



A G E N D A

INTEGRATED PLANNING COMMITTEE MEETING

To Be Held

Wednesday, 8th March 2023

Commencing at 9.00am

At

Shire of Dardanup
ADMINISTRATION CENTRE EATON
1 Council Drive - EATON

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NOTICE OF AN INTEGRATED PLANNING COMMITTEE MEETING

Dear Committee Member

The next Integrated Planning Committee Meeting of the Shire of Dardanup will be held on Wednesday, 8th March 2023 to be held at the Eaton Administration Centre - commencing at 9.00am.

A handwritten signature in black ink, appearing to read "AS", is positioned above the name of the Chief Executive Officer.

MR ANDRÉ SCHÖNFELDT
Chief Executive Officer

Date: 3rd March 2023

Note: If interested persons would like to make comment on any items in this agenda, please email records@dardanup.wa.gov.au or hand deliver written comment to the Shire of Dardanup – Administration Centre Eaton, 1 Council Drive, Eaton. To be included in the meeting comments are to be delivered no later than 48 hours prior to the meeting.

The Chief Executive Officer will use his discretion as to whether the written comments are relevant and applicable to the meeting before approving their inclusion in the meeting.

VISION STATEMENT

“The Shire of Dardanup is a healthy, self-sufficient and sustainable community, that is connected and inclusive, and where our culture and innovation are celebrated.”

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Members of Integrated Planning Committee

- Cr MT Bennett
- Cr PS Robinson
- Cr L Davies
- Cr TG Gardiner
- Cr E Lilly
- Cr PR Perks
- Cr SL Gillespie
- Cr MR Hutchinson

Terms of Reference

The Terms of Reference for this Committee are located in the Tardis records system – refer to the following link:
[2021 - ToR Integrated Planning Committee](#)

COUNCIL ROLE

Advocacy	When Council advocates on its own behalf or on behalf of its community to another level of government / body /agency.
Executive/Strategic	The substantial direction setting and oversight role of the Council eg. Adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.
Legislative	Includes adopting local laws, town planning schemes and policies.
Review	When Council reviews decisions made by Officers.
Quasi-Judicial	When Council determines an application/matter that directly affects a person's rights and interests. The Judicial character arises from the obligations to abide by the principles of natural justice.

Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg: under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.

DISCLAIMER

“Any statement, comment or decision made at a Council or Committee meeting regarding any application for an approval, consent or licence, including a resolution of approval, is not effective as an approval of any application and must not be relied upon as such.

Any person or entity that has an application before the Shire must obtain, and should only rely on, written notice of the Shire's decision and any conditions attaching to the decision, and cannot treat as an approval anything said or done at a Council or Committee meeting.

Any advice provided by an employee of the Shire on the operation of a written law, or the performance of a function by the Shire, is provided in the capacity of an employee, and to the best of that person's knowledge and ability. It does not constitute, and should not be relied upon, as a legal advice or representation by the Shire. Any advice on a matter of law, or anything sought to be relied upon as a representation by the Shire should be sought in writing and should make clear the purpose of the request.”

RISK ASSESSMENT

Inherent Risk	The level of risk in place in order to achieve the objectives of the Council and before actions are taken to alter the risk's impact or likelihood.
Residual Risk	The remaining level of risk following the development and implementation of Council's response.
Strategic Context	These risks are associated with achieving Council's long term objectives.
Operational Context	These risks are associated with the day-to-day activities of the Council.
Project Context	Project risk has two main components: <ul style="list-style-type: none"> • Direct refers to the risks that may arise as a result of project, which may prevent the Council from meeting its objectives. • Indirect refers to the risks which threaten the delivery of project outcomes.

RISK CATEGORY CONSEQUENCE TABLE - GUIDELINE

Rating (Level)	Health	Financial Impact	Service Interruption	Legal and Compliance	Reputational	Environment
Insignificant (1)	Near miss Minor first aid injuries	Less than \$10,000	No material service interruption - backlog cleared < 6 hours	Compliance - No noticeable regulatory or statutory impact. Legal - Threat of litigation requiring small compensation. Contract - No effect on contract performance.	Unsubstantiated, low impact, low profile or 'no news' item	Contained, reversible impact managed by on site response
Minor (2)	Medical type injuries	\$10,001 - \$50,000	Short term temporary interruption – backlog cleared < 1 day	Compliance - Some temporary non compliances. Legal - Single minor litigation. Contract - Results in meeting between two parties in which one party expresses concern.	Substantiated, low impact, low news item	Contained, reversible impact managed by internal response
Moderate (3)	Lost time injury <30 days	\$50,001 - \$300,000	Medium term temporary interruption – backlog cleared by additional resources < 1 week	Compliance - Short term non-compliance but with significant regulatory requirements imposed. Legal - Single moderate litigation or numerous minor litigations. Contract - Receive verbal advice that, if breaches continue, a default notice may be issued.	Substantiated, public embarrassment, moderate impact, moderate news profile	Contained, reversible impact managed by external agencies
Major (4)	Lost time injury >30 days	\$300,001 - \$1.5 million	Prolonged interruption of services – additional resources; performance affected < 1 month	Compliance - Non-compliance results in termination of services or imposed penalties. Legal - Single major litigation or numerous moderate litigations. Contract - Receive/issue written notice threatening termination if not rectified.	Substantiated, public embarrassment, high impact, high news profile, third party actions	Uncontained, reversible impact managed by a coordinated response from external agencies
Catastrophic (5)	Fatality, permanent disability	More than \$1.5 million	Indeterminate prolonged interruption of services – non-performance > 1 month	Compliance - Non-compliance results in litigation, criminal charges or significant damages or penalties. Legal - Numerous major litigations. Contract - Termination of contract for default.	Substantiated, public embarrassment, very high multiple impacts, high widespread multiple news profile, third party actions	Uncontained, irreversible impact

RISK - LIKELIHOOD TABLE

LEVEL	RATING	DESCRIPTION	FREQUENCY
5	Almost Certain	The event is expected to occur in most circumstances	The event is expected to occur more than once per year
4	Likely	The event will probably occur in most circumstances	The event will probably occur at least once per year
3	Possible	The event should occur at some time	The event should occur at least once in 3 years
2	Unlikely	The event could occur at some time	The event could occur at least once in 10 years
1	Rare	The event may only occur in exceptional circumstances	The event is not expected to occur more than once in 15 years

LEVEL OF RISK GUIDE

CONSEQUENCE		Insignificant	Minor	Moderate	Major	Catastrophic
LIKELIHOOD		1	2	3	4	5
Almost Certain	5	Moderate (5)	Moderate (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	Moderate (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

SHIRE OF DARDANUP

AGENDA FOR THE SHIRE OF DARDANUP INTEGRATED PLANNING COMMITTEE MEETING TO BE HELD ON WEDNESDAY, 8TH MARCH 2023, AT SHIRE OF DARDANUP - ADMINISTRATION CENTRE EATON, COMMENCING AT 9.00AM.

1 DECLARATION OF OPENING/ANNOUNCEMENTS OF VISITORS

The Presiding Officer, Mr André Schönfeldt to declare the meeting open, welcome those in attendance and refer to the Disclaimer, Acknowledgement of Country, Emergency Procedure and the Affirmation of Civic Duty and Responsibility on behalf of Councillors and Officers

Acknowledgement of Country

The Shire of Dardanup wishes to acknowledge that this meeting is being held on the traditional lands of the Noongar people. In doing this, we recognise and respect their continuing culture and the contribution they make to the life of this region and pay our respects to their elders, past, present and emerging. The Shire of Dardanup also respects and celebrates all cultures of all our residents and those visitors to our Shire.

Affirmation of Civic Duty and Responsibility

Councillors and Officers of the Shire of Dardanup collectively declare that we will duly, faithfully, honestly and with integrity fulfil the duties of our respective office and positions for all the people in the district according to the best of our judgement and ability. We will observe the Shire's Code of Conduct and Standing Orders to ensure efficient, effective and orderly decision making within this forum.

Committee members acknowledge that only the Chief Executive Officer or a member of the Shire of Dardanup staff appointed by the Chief Executive Officer is to have contact with consultants and suppliers that are appointed under contract to undertake the development and implementation of projects.

The exception to this Policy is when there is a meeting of the committee or working group with the consultant and the Chief Executive Officer or the Chief Executive Officer's representative is present.

Members of committees acknowledge that a breach of this Policy may result in a request to Council to have them removed from the committee.

Emergency Procedure

In the event of an emergency, please follow the instructions of the Chairperson who will direct you to the safest exit route. Once outside, please proceed to the muster point located at the front of the building where we will meet (and complete a roll call).

2 RECORD OF ATTENDANCE/APOLOGIES

2.1 Attendance

2.2 Apologies

3 PRESENTATIONS

None.

4 CONFIRMATION OF MINUTES OF PREVIOUS MEETING

4.1 Minutes - Integrated Planning Committee – 13th April 2022

OFFICER RECOMMENDED RESOLUTION

THAT the Minutes of the Integrated Planning Committee Meeting held on 13th April 2022, be confirmed as true and correct subject to the following corrections:

5 ANNOUNCEMENTS OF MATTERS FOR WHICH MEETING MAY BE CLOSED

None.

6 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

None.

7 DECLARATION OF INTEREST

“Committee Members should fill in Disclosure of Interest forms for items in which they have a financial, proximity or impartiality interest and forward these to the Presiding Member before the meeting commences.”

Key Management Personnel (which includes Elected Members, CEO and Directors) are reminded of their requirement to disclose biannually transactions between Council and related parties in accordance with Council Policy CP039.

Note: Chairperson to ask Councillors and Staff if there are any Declarations of Interest to be declared

8 REPORTS OF OFFICERS

8.1 Title: *Elected Member Fees, Expenses & Allowances – 2023/24*

Reporting Department	<i>Corporate & Governance Directorate</i>
Responsible Officer	<i>Mr Phil Anastasakis - Deputy CEO</i>
Reporting Officer	<i>Mrs Natalie Hopkins - Manager Financial Services</i>
Legislation	<i>Local Government Act 1995</i>
Council Role	<i>Legislative.</i>
Voting Requirement	<i>Absolute Majority.</i>
Attachments	<i>Appendix IPC: 8.1A – Risk Assessment Tool</i>

Overview

Council is requested to review elected member fees and allowances as part of the formulation of the 2023/24 Corporate Business Plan, Long Term Financial Plan and Annual Budget.

Change to Officer Recommendation

No Change. **OR:**

As per *Local Government (Administration) Regulations 1996* 11(da) Council records the following reasons for amending the Officer Recommended Resolution.

OFFICER RECOMMENDED RESOLUTION TO THE INTEGRATED PLANNING COMMITTEE MEETING

THAT the Integrated Planning Committee recommends that Council:

- 1. Sets the Shire President and Elected Member 2023/24 Annual Attendance Fee at 75% of the prevailing maximum Band 3 value for the Shire of Dardanup applying from the 1st of July 2023, as determined by the Salaries and Allowances Tribunal.**
- 2. Sets the Shire President and Deputy Shire President 2023/24 Annual Local Government Allowance at 75% of the prevailing maximum Band 3 value for the Shire of Dardanup applying from the 1st of July 2023, as determined by the Salaries and Allowances Tribunal.**
- 3. Sets the Elected Member 2023/24 Annual Information and Communications Technology (ICT) Allowance in lieu of expense reimbursements, at 75% of the prevailing maximum Band 3 value for the Shire of Dardanup applying from the 1st of July 2023, as determined by the Salaries and Allowances Tribunal.**
- 4. Reimburse child care expenses at the lesser of actual cost or \$35 per hour (as determined by the Salaries & Allowances Tribunal). Reimbursement shall be made upon submission of documentary evidence that the expense has been incurred for child care expenses.**

5. Reimburse travel expenses upon documentary evidence of km's travelled or expense incurred in accordance with the *Local Government (Administration) Regulations 1996* and Council Policy CnG CP042 - Councillor Fees.

Background

The Salaries and Allowances Tribunal (SAT) is empowered to determine certain payments that are to be made or reimbursed to elected Council members.

Where the SAT has chosen to determine minimum and maximum amounts for fees, expenses or allowances, there is an obligation on Local Governments to set the amounts to be paid or reimbursed within the range determined.

Section 5.98 of the *Local Government Act 1995* (LGA) permits the reimbursement of prescribed expenses and the payment for Councillors to attend meetings and committees.

Meeting Attendance Fees are payable for the attendance at each meeting. SAT determines minimum and maximum fees.

SAT has determined four categories (or bands) and has assessed each Local Government to be categorised from Band 1 (largest Councils) through to Band 4 (smallest). The Shire of Dardanup has been categorised as a Band 3 Council.

Council is anticipating the 2023/24 Salaries and Allowances Determination will be released mid-April with an effective date of the 1st July 2023. There was an increase of 2.5% applied to the 2022/23 Salaries and Allowances, therefore it is anticipated a small increase around 1-2% may be applied from the 1st of July 2023.

The following table sets out the current minimum and maximum Meeting Attendance Fees as determined by the SAT on the 7th April 2022 for the 2022/23 financial year.

MINIMUM & MAXIMUM MEETING ATTENDANCE FEES – 2022/23		
BAND 3		
	Members other than President or Mayor	President or Mayor
Council Meeting (per meeting)	Minimum Fee - \$198 Maximum Fee - \$420	Minimum Fee - \$198 Maximum Fee - \$650
Committee Meeting (per meeting)	Minimum Fee - \$99 Maximum Fee - \$210	Minimum Fee - \$99 Maximum Fee - \$210
Annual Fee in Lieu of fees for attending meeting per s5.99 LGA	Minimum Fee - \$7,880 Maximum Fee - \$16,776	Minimum Fee - \$7,880 Maximum Fee - \$25,976

It has been the practice of Council to pay elected members an Annual Fee in lieu of an attendance fee for each Council meeting under s5.99 LGA.

MEETING ATTENDANCE FEES TO SHIRE OF DARDANUP ELECTED MEMBERS – 2022/23		
CURRENTLY PAID		
	Members other than the President	President
Annual Fee in Lieu of fees for attending meeting per s5.99 LGA	\$12,582 Equates to 75.0% of the Maximum Fee	\$19,482 Equates to 75.0% of the Maximum Fee

5.99. Annual fee for council members in lieu of fees for attending meetings

A local government may decide* that instead of paying council members a fee referred to in section 5.98(1), it will instead pay all council members who attend council or committee meetings —

- (a) the annual fee determined by the Salaries and Allowances Tribunal under the Salaries and Allowances Act 1975 section 7B; or
- (b) where the local government has set a fee within the range for annual fees determined by that Tribunal under that section, that fee.

* Absolute majority required.

In addition to the Meeting Attendance Fee, a President or Mayor may be paid an Annual Allowance in accordance with Section 5.98(5) and Section 5.98A of the LGA.

Deputies may also be paid an Annual Allowance being up to 25% of that payable to Presidents or Mayors. The following tables' set out the Annual Allowance for Band 3 as per the Salaries and Allowances Tribunal, and the Annual Allowance (Local Government Allowance) as adopted by Council for the 2022/23 financial year calculated as 75% of the Maximum Fee.

ANNUAL ALLOWANCE FOR PRESIDENT OR DEPUTY PRESIDENT – 2022/23		
BAND 3		
	President or Mayor	Deputy President or Mayor (up to 25% of President or Mayor)
Band 3 Allowance	Minimum Fee = \$1,051 Maximum Fee = \$37,881	Minimum Fee = \$263 Maximum Fee = \$9,470

ANNUAL ALLOWANCE FOR PRESIDENT OR DEPUTY PRESIDENT – 2022/23		
CURRENTLY PAID		
	President or Mayor	Deputy President or Mayor (up to 25% of President or Mayor)
Local Government Allowance	\$28,411 Equates to 75.0% of the Maximum Fee	\$7,103 Equates to 75.0% of the Maximum Fee

Members are entitled to be reimbursed for prescribed expenses in accordance with Section 5.98 of the LGA. In addition, Council may resolve to reimburse additional prescribed expenses.

Expenses that are required to be reimbursed are regulated as follows.

Expenses that are to be reimbursed — s. 5.98(2)(a) and (3)

(1) For the purposes of section 5.98(2)(a), the kinds of expenses that are to be reimbursed by all local governments are —

- (a) rental charges incurred by a Council member in relation to one telephone and one facsimile machine; and*
- (b) child care and travel costs incurred by a Council member because of the member's attendance at a Council meeting or a meeting of a committee of which he or she is also a member*

The extent to which telephone & fax line rentals referred to in sub-regulation (1)(a) can be reimbursed is the actual amount.

The extent to which child care costs referred to in sub-regulation (1)(b) can be reimbursed is the actual cost per hour or \$35.00 per hour (2022/23), whichever is the lesser amount.

The extent to which travel costs referred to in sub regulation (1)(b) can be reimbursed:

- (a) *if the person lives or works in the local government district or an adjoining local government district, is the actual cost for the person to travel from the person's place of residence or work to the meeting and back; or*
- (b) *if the person does not live or work in the local government district or an adjoining local government district, is the actual cost, in relation to a journey from the person's place of residence or work and back —*
 - (i) *for the person to travel from the person's place of residence or work to the meeting and back; or*
 - (ii) *if the distance travelled referred to in subparagraph (i) is more than 100 km, for the person to travel from the outer boundary of an adjoining local government district to the meeting and back to that boundary.*

Instead of reimbursing a particular type of expense, Council may resolve to pay an annual allowance that is within the prescribed range.

- *Allowances in lieu of reimbursement of telecommunications expenses:*

Elected Members are paid an annual Information and Communications Technology (ICT) Allowance of \$2,625 pa which is 75% of the prevailing maximum band value of \$3,500. The ICT allowance shall be paid in accordance with Section 5.99A of the Local Government Act. This allowance validates all costs relating to telephone usage including plans and contracts, rentals, mobile phones, mobile devices, extra telephone lines, call costs, internet service provider fees, and consumables incurred while performing the functions of a Councillor.

The minimum ICT annual allowance determined by SAT is \$500 per annum; the maximum being \$3,500 per annum (2022/23).

- *Allowances in lieu of reimbursement of travelling and accommodation expenses:*

The maximum annual allowance for travelling and accommodation expenses is the same amount as the amount to which a person would be entitled for those expenses in the same circumstances under the Public Service Award in accordance with Council Policy CnG CP042 – *Councillor Fees Policy*.

- *Reimbursements*

Council currently pays the following allowances and expense reimbursements.

- Travel / Accommodation - \$0.6866 per km (1600c to 2600cc), \$0.9554 (over 2600cc), \$0.5669 (under 1600cc) or actual cost incurred.
- Child Care – Maximum \$35 per hour.

Legal Implications

Only reimbursement of permissible expenditure and allowances up to prescribed amounts are payable in accordance with Section 5.98, 5.98A, 5.99 and 5.99A of the *Local Government Act 1995*.

Part 8 of the *Local Government (Administration) Regulations 1996* includes the provisions on which local government payments are made to elected members, refer Regulation 30, 31, and 32.

Council Plan

13.1 - Adopt best practice governance.

13.2 - Manage the Shire's resources responsibly.

14.2 - Ensure equitable, inclusive and transparent engagement and decision- making.

Environment - None.

Precedents

Council currently pays the following Elected Member fees:

ANNUAL ATTENDANCE FEE	
Shire President	\$19,482
Elected Members other than Shire President	\$12,582
ANNUAL LOCAL GOVERNMENT ALLOWANCE	
Shire President	\$28,411
Deputy Shire President	\$7,103
ALLOWANCES PER ANNUM	
Information and Communications Technology	\$2,625

REIMBURSEMENTS	
Travel / Accommodation	\$0.68 km or actual expense incurred
Child Care	Reimburse expenses up to a maximum of \$35 per hour

SAT undertakes an annual review of fees and allowances and publishes the new rates in April each year.

At the Integrated Planning Committee meeting held on the 9th of March 2022 [IPC: 03-22], and subsequent Ordinary Council meeting on the 23rd of March 2022, Council resolved [OCM: 55-22] to move the setting of Elected Members fees and allowances at a fixed 75 percentage of the prevailing published rate. This therefore enables allowances to increase in line with SAT percentage increases automatically.

THAT Council:

1. Sets the Shire President and Elected Member 2022/23 Annual Attendance Fee at 75% of the prevailing maximum band 3 value for the Shire of Dardanup applying from the 1st of July 2022, as determined by the Salaries and Allowances Tribunal.
2. Sets the Shire President and Deputy Shire President 2022/23 Annual Local Government Allowance at 75% of the prevailing maximum band 3 value for the Shire of Dardanup applying from the 1st of July 2022, as determined by the Salaries and Allowances Tribunal.
3. Sets the Elected Member 2022/23 Annual Information and Communications Technology (ICT) Allowance in lieu of expense reimbursements, at 75% of the prevailing maximum band 3 value for the Shire of Dardanup applying from the 1st of July 2022, as determined by the Salaries and Allowances Tribunal.
4. Reimburses child care expenses at the lesser of actual cost or \$30 per hour (as determined by the Salaries & Allowances Tribunal). Reimbursement shall be made upon submission of documentary evidence that the expense has been incurred for.
5. Reimburses travel expenses upon documentary evidence of km's travelled or expense incurred in accordance with the Local Government (Administration) Regulations 1996 and Council Policy CnG CP042 - Councillor Fees.

Part 4 of the Resolution was updated into the 2022/23 annual budget as child care expenses increased from \$30 per hour 2021/22 to \$35 per hour 2022/23, as per the Salaries and Allowances Tribunal determination dated the 7th of April 2022.

Council Policy *CnG CP042* adopted on the 28th of September 2022 [OCM: 243-22] incorporates the 75% of the maximum band value for Council Meeting Attendance Fees, Local Government Allowances, Reimbursement of ICT (Information and Communications Technology) Allowances.

Budget Implications

Each year Council includes in the annual budget the anticipated elected member fees, expenses and allowance based on 75% of the SAT Band 3 allowance, together with any increase determined by SAT.

Budget – Whole of Life Cost

As no new assets have been created, there are no direct whole of life or ongoing cost implications.

Council Policy Compliance

CnG CP042 Councillor Fees Policy was reviewed and amended in September 2022 which includes a provision of 75% of the Maximum Band Value for Councillor Fees and Allowances.

Risk Assessment

The Risk Management Governance Framework has been considered in arriving at the officer recommendation. Please refer to (Appendix IPC: 8.1A) for full assessment document.

Tier 2 – ‘Low’ or ‘Moderate’ Inherent Risk.	
Risk Event	Elected Member Fees, Expenses and Allowances – 2023/24
Inherent Risk Rating (prior to treatment or control)	Moderate (5 - 11)
Risk Action Plan (treatment or controls proposed)	As the Inherent Risk Rating is below 12, this is not applicable.
Residual Risk Rating (after treatment or controls)	As the Inherent Risk Rating is below 12, this is not applicable.
Risk Category Assessed Against	<p>Financial Elected Member & Staff Budget requests form part of the Annual Budget Process</p> <p>Legal and Compliance Risk of Council breaching the Local Government Act 1995 – Risk that the Member Fees, Expenses and Allowances is not adopted</p>

Officer Comment

Elected Member remuneration is reviewed annually by the Salaries and Allowances Tribunal. As at the reporting date, the SAT had not released the determination for Local Government Elected Members for payments and allowances effective 1st of July 2023.

In line with Council's decision, it is proposed that Council adopts the following set percentages for the Annual Attendance Fee, the Local Government Allowance, and the ICT Allowance for the 2023/24 financial year:

ANNUAL ATTENDANCE FEE		
	Current 2022/23	Proposed 2023/24
Shire President	\$19,482 equates to 75% of maximum band value (Band 3)	75% of the maximum band value (Band 3)
Councillors other than Shire President	\$12,582 equates to 75% of the maximum band value (Band 3)	75% of the maximum band value (Band 3)

LOCAL GOVERNMENT ALLOWANCE		
	Current 2022/23	Proposed 2023/24
Shire President	\$28,411 equates to 75% of maximum band value (Band 3)	75% of the maximum band value (Band 3)
Deputy Shire President	\$7,103 equates to 75% of maximum band value (Band 3 up to 25% of Shire President)	75% of the maximum band value (Band 3 = up to 25% of Shire President)*

* Deputies may also be paid an Annual Allowance being up to 25% of that payable to Presidents or Mayors.

ANNUAL INFORMATION & COMMUNICATIONS TECHNOLOGY (ICT) ALLOWANCE		
	Current 2022/23	Proposed 2023/24
All Councillors	\$2,625 per annum equates to 75% of maximum band value (Band 3)	75% of the maximum band value (Band 3)

The minimum ICT annual allowance for determined by SAT is \$500 per annum; the maximum being \$3,500 per annum (2022/23).

END REPORT

8.2 Title: Community Budget Request - 2023/24

Reporting Department	Corporate & Governance Directorate
Responsible Officer	Mr Phil Anastasakis - Deputy CEO
Reporting Officer	Mr Phil Anastasakis - Deputy CEO
Legislation	Local Government (Financial Management) Regulations 1996
Council Role	Executive/Strategic.
Voting Requirement	Simple Majority.
Attachments	Appendix IPC: 8.2A – Risk Assessment Tool Appendix IPC: 8.2B – AHOY Management Request

Overview

Council is to consider the community budget requests received as part of the development of the 2023/24 Annual Budget development process.

OFFICER RECOMMENDED RESOLUTION TO THE INTEGRATED PLANNING COMMITTEE MEETING

THAT the Integrated Planning Committee recommends that Council:

- Continues to financially support the following tourism groups, events and partnerships in the draft 2023/24 Annual Budget and Long Term Financial Plan 2023/24:**

	2023/24	2024/25	2025/26	2026/27
Ferguson Valley Marketing Inc – Operational Grant (plus up to \$6,000 operational costs which are now included in the lease and paid for by Council)	\$23,500	\$23,500	\$23,500	\$24,099
Tourism & Events Grants – (Contestable Grant on application for remaining funds after committed support for Bull & Barrel Festival \$10,500, Eaton Foreshore Festival \$3,000, and Dardanup Arts Spectacular \$11,500) - CP044	\$35,000	\$35,000	\$35,000	\$35,000
Bunbury Geographe Tourism Partnership	\$20,000	\$20,000	\$20,000	\$20,000
TOTAL	\$78,500	\$78,500	\$78,500	\$79,099

- Supports the investigation of a playground potentially being installed in the vacant space opposite the Dardanup shop;**
- Supports the installation of a Picnic Table at the Burekup Bump Track;**
- a) Supports the AHOY Management request for \$10,000 in funding for the 2023/24 Budget, with the funding to be utilised from the Tourism & Events Grants.**

OR

- b) Does not support the AHOY Management request for funding.**

Change to Officer Recommendation

No Change. **OR:**

As per *Local Government (Administration) Regulations 1996 11(da)* Council records the following reasons for amending the Officer Recommended Resolution:

Background

Under Section 6.2 of the *Local Government Act 1995*, Council is required to prepare and adopt an Annual Budget each year. Part of Council's process includes considering budget submissions from Community Groups to the Chief Executive Officer, which are to be received no later than 31st March each year (refer *Council Policy CnG CP018 – Corporate Business Plan & Long Term Financial Plan*).

Council advertised in the Bunbury Mail on the 19th January 2023 seeking submissions from community and not-for-profit community groups for the 2023/24 Budget closing on 17th February 2023.

Council has received the following Budget requests:

- Request from a resident of Burekup, Ms Sheridan Kirby requesting the installation of a Picnic Table at the Burekup Bump Track.
- A request has been received from Megan Panizza requesting that a playground be installed in the vacant space opposite the Dardanup shop. Ms Panizza's comments - *the Dardanup Bakery is attracting numerous visitors and there is a day care centre being developed next to the shop. A unique facility would be valid. Happy to provide a design for free.*
- Enquiry received from Ferguson Valley Marketing, who were advised that they did not need to submit a new budget request as Council had previously endorsed future funding for 4 years in the Long Term Financial Plan.
- AHOY Management has requested funding of \$10,000 on behalf of Lost & Found Festival 2023 (refer to Appendix IPC: 8.2B).

As an outcome of the Council meeting held on the 28th September 2022 [OCM Res:243-22], an additional \$10,000 was allocated for the Tourism & Events grants budget, which increased this budget from \$25,000 to \$35,000 per annum. This contestable grants budget under Policy CP044, provides funds for grants applications after committed support for Bull & Barrel Festival \$10,500; Eaton Foreshore Festival \$3,000; and Dardanup Arts Spectacular \$11,500.

Legal Implications

Local Government Act 1995

Local Government (Financial Management) 1996

Section 6.2 (4) of the *Local Government Act 1995* states:

6.2. *Local government to prepare annual budget*

(4) *The annual budget is to incorporate —*

(a) *particulars of the estimated expenditure proposed to be incurred by the local government;*

Part 2, Regulation 5 (1) (g) of the *Local Government (Financial Management) 1996* Regulation states:

5. *CEO's duties as to financial management*
- (1) *Efficient systems and procedures are to be established by the CEO of a local government —*
- (g) *to assist in the preparation of budgets, budget reviews, accounts and reports required by the Act or these regulations.*

Council Plan

13.1 - Adopt best practice governance.

13.2 - Manage the Shire's resources responsibly.

Environment - None.

Precedents

Each year as part of the budget / LTFP development process Councillors, community and staff are provided the opportunity to put forward budget requests for consideration. The 2023/24 budget and Long Term Financial Plan adopted by Council included specific allocations to community groups.

Budget Implications

Any approved Community Budget requests will be included in Council's four-year 2023/24 – 2026/27 Corporate Business Plan, and the 2023/24 Annual Budget.

Council's adopted Long Term Financial Plan includes the following contributions relating to tourism, and tourism related festivals, events and activities (excludes community, arts and cultural development programs and Australia Day events):

	2022/23	2023/24	2024/25	2025/26	2026/27
Ferguson Valley Marketing Inc – Operational Grant (plus up to \$6,000 operational costs which are now included in the lease and paid for by Council)	\$23,500	\$23,500	\$23,500	\$23,500	\$24,099
Tourism & Events Grants – (Contestable Grant on application for remaining funds after committed support for Bull & Barrel Festival \$10,500, Eaton Foreshore Festival \$3,000, and Dardanup Arts Spectacular \$11,500) - CP044	\$25,000	\$35,000	\$35,000	\$35,000	\$35,000
Bunbury Geographe Tourism Partnership	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
TOTAL	\$68,500	\$78,500	\$78,500	\$78,500	\$79,099

Budget – Whole of Life Cost

The Ferguson Valley Marketing Inc (FVM) group has received financial support from Council for many years. Based on the success of the FVM in growing membership and attracting grants from other agencies and sources, other requests may be forthcoming from the Board in the future.

Council Policy Compliance

The budget is based on the principles contained in the Council Plan which includes the Corporate Business Plan. *Policy CnG CP018 – Corporate Business Plan & Long Term Financial Plan* applies.

Policy Exec CP011 Tourism Policy recognises and provides support to Ferguson Valley Marketing Inc.

Risk Assessment

The Risk Management Governance Framework has been considered in arriving at the officer recommendation. Please refer to (Appendix IPC: 8.2A) for full assessment document.

Tier 2 – ‘Low’ or ‘Moderate’ Inherent Risk.	
Risk Event	Community Budget Requests – 2023/24
Inherent Risk Rating (prior to treatment or control)	Moderate (5 - 11)
Risk Action Plan (treatment or controls proposed)	As the Inherent Risk Rating is below 12, this is not applicable.
Residual Risk Rating (after treatment or controls)	As the Inherent Risk Rating is below 12, this is not applicable.
Risk Category Assessed Against	<p>Financial Community Budget requests form part of the Annual Budget Process.</p> <p>Reputational Shire brand can be impacted if Community requests are not provided</p> <p>Legal & Compliance Failure to comply with Council policy <i>CP 018 – Corporate Business Plan & Long Term Financial Plan</i> could result in non-compliance</p>

Officer Comment

Based on the previous decisions of Council and level of financial support included in the Corporate Business Plan and Long Term Financial Plan, it is recommended to continue to provide existing levels of financial support to the groups, events and activities as outlined in table within the Budget Implications section of this report.

END REPORT

8.3 Title: Events, Programs and Donations - 2023/24

Reporting Department	Corporate & Governance Directorate
Responsible Officer	Mr Phil Anastasakis - Deputy CEO
Reporting Officer	Ms Cassandra Budge - Manager Community Development
Legislation	Local Government Act 1995
Council Role	Executive/Strategic.
Voting Requirement	Simple Majority.
Attachments	Appendix IPC: 8.3 – Risk Assessment

Overview

This report summarises the Events and Activities program and donations proposed for the 2023/24 budget.

The Integrated Planning Committee is tasked with considering this program and recommending the inclusion of endorsed items in the 2023/24 budget and Long Term Financial Plan.

Change to Officer Recommendation

No Change. **OR:**

As per *Local Government (Administration) Regulations 1996 11(da)* Council records the following reasons for amending the Officer Recommended Resolution:

OFFICER RECOMMENDED RESOLUTION TO THE INTEGRATED PLANNING COMMITTEE MEETING

THAT the Integrated Planning Committee recommends that Council endorses the following 2023/24 Community Events, Library Programs and Donations and allocate funds within the 2023/24 draft budget and Long Term Financial Plan for these activities:

GL or Job #	Event or Program	2023/24 Proposed Budget: Expenditure	2023/24 Proposed Budget: Revenue
0817010	Personal Development Grants	\$10,000	
J11901	Events & Festivals <ul style="list-style-type: none"> • Spring Out Festival • Movies by Moonlight • Youth Week Event • Seniors Celebration Day • Enlighten 	\$60,000	\$10,000
J11902	Public Art Projects	\$20,000	
J11906	Australia Day Breakfast – Eaton	\$9,626	
J11907	Australia Day Breakfast – Burekup	\$1,294	
J11908	Australia Day Breakfast – Dardanup	\$3,105	
J11909	Citizenship Awards	\$2,000	
0812001	Annual School Awards	\$1,350	
0812003	School Chaplaincy	\$6,227	
1113501	South West Academy of Sports	\$5,100	
J08712	Youth Development Programs (CR 318-20)	\$5,000	

GL or Job #	Event or Program	2023/24 Proposed Budget: Expenditure	2023/24 Proposed Budget: Revenue
J08714	Minor/Community Event Assistance	\$10,000	
J11925	Community and Club Capacity Building Workshops & Activities	\$3,000	
J08713	School Holiday Workshops & Activities	\$4,500	
J11921	Community Events - Seniors Workshop & Activities	\$3,000	
J11922	Community Events - Youth Workshops & Activities	\$2,500	
J11923	Creative Workshops	\$1,500	
1116012	Library Programs Early Learning <ul style="list-style-type: none"> • Jo Jingles • Better Beginnings Program Children and Youth <ul style="list-style-type: none"> • Storytime • School Holidays Program • STEAM Workshops Adult Programming <ul style="list-style-type: none"> • Skills development workshops • Technology and digital literacy • Inclusive workshops • Local and Family History • Authors & Events <ul style="list-style-type: none"> • Author visits • Children’s book week • Summer Reading Challenge • 	\$33,000	
J11917	Place-making activities & Engagement <ul style="list-style-type: none"> • Summer Sounds in the Park • Outdoor wellness programs • Place activation initiatives • Night stalks • Sustainably Living Workshops 	\$25,000	\$10,000
1119501	Donation – Bunbury Regional Entertainment Centre	\$15,000	
1119504	Community Grants Scheme – \$8.31 per rateable assessment	\$26,598	
	TOTAL	\$247,900	\$20,000

Background

Under Section 6.2 of the *Local Government Act 1995*, Council is required to prepare and adopt an Annual Budget each year.

In an effort to provide greater information and transparency to Council in allocating funds towards community events, programs and donations, a report has been developed which provides an overview of all of proposed events, programs and donations that will be implemented by Council staff.

The events and programs are derived to meet the actions set-out in the Place and Community Plan that was received and endorsed by Council at its meeting on 16th December 2020 [349/20].

Legal Implications

Local Government Act 1995

Local Government (Financial Management) 1996

Section 6.2 (4) of the *Local Government Act 1995* states:

6.2. *Local government to prepare annual budget*

(4) *The annual budget is to incorporate —*

(a) *particulars of the estimated expenditure proposed to be incurred by the local government;*

Part 2, Regulation 5 (1) (g) of the *Local Government (Financial Management) 1996* Regulation states:

5. *CEO's duties as to financial management*

(1) *Efficient systems and procedures are to be established by the CEO of a local government —*

(g) *to assist in the preparation of budgets, budget reviews, accounts and reports required by the Act or these regulations.*

Council Plan

13.1 - Adopt best practice governance.

13.2 - Manage the Shire's resources responsibly.

Environment - None.

Precedents

Each year as part of the budget / LTFP development process, Councillors are provided the opportunity to consider and endorse the proposed community events, programs and donations proposed for the future budget year. Many of the community events, programs and donations has been running annually for a number of years.

Budget Implications

This agenda report itemises community, arts and cultural development events and programs and donations that are proposed to be included in the Council's four-year Corporate Business Plan, and the 2023/24 Annual Budget.

GL or Job #	Event or Program	2022/23 Budget Expenditure	2023/24 Proposed Budget: Expenditure	2023/24 Proposed Budget: Revenue
0817010	Personal Development Grants	\$10,000	\$10,000	
J11901	Events & Festivals <ul style="list-style-type: none"> • Spring Out Festival • Movies by Moonlight • Youth Week Event • Seniors Celebration Day • Enlighten 	\$80,000 with \$30,000 Revenue	\$60,000	\$10,000
J11902	Public Art Projects	\$19,000	\$20,000	
J11906	Australia Day Breakfast – Eaton	\$9,300	\$9,626	
J11907	Australia Day Breakfast – Burekup	\$1,250	\$1,294	
J11908	Australia Day Breakfast – Dardanup	\$3,000	\$3,105	
J11909	Citizenship Awards	\$2,000	\$2,000	
0812001	Annual School Awards	\$1,350	\$1,350	
0812003	School Chaplaincy	\$6,016	\$6,227	
1113501	South West Academy of Sports	\$5,100	\$5,200	
J08712	Youth Development Programs (CR 318-20)	\$10,000 with \$5,000 Revenue	\$5,000	
J08714	Minor/Community Event Assistance	\$25,000	\$10,000	
J11925	Community and Club Capacity Building Workshops & Activities	\$11,466 with \$8,466 Revenue	\$3,000	
J08713	School Holiday Workshops & Activities	\$4,500	\$4,500	
J11921	Community Events - Seniors Workshop & Activities	\$3,000	\$3,000	
J11922	Community Events - Youth Workshops & Activities	\$2,500	\$2,500	
J11923	Creative Workshops	\$1,500	\$1,500	
1116012	Library Programs <ul style="list-style-type: none"> Early Learning <ul style="list-style-type: none"> • Jo Jingles • Better Beginnings Program Children and Youth <ul style="list-style-type: none"> • Storytime • School Holidays Program • STEAM Workshops Adult Programming <ul style="list-style-type: none"> • Skills development workshops • Technology and digital literacy • Inclusive workshops • Local and Family History • Authors & Events <ul style="list-style-type: none"> • Author visits • Children’s book week • Summer Reading Challenge • 	\$33,000	\$33,000	
J11917	Place-making activities & Engagement <ul style="list-style-type: none"> • Summer Sounds in the Park • Outdoor wellness programs • Place activation initiatives 	\$27,272	\$25,000	\$10,000

GL or Job #	Event or Program	2022/23 Budget Expenditure	2023/24 Proposed Budget: Expenditure	2023/24 Proposed Budget: Revenue
	<ul style="list-style-type: none"> Night stalks Sustainably Living Workshops 			
1119501	Donation – Bunbury Regional Entertainment Centre	\$15,000	\$15,000	
1119504	Community Grants Scheme – \$8.31 per rateable assessment	\$25,574	\$26,598	
	TOTAL	\$295,828	\$247,900	\$20,000

Budget – Whole of Life Cost

As no assets are created, there are no whole of life costs to Council.

Council Policy Compliance

The budget is based on the principles contained in the Strategic Community Plan and Corporate Business Plan. Policy CnG CP018 – Corporate Business Plan & Long Term Financial Plan applies.

Risk Assessment

The Risk Management Governance Framework has been considered in arriving at the officer recommendation. Please refer to (Appendix IPC: 8.3) for full assessment document.

Tier 2 – ‘Low’ or ‘Moderate’ Inherent Risk.	
Risk Event	Events, Programs and Donations - 2023/24
Inherent Risk Rating (prior to treatment or control)	Moderate (5 - 11)
Risk Action Plan (treatment or controls proposed)	As the Inherent Risk Rating is below 12, this is not applicable.
Residual Risk Rating (after treatment or controls)	As the Inherent Risk Rating is below 12, this is not applicable.
Risk Category Assessed Against	<p>Financial</p> <p>The draft 2023/2024 Community Services program and the 2023/2024 Library programs are a mixture of ongoing events and workshops that are developed in line with the Strategic Community Plan and any changes outside of this plan will have a positive or negative impact on budget.</p> <p>Reputational</p> <p>Shire brand can be impacted if community programs and events are not provided for</p>

Officer Comment

The draft 2023/2024 Events, Programs and Donations are outlined in the table above. They have been derived from evaluation of previously conducted programs, events and donation with input from the community via consultations, and are designed to meet the outcomes and actions detailed in the Place and Community Plan 2020 – 2030 (The Plan). The Plan guides the priority programs, projects, and initiatives that the Place and Community Team, in partnership with the community, seek to deliver over the coming 10-year period in-line with the Shire’s Council Plan.

The following request was also received from the community:

- The Lions Club of Eaton, requesting only a CPI increase in funding for the 2023/24 year. They have however requested possible assistance from the Shire should their funding through the Federal Government Grant be unsuccessful this year. This matter can be assessed when the need arises.

An increase in grant funding revenue/expenditure is anticipated in some areas based on the success of grant funding applications in 2022/23 financial year. The forecast revenue is reflected in the table above. Should other grant funding be obtained, the events and programs will be expanded in scale but will not exceed Council's budget contribution.

END REPORT

8.4 Title: Draft Annual Fees & Charges – 2023/24

Reporting Department	Corporate & Governance Directorate
Responsible Officer	Mr Phil Anastasakis - Deputy CEO
Reporting Officer	Mrs Natalie Hopkins - Manager Financial Services
Legislation	Local Government (Financial Management) Regulations 1996
Council Role	Executive/Strategic.
Voting Requirement	Simple Majority.
Attachments	Appendix IPC 8.4A – Draft Fees and Charges 2023-24 Appendix IPC: 8.4B – Risk Assessment

Overview

This report presents Council with the draft 2023/24 Fees and Charges, which forms part of the 2023/24 budget development process. The final Fees and Charges will be included in the budget adoption report presented to Council in late June 2023.

OFFICER RECOMMENDED RESOLUTION TO THE INTEGRATED PLANNING COMMITTEE MEETING

THAT the Integrated Planning Committee recommends that Council:

- 1. Endorse the Draft 2023/24 Schedule of Fees and Charges included as (Appendix IPC 8.4A), to become effective 1 July 2023; and**
- 2. Where required, give local public notice of the applicable Fees and Charges.**

Change to Officer Recommendation

No Change. **OR:**

As per *Local Government (Administration) Regulations 1996 11(da)* Council records the following reasons for amending the Officer Recommended Resolution:

Background

Section of 6.16 to 6.19 of the Local Government Act 1995 contains the provisions for local governments to set Fees and Charges annually. Historically Council has adopted its annual Fees and Charges later in the financial year, through the Annual Budget adoption process.

Reviewing the draft 2023/24 Fees and Charges early in the financial year allows Council to prioritise and implement budget forecast revenue streams into the 2023/24 Annual Budget from the 1st July 2023.

Legal Implications

Section 6.16 to 6.19 of the Local Government Act 1995 states:

6.16. *Imposition of fees and charges*

- (1) *A local government may impose* and recover a fee or charge for any goods or service it provides or proposes to provide, other than a service for which a service charge is imposed.*

* Absolute majority required.

- (2) *A fee or charge may be imposed for the following —*
- (a) *providing the use of, or allowing admission to, any property or facility wholly or partly owned, controlled, managed or maintained by the local government;*
 - (b) *supplying a service or carrying out work at the request of a person;*
 - (c) *subject to section 5.94, providing information from local government records;*
 - (d) *receiving an application for approval, granting an approval, making an inspection and issuing a licence, permit, authorisation or certificate;*
 - (e) *supplying goods;*
 - (f) *such other service as may be prescribed.*
- (3) *Fees and charges are to be imposed when adopting the annual budget but may be —*
- (a) *imposed* during a financial year; and*
 - (b) *amended* from time to time during a financial year.*

** Absolute majority required.*

6.17. *Setting level of fees and charges*

- (1) *In determining the amount of a fee or charge for a service or for goods a local government is required to take into consideration the following factors —*
- (a) *the cost to the local government of providing the service or goods; and*
 - (b) *the importance of the service or goods to the community; and*
 - (c) *the price at which the service or goods could be provided by an alternative provider.*
- (2) *A higher fee or charge or additional fee or charge may be imposed for an expedited service or supply of goods if it is requested that the service or goods be provided urgently.*
- (3) *The basis for determining a fee or charge is not to be limited to the cost of providing the service or goods other than a service —*
- (a) *under section 5.96(copy of various registers, reports, plans, local laws, etc); or*
 - (b) *under section 6.16(2)(d)(copy of licenses, permits, certificates, etc); or*
 - (c) *prescribed under section 6.16(2)(f), where the regulation prescribing the service also specifies that such a limit is to apply to the fee or charge for the service.*
- (4) *Regulations may —*
- (a) *prohibit the imposition of a fee or charge in prescribed circumstances; or*
 - (b) *limit the amount of a fee or charge in prescribed circumstances.*

6.18. *Effect of other written laws*

- (1) *If the amount of a fee or charge for a service or for goods is determined under another written law a local government may not —*
- (a) *determine an amount that is inconsistent with the amount determined under the other written law; or*
 - (b) *charge a fee or charge in addition to the amount determined by or under the other written law.*
- (2) *A local government is not to impose a fee or charge for a service or goods under this Act if the imposition of a fee or charge for the service or goods is prohibited under another written law.*

6.19. *Local government to give notice of fees and charges*

If a local government wishes to impose any fees or charges under this Subdivision after the annual budget has been adopted it must, before introducing the fees or charges, give local public notice of —

- (a) *its intention to do so; and*
- (b) *the date from which it is proposed the fees or charges will be imposed.*

Council Plan

- 13.1 - Adopt best practice governance.
- 13.2 - Manage the Shire’s resources responsibly.

Environment - None.

Precedents

Each year, setting of the Fees and Charges forms part of the budget / LTFP development process.

Budget Implications

Revenue associated with the adoption of the 2023/24 Fees and Charges will be included in Council’s four-year 2023/24 – 2026/27 Corporate Business Plan, 15 year Long Term Financial Plan, and the 2023/24 Annual Budget.

Budget – Whole of Life Cost

As no new assets have been created, there are no direct whole of life or ongoing cost implications.

Council Policy Compliance

The budget is based on the principles contained in the Strategic Community Plan and Corporate Business Plan. *Policy CnG CP018 – Corporate Business Plan & Long Term Financial Plan* applies.

Risk Assessment

The Risk Management Governance Framework has been considered in arriving at the officer recommendation. Please refer to (Appendix IPC: 8.4B) for full assessment document.

Tier 2 – ‘Low’ or ‘Moderate’ Inherent Risk.	
Risk Event	Draft Annual Fees & Charges – 2023/24
Inherent Risk Rating (prior to treatment or control)	Low (1 - 4)
Risk Action Plan (treatment or controls proposed)	As the Inherent Risk Rating is below 12, this is not applicable.
Residual Risk Rating (after treatment or controls)	As the Inherent Risk Rating is below 12, this is not applicable.
Risk Category Assessed Against	<p>Financial Risk that the Draft 2023/24 Fees and Charges is not adopted by Council; Loss of Revenue</p> <p>Reputational Inappropriate charging of fees may impact negatively on Council.</p> <p>Legal and Compliance Risk of Council breaching the Local Government Act 1995 – Risk that the Draft 2023/24 Fees and Charges is not adopted by Council</p>

Officer Comment

Council is requested to consider and endorse the draft Fees & Charges for the 2023/24 financial year. The endorsed Fees and Charges will form part of the 2023/24 Annual Budget. Any further adjustments to the Fees and Charges for 2023/24 will be included as part of the Budget adoption meeting scheduled for 28th June 2023.

The proposed fees and charges have been reviewed not only on the basis of cost recovery, but to also allow for a clear application by staff and not be cost prohibitive. Input has been sought from all Managers and key members of staff.

In the schedule of draft 2023/24 Fees and Charges, the majority of the fees and charges have increased by an average of 4%, partly reflective of CPI and other costing methodologies. The level of the fee or charge is set taking into account the cost, the importance to the community and the price of competitors. In each category the fee or charge is subject to a regular assessment to evidence compliance with legislation and to ensure there is no 'revenue leakage' which can result if the underlying costs on which the fee or charge is based exceeds CPI.

It should be noted that whilst some fees and charges have not increased over time, for example statutory fees such as Dog Registration Fees and FOI Applications, all fees and charges are reviewed on an annual basis.

The list of the proposed Draft 2023/24 Fees and Charges includes several new Fees as follows:

- **Rates and Debtors**

- *Item 3.1.9 – Interest imposed on the late payment of rates, fees, charges and service charges – Rates and Charges Arrears; and*
- *Item 3.1.10 – Interest imposed on Rates, Fees and Charges Instalments*

As per the *Local Government Act 1995* s6.51, a local government can impose an interest rate, as set in its Annual Budget, for overdue rates or service charges. The legislated interest rate at which Council can on-charge is 11.0% for Rates and Charges Arrears, and 5.5% for Rates, Fees & Charges Instalments.

Whilst this is not a 'new' rate, it is considered good practice for local governments to include Interest Rates Charges in their Fees and Charges Schedule each year.

- **Animal Control**

- *Item 5.2.3 – Poundage – Dogs – Temporary Holding Fee; and*
- *Item 5.2.12 – Poundage – Cats – Temporary Holding Fee*

A new fee has been introduced whereby Council temporarily holds and cares for a cat/dog, usually within Council's premises. The new fee is reflective of Council Ranger's time taken to obtain and care for the animal (that does not get impounded), until the owner can collect the cat/dog.

- **Health**

- *7.3.17 – Application for Keeping of Animals*

Under Council's *Health Local Laws 2000*, and the *Local Government Act 1995*, an application is required for the keeping of various animals (cage birds, large animals, bees etc). Some of these applications require Council determination and a fee is proposed for the processing of these applications. *The fee is the same amount that is charged for an application for a hairdresser.*

- **Waste**

Three new fees for waste tipping fees has been included in the draft 23/24 fees and charges as follows:

- 10.1.2 – *Tipping Fees - 140L Bin (Wheelie Bin)*
- 10.1.2 – *Tipping Fees - Construction and Demolition of Waste (Per Trailer)*

Previously Bunbury Harvey Regional Council (BHRC) Organics Facility took disposed of construction waste (ie rubble) for free, so there was never any consideration into costings. However, this agreement has ended, and this cost seeks to recover the disposal of construction/demolition waste.

- 10.1.2 – *Tipping Fees - E-waste (per large item)*

This is a new waste revenue stream existing at the Waste Transfer Station via a contractor. The proposed fee is similar to other Local Governments, and enables Council to recover the costs associated with disposal of e-waste.

Officer Comment:

As contained in the draft fees and charges, some of the Waste Tipping Fees have increased by more than CPI. In applying a higher increase to some of these fees, Council Officers have reviewed internal processes, costs associated with waste disposal, and sourced other local government fees in comparison to our own.

During 2021/22, BHRC increased its gate fees and simply stopped receiving some waste streams. This, coupled with subsequent gate fee increases in Harvey and Capel has put increasing pressure on the Banksia Road WTS, and we have seen a significant increase in waste through the gate. Mattresses, tyres and general waste volumes are increasing and Council is required to dispose of these at higher costs than in previous years (eg both external rates and increased volumes).

Cemetery Fees

- 10.3.2 – *Cemetery Fees - Plot Fees*

It is proposed that Council considers some higher increases than CPI to several of Council's cemetery fees. For example, Cemetery Plot Fees have been 'free of charge' since 2000, however, a review into surrounding local governments has this fee ranging from \$718 to \$1,835. It is proposed to increase introduce the fee of \$700.00 per plot. Whilst not all Cemetery fees and charges are recommended to increase, some Cemetery Fees are above CPI, but consistent to industry standards and trends.

Eaton Recreation Centre

- 11.3.1 – *Eaton Recreation Centre*

The Corporate Gym Membership has been updated to now include Gym and Group Fitness Memberships, and 3 month Membership options. *Previously the only option was Corporate Full Membership.* A new category is also included 'Corporate Plus Full Membership' that allows for 20% Discount when new members for approved organisations who sign a sponsorship agreement. A Corporate Plus Annual Fee has also been introduced for approved organisations who sign a sponsorship agreement that includes Corporate Plus Membership for their employees, in addition to signage prices and charges.

Personal Training has extended to more session times including 30 Minute sessions, and an option to purchase a Personal Training 20 x Pass package.

A new fee now exists for the Board Room hire which is available to hire at an hourly rate.

Some fees have been removed as they are no longer current or the industry has changed. This includes the 22/23 Joining Fee of \$47.00. It is recommended to remove this fee to be in line with competing Recreation Centres. Across the Eaton Recreation Centre, some fees are proposed by an estimated 2.5% to 4%, whilst other increases are based on industry / market information.

Officer Comment

Overall there are no major changes from the current 2022/23 Adopted Fees and Charges to the Draft Fees and Charges proposed for 2023/24, other than incremental increases in the fee or charge due to the costing methodologies applied within the model, or applying a CPI factor. These changes are reflected in (Appendix IPC:8.4A) 2023/24 Draft Fees and Charges whereby changes from the prior year fee are highlighted in 'red' font.

END REPORT

8.5 *Title: Rating Strategy - 2023/24*

Reporting Department	<i>Corporate & Governance Directorate</i>
Responsible Officer	<i>Mr Phil Anastasakis - Deputy CEO</i>
Reporting Officer	<i>Mr Phil Anastasakis - Deputy CEO</i>
Legislation	<i>Local Government (Financial Management) Regulations 1996</i>
Council Role	<i>Executive/Strategic.</i>
Voting Requirement	<i>Simple Majority.</i>
Attachments	<i>Appendix IPC: 8.5A – Rating Strategy 2023/24 to 2032/33 Appendix IPC: 8.5B – Risk Assessment Tool</i>

Overview

The Committee is requested to consider and endorse the Rating Strategy which is incorporated within the 2023/24 Budget, four year Corporate Business Plan and 10 year Long Term Financial Plan.

Change to Officer Recommendation

No Change. **OR:**

As per *Local Government (Administration) Regulations 1996 11(da)* Council records the following reasons for amending the Officer Recommended Resolution:

OFFICER RECOMMENDED RESOLUTION TO THE INTEGRATED PLANNING COMMITTEE MEETING

THAT the Integrated Planning Committee recommends that Council:

- 1. In additional to forecast growth:**
 - a) Endorse a projected rate revenue increase of 6.0% for the 2023/24 budget, with a 0% increase in GRV minimum rates and a 6.0% increase in UV minimum rates;**
 - b) Endorse a projected rate revenue increase of 6.0%, 5.0%, 4.0% and 4.0% for the four year Corporate Business Plan; and**
 - c) Endorse a projected rate revenue increase of 4.0% for years five and six, and 3.0% for years seven to fifteen of the Long Term Financial Plan.**
- 2. Endorse the Rating Strategy 2023/24 to 2032/33 including the introduction of Differential Rating from the 2024/25 financial year.**

Background

As part of the Department of Local Government, Sport & Cultural Industries Integrated Planning and Reporting Framework and legislative requirements, Council is to develop a Long Term Financial Plan for a minimum period of 10 years. The Long Term Financial Plan is a ten year rolling plan (Council staff have projected the LTFP to 15 years) that incorporates the four-year financial projections accompanying the Corporate Business Plan. It is a key tool for prioritisation and ensuring the financial sustainability of the Local Government. The LTFP identifies key assumptions such as demographic projections, rating base growth, consumer price index or local government cost index, interest rates and projected rate increases.

The Annual Budget is directly aligned to year one of the Corporate Business Plan and Long Term Financial Plan.

Under Section 6.2 of the *Local Government Act 1995*, Council is required to prepare and adopt an Annual Budget each year. Part of Council's process includes reviewing the Rating Strategy (refer to Appendix IPC: 8.5A) that has been included in the previous year's Long Term Financial Plan, with these forecast rate increases forming the basis of financial projections associated with the final Long Term Financial Plan, four year Corporate Business Plan and Annual Budget.

Legal Implications

Local Government Act 1995

Local Government (Financial Management) 1996

Section 6.2 (4) of the *Local Government Act 1995* states:

6.2. *Local government to prepare annual budget*

(4) *The annual budget is to incorporate —*

(a) *particulars of the estimated expenditure proposed to be incurred by the local government;*

6.32. Rates and service charges

(1) *When adopting the annual budget, a local government —*

(a) *in order to make up the budget deficiency, is to impose* a general rate on rateable land within its district, which rate may be imposed either —*

(i) *uniformly; or*

(ii) *differentially;*

and

(b) *may impose* on rateable land within its district —*

(i) *a specified area rate; or*

(ii) *a minimum payment;*

and

(c) *may impose* a service charge on land within its district.*

** Absolute majority required.*

(2) *Where a local government resolves to impose a rate it is required to —*

(a) *set a rate which is expressed as a rate in the dollar of the gross rental value of rateable land within its district to be rated on gross rental value; and*

(b) *set a rate which is expressed as a rate in the dollar of the unimproved value of rateable land within its district to be rated on unimproved value.*

6.34. Limit on revenue or income from general rates

Unless the Minister otherwise approves, the amount shown in the annual budget as being the amount it is estimated will be yielded by the general rate is not to —

(a) *be more than 110% of the amount of the budget deficiency; or*

(b) *be less than 90% of the amount of the budget deficiency.*

6.37. Specified area rates

- (1) *A local government may impose a specified area rate on rateable land within a portion of its district for the purpose of meeting the cost of the provision by it of a specific work, service or facility if the local government considers that the ratepayers or residents within that area —*
- (a) *have benefited or will benefit from; or*
 - (b) *have access to or will have access to; or*
 - (c) *have contributed or will contribute to the need for,*
- that work, service or facility.*
- (2) *A local government is required to —*
- (a) *use the money from a specified area rate for the purpose for which the rate is imposed in the financial year in which the rate is imposed; or*
 - (b) *to place it in a reserve account established under section 6.11 for that purpose.*

Local Government (Administration) Regulations 1996:**19C. Strategic community plans, requirements for (Acts. 5.56)****19DA. Corporate business plans, requirements for (Acts. 5.56)**

- (1) *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.*
- (2) *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.*
- (3) *A corporate business plan for a district is to —*
- (a) *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*
 - (b) *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.*
- (4) *A local government is to review the current corporate business plan for its district every year.*
- (5) *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.*

Council Plan

13.1 - Adopt best practice governance.

13.2 - Manage the Shire's resources responsibly.

Environment - None.

Precedents

Each year as part of the Strategic Financial Plan review and development process, Council has adopted a Rating Strategy which establishes the basis of rate increases for the next 10-15 years. These forecast

rate increases are reflected in the interrelated Annual Budget / Corporate Business Plan / Long Term Financial Plan.

On 29th January 2020, Council considered a Differential and Specified Area Rate Review report. The following was later resolved in regards to the Councillor workshop on this topic [OCM 135-20]:

THAT Council:

1. *Defer the Councillor workshop on Differential Rating for two years; and*
2. *Request that this item is brought back to Council in January 2022.*

*CARRIED
7/0*

During 2022/23 Council conducted two workshops and informally supported in-principle the introduction of Differential Rating from the 2024/25 financial year.

The following table provides a summary comparison of rates raised in 2022/23 with other neighboring and similar sized Council's to the Shire of Dardanup:

Local Government	Rating Type	Specified Area Rates	Average Annual Residential Rate based on a GRV of \$16,380 (Includes Waste Fee)	Minimum Residential GRV Rate	Minimum UV Rural Rate
City of Busselton	8 Differential Rate Categories	Yes	\$1,989.48	\$1,460.00	\$1,594.00
Shire of Harvey	General Rating	Yes	\$2,030.73	\$1,220.00	\$1,220.00
Shire of Dardanup	General Rating	Yes	\$2,099.85	\$1,547.50	\$1,547.50
Shire of Augusta-Margaret River	11 Differential Rate Categories – different minimum rate	No	\$2,130.24	\$1,416.00	\$1,589.00
Shire of Murray	3 Differential Rate Categories	Yes	\$2,267.47	\$1,212.00	\$1,212.00
City of Bunbury	General Rating	Yes	\$2,320.19	\$1,330.00	N/A
Shire of Capel	9 Differential Rate Categories	Yes	\$2,862.85	\$1,430.00	\$1,430.00

Budget Implications

After taking into consideration all other sources of income, Council is required to raise sufficient rates to meet its total expenditure. While Council is permitted to adopt a budget that has a surplus or deficit that does not exceed 10% of its rate revenue, it is not a sustainable long term strategy.

When considering the amount to be raised from Council rates, reference should be made to the Council's ten year Strategic Financial Plan and Long Term Financial Plan that was readopted by Council on 22nd June 2022 [OCM 125-22, 155-22]. This Plan was based on a rate increase of 6.0% for 2023/24 decreasing to 4.0% in 2024/25 and 3.0% from 2029/30 thereafter.

Adopted of 2022/23 Long Term Financial Plan Projections										
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
FTE's	120.27	119.47	121.17	121.17	121.37	125.07	126.27	126.97	127.17	127.17
Rate Increase	4.0%	6.0%	4.0%	4.0%	4.0%	4.0%	4.0%	3.0%	3.0%	3.0%
Accumulated Surplus	\$142,393	\$146,081	\$93,709	\$127,027	\$69,089	\$28,360	\$53,915	\$171,981	\$219,469	\$283,412

Based on these previous resolutions of Council, the Rates Model for 2023/24 has been formulated at this time using a 6.0% increase in overall rates revenue (excluding growth through 2023/24 interim rates and rates written off), which is forecast to generate rate income of \$15,552,204, compared to a forecast \$14,671,891 for 2022/23. This is an increase of \$880,313 on the total rates income. Currently a one percent rate increase raises approximately \$146,000 in additional rates income.

In 2019/20, 2020/21, 2021/22 and 2022/23 the Council applied a minimum rate of \$1,547.50 for both UV and GRV properties. In the 2023/24 draft budget, the proposed GRV minimum rate is to increase by 0% and remain at to \$1,547.50, with the UV minimum rate to increase by 6.0% to \$1,640.35.

At the 22nd February 2023 Council meeting, Council endorsed (OCM Res: 29-23) the implementation of a new Enterprise Resource Planning (ERP) system for the Shire of Dardanup based on the proposed implementation timeframe and reporting structure outlined in the ERP Business Case 2023. Based on financial requirements outlined in the ERP Business Case 2023, additional funding through the increasing or rates from 4.0% to 5.0% in 2024/25 was endorsed by Council.

The current Long Term Financial Plan, has been reviewed and will require Council consideration as part of the 2023/24 budget development process. The current draft 2023/24 Long Term Financial Plan is based on the following:

Draft 2023/24 Long Term Financial Plan Projections										
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
Growth	1.52%	1.07%	1.30%	1.73%	1.72%	2.00%	2.15%	2.29%	2.73%	2.72%
FTE's	119.47	121.17	121.17	121.37	125.07	126.27	126.97	127.17	127.17	127.17
Rate Increase	6.0%	5.0%	4.0%	4.0%	4.0%	4.0%	3.0%	3.0%	3.0%	3.0%

** Growth projections are based on forecast population growth projections produced by ID.Solutions in 2018, which are due for an update in early 2023.

- *Eaton Landscaping Specified Area Rate*

The Eaton Landscaping Specified Area Rate was the subject of a report to Council in May 2019, where an overview of the funds raised and expenditure incurred since its inception in 2009/10 was provided. This identified that the Specified Area Rate was raised against 4,321 properties in 2018/19 at an average cost of \$55.38 per property. This average is distorted to some degree as 11.5% of the Specified Area Rate is raised by Eaton Fair Shopping Centre. If this one large contributor is removed, the average cost per household is \$48.95. This generated a total of \$241,677 in revenue in 2018/19. The average contribution per household in 2022/23 was \$52.90 (excluding Eaton Fair) based on 4,455 properties.

Council resolved to retain the Eaton Landscaping Specified Area Rate in 2022/23 which has been applied in the draft LTFP for 2023/24 and future years. The total funds forecast to be raised under the Specified Area Rate for 2023/24 is \$273,344. \$100,000 of these funds is allocated towards Eaton Parks and Reserves upgrades, and the remaining \$173,344 allocated towards Millbridge Public open Space maintenance.

- **Annual Percentage Rate Increases**

Factors such as the growth of the Shire, need for additional resources to meet growth demands, the rising cost of labour and materials, previous rate increases approved and a perception of the affordability of a reasonable rate increase are some of the factors taken into account when considering the percentage by which rates in the dollar and minimum rates have to be increased.

It has also been widely recognised that increasing rates solely based on a factor equivalent to the increase in the Consumer Price Index (CPI) is not prudent financial management, as the CPI provides a good estimate of a household's expectation of the price changes (increases) to the goods and services they consume but it does not provide a good estimate of all of the cost pressures faced by Local Government. In the past, indices such as the Local Government Cost Index (LGCI), together with other cost factors, have also been used as a guide for rate increases as the use of this index has been advocated by the Western Australian Local Government Association (WALGA).

Budget – Whole of Life Cost

As no new assets have been created, there are no direct whole of life or ongoing cost implications.

The rating strategy deployed by Council in the 2023/24 financial year will form part of a long term financial planning strategy to maintain the sustainable operations of Council. If Council is not able to adequately fund operations in the 2023/24 financial year, then the financial position of Council will potentially deteriorate in future years as assets age further and demand for services increase with projected population growth.

Council Policy Compliance

The budget is based on the principles contained in the Strategic Community Plan and Corporate Business Plan. *Policy CnG CP018 – Corporate Business Plan & Long Term Financial Plan* applies.

Risk Assessment

The Risk Management Governance Framework has been considered in arriving at the officer recommendation. Please refer to (Appendix IPC: 8.5B) for full assessment document.

Tier 2 – 'Low' or 'Moderate' Inherent Risk.		
Risk Event	Rating Strategy - 2023/24	
Inherent Risk Rating (prior to treatment or control)	Moderate (5 - 11)	
Risk Action Plan (treatment or controls proposed)	As the Inherent Risk Rating is below 12, this is not applicable.	
Residual Risk Rating (after treatment or controls)	As the Inherent Risk Rating is below 12, this is not applicable.	
Risk Category Assessed Against	Financial	Financial sustainability impacted through inadequate rating.
	Legal and Compliance	Compliance with budget, rating and integrated planning review and development process.

Tier 2 – ‘Low’ or ‘Moderate’ Inherent Risk.		
	Reputational	Shire reputation can be negatively impacted if rate increases are considered excessive by the community.

Officer Comment

As part of preparing the annual budget, Corporate Business Plan and Long Term Financial Plan, Council considers community needs in relation to its available income requirements for the coming years before deciding how much it should raise in general rates. Council will also consider the extent of the rate burden on rate payers and may decide to forgo some activities and services in order to avoid high rate rises.

The Rating Strategy for 2023/24 requires Council to strike a balance between competing principles to come up with a mixture of rates and charges that provides the income needed for its annual budget while meeting the tests of equity, efficiency and simplicity.

- *Purpose of the Rating Strategy*

The purpose of the Rating Strategy is to provide Council’s preferred position on the following:

- i.) *Method of Rates Calculation;*
- ii.) *Annual percentage rate increase; and*
- iii.) *Minimum rates.*

i) Method of Rates Calculation

In broad terms the total amount of money to be raised in general rates is divided by the total value of all rateable properties. The resulting figure is called the “rate in the dollar”. Council determines the amount to be paid in rates by applying a rate in the dollar to the assessed value of each property. When that total value of all properties increases, the Council reduces the rate in the dollar to compensate. There is no windfall gain.

- *How a “Rate in the Dollar” is calculated?*

For a Council using only a “General Rate”, the rate in the dollar is calculated as follows:

If Council plans to raise the total GRV rate revenue of \$10 million, and the total Gross Rental Value of all rateable properties in the municipality is \$2.38 billion, then the rate in the dollar is calculated by dividing \$10 million by \$2.38 billion = 0.42 cents in the dollar.

- *How are Property’s Rates calculated?*

The basis for calculating property rates are the gross rental values (GRV) or unimproved values (UV) for individual properties provided by Landgate’s Property and Valuations area multiplied by the relevant rate in the dollar.

A property’s GRV represents the amount of the gross annual rental the land might obtain if it is let on a tenancy basis from year to year. A property’s UV means the amount the land may reasonably be expected to obtain if it was sold and assuming no improvements to the land had been made.

For example if the Gross Rental Value of a property is \$16,000 and the Council rate in the dollar is set at 10.0662 cents, the rate bill would be \$1,610.59 ($\$16,000 \times \0.100662).

- *Property Valuations.*

Property values affect the amount paid in municipal rates. State legislation requires that all properties in every municipality are revalued every 3-5 years. Dardanup is required to revalue its GRV properties every 3 years and its UV properties every year.

Changes in property values will vary across a municipality. These will be reflected in each property's rate bill. A general revaluation may result in the rates for some properties going up while others go down. If a property's value increases by less than the average increase across the municipality, the rates for that property will be relatively lower. Rates will be relatively higher if a property's value increases by more than the average increase in valuation.

Councils do not collect extra revenue as a result of the revaluation process. Valuations are simply used as an apportioning tool to assess the rates payable for each individual property.

Information about a property's value is included on the rate notice issued by the Council.

END REPORT

8.6 Title: Debt Management Plan - 2023/24

Reporting Department	<i>Corporate & Governance Directorate</i>
Responsible Officer	<i>Mr Phil Anastasakis - Deputy CEO</i>
Reporting Officer	<i>Mr Phil Anastasakis - Deputy CEO</i>
Legislation	<i>Local Government (Financial Management) Regulations 1996</i>
Council Role	<i>Executive/Strategic.</i>
Voting Requirement	<i>Simple Majority.</i>
Attachments	<i>Appendix IPC: 8.6A – Debt Management Plan 2023/24 to 2032/33 Appendix IPC: 8.6B – Risk Assessment Tool</i>

Overview

The Committee is requested to consider and endorse the 2023/24 Debt Management Plan which is incorporated within the 2023/24 Budget, four year Corporate Business Plan and 10 year Long Term Financial Plan (Appendix IPC: 8.6A).

Change to Officer Recommendation

No Change. **OR:**

As per *Local Government (Administration) Regulations 1996 11(da)* Council records the following reasons for amending the Officer Recommended Resolution:

OFFICER RECOMMENDED RESOLUTION TO THE INTEGRATED PLANNING COMMITTEE MEETING

THAT the Integrated Planning Committee recommends that Council endorses the Debt Management Plan 2023/24 to 2032/33 (refer to Appendix IPC: 8.6A) for the 2023/24 budget, four year Corporate Business Plan, and Long Term Financial Plan.

Background

As part of the Department of Local Government, Sport & Cultural Industries Integrated Planning and Reporting Framework and legislative requirements, Council is to develop a Long Term Financial Plan for a minimum period of 10 years. The Long Term Financial Plan is a ten year rolling plan (Council staff have projected the LTFP to 15 years) that incorporates the four-year financial projections accompanying the Corporate Business Plan. It is a key tool for prioritisation and ensuring the financial sustainability of the Local Government. The LTFP identifies key assumptions such as demographic projections, rating base growth, consumer price index or local government cost index, interest rates and projected rate increases.

The Annual Budget is directly aligned to year one of the Corporate Business Plan and Long Term Financial Plan. Under Section 6.2 of the *Local Government Act 1995*, Council is required to prepare and adopt an Annual Budget each year.

Part of Council's process includes reviewing the Debt Management Plan that has been included in the previous year's Long Term Financial Plan, four year Corporate Business Plan and Annual Budget.

Legal Implications

Local Government Act 1995

Local Government (Financial Management) 1996

Section 6.2 (4) of the *Local Government Act 1995* states:

- 6.2. *Local government to prepare annual budget*
- (4) *The annual budget is to incorporate —*
 - (a) *particulars of the estimated expenditure proposed to be incurred by the local government;*

Local Government (Administration) Regulations 1996:

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

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

- (1) *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.*
- (2) *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.*
- (3) *A corporate business plan for a district is to —*
 - (a) *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*
 - (b) *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.*
- (4) *A local government is to review the current corporate business plan for its district every year.*
- (5) *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.*

Council Plan

13.1 - Adopt best practice governance.

13.2 - Manage the Shire's resources responsibly.

Environment - None.

Precedents

Each year as part of the Strategic Financial Plan review and development process, Council has adopted a Debt Management Plan which establishes the level of debt and new loans for the next 10-15 years. These forecast new loans are reflected in the interrelated Annual Budget / Corporate Business Plan / Long Term Financial Plan.

Budget Implications

As noted in the Debt Management Plan, the use of debt as a means of funding asset acquisitions, renewals and maintenance is a useful mechanism for allocating the costs of such works over a time frame that reflects when residents will benefit from the assets.

The current projected loans over the next 10 years under the Debt Management Plan are summarised below (refer to Appendix IPC: 8.6A):

Forecast New Loans	Current Year 22/23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
Loan – Stage 1 Admin Building	6.0m										
Loan – R&J Fishwick Sports Pavilion	700k										
Loan – Stage 2 Admin Building		1.5m									
Loan – ERP Project			1.6m								
Total Outstanding Debt (million \$)	8.75	9.78	10.85	10.25	9.63	9.03	8.44	7.87	7.29	6.76	6.20

Budget – Whole of Life Cost

As no new assets have been created, there are no direct whole of life or ongoing cost implications.

Council Policy Compliance

The budget is based on the principles contained in the Strategic Community Plan and Corporate Business Plan. *Policy CnG CP018 – Corporate Business Plan & Long Term Financial Plan* applies.

Risk Assessment

The Risk Management Governance Framework has been considered in arriving at the officer recommendation. Please refer to (Appendix IPC: 8.6B) for full assessment document.

Tier 2 – ‘Low’ or ‘Moderate’ Inherent Risk.	
Risk Event	Debt Management Plan - 2023/24
Inherent Risk Rating (prior to treatment or control)	Moderate (5 - 11)
Risk Action Plan (treatment or controls proposed)	As the Inherent Risk Rating is below 12, this is not applicable.
Residual Risk Rating (after treatment or controls)	As the Inherent Risk Rating is below 12, this is not applicable.
Risk Category Assessed Against	<p>Financial Financial sustainability impacted through too much debt.</p> <p>Legal and Compliance Compliance with budget, rating and integrated planning review and development process.</p>

Tier 2 – ‘Low’ or ‘Moderate’ Inherent Risk.	
	<p>Reputational</p> <p>Shire reputation can be negatively impacted if debt levels are considered excessive by the community.</p>

Officer Comment

Currently there are no specific restrictions on Councils ability to borrow. There is a practical limit beyond which debt service costs (Principal + Interest repayments + Government Guarantee Fee) will affect the capacity of Council to deliver service levels. It is therefore critical that debt funding is appropriately planned and monitored if Council is to maintain the capacity to effectively use this funding source.

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

Councils Debt Strategy requires Council to consider:

- The circumstances under which borrowings are made;
- The impact borrowings will have strategically; and
- If the return on the debt (in commercial situations) can service the debt itself.

Treasury Corporation have produced an indicative debt capacity calculator which is incorporated into the Shire’s Long Term Financial Plan model. While borrowing capacity will vary from year to year, the ‘Indicative Additional Debt Capacity Calculator’ assists Council in determining its borrowing capacity by using information within the Long Term Financial Plan. This is based on prudent loan servicing limits and provides important planning information to help the Council decide if debt should be considered as a financing source for additional future capital expenditure.

Based on financial projections within the current Long Term Financial Plan, together with projected capital expenditure and current and future loans, Council’s additional borrowing capacity for 2023/24 is approximately \$1.06 million. If Council were to raise additional loans it would need additional rate income to be raised to service these additional loan repayments.

For this reason the current funding of asset renewal, replacement and acquisition outlined through the various Asset Management Plans consists of a balance of debt (drawn from future rates), cash reserves (drawn from past rates) and municipal funds (drawn from current year rates).

END REPORT

8.7 Title: Councillor/Staff Budget Requests 2023/24

Reporting Department	<i>Corporate & Governance Directorate</i>
Responsible Officer	<i>Mr Phil Anastasakis - Deputy CEO</i>
Reporting Officer	<i>Mr Phil Anastasakis - Deputy CEO</i>
Legislation	<i>Local Government (Financial Management) Regulations 1996</i>
Council Role	<i>Executive/Strategic.</i>
Voting Requirement	<i>Simple Majority.</i>
Attachments	<i>Appendix IPC: 8.7 – Risk Assessment Tool</i>

Overview

This report summarises the 2023/24 budget requests that have been received from elected members and staff.

The Integrated Planning Committee is tasked with considering these requests and recommending the inclusion of specific items in the 2023/24 budget and Long Term Financial Plan.

OFFICER RECOMMENDED RESOLUTION TO THE INTEGRATED PLANNING COMMITTEE MEETING

THAT the Integrated Planning Committee recommends that Council endorses the following projects be included for consideration in the Draft LTFP, Draft Corporate Business Plan and Draft 2023/24 Budget:

- 1. Councillor Budget Requests:**
 - a.
 - b.
 - c.
 - d.

- 2. Staff Budget Requests:**
 - a.
 - b.

Change to Officer Recommendation

No Change. **OR:**

As per *Local Government (Administration) Regulations 1996 11(da)* Council records the following reasons for amending the Officer Recommended Resolution:

Background

Each year as part of the annual budget development process, elected members, community members and staff are invited to put forward requests for consideration in the draft budget. The requests are considered well before the budget is drafted, to avoid any late changes which may cause delays in the annual budget adoption process.

Requests from elected members, community members and staff were received up to 17th February 2023. Community budget requests are considered as part of a separate Integrated Planning Committee Agenda report. The elected member requests, and staff requests endorsed by the Executive Management Team, are outlined under the section “Budget Implications” below, with the Executive Management Team’s comment and recommendation provided for each item.

Legal Implications

Local Government Act 1995

Local Government (Financial Management) 1996

Section 6.2 (4) of the *Local Government Act 1995* states:

- 6.2. *Local government to prepare annual budget*
- (4) *The annual budget is to incorporate —*
 - (a) *particulars of the estimated expenditure proposed to be incurred by the local government;*

Part 2, Regulation 5 (1) (g) of the *Local Government (Financial Management) 1996* Regulation states:

- 5. *CEO’s duties as to financial management*
- (1) *Efficient systems and procedures are to be established by the CEO of a local government —*
 - (g) *to assist in the preparation of budgets, budget reviews, accounts and reports required by the Act or these regulations.*

Council Plan

- 13.1 - Adopt best practice governance.
- 13.2 - Manage the Shire’s resources responsibly.

Environment - None.

Precedents

Each year as part of the budget / LTFP development process Councillors, community and staff are provided the opportunity to put forward budget requests for consideration.

Budget Implications

Please refer to the following tables: Table 1 – Councillor Budget Requests; and Table 2 – Staff Budget Requests.

COUNCIL BUDGET ADOPTION AND CONSIDERATION ITEMS

PROJECTS		ESTIMATED COST
1.		\$0

COUNCILLOR BUDGET REQUESTS

Cr Mick Bennett – NO ITEMS REQUESTED
Cr Luke Davies – NO ITEMS REQUESTED
Cr Janice Dow – NO ITEMS REQUESTED
Cr Mark Hutchinson – NO ITEMS REQUESTED
Cr Patricia Perks – NO ITEMS REQUESTED
Cr Tyrrell Gardiner – NO ITEMS REQUESTED
Cr Peter Robinson – NO ITEMS REQUESTED
Cr Stacey Gillespie – NO ITEMS REQUESTED
Cr Ellen Lilley – NO ITEMS REQUESTED

STAFF BUDGET REQUESTS

EXECUTIVE SERVICES DIRECTORATE		
PROJECT	AMOUNT	NET BUDGET IMPACT 2023/34
TOTAL	\$0	\$0

CORPORATE & GOVERNANCE DIRECTORATE		
PROJECT	AMOUNT	NET BUDGET IMPACT 2023/24
TOTAL	\$0	\$0

SUSTAINABLE DEVELOPMENT DIRECTORATE		
PROJECT	AMOUNT	A NET BUDGET IMPACT 2023/24
<p><u>Motor Vehicle – Ranger Canopy –ADD AS 23/24 ASSET IN LTFP</u></p> <p>Ranger services have previously undergone manual handling training where it was highlighted that the current vehicle canopy set up that is used for ranger storage and the transportation of animals is not industry standard and does not meet all the requirements highlighted in the Standards and Guidelines – Health and Welfare of Dogs in Western Australia as issued by Department of Primary Industries and Regional Development (DPIRD) in February 2020.</p> <p>As part of forward planning for the changeover of ranger vehicles, it is requested that the budget include an upgrade of the current canopy to a ‘fit for purpose’ industry standard canopy to mitigate identified risks to the Shire. The new ‘fit for purpose’ canopy can be modified and transferred with future vehicle changeovers.</p> <p>PLEASE NOTE: This budget request is for when the next ranger vehicle is due for replacement in 2023/24 and should be included in the changeover vehicle expenses.</p> <p>Finance - This item would be treated as an asset due to its ongoing life. The utility would need to be changed from a dual cab utility to a single cab utility. Vehicle Cost - \$47,971.27 + GST; POD Cost - \$33,564.13 + GST; Cost to transfer POD - \$3,500 + GST</p> <p>While adequate funds exist in the ECV Reserve in 2023/24, there is not adequate funds in future years. Additional Reserve funding would be required.</p>	\$33,564	\$0
<p><u>Project Manager</u></p> <p>Additional hours for Project Manager for the Administration Building project.</p>	\$70,500	\$70,500
<p><u>Reconciliation Action Plan actions</u></p> <p>Per Council Plan, Shire Specific Reconciliation Action plan is to be developed in the 23/24 financial year. Further, the Native title settlement is nearing formalization. Request \$15,000 to allow costs associated with developing Shire RAP plan, providing cultural awareness training to Staff and council and engagement / consultations with the local Aboriginal and Torres Strait Island Community and Elders.</p>	\$15,000	\$15,000

<p><u>Library RFID Equipment & Maintenance</u></p> <p>Increase of costs associated with the administration of the One Library Consortium who administers the Sirsi Dynix system and support systems for the Libraries within the consortium. Consortium requests to increase FTE of the Admin assistant increase of this would cost each consortium member \$5,000.</p>	\$5,000	\$5,000
TOTAL	\$124,064	\$90,500

INFRASTRUCTURE SERVICES DIRECTORATE		
PROJECT	AMOUNT	A NET BUDGET IMPACT 2023/24
<p><u>Bushland Reserves – Annual Firebreak Clearing</u></p> <p>There are 26 reserves (see below) have been identified for contractor slashing which will (overall) cost in the order of \$22k per year.</p> <p>This proposal will greatly assist P&E in reduction of Fusion cases due to customer complaint regarding perceived fire hazards on Shire land. This proposal will also allow P & E crew to remain on their current maintenance schedule which otherwise goes on hold in order to attend to complaints.</p> <p>The P&E team does not have sufficient capacity to undertake this work in-house and therefore propose to appoint a contractor for these works.</p>	\$22,000	\$22,000
TOTAL	\$22,000	\$22,000

The Net impact of Staff and Councillor Budget Requests for 2023/24 total \$112,500.

Budget – Whole of Life Cost

Subject to the projects and timeframes, each would be incorporated in future budgets if approved.

Council Policy Compliance

The budget is based on the principles contained in the Strategic Community Plan and Corporate Business Plan. *Policy CnG CP018 – Corporate Business Plan & Long Term Financial Plan* applies.

All requests from community groups, elected members and staff to be included in the annual Corporate Business Plan shall be lodged with the Chief Executive Officer no later than the 31 March in each year.

Risk Assessment

The Risk Management Governance Framework has been considered in arriving at the officer recommendation. Please refer to (Appendix IPC: 8.7) for full assessment document.

Tier 2 – ‘Low’ or ‘Moderate’ Inherent Risk.		
Risk Event	Councillor / Staff Budget Requests 2023/24	
Inherent Risk Rating (prior to treatment or control)	Moderate (5 - 11)	
Risk Action Plan (treatment or controls proposed)	As the Inherent Risk Rating is below 12, this is not applicable.	
Residual Risk Rating (after treatment or controls)	As the Inherent Risk Rating is below 12, this is not applicable.	
Risk Category Assessed Against	Financial Legal and Compliance	Elected Member & Staff Budget requests form part of the Annual Budget Process Failure to comply with Council policy <i>CP 018 – Corporate Business Plan & Long Term Financial Plan</i> could result in non-compliance

Officer Comment

Refer to the Executive Management Team comments provided above.

END REPORT

8.8 Title: Draft Eaton Recreation Centre Equipment Asset Management Plan 2023/24 – 2032/33

Reporting Department	<i>Corporate & Governance Directorate</i>
Responsible Officer	<i>Mr Phil Anastasakis - Deputy CEO</i>
Reporting Officer	<i>Mr Robert Dempster - Manager Recreation Centre</i>
Legislation	<i>Local Government Act 1995</i>
Council Role	<i>Executive/Strategic.</i>
Voting Requirement	<i>Simple Majority.</i>
Attachments	<i>Appendix IPC: 8.8A – Draft Recreation Centre AMP Appendix IPC: 8.8B – Risk Assessment</i>

Overview

The Committee is requested to consider and endorse the Annual Transfer to Reserve for the Eaton Recreation Centre Equipment Asset Management Plan 2023/24 - 2032/33, together with the Eaton Recreation Centre Equipment Asset Management Plan 2023/24 - 2032/33 which has been updated as part of the annual review of the Long Term Financial Plan and Corporate Business Plan.

This will enable staff to update and reschedule where required the 10 Year Equipment Replacement Program for further consideration and adoption at the next meeting of the Integrated Planning Committee.

Change to Officer Recommendation

No Change. **OR:**

As per Local Government (Administration) Regulations 1996 11(da) Council records the following reasons for amending the Officer Recommended Resolution:

OFFICER RECOMMENDED RESOLUTION TO THE INTEGRATED PLANNING COMMITTEE

THAT the Integrated Planning Committee recommends that Council:

- Adopts the following Annual Transfers to the Eaton Recreation Centre Equipment Reserve for the delivery of the Eaton Recreation Centre Equipment Program:**

	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
	Annual Transfer (x \$1,000)									
2023/2024 Draft LTFP	100	100	100	100	100	130	130	130	130	130

- Endorses the 10 year Eaton Recreation Centre Equipment Asset Management Plan 2023/24 - 2032/33 acquisition and replacement program (Appendix IPC: 8.8A).**

Background

The Eaton Recreation Centre Equipment 10 Year Asset Management Plan is reviewed annually and provides a structured acquisition and replacement program for the equipment located within the Eaton Recreation Centre and Gym.

The Program includes the lease of gym cardio fitness equipment over a rolling period of five years, with the gym strength equipment purchased outright and replaced every 15 years.

The Program has been reviewed in preparation for the 2023/24 Long Term Financial Plan and Corporate Business Plan process and is provided for Council consideration and adoption.

Legal Implications

Local governments are required by legislation to adopt an integrated strategic planning approach to financial management.

Local Government (Administration) Regulations 2011

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

(3) *A corporate business plan for a district is to —*

- (a) *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*
- (b) *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.*

Council Plan

2.2 - Increase participation in sport, recreation and leisure activities.

13.1 - Adopt best practice governance.

13.2 - Manage the Shire's resources responsibly.

Environment - None

Precedents

Council reviews and adopts the 10 Year Program annually and the Eaton Recreation Centre Equipment AMP as and when amendments are made.

Budget Implications

The information contained in the Recreation Centre Equipment 10 Year Program will be used annually to update the Council's Long Term Financial Plan, Corporate Business Plan and Annual Budget.

The following summary table from the Eaton Recreation Centre Equipment 10 Year Asset Management Plan is provided with the agenda and indicates the projected expenditure and income for the next ten years. (Appendix IPC: 8.8A):

- Equipment Expenditure Summary; and

- Recreation Centre Equipment Reserve Fund Balance.

Annual Transfer (x \$1,000)	Current Year 22/23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
Expenditure	48	140	112	117	131	61	93	128	110	185	95
Reserve Fund Balance	337	300	290	275	248	290	330	337	361	311	350

A complete copy of the Eaton Recreation Centre Equipment 10 Year Asset Management Plan is attached (Appendix IPC: 8.8A).

The following shows the proposed annual transfer compared to the previous year adopted amounts.

	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
	Annual Transfer (x \$1,000)										
2022/2023 LTFP	80	80	80	80	80	80	80	80	80	80	180
Draft 2023/2024 LTFP		100	100	100	100	100	130	130	130	130	130

Budget – Whole of Life Cost

Budgeted expenditure and reserve transfer requirements are included annually in the Recreation Centre Equipment 10 Year Asset Management Plan.

Council Policy Compliance

Council Policy *CnG CP018 – Corporate Business Plan & Long Term Financial Plan* outlines the objective and requirements to enable the annual budget to be adopted by the end of June each year. This incorporates the annual review and updating of Asset Management Plans.

Risk Assessment

The Risk Management Governance Framework has been considered in arriving at the officer recommendation. Please refer to (Appendix IPC: 8.8B) for full assessment document.

Tier 2 – ‘Low’ or ‘Moderate’ Inherent Risk.	
Risk Event	Eaton Recreation Centre Equipment Asset Management Plan 2023/24 – 2032/33
Inherent Risk Rating (prior to treatment or control)	Moderate (5 - 11)
Risk Action Plan (treatment or controls proposed)	As the Inherent Risk Rating is below 12, this is not applicable.
Residual Risk Rating (after treatment or controls)	As the Inherent Risk Rating is below 12, this is not applicable.
Risk Category Assessed Against	Financial Adoption of this is required for funding of Recreation Services Equipment
	Service Interruption Supply of Equipment is required for the operation of the Centre
	Reputational Risk of negative community response if assets are not maintained or replaced when required.

Officer Comment

The Program has been reviewed to ensure gym cardio fitness equipment and gym strength equipment is replaced based on its estimated useful life, and includes equipment that is purchased outright or leased by Council. Officers' have also reviewed the prices used in the Program to ensure they reflect the future estimated replacement cost.

END REPORT

8.9 Title: Draft IT Asset Management Plan 2023/24 – 2032/33

Reporting Department	Corporate & Governance Directorate
Responsible Officer	Mr Phil Anastasakis - Deputy CEO
Reporting Officer	Mr Chris Murray - Manager Information Services
Legislation	Local Government Act 1995
Council Role	Executive/Strategic.
Voting Requirement	Simple Majority.
Attachments	Appendix IPC: 8.9A – Draft IT Asset Management Plan 2023/24 – 2032/33 Works Program Appendix IPC 8.9B – Consolidated Summary 2023/24 – 2032/33 Appendix IPC: 8.9C – Risk Assessment

Overview

The Committee is requested to consider and endorse the Annual Transfer to Reserve for Information Technology expenditure, together with the Information Technology Asset Management Plan 2023/24-2032/33 which has been updated as part of the annual review of the Long Term Financial Plan and Corporate Business Plan.

Having the ITAMP updated and endorsed by Council will provide staff the opportunity to plan and reschedule the 10 Year IT Replacement and Upgrade Program for final consideration by the Integrated Planning Committee.

Change to Officer Recommendation

No Change. **OR:**

As per *Local Government (Administration) Regulations 1996* 11(da) Council records the following reasons for amending the Officer Recommended Resolution:

OFFICER RECOMMENDED RESOLUTION TO THE INTEGRATED PLANNING COMMITTEE MEETING

THAT the Integrated Planning Committee recommends that Council:

- Adopts the following Annual Transfers to the Information Technology Reserve for the delivery of the 10 Year Information Technology Replacement and Upgrade Works Program:**

	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
	Annual Transfer (x \$1,000)									
2023/2024 Draft LTFP	350	350	350	350	375	375	375	400	425	425

- Endorses the 10 year Information Technology Asset Management Plan 2023/24-2032/33 Works Program (Appendix IPC 8.9A).**

Background

The document referred to as the ITAMP (Information Technology Asset Management Plan) is a 10 Year Program that summarises all renewal, upgrade and new expenditure programmed for the Council's existing and proposed Information Technology Assets. The IT Asset Management Plan is reviewed annually and provides a structured acquisition and replacement program for the IT equipment, software systems and licences.

The document contains estimates of expenditure and revenue, together with recommended reserve transfers to fund the expenditure. The 10 Year IT Replacement and Upgrade Works Program considers project priorities in line with the Shire of Dardanup Council Plan (CP).

The IT budget services the day to day operational functions of the Council. It provides technologies and infrastructure to assist staff in delivering meaningful services to the community. It also satisfies the need to provide external data and informational services to the various stakeholders who interface with the Council.

Some of the primary objectives of the IT Asset Management Plan are to:

- Enable the achievement of various strategies within the Shire of Dardanup Council Plan (CP).
- To maintain or improve the quality and effectiveness of information services and business systems provided by the Shire of Dardanup;
- To minimise the impact of organisational growth and systems development on the budget by planning and prioritising the various Information Technology and Systems initiatives; and
- To inform the Long Term Financial Plan and support the Corporate Business Plan.
- Enable progression of the prioritised projects contained in the ICT Strategic Plan which include enabling elements for delivery of the Council Plan.

Year one of the Asset Management Plan will be incorporated into the 2023/24 Annual Budget.

Legal Implications

Local governments are required by legislation to adopt an integrated strategic planning approach to financial management.

Local Government (Administration) Regulations 2011

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

- (3) *A corporate business plan for a district is to —*
- (a) *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*
 - (b) *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.*

Council Plan

13.1 - Adopt best practice governance.

13.2 - Manage the Shire's resources responsibly.

Environment - None.

Precedents

Council reviews and adopts the 10 Year Program annually and the IT AMP as and when amendments are made.

Budget Implications

The information contained in the IT 10 Year Program will be used annually to update the Council’s Long Term Financial Plan, Corporate Business Plan and Annual Budget.

The following summary tables from the Draft 2023/24 IT 10 Year Asset Management Plan are provided with the agenda and indicate the projected expenditure and income for the next ten years (Appendix IPC: 8.9B):

- Information Technology Expenditure Summary; and
- Information Technology Reserve Fund Balance.

Annual Transfer (x \$1,000)	Current Year 22/23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
Operating Expenditure	1,162	1,144	1,342	1,362	1,207	1,271	1,246	1,312	1,343	1,381	1,457
Reserve Fund Balance	607	464	323	212	216	188	201	186	181	201	187

A copy of the IT 10 Year Asset Management Plan Works Program is attached (Appendix IPC: 8.9A).

The following shows the proposed annual transfer compared to the previous year adopted amounts.

	Current Year 22/23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
Annual Transfer (x \$1,000)											
2022/2023 LTFP	400	400	400	450	500	500	500	500	500	600	700
Draft 2023/2024 LTFP		350	350	350	350	375	375	375	400	425	425

Budget – Whole of Life Cost

Budgeted expenditure and reserve transfer requirements are included annually in the IT Asset Management Plan to enable the ongoing replacement of IT assets, software and infrastructure at the end of useful life. In recent years IT infrastructure and hardware items have been acquired as leased assets rather than purchased assets. Due to the administrative overhead of leasing, moving forward the intention is to transition back to a purchased model which involve a gradual transition out of leasing which commenced over the previous year and will continue for the next 3 years.

Council Policy Compliance

Council Policy CnG CP018 – *Corporate Business Plan & Long Term Financial Plan* outlines the objective and requirements to enable the annual budget to be adopted by the end of June each year. This incorporates the annual review and updating of Asset Management Plans.

Risk Assessment

The Risk Management Governance Framework has been considered in arriving at the officer recommendation. Please refer to (Appendix IPC: 8.9C) for full assessment document.

Tier 2 – ‘Low’ or ‘Moderate’ Inherent Risk.		
Risk Event	Draft IT Asset Management Plan 2023/24 – 2032/33	
Inherent Risk Rating (prior to treatment or control)	Moderate (5 - 11)	
Risk Action Plan (treatment or controls proposed)	As the Inherent Risk Rating is below 12, this is not applicable.	
Residual Risk Rating (after treatment or controls)	As the Inherent Risk Rating is below 12, this is not applicable.	
Risk Category Assessed Against	Financial	Adoption of this Item is required for funding of IS and IT services
	Service Interruption	Services of IT and IS depend on adoption of IT Asset Management Plan
	Reputational	Compromised Quality of IT and IS might affect the reputation of council in providing services.

Officer Comment

This year’s IT Asset Management Plan has been approached with the knowledge of the resource constraints facing the Shire in the coming fiscal year and does not reflect an increase from the 2022/23 accounting period despite the impact of high inflation on goods and services.

The Shire of Dardanup is well positioned compared to neighbouring Shires, particularly with regard to cyber security initiatives achieved within the last year. The investment is requested to continue these safeguards over this next term and maintain our position as a leader in this space amongst our peers.

In addition to supporting the business to meet the day to day operational and organisational requirements, Information Services are focused on alignment with the priorities of the Council, the Executive and broader Shire business around:

- The Council Plan 2022 – 2032 (CP);
- The ICT Strategic Plan 2020-2030; and
- Information Services Operational Plan 2022/23.

The specific and aligned key priorities for the next term include continuing the work on the ERP project that is intended to replace the aging and legacy SynergySoft system and preparing for the new building, including an approach of procuring hardware items with a view to early access and installation in the new building to smooth the transition.

Information Services are key enablers of the required ICT systems, data, hardware and software that support the Shire in managing their business as usual and project based activities in order to ensure timely service delivery to the rate payers and local community.

END REPORT

8.10 Title: Executive & Compliance Vehicle Asset Management Plan 2023/24 – 2032/33

Reporting Department	Corporate & Governance Directorate
Responsible Officer	Mr Phil Anastasakis - Deputy CEO
Reporting Officer	Mrs Natalie Hopkins - Manager Financial Services Mr Allan Hutcheon - Procurement Officer
Legislation	Local Government (Financial Management) Regulations 1996
Council Role	Executive/Strategic.
Voting Requirement	Simple Majority.
Attachments	Appendix IPC 8.10A - Asset Plan 2023-2024 – Executive & Compliance Vehicles Appendix IPC: 8.10B – Summary Draft Exec Compliance AMP Appendix IPC: 8.10C – Risk Assessment Tool

Overview

The Committee is requested to consider and endorse the Annual Transfer to Reserve for the Executive & Compliance Vehicle Asset Management Plan 2023/24 - 2032/33, together with the Executive & Compliance Vehicle Asset Management Plan 2023/24 – 2032/33 which has been updated as part of the annual review of the Long Term Financial Plan and Corporate Business Plan.

Having the ECVAMP updated and endorsed by Council will provide staff the opportunity to plan and reschedule the 10 Year Vehicle Replacement Program for final consideration by the Integrated Planning Committee.

Change to Officer Recommendation

No Change. **OR:**

As per *Local Government (Administration) Regulations 1996 11(da)* Council records the following reasons for amending the Officer Recommended Resolution:

OFFICER RECOMMENDED RESOLUTION TO THE INTEGRATED PLANNING COMMITTEE MEETING

THAT the Integrated Planning Committee recommends that Council:

- Adopts the following Annual Transfers to the Executive & Compliance Vehicles Reserve for the delivery of the Compliance and Executive Vehicle 10 Year Replacement Program:**

	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
	Annual Transfer (x \$1,000)									
2023/2024 Draft LTFP	120	120	120	120	125	125	130	135	135	165

- Endorses the 10 year Executive & Compliance Vehicle Asset Management Plan 2023/24-2032/33 acquisition and replacement program (Appendix IPC: 8.10A).**

Background

The Executive & Compliance Vehicle 10 Year Asset Management Plan is reviewed annually and provides a structured acquisition and replacement program for the compliance and executive vehicles utilised by the Council's office based staff. The Program covers the following:

1. Replacement of the Council's existing vehicle fleet – vehicles are replaced at the optimal point in their serviceable life, the triggers being as adopted in Council Policy Exec CP203 – *Light Vehicle Fleet* as follows:

Vehicle Type	Replacement Triggers (whichever occurs first)	
	Age (years)	Odometer Reading (km)
Passenger Vehicles (Sedan/Wagon)	4 years	100,000 km
Light Commercial Vehicles (Utility)	5 years	125,000 km

2. Disposal of vehicles which are deemed surplus to requirements / or disposal within Council Policy CP203 guidelines; and
3. Acquisition of new vehicles where required for new positions.

The Program contains estimates of purchase and sales prices, together with recommended reserve transfers to fund changeovers and new purchases. The Program closely aligns with the Shire of Dardanup Workforce Plan. The Program has been reviewed in preparation for the 2023/2024 Long Term Financial Plan and Corporate Business Plan process and is provided to Council for consideration and adoption. Year one of the Asset Management Plan will be incorporated into the 2023/24 Annual Budget.

Legal Implications

Local governments are required by legislation to adopt an integrated strategic planning approach to financial management.

Local Government (Administration) Regulations 2011

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

- (3) *A corporate business plan for a district is to —*
 - (a) *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*
 - (b) *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.*

Council Plan

- 13.1 - Adopt best practice governance.
- 13.2 - Manage the Shire's resources responsibly.

Environment - None.

Precedents

Council reviews and adopts the 10 Year Program annually as detailed in the Executive and Compliance Vehicle Asset Management Plan, and when amendments are made to the Plan.

Budget Implications

The information contained in the Executive & Compliance Vehicle 10 Year Program will be used annually to update the Council's Long Term Financial Plan, Corporate Business Plan and Annual Budget.

The following summary tables from the Draft 2023/24 Executive & Compliance Vehicle 10 Year Asset Management Plan are provided with the agenda and indicate the projected expenditure and income for the next ten years (Appendix IPC: 8.10B):

- Vehicle Expenditure Summary;
- Sales Revenue Summary; and
- Executive & Compliance Vehicle Reserve Fund Balance.

Annual Transfer (x \$1,000)	Current Year 22/23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
Expenditure	44	404	392	49	88	442	539	56	0	613	343
Sales Revenue	190	190	188	25	35	179	251	28	0	292	172
Reserve Fund Balance	328	239	159	257	331	203	47	151	290	112	108

*Adopted Budget nil changeovers for 2022/23 financial year. At the Ordinary Council Meeting dated 14 December [OCM: 322-22] Council supported the change-over of the Ranger Services Vehicle DA8222.

A complete copy of the Executive & Compliance Vehicle 10 Year Asset Management Plan is attached (Appendix IPC: 8.10A).

The following shows the proposed annual transfer compared to the previous year adopted amounts.

	Current Year 22/23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
	Annual Transfer (x \$1,000)										
2022/2023 LTFP	95	150	100	120	145	200	150	150	155	165	165
Draft 2023/2024 LTFP		120	120	120	120	125	125	130	135	135	165

Budget – Whole of Life Cost

The purpose of the Executive & Compliance Vehicle 10 Year Program is to plan for the acquisition of new and the replacement of existing vehicles. The triggers adopted by Council aim to minimise the overall life cycle cost of the Shire's vehicle fleet.

Council Policy Compliance

Replacement triggers used are in accordance with Council Policy *Exec CP203 – Light Vehicle Fleet*.

Vehicle Type	Replacement Triggers (whichever occurs first)	
	Age (years)	Odometer Reading (km)
Passenger Vehicles (Sedan/Wagon)	4 years	100,000 km
Light Commercial Vehicles (Utility)	5 years	125,000 km

Council Policy *CnG CP018 – Corporate Business Plan & Long Term Financial Plan* outlines the objective and requirements to enable the annual budget to be adopted by the end of June each year. This incorporates the annual review and updating of Asset Management Plans.

Risk Assessment

The Risk Management Governance Framework has been considered in arriving at the officer recommendation. Please refer to (Appendix IPC: 8.10C) for full assessment document.

Tier 2 – ‘Low’ or ‘Moderate’ Inherent Risk.		
Risk Event	Executive & Compliance Vehicle Asset Management Plan 2023/24 – 2032/33	
Inherent Risk Rating (prior to treatment or control)	Moderate (5 - 11)	
Risk Action Plan (treatment or controls proposed)	As the Inherent Risk Rating is below 12, this is not applicable.	
Residual Risk Rating (after treatment or controls)	As the Inherent Risk Rating is below 12, this is not applicable.	
Risk Category Assessed Against	Health	Keeping the Council fleet updated ensures that vehicles have the latest emissions and safety controls fitted.
	Financial	Increased costs associated with maintenance and changeover prices if vehicles are not changed over in the changeover period.
	Service Interruption	Older vehicles breaking down, which leads to vehicles not being available to provide the required services to the community.
	Legal and Compliance	Council not being compliant with its own policies and associated Acts and Regulations.
	Reputational	Council staff not driving up to date quality vehicles may lead to reputational risk.
	Environmental	Keeping our fleet updated ensures that vehicles have the latest emission and an environmental controls fitted.

Officer Comment

The Executive and Compliance Vehicle Asset Program has been updated to reflect the replacement costs of each vehicle, age of vehicle, current odometer readings and the timing of the vehicle replacement cycle.

At the Ordinary Council Meeting held 14th of December 2022 [OCM: 322-22), Council endorsed the changeovers of several vehicles outside of the *CP203 Light Vehicle Fleet Policy*. These changes resulted in deferring the changeover year and have been included in the Draft 2023/24 Executive and Compliance Vehicle Asset Management Plan.

Whilst the Executive and Compliance Reserve Balance remains positive throughout the 10 Year Plan, it should be noted towards the latter years, the Reserve account is declining.

END REPORT

8.11 Title: Draft Infrastructure Plant & Vehicle Asset Management Plan 2023/24 – 2032/33

Reporting Department	<i>Infrastructure Directorate</i>
Responsible Officer	<i>Mr Phil Anastasakis - Deputy CEO</i>
Reporting Officer	<i>Mr Theo Naudé - Director Infrastructure</i> <i>Mr Jason Gick - Manager Operations</i>
Legislation	<i>Local Government Act 1995</i>
Council Role	<i>Executive/Strategic.</i>
Voting Requirement	<i>Simple Majority.</i>
Attachments	<i>Appendix IPC: 8.11A - PVAMP</i> <i>Appendix IPC: 8.11B- Risk Assessment</i>

Overview

The Committee is requested to consider and endorse the Annual Transfer to Reserve for the Infrastructure Plant and Vehicle Asset Management Plan 2023/24 - 2032/33 (PVAMP), together with the Infrastructure Plant & Vehicle Asset Management Plan 2023/24 – 2032/33 which has been updated as part of the annual review of the Long Term Financial Plan and Corporate Business Plan.

Having the PVAMP updated and endorsed by Council will provide staff the opportunity to plan and reschedule the 10 Year Plant & Vehicle Replacement Program for final consideration by the Integrated Planning Committee.

Change to Officer Recommendation

No Change. **OR:**

As per *Local Government (Administration) Regulations 1996 11(da)* Council records the following reasons for amending the Officer Recommended Resolution:

OFFICER RECOMMENDED RESOLUTION TO THE INTEGRATED PLANNING COMMITTEE MEETING

THAT the Integrated Planning Committee recommends that Council:

- Adopts the following Annual Transfers to the Plant and Engineering Equipment Reserve for the delivery of the Infrastructure Plant and Vehicle 10 Year Replacement Program:**

	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
	Annual Transfer (x \$1,000)									
2023/2024 Draft LTFP	250	256	276	315	330	330	330	360	385	390

- Endorses the 10 year Infrastructure Plant and Vehicle Asset Management Plan 2023/24 - 2032/33 acquisition and replacement program (Appendix IPC: 8.11A).**

Background

The Infrastructure Plant & Vehicle Asset Management Plan is reviewed on an annual basis to provide a structured approach towards the replacement program for the Shire's Infrastructure plant and vehicles. Replacement of Councils existing vehicle fleet – vehicles replaced at the optimal point in their serviceable life, the triggers being as adopted by Council in Policy CP048 – *Plant & Vehicle Acquisitions and Disposal Policy*

Type	Replacement Triggers (whichever occurs first)		
	Age (years)	Odometer Reading (km)	Hour Meter Reading (hours)
Grader	10	-	8,000
Loader	8	-	8,000
Truck - Light	6	150,000	-
Truck - Medium	8	200,000	-
Ride on Mower	5	-	2,000
Tractor	8	-	5,000
Trailer - Heavy	15	-	-
Trailer - Light	10	-	-
Quad Bike	5	-	-
Backhoe Loader	7	-	5,000
Skid Steer loader	5	-	5,000
Road sweeper	8	-	8,000
Attachments	To be considered for changeover at time of the changeover of the corresponding plant/vehicle.		

Legal Implications

Local governments are required by legislation to adopt an integrated strategic planning approach to financial management.

Local Government (Administration) Regulations 2011

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

- (3) *A corporate business plan for a district is to —*
- (a) *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*
 - (b) *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.*

Council Plan

13.1 - Adopt best practice governance.

14.2 - Ensure equitable, inclusive and transparent engagement and decision- making.

Environment - None.

Precedents

Council reviews and adopts the 10 Year Program annually and the PVAMP as and when amendments are made.

Budget Implications

The information contained in the 10 Year Program will be used annually to develop Council’s Long Term Financial Plan, Corporate Business Plan and Annual Budget.

The following tables from the Infrastructure Plant & Vehicle 10 Year Asset Management Plan are provided with the agenda and indicate the projected expenditure and income for the next ten years (Appendix IPC: 8.11A):

- Plant Expenditure Summary;
- Plant Revenue Summary; and
- Plant Reserve Fund Balance.

Annual Transfer (x \$1,000)	Current Year 22/23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
Expenditure	80	415	384	852	329	780	401	279	529	518	687
Sales Revenue	125	125	103	218	85	177	77	58	140	179	223
Reserve Fund Balance	659	616	588	225	289	9	5	104	65	102	19

A complete copy of the Infrastructure Plant & Vehicle 10 Year Asset Management Plan is attached (Appendix IPC: 8.11A);

The following shows the proposed annual transfer compared to the previous year adopted amounts

	Current Year 22/23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
	Annual Transfer (x \$1,000)										
2022/2023 LTFP	126	250	256	276	290	317	300	300	353	365	428
Draft 2023/2024 LTFP		250	256	276	315	330	330	330	360	385	390

Budget – Whole of Life Cost

The purpose of the Plant & Vehicle 10 Year Program is to plan for the acquisition of new and the replacement of existing plant and vehicles. The triggers adopted by Council aim to minimise the overall life cycle cost of the Council’s plant and vehicle fleet.

Council Policy Compliance

Replacement triggers used in the 10 Year Program are in accordance with Policy *Infr CP048– Plant & Vehicle Acquisition and Disposal Policy*.

Council Policy CnG CP018 – *Corporate Business Plan & Long Term Financial Plan* outlines the objective and requirements to enable the annual budget to be adopted by the end of June each year. This incorporates the annual review and updating of Asset Management Plans.

Risk Assessment

The Risk Management Governance Framework has been considered in arriving at the officer recommendation. Please refer to (Appendix IPC: 8.11B) for full assessment document.

Tier 2 – ‘Low’ or ‘Moderate’ Inherent Risk.		
Risk Event	Draft Infrastructure Plant & Vehicle Asset Management Plan 2023/24 – 2032/33	
Inherent Risk Rating (prior to treatment or control)	Moderate (5 - 11)	
Risk Action Plan (treatment or controls proposed)	As the Inherent Risk Rating is below 12, this is not applicable.	
Residual Risk Rating (after treatment or controls)	As the Inherent Risk Rating is below 12, this is not applicable.	
Risk Category Assessed Against	Financial	Risk that assets are not renewed at the right point in the asset life cycle – increased repairs costs, downtime.
	Financial	Risk that assets are not acquired to meet demand or needs of the Shire..
	Service Interruption	Risk that assets are not renewed at the right point in the asset life cycle – increased repairs costs, downtime.
	Reputational	Risk that customer levels of service are reduced or are not maintained to meet public expectation.

Officer Comment

The replacement of existing plant and vehicles has been scheduled in accordance with Council's Policy *Infr CP048 – Plant & Vehicle Acquisition and Disposal Policy*. This Policy was established and adopted by Council to ensure that the Shire's plant and vehicle fleet is replaced at an optimal time, striking a balance between lifecycle cost and serviceability for each class of plant and vehicle.

The following new acquisitions of plant and vehicles have been included in the Program:

- 3-Tonne Truck (2026/27) – Parks & Environment Section – this has been added to assist new staff in the section as identified in the Workforce Plan.
- Tipping Trailer (2023/24) – Parks & Environment: this plant is proposed due to the current need for this versatile trailer.
- Road Sweeper (2033/34) – this is included in the Program. However, Council staff are exploring options to share a road sweeper with a neighbouring Local Government(s) as it is expected that full utilisation will not occur until Wanju and Waterloo Industrial Park are well into development.
- Skid Steer Loader (2028/29) - commonly referred to as a "Bobcat" – Although a useful item to own, and one that is often hired in, the level of utilisation is currently not fully understood. A business case will be prepared by the Operations team to confirm the need and timing of the plant.

Officers therefore recommend that the Integrated Planning Committee endorse the annual Transfer to Reserve for the Plant & Vehicle Replacement Program in the PVAMP, together with the Infrastructure Plant & Vehicle 10 Year Asset Management Plan.

END REPORT

8.12 Title: Draft Stormwater Asset Management Plan 2023/24 – 2032/33

Reporting Department	Corporate & Governance Directorate
Responsible Officer	Mr Phil Anastasakis - Deputy CEO
Reporting Officer	Mr Theo Naudé - Director Infrastructure Mr Kristin McKeachie - Manager Assets
Legislation	Local Government Act 1995 Local Government (Financial Management) Regulations 1996
Council Role	Executive/Strategic.
Voting Requirement	Simple Majority.
Attachments	Appendix IPC 8.12A – Stormwater Asset Management Plan 2023-2024 - Appendix IPC: 8.12B – Summary of Transfers Appendix IPC: 8.12C – Risk Assessment Tool

Overview

The Committee is requested to consider and endorse the Annual Transfer to Reserve for the Storm Water Works Program 2023/24 - 2032/33, together with the Storm Water Asset Management Plan 2023/24 - 2032/33 which has been updated as part of the annual review of the Long Term Financial Plan and Corporate Business Plan.

Having the SWAMP updated and endorsed by Council will provide staff the opportunity to plan and reschedule the 10 Year Storm Water Works Program for final consideration by the Integrated Planning Committee.

Change to Officer Recommendation

No Change. **OR:**

As per *Local Government (Administration) Regulations 1996* 11(da) Council records the following reasons for amending the Officer Recommended Resolution:

OFFICER RECOMMENDED RESOLUTION TO THE INTEGRATED PLANNING COMMITTEE MEETING

THAT the Integrated Planning Committee recommends that Council:

- Adopts the following Annual Transfers to the Storm Water Reserve for the delivery of the 10 Year Storm Water Works Program:**

	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
	Annual Transfer (x \$1,000)									
2023/2024 Draft LTFP	25	30	30	50	50	50	50	50	50	50

- Endorses the 10 year Storm Water Asset Management Plan 2023/24-2032/33 Works Program (Appendix IPC: 8.12A).**

Background

The document referred to as the SWAMP (Storm Water Asset Management Plan) is a 10 Year Program that summarises all renewal, upgrade and new works programmed for the Council's existing and proposed Storm Water Assets. The document contains estimates of expenditure and revenue, together with recommended reserve transfers to fund the works. The 10 Year Storm Water Asset Works Program considers project priorities in line with the Shire of Dardanup Council Plan (CP).

Over the next few years the focus will be to review asset management practices and asset management plans that support the decisions that result in these works program to ensure sustainable asset management that meets the agreed services levels and is affordable to the community.

Legal Implications

Local governments are required by legislation to adopt an integrated strategic planning approach to financial management.

Local Government (Administration) Regulations 2011

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

- (3) *A corporate business plan for a district is to —*
- (a) *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*
 - (b) *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.*

Council Plan

13.1 - Adopt best practice governance.

13.2 - Manage the Shire's resources responsibly.

Environment - None.

Precedents

Council reviews and adopts the 10 Year Works Program annually and the SWAMP as and when amendments are made.

Budget Implications

The information contained in the 10 Year Works Program will be used annually to develop the Shire of Dardanup Corporate Business Plan.

The proposed annual reserve transfer for storm water has not changed from that adopted in the Long Term Financial Plan (LTFP) of 2022-2023. A summary of the transfers is provided for in (Appendix IPC: 8.12B).

The following summary tables from the Draft 2023/24 Storm Water 10 Year Asset Management Plan are provided with the agenda and indicate the projected expenditure and income for the next ten years (Appendix IPC: 8.12B):

- Storm Water Expenditure Summary; and
- Storm Water Reserve Fund Balance.

Annual Transfer (x \$1,000)	Current Year 22/23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
Expenditure	68	50	0	0	0	0	0	0	0	0	0
Reserve Fund Balance	105	80	110	141	192	243	294	345	397	449	501

A complete copy of the Storm Water 10 Year Asset Management Plan is attached (Appendix IPC: 8.12A).

The following shows the proposed annual transfer compared to the previous year adopted amounts.

	Current Year 22/23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
	Annual Transfer (x \$1,000)										
2022/2023 LTFP	25	25	30	30	50	50	50	50	50	50	50
Draft 2023/2024 LTFP		25	30	30	50	50	50	50	50	50	50

Budget – Whole of Life Cost

The purpose of the SWAMP is to plan for the expansion, upgrade, renewal and maintenance of the Shire’s Stormwater assets and is essentially dealing with the full life cycle requirements of stormwater infrastructure.

Due to the extremely long useful life of stormwater infrastructure (up to 90 years), it is difficult to predict renewal required and most upgrade projects will involve some renewal.

Council Policy Compliance

Council Policy CnG CP018 – Corporate Business Plan & Long Term Financial Plan outlines the objective and requirements to enable the annual budget to be adopted by the end of June each year. This incorporates the annual review and updating of Asset Management Plans.

Risk Assessment

The Risk Management Governance Framework has been considered in arriving at the officer recommendation. Please refer to (Appendix IPC: 8.12C) for full assessment document.

Tier 2 – ‘Low’ or ‘Moderate’ Inherent Risk.	
Risk Event	Stormwater Asset Management Plan 2023/24 – 2032/33
Inherent Risk Rating (prior to treatment or control)	Moderate (5 - 11)
Risk Action Plan (treatment or controls proposed)	As the Inherent Risk Rating is below 12, this is not applicable.

Tier 2 – ‘Low’ or ‘Moderate’ Inherent Risk.		
Residual Risk Rating (after treatment or controls)	As the Inherent Risk Rating is below 12, this is not applicable.	
Risk Category Assessed Against	Financial	Risk that assets are not renewed at the end of their useful lives.
	Financial	Risk that assets are not upgraded or created to meet demand.
	Reputational	Risk that customer levels of service are reduced or maintained to meet public expectation.

Officer Comment

Works Program planning and delivery involves a holistic and team approach as it considers not only strategic, asset management and financial decisions but also infrastructure planning and delivery while considering contractual, funding providers and community expectations.

The main aims of the works program review this year include:

- Addressing Council’s priorities for new and improved assets balanced with renewal of assets;
- Providing for existing grant commitments;
- Maximising future grant commitments; and
- Ensuring project scheduling has given detail consideration to project scope and costing.

In order to address item 4 above, Officers recommend that Council implements a Shire-wide Drainage Strategy Review in order to identify areas of immediate need, scale of possible future upgrade requirements and likely areas of risk of inundation due to Climate Change.

This activity will provide guidance on probable future costs and aid in the development of a ‘Needs Based’ program of works over and above the present ‘Age Based’ approach.

In order to free up funds for other purposes and to avoid potential deficits in future Drainage Reserves, some other Upgrade and Expansion works have been deferred beyond the end of the proposed 2023/24 10 Year Program horizon. This is a significant change to the previous endorsed program. Making this change however provides the opportunity for Council to review its priorities for new drainage construction in future Capital Works Programs based upon the outcomes of the proposed Drainage Strategy Review and as budget permits.

The following projects have been deferred beyond the end of the 10 year Program of Works window;

- *Hamilton Road -Hale Street Drainage Capacity improvements;*
- *Hands Creek Water Quality Improvement;*
- *Reserve R35582 - Golding Crescent Reconstruct Spillway; and*
- *Killarney Road Relocate Culvert @SLK 0.105.*

The following drainage improvements recommended in the previous 2022/23 Program will be completed in 2023:

- *Brett Place Open Drain Upgrade*
Urgent upgrades are required to ensure separation of the Shire stormwater drainage system from the Harvey Water irrigation system. Cost is estimated at \$61,500 with designs in 2022/2023 and construction in 2023/2024.

The proposed reserve transfers required for the Draft Stormwater Asset 10 Year Works Programs are currently unchanged.

For a copy of the Draft Storm Water Expansion and Upgrade 10 Year Works Program please refer to (Appendix IPC: 8.12A)

To enable staff to continue the development of the 10 Year Works programs, the Committee is requested to consider the proposed reserve transfers for adoption, which at this stage has not changed from the previous transfers adopted as part of the 2020/2021 programs.

In summary, the proposed draft 2023-24 Works Program is considered a reasonable programme balancing Council's project priorities and funding resources. The Program allows for development of Strategic Advice to support future decision making and the collection and validation of field measurements of existing drainage assets to improve the Shire's Asset Management understanding of this critical service.

END REPORT

8.13 Title: Draft Pathway Asset Management Plan 2023/24 – 2032/33

Reporting Department	Corporate & Governance Directorate
Responsible Officer	Mr Phil Anastasakis - Deputy CEO
Reporting Officer	Mr Theo Naudé - Director Infrastructure Mr Kristin McKeachie - Manager Assets
Legislation	Local Government Act 1995 Local Government (Financial Management) Regulations 1996
Council Role	Executive/Strategic.
Voting Requirement	Simple Majority.
Attachments	Appendix IPC 8.13A – Draft Pathway Asset Management Plan Work Program 2023-2024 - Appendix IPC: 8.13B – Summary of Transfers Appendix IPC: 8.13C – Risk Assessment Tool

Overview

The Committee is requested to consider and endorse the Annual Transfer to Reserve for the Pathways Works Program 2023/24 – 2032/33, together with the Pathways Asset Management Plan 2023/24 – 2032/33 which has been updated as part of the annual review of the Long Term Financial Plan and Corporate Business Plan.

Having the PAMP updated and endorsed by Council will provide staff the opportunity to plan and reschedule the 10 Year Road Works Program for final consideration by the Integrated Planning Committee.

Change to Officer Recommendation

No Change. **OR:**

As per *Local Government (Administration) Regulations 1996* 11(da) Council records the following reasons for amending the Officer Recommended Resolution:

OFFICER RECOMMENDED RESOLUTION TO THE INTEGRATED PLANNING COMMITTEE MEETING

THAT the Integrated Planning Committee recommends that Council:

- Adopts the following Annual Transfers to the Pathways Reserve for the delivery of the 10 Year Pathways Works Program:**

	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
	Annual Transfer (x \$1,000)									
2023/2024 Draft LTFP	100	150	150	200	200	200	200	200	200	250

- Endorses the 10 year Pathways Asset Management Plan 2023/24-2032/33 Works Program (Appendix IPC: 8.13A).**

Background

The Pathway Asset Management Plan (PAMP) provides a comprehensive plan for the improvement, expansion, renewal and maintenance of the Shire's pathway network. The PAMP looks at the existing network, determines standards and processes for determining an overall master plan of pathways for the Shire and recommends a program of works for the improvement, expansion and renewal of the pathway network. The PAMP is reviewed annually to take into consideration any changes resulting from traffic, development and subdivisions, newly constructed pathways together with financial constraints.

The PAMP is written in consideration of the Shire of Dardanup Shire of Dardanup Council Plan (CP) and the subsequent 10 Year program is produced for the 2023/2024 Long Term Financial Plan and Corporate Business Plan.

Legal Implications

Local governments are required by legislation to adopt an integrated strategic planning approach to financial management.

Local Government (Administration) Regulations 2011

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

- (3) *A corporate business plan for a district is to —*
- (a) *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*
 - (b) *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.*

Council Plan

13.1 - Adopt best practice governance.

13.2 - Manage the Shire's resources responsibly.

Environment - None.

Precedents

Council reviews and adopts the 10 Year Program annually and the PAMP as and when amendments are made.

Budget Implications

The information contained in the 10 Year Works Program will be used annually to develop the Shire of Dardanup Corporate Business Plan.

The proposed annual reserve transfer for pathways has not changed from that adopted in the Long Term Financial Plan (LTFP) of 2022-2023. A summary of the transfers is provided for in (Appendix IPC: 8.13B).

The following summary tables from the Draft 2023/24 Pathways 10 Year Asset Management Plan are provided with the agenda and indicate the projected expenditure and income for the next ten years (Appendix IPC: 8.13A):

- Pathways Expenditure Summary; and
- Pathways Reserve Fund Balance.

Annual Transfer (x \$1,000)	Current Year 22/23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
Expenditure	103	172	225	120	134	131	364	230	146	254	249
Reserve Fund Balance	192	120	45	77	145	216	55	26	81	29	31

A complete copy of the Pathways 10 Year Asset Management Plan Works Program is attached (Appendix IPC: 8.13A).

The following shows the proposed annual transfer compared to the previous year adopted amounts.

	Current Year 22/23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
Annual Transfer (x \$1,000)											
2022/2023 LTFP	100	100	150	150	200	200	200	200	200	200	250
Draft 2023/2024 LTFP		100	150	150	200	200	200	200	200	200	250

Budget – Whole of Life Cost

The purpose of the PAMP is to plan for the expansion, upgrade, renewal and maintenance of the Shire’s pathway network and is essentially dealing with the full life cycle requirements of pathway infrastructure.

A recent condition inspection of the Shire’s pathway network has established that the majority of the paths are in good to fair condition. There is however a significant part of the network showing aging and also requiring work relating to cracks and trip hazards caused by other factors than aging. Some of these repairs require redesigns and significant replacements. There has also been some improvements identified to improve pedestrian and cyclist safety especially surrounding schools.

Council Policy Compliance

Council Policy CnG CP018 – Corporate Business Plan & Long Term Financial Plan outlines the objective and requirements to enable the annual budget to be adopted by the end of June each year. This incorporates the annual review and updating of Asset Management Plans.

Risk Assessment

The Risk Management Governance Framework has been considered in arriving at the officer recommendation. Please refer to (Appendix IPC: 8.13C) for full assessment document.

Tier 2 – ‘Low’ or ‘Moderate’ Inherent Risk.	
Risk Event	Pathway Asset Management Plan 2023/24 – 2032/33
Inherent Risk Rating (prior to treatment or control)	Moderate (5 - 11)
Risk Action Plan (treatment or controls proposed)	As the Inherent Risk Rating is below 12, this is not applicable.
Residual Risk Rating (after treatment or controls)	As the Inherent Risk Rating is below 12, this is not applicable.
Risk Category Assessed Against	<p>Financial</p> <p>Risk that assets are not renewed at the end of their useful lives.</p> <p>Risk that assets are not upgraded or created to meet demand.</p> <p>Reputational</p> <p>Risk that customer levels of service are reduced or maintained to meet public expectation.</p>

Officer Comment

Works Program planning and delivery involves a holistic and team approach as it considers not only strategic, asset management and financial decisions but also infrastructure planning and delivery while considering contractual, funding providers and community expectations.

- *Review of Cost Estimates for Proposed Projects*

As part of the Revaluation of Infrastructure Assets in 2022, the Shire of Dardanup undertook a review of the Unit Rates used for the preparation of Costs Estimates for future works on paths. These Unit Rates were provided by the Shire’s third party Valuation Consultant (TALIS Pty Ltd) and were reviewed by the Shire’s external auditors as part of the 2020 Financial Accounting Audit.

In order to reduce the potential for budget overruns or contract shortfalls, it is considered imperative that estimated budgets for future Works are as accurate as possible and are based upon the best information available. The estimated costs of all proposed Works in the proposed 2023/24 Works Program have therefore been re-calculated based upon the 2022 audited Unit Rates.

In addition, the escalation factors used to forecast future costs for Works beyond Year 1 of the Program have been re-calculated based upon the most recent inflation forecast data available from the Australian Bureau of Statistics (ABS).

Based upon the above recalculations, the cost estimates for proposed projects have generally increased by (in the order of) 25% to 30%. This growth is in line with reported cost increases industry-wide, and is driven by inflationary effects on raw materials (primarily as a combined result of the COVID19 emergency and the war in Ukraine).

In order for such large cost escalations to be absorbed within the proposed 2023/24 Works Program and to minimise the impact of these changes on the Shire’s overall fiscal position, the timing of many of the future projects has been adjusted where possible (i.e. some projects have been deferred by up to three years). This is considered both necessary and fiscally responsible.

As a result of the rescheduling of projects noted above, proposed Reserve Transfers for the 2023/24 Works Program have been maintained at the same levels as the previous Program.

A financial summary of the Draft 10 Year Pathways Asset Management Plan is provided for in (Appendix IPC: 8.13A).

To enable staff to continue the development of the 10 year works programs, the Committee is requested to consider the proposed reserve transfers for adoption:

23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33	Total
(x \$1,000)										
100	150	150	200	200	200	200	200	200	250	2,289

In summary, the proposed draft 2023-24 Works Program is considered a reasonable programme balancing Council's project priorities and funding resources. The scheduling of these projects will be presented to the Committee over the coming weeks to improve the program even further.

Future improvements will also consider these programs are supported by monitoring service levels and whole of life implications to improve suitability and affordability into the future.

END REPORT

8.14 Title: Draft Parks & Reserve Asset Management Plan 2023/24 – 2032/33 – DEFFERED TO 19th APRIL 2023 IPC COMMITTEE MEETING

Reporting Department	<i>Corporate & Governance Directorate</i>
Responsible Officer	<i>Mr Phil Anastasakis - Deputy CEO</i>
Reporting Officer	<i>Mr Theo Naudé - Director Infrastructure</i> <i>Mr Kristin McKeachie - Manager Assets</i>
Legislation	<i>Local Government Act 1995</i> <i>Local Government (Financial Management) Regulations 1996</i>
Council Role	<i>Executive/Strategic.</i>
Voting Requirement	<i>Simple Majority.</i>
Attachments	<i>Nil</i>

Officer Comment

The Draft Parks & Reserves Asset Management Plan will be presented to the Integrated Planning Committee meeting on the 19th April 2023, however discussion will be undertaken at the 8th March 2023 Committee meeting.

8.15 *Title: Draft Building Asset Management Plan 2023/24 – 2032/33 – DEFERRED TO 19TH APRIL 2023 IPC COMMITTEE MEETING*

Reporting Department	<i>Corporate & Governance Directorate</i>
Responsible Officer	<i>Mr Phil Anastasakis - Deputy CEO</i>
Reporting Officer	<i>Mr Theo Naudé - Director Infrastructure</i> <i>Mr Kristin McKeachie - Manager Assets</i>
Legislation	<i>Local Government Act 1995</i> <i>Local Government (Financial Management) Regulations 1996</i>
Council Role	<i>Executive/Strategic.</i>
Voting Requirement	<i>Simple Majority.</i>
Attachments	<i>Nil</i>

Officer Comment

The Draft Building Asset Management Plan will be presented to the Integrated Planning Committee meeting on the 19th April 2023, however discussion will be undertaken at the 8th March 2023 Committee meeting.

8.16 Title: Draft Road Asset Management Plan 2023/24 – 2032/33 – DEFFERED TO 19th APRIL 2023
IPC COMMITTEE MEETING

Reporting Department	<i>Corporate & Governance Directorate</i>
Responsible Officer	<i>Mr Phil Anastasakis - Deputy CEO</i>
Reporting Officer	<i>Mr Theo Naudé - Director Infrastructure</i> <i>Mr Kristin McKeachie - Manager Assets</i>
Legislation	<i>Local Government Act 1995</i> <i>Local Government (Financial Management) Regulations 1996</i>
Council Role	<i>Executive/Strategic.</i>
Voting Requirement	<i>Simple Majority.</i>
Attachments	<i>Nil</i>

Officer Comment

The Draft Road Asset Management Plan will be presented to the Integrated Planning Committee meeting on the 19th April 2023, however discussion will be undertaken at the 8th March 2023 Committee meeting.

9 ELECTED MEMBER MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

10 NEW BUSINESS OF AN URGENT NATURE

11 MATTERS BEHIND CLOSED DOORS

None.

12 CLOSURE OF MEETING

The Chairperson advises that the date of the next Integrated Planning Committee Meeting will be Wednesday, 19th April 2023.

There being no further business the Chairperson to declare the meeting closed.