 2016 states:

To retain alignment with the Corporate Business Plan, the Long Term Financial Plan needs to be a rolling and iterative document that is subject to annual review. More substantial reviews occur in conjunction with the two-yearly Strategic Reviews, alternating between the Minor Strategic Review and the Major Strategic Review.

FINANCIAL/BUDGET IMPLICATIONS

The Long-Term Financial Plan (LTFP) is a component of the Integrated Planning and Reporting Framework and serves as an informing strategy for the City to assess its ability to deliver assets and services sustainably. It assists the City in setting priorities within its available resources to meet short, medium, and long-term community needs.

The LTFP highlights the City's long-term financial sustainability, enables early identification of financial issues and their long-term impacts, demonstrates the connections between specific plans and strategies, and improves transparency and accountability to the community.

Adopting the LTFP does not have direct financial implications for the Council. The Plan will serve as a reference when considering the budget for the next financial year. The LTFP is based on the 2025/26 Budget as the initial year of a 10-year rolling plan and is expected to be updated annually during the review and adoption of the Annual Budget.

ASSET MANAGEMENT IMPLICATIONS

The Long-Term Financial Plan (LTFP) addresses the funding gap related to asset renewal. A comprehensive 10-year capital programme has been developed to forecast capital expenditures. While the target investment ratio of 80% for asset renewal has been met in the initial years of the plan, a shortfall in achieving this target is evident in the later years. This shortfall is primarily due to the higher investment in new infrastructure compared to asset renewal, which presents a challenge for a growth council.

ENVIRONMENTAL/PUBLIC HEALTH IMPLICATIONS

A key aim of the Long-Term Financial Plan is to enhance the City's financial sustainability, which will in turn contribute to protecting/enhancing the City's built and natural environment and to improving resource efficiency.

COMMUNITY ENGAGEMENT

The LTFP is an internal planning tool used to support the City's broader strategic planning framework, and particularly the Strategic Community Plan which went through significant community consultation.

ATTACHMENTS

1. 2025-2035 Long Term Financial Plan Report [**18.9.1** - 32 pages]

19 NOTICES OF MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

20 NOTICES OF MOTIONS FOR CONSIDERATION AT THE FOLLOWING MEETING IF GIVEN DURING THE MEETING

21 LATE AND URGENT BUSINESS

22 REPORTS OF ELECTED MEMBERS

23 ANSWERS TO QUESTIONS WHICH WERE TAKEN ON NOTICE

24 MAYORAL ANNOUNCEMENTS

25 CONFIDENTIAL ITEMS

Nil

26 CLOSE OF MEETING