



Shire of
Serpentine
Jarrahdale

Special Council Meeting

Confirmed Minutes 7pm

Monday, 31 July 2023

Purpose: Consideration of the following reports:

- Consideration of submissions – 2023/24 Differential General Rates and Minimum Payments (SJ4229)
- Consideration of the 2023-2024 Financial Year Budget (SJ4229)
- Long Term Financial Plan 2023-33 and Corporate Business Plan 2023-27 (SJ940-3)

Contact Us

Enquiries

Call: (08) 9526 1111
Fax: (08) 9525 5441
Email: info@sjshire.wa.gov.au

In Person

Shire of Serpentine Jarrahdale
6 Paterson Street, Mundijong WA 6123
Open Monday to Friday 8.30am-5pm (closed public holidays)



www.sjshire.wa.gov.au



Special Council Meeting Minutes Monday, 31 July 2023

Councillor Attendance Register

In accordance with the 11 April 2022 Ordinary Council Meeting, Council Resolution OCM067/04/22, clause 1 – “That Council requests the Chief Executive Officer maintain a Councillor Attendance Register recording Councillor Attendances at Ordinary Council Meetings, Special Council Meetings, Q & A briefings for Ordinary Council Meetings, Q & A briefings for Special Council Meetings, Councillor Workshops held for Project Briefings, Councillor Workshops held for Budget Preparations and Policy Concept Forums”.

In accordance with the 12 December 2022 Ordinary Council Meeting, Council Resolution OCM313/12/22, clause 6 – “That Council requests that the Councillor Attendance Register published in the Agenda and Minutes displays attendances for the calendar year and notes that the full Councillor Attendance Register, including previous calendar years, will continue to be published on the Shire’s website.”

Council 1 January 2023 –

Date	Type	Cr Rich	Cr Atwell	Cr Byas	Cr Coales	Cr Dagostino	Cr Duggin	Cr Mack	Cr Strange	Cr Strautins
24/07/23	PCF	✓	✓	A	✓	A	✓	A	✓	✓
19/07/23	WORKSHOP (Budget)	✓	✓	A	✓	✓	✓	A	✓	✓
17/07/23	OCM	✓	✓	A	✓	A	✓	A	✓	✓
10/07/23	Q & A (OCM)	✓	✓	A	A	A	A	A	✓	✓
03/07/23	PCF	✓	✓	✓	A	A	A	✓	A	✓
26/06/23	PCF	✓	✓	A	✓	A	✓	✓	A	✓
21/06/23	OCM reconvened	✓	✓	A	✓	✓	✓	✓	✓	A
19/06/23	OCM	✓	✓	✓	✓	✓	✓	✓	✓	✓
15/06/23	WORKSHOP (Budget)	✓	✓	A	✓	✓	✓	✓	✓	A
12/06/23	Q & A (OCM)	✓	✓	✓	✓	A	✓	A	A	A
07/06/23	WORKSHOP (Budget)	✓	A	A	✓	✓	✓	✓	✓	A
01/06/23	WORKSHOP (Budget)	✓	A	✓	A	✓	✓	✓	✓	A
29/05/23	PCF	✓	A	A	A	A	✓	✓	✓	A
25/05/23	WORKSHOP (Budget)	✓	✓	✓	✓	✓	✓	✓	A	✓
22/05/23	PCF	✓	✓	✓	✓	A	✓	✓	✓	A
15/05/23	OCM	✓	✓	✓	✓	✓	✓	✓	✓	✓



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Date	Type	Cr Rich	Cr Atwell	Cr Byas	Cr Coales	Cr Dagostino	Cr Duggin	Cr Mack	Cr Strange	Cr Strautins
08/05/23	Q & A (OCM)	✓	✓	A	✓	A	✓	✓	✓	A
08/05/23	WORKSHOP (Strategic Community Plan Major Review)	✓	✓	✓	✓	A	✓	✓	✓	A
01/05/23	PCF	✓	A	✓	✓	✓	✓	✓	✓	A
26/04/23	PCF	✓	A	✓	✓	A	✓	✓	A	A
17/04/23	OCM	✓	✓	A	✓	✓	✓	✓	A	✓
17/04/23	Q & A cont. (OCM)	✓	✓	A	✓	✓	✓	✓	A	✓
11/04/23	Q & A (OCM)	✓	✓	✓	A	A	✓	✓	A	A
03/04/23	PCF	✓	✓	A	✓	A	✓	✓	✓	✓
27/03/23	PCF	✓	✓	✓	✓	✓	✓	✓	✓	✓
20/03/23	OCM	✓	✓	✓	✓	✓	✓	✓	✓	✓
20/03/23	Q & A cont. (OCM)	✓	✓	✓	✓	✓	✓	✓	✓	✓
13/03/23	Q & A (OCM)	✓	A	✓	✓	✓	✓	✓	✓	A
08/03/23	WORKSHOP (Status update / report on 2022-23 CEO KPIs)	✓	A	A	A	A	A	✓	✓	A
02/03/23	SCM	✓	✓	✓	✓	✓	✓	✓	✓	✓
27/02/23	SCM	✓	✓	✓	✓	✓	✓	✓	A	✓
27/02/23	PCF	✓	✓	✓	✓	✓	✓	✓	A	✓
20/02/23	OCM	✓	✓	✓	✓	✓	✓	✓	✓	✓
20/02/23	Q & A cont. (OCM)	✓	✓	✓	✓	✓	✓	✓	✓	✓
15/02/23	WORKSHOP (Community Perception Survey)	✓	✓	✓	✓	✓	✓	✓	✓	A
13/02/23	Q & A (OCM)	✓	✓	A	✓	A	✓	A	✓	✓
06/02/23	PCF	✓	A	✓	✓	A	✓	✓	✓	✓
06/02/23	SCM	✓	A	✓	✓	A	✓	✓	✓	✓



Special Council Meeting Minutes Monday, 31 July 2023

Date	Type	Cr Rich	Cr Atwell	Cr Byas	Cr Coales	Cr Dagostino	Cr Duggin	Cr Mack	Cr Strange	Cr Strautins
30/01/23	SCM	✓	✓	✓	✓	✓	✓	✓	✓	✓
30/01/23	Q & A (SCM – 6 February 2023)	✓	✓	✓	✓	✓	✓	✓	✓	A
23/01/23	Q & A (SCM – 30 January 2023)	✓	✓	✓	✓	✓	✓	A	✓	✓
23/01/23	WORKSHOP (Catalyse Presentation - Community Perception Scorecard)	✓	✓	✓	✓	✓	✓	A	✓	✓

A – Apology

LoA – Leave of Absence

NA – Non Attendance

EPNG – Electronic Participation Not Granted



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The purpose of this Council Meeting is to discuss and, where possible, make resolutions about items appearing on the agenda. Whilst Council has the power to resolve such items and may in fact, appear to have done so at the meeting, no person should rely on or act on the basis of such decision or on any advice or information provided by a Member or Officer, or on the content of any discussion occurring, during the course of the meeting. Persons should be aware of the provisions of the *Local Government Act 1995* (section 5.25(1)(e)) and Council's *Standing Orders Local Law 2002 (as Amended)* – Part 14, Implementing Decisions. No person should rely on the decisions made by Council until formal advice of the Council resolution is received by that person.

The Shire of Serpentine Jarrahdale expressly disclaims liability for any loss or damage suffered by any person as a result of relying on or acting on the basis of any resolution of Council, or any advice or information provided by a Member or Officer, or the content of any discussion occurring, during the course of the Council meeting.

At the 20 June 2022 Ordinary Council Meeting, Council resolved that Council and Committee Meetings will be audio recorded in accordance with Council Policy. If you are asking a public question or making a statement or deputation to the meeting this will be audio recorded. Members of the public are reminded that no other visual or audio recording of this meeting by any other means is allowed.



Special Council Meeting Minutes Monday, 31 July 2023

Minutes of the Special Council Meeting of the Shire of Serpentine Jarrahdale held on Monday, 31 July 2023 in the Council Chambers, Civic Centre, 6 Paterson Street, Mundijong.

The Shire President, Councillor Rich attempted to open the meeting at 7:02pm, however, due to technical difficulties with the recording, the meeting did not commence.

The Shire President, Councillor Rich declared the meeting open at 7:34pm and welcomed Councillors, Staff and members of the gallery and acknowledged that the meeting was being held on the traditional land of the Noongar People and paid her respects to the Elders Past, Present and Emerging.

The Shire President, Councillor Rich acknowledged and welcomed past Councillor, Sandra Hawkins.

The Shire President, Councillor Rich advised members of the gallery that the meeting is being audio recorded, in accordance with Council Policy. If you are asking a public question or making a statement or deputation to the meeting this will be audio recorded. Members of the public are reminded that no other visual or audio recording of this meeting by any other means is allowed.

Minutes

1. Attendances and apologies (including leave of absence):

Attendees:

Councillors: M Rich.....Presiding Member

D Atwell
M Byas
R Coales
M Dagostino
T Duggin
S Mack
L Strange
D Strautins

Officers: Mr F Sullivan.....Director Corporate Services
Mr R Najafzadeh.....Director Infrastructure Services
Mr B Oliver.....Director Community Engagement
Mr A Trosic.....Director Development Services
Dr K Parker.....Manager Governance and Strategy
Ms H Ross.....Acting Manager Finance
Ms M Gibson.....Governance Officer – Council and Committees
(Minute Taker)

Leave of Absence: Nil.

Apologies: Mr P Martin, Chief Executive Officer

Observers: 9

Media: 1



2. Public question time:

No public questions were submitted in writing prior to the meeting.

Presiding Member, Councillor Rich asked if there were any public questions from the floor at 7:35pm.

Mr Garry Tomlinson, Jarrahdale WA 6124

Question 1

Query on the rates notice – why is the general rubbish 140L rubbish bin service at \$271 more expensive than the 240L recycle waste service?

Response (Shire President)

The Shire President advised the question will be taken on notice. In accordance with Council Policy 1.1.3 – Public Question and Public Statement Time – Ordinary Council Meeting, a written response will be provided.

Question 2

What are we getting out of the Shire for our rates increasing? We have no water, no main sewerage.

Response (Shire President)

The items you mentioned, water, sewerage, etc., are not services that are provided by local government in the State of WA. There is a full Agenda this evening with attachments that members of the public have had the opportunity to read and Council will consider the budget and the rates this evening.

Presiding Member, Councillor Rich asked if there were any further questions from the floor at 7:38pm.

Mrs Lee Bond, Box 44 Armadale WA 6122

Question 1

SJ Shire repeatedly asks for submissions re rates, why do you not take notice of submissions?

Response (Shire President)

All submissions are taken into account and are part of the process in Council making its decisions tonight for the budget.

Question 2

What are the four key steps to the budget process?

The Presiding Member asked Mrs Bond to ask a question that directly related to the purpose of the meeting.

Question 3

Why is this such a wasteful budget? What are the key steps to avoid in preparing a budget?

The Presiding Member asked Mrs Bond to ask a question that directly related to the purpose of the meeting.

Presiding Member, Councillor Rich asked if there were any further questions from the floor at 7:40pm. No further public questions were asked.



Public question time concluded at 7:40pm.

3. Public statement time:

Public statement time commenced at 7:41pm.

Mr Michael van den Dool, Mundijong WA 6123

Good evening, Madam President Michelle Rich and Councillors, May I again refer you to the Footpaths Petition submitted to the SJ Shire Council late last year.

On behalf of the petitioners, I thank you all for heeding this request and including funding for its construction in tonight's budget.

In reading through the 2023/2024 budget and its notes I see that funding has been included for the footpath broken into 2 items, namely 1) Adonis Street and 2) Richardson Street, with funding for each street as a separate item.

May I request again on behalf of all those who signed the petition that you please approve budget Option 1. Option 1 will allow both footpaths' sections to be completed in 1 construction sequence. If Option 2 is adopted and a footpath down Adonis Street is made and stops at Richardson, I won't deny it's a great start and will be appreciated, but as a way of example it still only safely gets the school children halfway to the local primary school.

If Option 2 on the proposed budget is approved and Richardson Street gets a footpath say in another year or two's time, it's going to cost more than what's been allowed now anyway.

So, the saving in the budget now will be made null and void by extra costs in the future. Again, we plead with you to please adopt the budget option 1 and build the footpath as one project.

Please do not underestimate the impact this will make on the lives of many residents in town, more than just those who signed the petition. You will be providing all local residents a safe passage around town. To the many who walk, including the aged, those who push prams, kids on bikes, and disabled people this safety is priceless! I am convinced that you will see a LOT more people out and about if this footpath is completed in its entirety, it was one of the more common responses we received when we were out getting signatures, it wasn't unusual to hear residents especially the aged say they would get out if they felt safe to do so, and a footpath would do just that.

In conclusion, if this footpath gets approved in its entirety, I can't wait to advise all the petitioners that the petition has been a success and it's going to happen. This is going to make many people very happy, will remind the locals that the SJ Shire does invest in the safety of its residents and will be a huge asset to our growing town. Finally, following the outcome of tonight's meeting, may I please request correspondence from the SJ Shire so I can go and share them with all those who signed the petition? I look forward to seeing the outcome of the budget tonight. On behalf of the petitioners, Thank you.

Ms Sandra Hawkins, Whitby WA 6123

It is public knowledge that everything goes up well almost everything, what is certain is that the Shire rates will go up. Let's be clear no one wants this to happen especially a 5.8% rise. But I know that sometimes this is an essential part of being able to run the business of managing the affairs in this Shire. However with clever accounting we can obtain all that



is required to balance the budget and only have a 4% rate increase. Clever is ok but how about creative accounting.

This Shire like all others have many essential items on the wish list including an extremely important item for the residents on Mundijong and Whitby that being the pedestrian rail Crossing on Kiernan Street in Whitby. The residents of Byford and Serpentine have one. I can assure you if the people of Byford were subjected to a crossing like the Keirnan Street Crossing there would be fatalities.

The Whitby estate is growing faster than it was during Covid when it was at its worst so we have a situation of a major accident waiting to happen. With a predicted population of 15,000 on the Whitby estate it doesn't take an expert to realize that we have a serious safety issue.

With the Keirnan Street Sports complex about to commence its first stage of construction this crossing is needed more than ever now.

I am assured that funding has been granted from the state government with the Shire matching it and the Crossing will go ahead but it's when it will do so that I am concerned with. The difference is 1, 2 even 3 years and that is what the residents of Whitby need to know. This Shire promotes a healthy lifestyle upgrading walking trails, upgrading footpaths cycle ways, new ovals and many more amenities.

Time we do not have it is against us and one needs to reconsider what is more important. Councillors it is about having a great time and enjoying your recreation with sports or dining out with friends or is it the safety of the children in this particular area of the Shire. You may not realize but their lives are in your hands. Will you be going to visit the family of little Johnny who has just been killed on that crossing when he stepped onto the road from the safety of the footpath to get the other side? NO. Will you go and see the driver of the car that came around the corner going much too fast and hit little Johnny. NO. That driver will never forgive him or herself. No you will not see the devastation that has been caused when it could have been prevented. But you can ensure that the right thing is done to bring a safe and secure pedestrian crossing for the residents of Whitby.

You can also ensure that those residents get to enjoy all the wonderful amenities of the Shire now and into the future.

As I stated before with the Sports complex commencing construction that will bring a huge increase in traffic flow most of which will come across the Keirnan Street crossing. Those people may or may not be residents of the Shire but they will add to the possibility of causing a fatality.

It is sad when most things come back to numbers, safety in numbers, you don't have the numbers so we can't do it. You have the numbers so you won. Well the number one is important to me because if only one life is saved then that is all that matters.

Public statement time concluded at 7:47pm.

4. Petitions and deputations:

Nil.



5. Declaration of Councillors and Officers interest:

Councillor David Atwell declared a Financial Interest in item 7.1 - Notice of Motion – West Mundijong Industrial Area (SJ4232). The nature of the interest is Financial. The extent of the interest is part owner of land in West Mundijong. Councillor Atwell will leave the meeting while this item is discussed.



6. Receipt of Reports:

6.1 - Consideration of Submissions – 2023/24 Differential General Rates and Minimum Payments (SJ4229)	
Responsible Officer:	Director Corporate Services
Senior Officer:	Chief Executive Officer
Disclosure of Officer's Interest:	No Officer involved in the preparation of this report has an interest to declare in accordance with the provisions of the <i>Local Government Act 1995</i> .

Authority / Discretion

Executive	The substantial direction setting and oversight role of the Council such as adopting plans and reports, accepting tenders, directing operations and setting and amending budgets.
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Report Purpose

The purpose of this report is to enable Council to consider submissions received regarding the Rates in the Dollar and Minimum Payments for the Differential Rating categories to be applied for the 2023/24 Financial Year.

Relevant Previous Decisions of Council

Ordinary Council Meeting – 19 June 2023 – OCM156/06/23 - COUNCIL RESOLUTION / Officer Recommendation

That Council:

- ENDORSES a total rate yield for 2023/2024 budget purposes, which will derive a proposed \$29,302,382 in net rate revenue.*
- ENDORSES for the purpose of advertising the following proposed Differential Categories, Rates and Minimum Payments for the Shire of Serpentine Jarrahdale for the 2023/24 rating year:*

<i>Rate Category</i>	<i>Rate in Dollar (Expressed as cents in \$)</i>	<i>Minimum Payment</i>
<i>GRV Residential</i>	<i>0.091427</i>	<i>\$1,401</i>
<i>GRV Commercial / Industrial</i>	<i>0.146226</i>	<i>\$1,591</i>
<i>UV General</i>	<i>0.004190</i>	<i>\$1,534</i>
<i>UV – Rural Residential</i>	<i>0.004882</i>	<i>\$2,022</i>
<i>UV – Commercial / Industrial</i>	<i>0.007127</i>	<i>\$2,129</i>
<i>UV Intensive Farmland</i>	<i>0.008380</i>	<i>\$3,068</i>

- AUTHORISES the Chief Executive Officer to advertise for public comment, the Differential General Rates and the Minimum Payments Statement of Objects and Reasons in attachment 1, as per the requirements of section 6.36 of the Local Government Act 1995.*
- ADOPTS the proposed amendment to the Rating Strategy by eliminating the GRV Vacant rate category as per attachment 2.*



5. *REQUESTS the Chief Executive Officer arrange a 23/24 Draft Budget Breakfast to occur on a weekday morning during the advertising period for differential rates at an approximate cost of \$2,500.*

Background

Rate revenue is a substantial source of revenue for the Shire of Serpentine Jarrahdale, accounting for approximately two thirds of operating revenue in the 2023/24 Budget. The *Local Government Act 1995* (the Act) empowers local governments to impose general rates and minimum payments on rateable land. Local governments can impose either uniform general rates or differential general rates.

Uniform general rates are where a local government sets a single general rate in the dollar for each valuation category (Gross Rental Value (GRV) and Unimproved Value (UV)) being a uniform general rate in the valuation dollar and applied to all properties within a valuation category regardless of their location or land use.

As an alternative to adopting a uniform general rate, a local government may apply different rates in the dollar within each valuation category. A differential rate may be applied using the following characteristics, or combination thereof:

- The zoning of the land;
- The predominant use (as determined by the Local Government)
- If the land is vacant or not; and
- Any characteristics prescribed (currently only relevant to amalgamations).

The Shire of Serpentine Jarrahdale has traditionally adopted differential general rates.

The overall objective of a rating model is to provide for the net funding requirements of the Shire's services, activities, financing costs and the current and future capital requirements of the Shire as outlined in the Strategic Community Plan, Corporate Business Plan, Long Term Financial Plan (LTFP) and the Annual Budget, ensuring to fund these requirements in an equitable way, in accordance with the Shire's rating strategy.

Community / Stakeholder Consultation

Budget Workshop – Rates, Fees and Charges, LTFP

Meeting Date	25 May 2023
Councillors in Attendance	Cr Rich, Cr Atwell, Cr Byas, Cr Coales, Cr Dagostino, Cr Duggin, Cr Mack, Cr Strautins

Budget Workshop- Capital and Non-Recurrent

Meeting Date	1 June 2023
Councillors in Attendance	Cr Rich, Cr Byas, Cr Dagostino, Cr Duggin, Cr Mack, Cr Strange.

Budget Workshop – Operating

Meeting Date	7 June 2023
Councillors in Attendance	Cr Rich, Cr Coales, Cr Dagostino, Cr Duggin, Cr Mack, Cr Strange.



Budget Workshop – Operating

Meeting Date	15 June 2023
Councillors in Attendance	Cr Rich, Cr Atwell, Cr Coales, Cr Dagostino, Cr Duggin, Cr Mack, Cr Strange.

Budget Workshop – Final Workshop

Meeting Date	19 July 2023
Councillors in Attendance	Cr Rich, Cr Atwell, Cr Coales, Cr Dagostino, Cr Duggin, Cr Strange, Cr Strautins

Community Consultation - Notice of rates and invitation to submit

In addition to the above, the Shire is required to, in accordance with Section 6.36 of the *Local Government Act 1995*, give notice of certain rates and invite submissions for a period of 21 days or such longer period.

As per Council Resolution OCM156/06/23, Council authorised the Chief Executive Officer to advertise for public comment, the proposed Differential Rates and Minimum Payments, and Statement of Objects and Reasons as per the requirements of section 6.36 of the *Local Government Act 1995*.

The Shire gave Local Public Notice of the proposed 2023/24 Differential Rates from 24 June 2023, with submissions closing on 17 July 2023, via the following channels:

- Public Notice (The West Australian newspaper, The Examiner newspaper, displayed at the Shire Administration Building and Mundijong Public Library)
- Your Say SJ website
- Shire corporate website
- Shire Facebook page
- eNewsletters – SJ Matters

Community Consultation – 2023/24 Draft Budget Community Information Breakfast

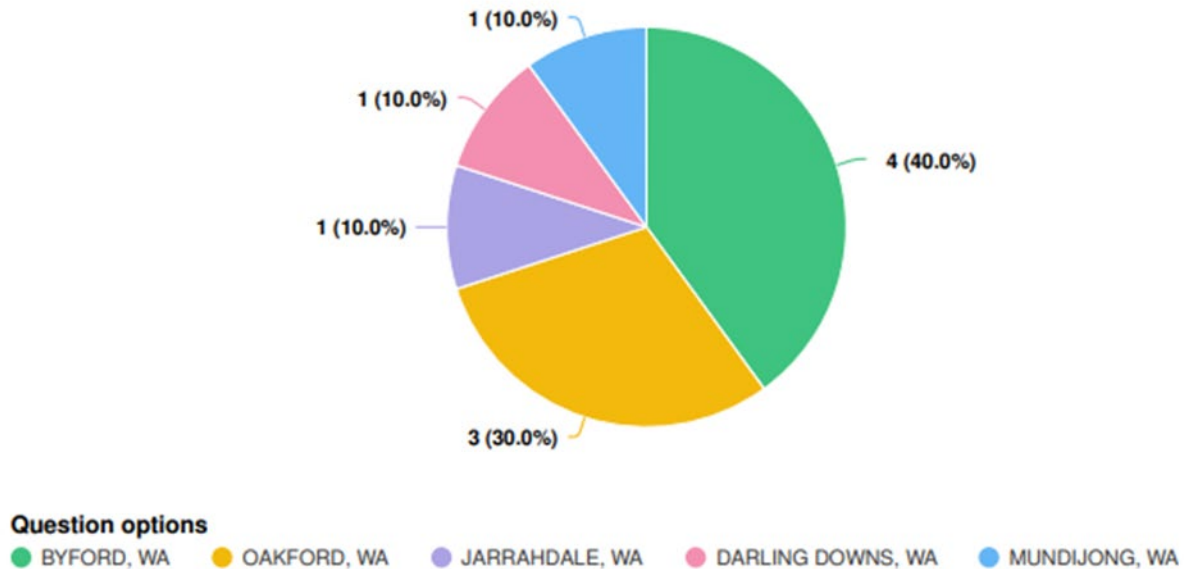
A free community event was held on 13 July 2023 to:

- Economic and Demographics Review
- Engagement activities undertaken which have informed the draft 2023/24 Budget
- Draft 2023/24 Budget highlights
- How to make a submission on the draft 2023/24 Budget



The Shire received 10 submissions via the Your Say SJ page.

Below is a summary of submissions received through Your Say SJ by suburb:



The submissions received have been included in **attachment 1**. Officer's comment to the themes raised in the submissions is addressed in the Comment section of this report.

Please note these submissions are presented unedited except for redacting any inappropriate or offensive language or any identifiable details such as names and contact details included in the submissions.

Statutory Environment

Part 6, Division 6 of the Act and Part 5 of the *Local Government (Financial Management) Regulations 1996* provides the head of power for the levying of local government rates. The legislation is prescriptive in its application, with the following aspects of particular note:

- Except as provide for in Section 6.26, all land within a district is rateable land (s6.26).
- In order to make up the "budget deficiency" a local government is to impose a general rate on rateable land within its district, which rate may be imposed either uniformly or differentially. A local government may also impose on rateable land within its district a specified area rate, a minimum payment and a service charge (s6.32).
- A local government may impose a differential general rate according to land zoning, land use, whether the land is vacant or not, or a combination of each characteristic (s6.33).
- No differential general rate in each category (UV or GRV) is to be more than twice the lowest differential general rate, unless approved by the Minister (s6.33(3)).
- The amount shown in the annual budget as being the amount estimated to be yielded by the general rate is not to vary by +/- 10% of the budget deficiency, i.e. should essentially be a balanced budget (s6.34).
- The local government can impose differential minimum rates however, it is not to be applied to more than 50% of the properties within a district or within each category (s6.35).

**Comment**

The endorsed differential rates proposed a 5.8% increase in the minimum rates and general rate in the dollar for all differential rating categories to yield \$29,302,382 in net rate revenue.

Ratepayers were invited to make a submission regarding the Shire's proposed Differential Rates for 2023/24.

The table below outlines the themes raised in community submissions and the Shire's response to the themes raised.

Theme	Response
Increase in minimum payment counteracts saving on rate in the dollar for GRV Residential	The increase in the minimum payment represents a 5.8% increase as per the proposed advertised rates.
Proposed increase seems fair	The Shire has advertised a proposed rate increase of 5.8% to address the budget deficit workshopped with Council and to maintain financial sustainability.
Why are Commercial and Industrial not charged more rates	The Commercial and Industrial rate in the dollar is higher than the residential rate in the dollar. Rates are calculated based on the valuations provided by the Valuer General. Due to the higher rate in the dollar for commercial and industrial properties they will be subject to higher charges compared to residential properties.
Unbalanced provision of services throughout the Shire.	<p>Rates are a tax collected to provide services across the district.</p> <p>The 2023/24 proposed budget proposes a number of projects throughout the Shire, including:-</p> <ul style="list-style-type: none">• Improvement projects for a number of roads throughout the Shire including locations in Byford, Jarrahdale, Oakford, Mundijong, and Hopeland.• Drainage renewals in Oakford and Byford• New Streetlights in Serpentine, Mardella, Byford and Darling Downs• Funding for footpaths and trails in Mundijong, Byford and Jarrahdale <p>Provision of scheme water and sewerage on rural properties are provided by other entities.</p>
Unable to correlate increase in facilities/benefits in relation to the increase in rates	<p>The 2023/24 Budget proposes a number of projects to increase facilities/benefits throughout the Shire, including:</p> <ul style="list-style-type: none">• Continue to progress planning for Keirnan Park Stage 1A• Concept plan for additional Basketball courts at the SJ Community Recreation Centre• Planning for concept development of Netball Courts at Keirnan Park Recreation Precinct



	<ul style="list-style-type: none"> • Upgrading the Briggs Precinct Masterplan • Events calendar including Food Truck Fiesta, Countdown to Christmas, Youth Week, Anzac Day, Australia Day and Seniors Week • Youth Centre upgrades • Construction of Byford Skate Park Stage 2 • Complete Pump Track feasibility study
Rate Equity	The Shire is committed to continuously reviewing, revising and implementing the adopted Rating Strategy to achieve equitable distribution of rates within the Shire.
Poor condition of road infrastructure within the Shire.	<p>The 2023/24 Budget aims to address a number of capital programs with a proposed budget of \$8.3m on road capital projects throughout the Shire, including:-</p> <ul style="list-style-type: none"> • Hypergrowth Roads – Orton, Kargotich Stage 1 & 2, Soldiers • MRRG Rehabilitation – Larsen Road, Briggs Road, Hopeland Road A & B, Nettleton Road, Jarrahdale Road • MRRG Upgrade – Mundijong and King Road Intersection • LRCI Renewal Projects – Gossage Road resurfacing, Tuart Road resurfacing, Baskerville Road resurfacing • Indigo Parkway • Road Safety Program • Bus Shelter Program • Gravel Re-sheet program

Options and Implications

Option 1

That Council NOTES, in accordance with section 6.36 of the *Local Government Act 1995*, the submissions on proposed differential rates contained in **attachment 1**.

Option 1 is recommended.

Conclusion

The Shire has received 10 submissions and are provided for Council review. The submissions were considered by Officers but have not altered the Officer Recommendation.

Attachments (available under separate cover)

- **6.1 - attachment 1** – Survey Response Report - Redacted (E23/9304)



Alignment with our Strategic Community Plan

Outcome 4.1	A resilient, efficient and effective organisation
Strategy 4.1.1	Provide efficient, effective, innovative, professional management of Shire operations to deliver the best outcome for the community within allocated resources
Outcome 4.2	A strategically focused Council
Strategy 4.2.2	Ensure appropriate long term strategic and operational planning is undertaken and considered when making decisions

Financial Implications

The financial implications are detailed within this report.

Risk Implications

Risk has been assessed on the Officer Options and Implications:

Officer Option	Risk Description	Controls	Principal Consequence Category	Risk Assessment			Risk Mitigation Strategies (to further lower the risk rating if required)
				Likelihood	Consequence	Risk Rating	
1	There are no material risks associated with Option 1						

Voting Requirements: Simple Majority

SCM015/07/23

COUNCIL RESOLUTION / Officer Recommendation

Moved Cr Atwell, seconded Cr Duggin

That Council NOTES, in accordance with section 6.36 of the *Local Government Act 1995*, the submissions on proposed differential rates contained in attachment 1.

CARRIED UNANIMOUSLY 9/0



6.2 - Consideration of the 2023-2024 Financial Year Budget (SJ4229)

Responsible Officer:	Director Corporate Services
Senior Officer:	Chief Executive Officer
Disclosure of Officer's Interest:	No Officer involved in the preparation of this report has an interest to declare in accordance with the provisions of the <i>Local Government Act 1995</i> .

Authority / Discretion

Executive	The substantial direction setting and oversight role of the Council such as adopting plans and reports, accepting tenders, directing operations and setting and amending budgets.
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Report Purpose

The purpose of this report is to enable Council to consider adopting the Municipal Fund Budget for the 2023/24 financial year together with supporting schedules, including adoption of fees and charges, rate in the dollar and minimum payments and other consequential matters arising from the budget papers, to meet its obligations under the annual integrated planning and reporting processes.

Relevant Previous Decisions of Council

Ordinary Council Meeting – 19 June 2023 – OCM156/06/23 - COUNCIL RESOLUTION / Officer Recommendation

That Council:

- ENDORSES a total rate yield for 2023/2024 budget purposes, which will derive a proposed \$29,302,382 in net rate revenue.*
- ENDORSES for the purpose of advertising the following proposed Differential Categories, Rates and Minimum Payments for the Shire of Serpentine Jarrahdale for the 2023/24 rating year.*

<i>Rate Category</i>	<i>Rate in Dollar (Expressed as cents in \$)</i>	<i>Minimum Payment</i>
<i>GRV Residential</i>	<i>0.091427</i>	<i>\$1,401</i>
<i>GRV Commercial / Industrial</i>	<i>0.146226</i>	<i>\$1,591</i>
<i>UV General</i>	<i>0.004190</i>	<i>\$1,534</i>
<i>UV – Rural Residential</i>	<i>0.004882</i>	<i>\$2,022</i>
<i>UV – Commercial / Industrial</i>	<i>0.007127</i>	<i>\$2,129</i>
<i>UV Intensive Farmland</i>	<i>0.008380</i>	<i>\$3,068</i>

- AUTHORISES the Chief Executive Officer to advertise for public comment, the Differential General Rates and the Minimum Payments Statement of Objects and Reasons in attachment 5, as per the requirements of section 6.36 of the Local Government Act 1995.*
- ADOPTS the proposed amendment to the Rating Strategy by eliminating the GRV Vacant rate category as per attachment 2*



5. *REQUESTS the Chief Executive Officer arrange a 23/24 Draft Budget Breakfast to occur on a weekday morning during the advertising period for differential rates at an approximate cost of \$2,500.*

Background

The Shire has an obligation to plan for the future of the district under the Integrated Planning and Reporting (IPR) Framework. The processes are annual, biennial (minor strategic review) and quadrennial (major strategic review). Information in this report addresses the budget obligations of the annual IPR process.

The Department of Local Government, Sport and Cultural Industries IPR guidelines state that the annual process should include the:

- Development of an annual budget based on the delivery program of the Corporate Business Plan for the relevant year;
- Update and review of the Corporate Business Plan; and
- Addition of a year to the Long Term Financial Plan.

At the December 2022 Ordinary Council Meeting, Council noted the Shire's IPR timetable. This timetable outlined the key steps involved in the Shire's annual IPR process to develop the Annual Budget, review the Corporate Business Plan and update the Long Term Financial Plan. The key steps included submission and review of business cases, workshops with Executive and Council and establishing due dates to ensure regulatory compliance.

This process is now complete and the Annual Budget 2023/2024 is provided for Council consideration as detailed in this report.

Community / Stakeholder Consultation

Budget Workshop – Rates, Fees and Charges, LTFP

Meeting Date	25 May 2023
Councillors in Attendance	Cr Rich, Cr Atwell, Cr Byas, Cr Coales, Cr Dagostino, Cr Duggin, Cr Mack, Cr Strautins

Budget Workshop- Capital and Non-Recurrent

Meeting Date	01 June 2023
Councillors in Attendance	Cr Rich, Cr Byas, Cr Dagostino, Cr Duggin, Cr Mack, Cr Strange

Budget Workshop – Operating Part 1

Meeting Date	07 June 2023
Councillors in Attendance	Cr Rich, Cr Coales, Cr Dagostino, Cr Duggin, Cr Mack, Cr Strange.

Budget Workshop – Operating Part 2

Meeting Date	15 June 2023
Councillors in Attendance	Cr Rich, Cr Atwell, Cr Coales, Cr Dagostino, Cr Duggin, Cr Mack, Cr Strange



Budget Workshop – Final Workshop

Meeting Date	19 July 2023
Councillors in Attendance	Cr Rich, Cr Atwell, Cr Coales, Cr Dagostino, Cr Duggin, Cr Strange, Cr Strautins

Community Consultation - Notice of rates and invitation to submit

In addition to the above, the Shire is required to, in accordance with Section 6.36 of the *Local Government Act 1995*, give notice of certain rates and invite submissions for a period of 21 days or such longer period. The Shire gave Local Public Notice on 24 June 2023, with submissions closing on 17 July 2023. Responses have been outlined in item 6.1 - 2023/24 Differential General Rates and Minimum Payments.

Community Consultation – 2023/24 Draft Budget Community Information Breakfast

A free Community Budget Breakfast event was held on Thursday, 13 July and provided attendees with the following:

- Economic and Demographics Review
- Engagement activities undertaken which have informed the draft 2023/24 Budget
- Draft 2023/24 Budget highlights
- How to make a submission on the draft 2023/24 Budget

Statutory Environment**Local Government Act 1995 and Local Government (Financial Management) Regulations 1996**

Section 6.2 of the *Local Government Act 1995* requires that no later than 31 August in each financial year, or such extended time as the Minister allows, each local government is to prepare and adopt by absolute majority, in the form and manner prescribed, a budget for its municipal fund for the financial year ending on the next following 30 June.

Divisions 5 and 6 of Part 6 of the *Local Government Act 1995* refer to the setting of budgets and raising of rates and charges. The *Local Government (Financial Management) Regulations 1996* details the form and content of the budget. The 2023/24 Budget as presented is considered to meet statutory requirements.

Section 5.63 of the *Local Government Act 1995* specifically excludes the need to declare a financial interest where matters; have an interest in common to a significant number of ratepayers/electors; relate to the imposition of any rate, charge or fee; relate to a fee, reimbursement of an expense or an allowance payable to elected members.

Comment

The 2023/24 Budget continues the journey the Shire has been on in transforming the Council and the community's vision into delivery of outcomes on the ground whilst meeting community priorities. The budget is an ambitious document and has been prepared with a focus on capacity building of the organisation, improved service delivery and the sustainable creation, renewal and maintenance of assets with a strong focus on the improvement of the Shire's roads and facilities.

Economic Environment

The Australian Bureau of Statistics (ABS) has reported that the Consumer Price Index (CPI) in Perth has risen by 5.8% between March 2022 and March 2023.



The Shire has not been immune to the impact of these rising costs, witnessing price increases in various areas including but not limited to insurance expenses, cleaning contracts, fuel costs and refuse collection.

Financial Sustainability

The Operating Surplus Ratio has remained under the Department of Local Government's standard for the past 5 years as indicated in the table below and is deteriorating:

Financial Year Ended 30 June	2022	2021	2020	2019	2018
Operating Surplus Ratio	(0.12)	(0.011)	(0.05)	(0.05)	(0.10)

Council has been systematically attempting to reduce annual cash expenditure in an attempt to address this issue.

Budget Development

The Budget has been developed in alignment with the Long Term Financial Plan (LTFP), Corporate Business Plan (CBP), Strategic Community Plan and other key supporting strategies as required under the Integrated Planning and Reporting Framework.

The 2023/24 Statutory Budget is developed from this strategic direction setting plans taking into consideration operational capabilities, community needs and the current economic conditions.

The budget has been prepared based on presentations made to elected members at workshops over the last three months and in accordance with the requirements of the *Local Government Act 1995*.

In 2022-23 the Shire undertook the following engagement activities:

- Community Perception Survey
- Employee Engagement
- Best practice review of the Operations and Waste, Fleet and Facilities Business Units

Outcomes from these reviews have formed part of the 2023-24 budget setting process as follows:

2022 Community Perception Survey

Council Policy 1.3.4 Community Perception Survey requires that a community survey be undertaken at least every two years to gauge the level of success the Shire is achieving in its delivery of local government services. The 2022 The Community Perception Survey was conducted in September 2022 and the results identified 12 community-driven priorities:

- Building and maintaining local roads;
- Community Safety and crime prevention;
- Waste services;
- Streetscapes, trees and verges;
- Playgrounds, parks and reserves;
- Sport and recreation facilities and services;
- Lighting of streets and public places;
- Festivals, events, arts and cultural activities;



- Footpaths, trails and cycleways;
- Stormwater drainage;
- Youth services and facilities and Council's leadership.

The 2023/24 budget provides funding for projects which respond to these priorities including:

- \$4.065m of Road Renewals and Upgrades;
- Continuation of the Hypergrowth Road Projects and funding for advocacy for future grant funding;
- \$110,800 for new streetlights;
- \$222,200 for landscaping of Abernethy Road and Lefroy St / Rangeview Loop / Tranby Ave Roundabout;
- \$95,000 Drainage Renewal Program;
- \$200,000 for Playground Renewals;
- \$439,000 for the renewal and construction of new footpaths;
- \$194,000 for Youth Centre Upgrades;
- \$94,000 to implement a Customer Contact Centre;
- \$226,000 for Community Events.
- \$255,000 for Concept Design for Keirnan Park Stage 1C – Netball Courts

Employee Engagement

In response to the feedback received, an action Plan (Organisational Development Roadmap) was developed. The key focus areas included purpose and values, employee benefits and wellbeing, and innovative ways of working, with a review of systems and work styles to enable increased performance, productivity, and work life balance.

The Organisational Development Roadmap 2023-2026 was adopted by Council at the June 2023 Ordinary Council Meeting.

The 2023-24 budget incorporates \$60,000 to engage facilitators to assist with an organisation diagnosis review which is critical for resource planning for the next five (5) years.

The success of the Roadmap will be measured by improvements in the employee satisfaction survey to be conducted in 2024 and 2026.

Best practice review of the Operations and Waste, Fleet and Facilities Business Units

Review of the Operations and Waste, Fleet and Facilities Business Units produced seven categories of success, considered by the consultants to be representative of high performing business units:

- Leadership & Culture;
- The People;
- The Process;
- The Strategy Policy and Governance;
- The Technology;



- Resources;
- The Politics.

A range of recommendations were made to align with these categories of success.

Some of the recommendations can be implemented in-house with existing staff and resources, whilst others will require additional budget and external resources. This budget addresses some of these recommendations through:

- Additional 6 FTE in Operations, Fleet and Facilities
- \$300,000 for disposal of Waste Material stockpiles
- \$50,000 for detailed planning of the Waste Transfer Station site.

Other recommendations included in this review will be incorporated into the Major Corporate Business Plan Review following the upcoming election.

Statement of Comprehensive Income

The Statement of Comprehensive Income in the 2023/24 Annual Budget, includes \$66.19 million related to income (inclusive of Rates), and \$49.96 million of operating expenditure (including \$11.6 million of non-cash depreciation expenditure).

Materials and Contracts

The \$1.61 million budgeted increase in Materials and Contracts operating costs reflects the increased costs to obtain materials and contractors in the current economic environment, with the most significant increases being:

- \$500,000 increase to bushfire mitigation as a result of successfully attaining funding from DFES through the Mitigation Activity Fund
- \$385,000 increase in the provision of Waste services as a result an increase refuse collection charges due to contracted CPI increase and the collection of new services as well as increase in bulk waste disposal costs as a result of continued high volumes of waste requiring disposal.
- \$293,000 increase to Parks and Gardens Maintenance, with \$253,000 additional budget to improve maintenance of the Shire's Street trees and \$40,000 for the maintaining the future Kiernan Park site.
- \$227,000 non-recurrent funding towards the construction of a Freight Rail Pedestrian Crossing at Kiernan Street.
- \$146,000 increase to fuel due to rising fuel prices over the past 18 months.
- \$135,000 for the 2023 Local Government election to be funded from the Election Reserve
- \$100,000 increase to cleaning expenditure due to increase in cleaning contract.

Employee Costs

Across Australia pressure exists in the form of rising wage demands in response to inflation. The Western Australian Industrial Relations Commission increase the state minimum wage by 5.3%. The Shire is not immune in this regard. The current budget has limited capacity to accommodate wage increases of this magnitude, however includes a 3% salary increase.

The \$1.81m increase in employee operating costs is the result of

- \$620,000 as a result of a 3% salary increase;



- \$714,777 new staff establishment (see below);
- \$182,000 as a result of new staff established in 2022/23 now being budgeted for a full year (New FTE's are budgeted in the first year for 9 months only);
- \$105,000 increase of the minimum compulsory Superannuation Contributions from 10.5% to 11%; and
- \$53,000 increase in workers compensation premiums.

A comprehensive summary of new positions is detailed below.

Staff Establishment

The following changes in the staff establishment are proposed with this budget document.

Position Title	FTE	2023/24 Budget <i>(9 months only, plus ICT set up costs)</i>
Finance Officer	0.4	\$26,836
Community Project Specialist	1.0	\$106,795
Grants Officer	0.4	\$40,190
Bushfire and Natural Hazard Mitigation Officer	1.0	\$73,335
General Hand	1.0	\$61,408
Playground Inspector and Maintainer	1.0	\$71,023
Technical Officer - Facilities	1.0	\$76,028
Technical Officer – Operations	1.0	\$76,028
Operations Customer Service Officer	1.0	\$60,086
Workshop Supervisor	1.0	\$76,028
Equine Officer	0.6	\$47,000
Total	8.8	\$714,777

A detailed description of the proposed new FTEs is contained in **attachment 2**.

Capital Works Program

The Shire is proposing an extensive and transformative Capital Works program for the 2023/2024 financial year with budgeted capital projects increasing by \$4.38m from 2022/23 primarily due to the Oakford Fire station project and the Hypergrowth Road projects.

Major projects planned to get underway in 2023-2024 include:

- Road upgrades and renewals to the value of \$4.065m including:
 - \$2.869m of MRRG Rehabilitation and Upgrade (Larson Road, Briggs Road, Hopeland Road, Nettleton Road, Jarrahdale Road and Mundijong and King Road Intersection);
 - \$955,000 of LRCI funded road resurfacing (Gossage Road, Tuart Road and Baskerville Road);
 - \$100,000 Gravel Re-Sheeting Program;
 - \$95,000 Drainage Renewal Program and;



- \$46,000 Road Safety Initiatives
- Continuation of Hypergrowth Road projects including:
 - \$1.592m to commence construction of Orton Road;
 - \$1.136m to continue construction of Kargotich Road Stage 1 and commence construction of Kargotich Road Stage 2; and
 - \$1.092m to renew roundabouts on Soldiers Road
- The delivery of \$359,200 for the renewal and upgrade of Shire facilities, including:
 - \$194,000 refurbishment of the Youth Centre;
 - \$65,000 sealing the trafficable surfaces at Shire Depot;
 - \$60,000 installation of outdoor canopy at Shire Depot;
 - \$25,000 refurbishment of Landcare Building; and
 - \$15,200 Cement floor for the Darling Down Residents Association shed and undercover area.
- The delivery of \$110,800 of new streetlights at the following intersections:
 - Hopkinson Road and Rowley Road
 - Richardson Street and Summerfield Road
 - Wright Road and Randell Road
- Commence \$2.4m construction of Oakford Fire Station to be primarily funded from a self-supporting loan.
- \$500,000 for the planning and detail design at Indigo Parkway for construction in future years.
- The delivery of \$222,200 of landscaping of the Shire Road reserve including:
 - Abernethy Road Roundabout and Street Trees; and
 - Lefroy St / Rangeview Loop / Tranby Ave Roundabout
- The delivery of \$380,000 of new and renewal park projects including:
 - \$200,000 Playground Renewal; and
 - \$100,000 Irrigation renewal including bores and pumps.
 - \$80,000 renewal of fencing at Claire Morris Reserve
- The delivery of \$87,900 for the Installation of 2 x Electronic Signs at prominent and highly frequented Shire facilities (Byford Library and SJ Recreation Centre) to promote range of programs, activities and emergency welfare messages.
- The delivery of \$439,000 of new and replacement footpaths including:
 - \$90,000 renewal/upgrade of Clondyke Path Footpath;
 - \$154,000 for new footpath on Adonis Street between Cockram Street and Richardson Street (includes \$105,800 LRCI funding);
 - \$195,000 for new footpath on Richardson Street between Adonis and Paterson Street.



- Further progress towards the construction of Keirnan Park Stage 1A as well as an additional \$255,000 for the Concept Design for the Netball Courts (Stage 1C).
- Further progress of the Byford Skate Park Stage 2.
- Further progress towards upgrades at the Administration Centre including the commencement of construction.

A list of Capital Projects is included in the 2023/24 Budget documents contained in **attachment 1**.

Rates

Rates have been incorporated in the Budget in accordance with the Differential Rating and Minimum Payments, Objects and Reasons and Rating Strategy endorsed at the Ordinary Council Meeting held 21 June 2023.

Please note, the endorsed differential rates proposed a 5.8% increase to all rating categories that will derive \$29,302,382 in net rate revenue.

This will be represented as Option 1 of this report.

Following five council budget workshops, Councilors have identified areas of savings in operating expenditure, these savings representing a more modest 4% increase in comparison to the base rate calculations for the current year to date.

Therefore, a second option is presented in this report of a differential rates increase of 4% increase to all rating categories that will derive \$28,805,210 in net rate revenue.

This will be presented as Option 2 of this report.

Option 2 could be achieved through the removal of the following projects:

- \$195,000 Richardson Street, Mundijong - Footpath (Adonis Street to Paterson Street);
- \$100,000 Kiernan Street Freight Rail Pedestrian Crossing;
- \$80,000 Claire Morris Reserve Fencing;
- \$75,000 Transfer to Administration Building Reserve for Council Chamber Refurbishment;
- \$47,000 Equine Officer (0.6 FTE).

In accordance with Sections 6.13 and 6.45 of the Local Government Act 1995, the Shire may charge up to 11% interest on overdue rates and 5.5% interest on instalments plus an administration fee.

The budget proposes that Penalty interest rates for late payment of rates and service charges return to 11% following reduction to 7% during Covid.

Furthermore, the budget proposes that the instalment plan interest charge rate at 5.5% following a reduction to 2% during Covid. The budget proposes that the \$5 per instalment administration fee remain unchanged.

Borrowings

The 2023/24 Budget includes \$8,095,000 of loan funds are proposed to be drawn down over the course of the next few years. A \$6,000,000 loan for the Civic Centre Building Redevelopment was anticipated to be drawn down in 2022/23 financial year however this was not necessary, and it is anticipated this loan will be drawn down in 2023/24.



This budget also includes a self-supporting loan funded from DFES of \$2,095,000 for the purpose of constructing the Oakford Fire brigade station.

Reserves.

The 2023/24 budget makes the following contributions to reserves:

- \$820,000 to plant and fleet reserve;
- \$602,000 to community infrastructure developer contribution plan reserve;
- \$100,000 to ICT reserve;
- \$96,000 to community grants reserve;
- \$75,000 to local government election reserve;
- \$75,000 to Administration Building reserve for Council Chambers refurbishment;
- \$26,000 to rates revaluation reserve.

The 2023/24 budget includes the following projects to be funded from reserves:

- \$1.844m for the acquisition of new and replacement fleet;
- \$650,000 towards upgrades at the Administration Centre;
- \$469,000 for upgrades to the Serpentine Jarrahdale Recreation Centre;
- \$299,000 for the construction of the Oakford Fire station;
- \$150,000 for Major Event and Community Infrastructure Grants;
- \$135,000 for the Local Government Election;
- \$100,000 for landscaping of Abernethy Road;
- \$94,000 for upgrade to the Byford Fire Station;
- \$52,000 construction of Jarrahdale Hub;
- \$50,000 for Waste Transfer Station Feasibility; and
- \$35,000 for public art projects including the Abernethy Sculpture and Old Railway Bridge Interpretation Art.

Fees and Charges

The budget provides for total fees and charges revenue of \$8.782 million, a budgeted increase of \$507,417 year on year primarily as a result of:

- \$455,000 increase in refuse charges due to new properties as well as a CPI increase to waste collection charges
- \$30,000 increase in reuse shop sales as sale of recyclable goods were higher than anticipated after first year of operation.

In determining the fees and charges, the following were taken into consideration:

- the cost to the Shire for providing the goods or service;
- the importance of the goods or service to the community; and
- the price at which the goods or service can be obtained from alternative suppliers.



During the 2023/24 budget process the Shire has assessed the fees and charges based on the above considerations and recommends that a number of these are increased to better reflect the costs associated with the provision of these services, with an average increase of 5.8% applied which aligns with the current Perth Consumer Price Index for March.

These changes have only been applied to discretionary fees and charges which are within the Shire's control to set. The Shire has several fees which are prescribed through state legislation that have remained unchanged.

The 2023/24 Schedule of Fees and Charges is contained in **attachment 1**.

Statutory Budget

The Statutory Budget is prepared in accordance with all relevant professional accounting pronouncements. It contains all statutory statements and supporting schedules including:

- Comprehensive Income Statement by Nature or Type;
- Statement of Cash flows;
- Rate Setting Statement;
- Statement of Financial Activity; and
- Notes to and forming part of the Budget.

Monthly reporting of significant (material) variances

As per the *Local Government (Financial Management) Regulations 1996*, Regulation 34, a financial activity statement is required to be prepared each month. *Local Government (Financial Management) Regulations 1996* Regulation 34 part 5, state that “Each financial year, a local government is to adopt a percentage or value, calculated in accordance with the AAS, to be used in statements of financial activity for reporting material variances.”

It is recommended that Council adopt a definition the application of a materiality level for the reporting of variance in the Statement of Financial Activity (by Nature and Type) at $\geq 10\%$ of the amended budget and $\geq \$10,000$ of the amended budget or $\geq \$150,000$ of the amended budget. This materiality will be applied to each Nature and Type Category for Operating Activities and Financing Activities, and applied at Project level for Investing Activities.

Options and Implications

Option 1 (5.8% Rate increase)

That Council:

1. ADOPTS, in accordance with section 6.16 of the *Local Government Act 1995*, the Fees and Charges contained within **attachment 1**.
2. ADOPTS the borrowing of new loan funds of \$2,095,000 Self Supporting Loan for the Oakford Fire Station.
3. IMPOSES, in accordance with section 6.33 of the *Local Government Act 1995*, the following differential general and minimum rates on Gross Rental and Unimproved Values adopted for the purpose of yielding the deficiency disclosed by the Municipal Fund Budget which represents a 5.8% increase to rates yield.



3.1. Differential Rates

Rate Category	Rate in Dollar (Expressed as cents in \$)
GRV Residential	0.091427
GRV Commercial / Industrial	0.146226
UV General	0.004190
UV Rural Residential	0.004882
UV Commercial / Industrial	0.007127
UV Intensive Farmland	0.008380

3.2. Minimum Rates

Rate Category	Minimum Payment
GRV Residential	\$1,401
GRV Commercial / Industrial	\$1,591
UV General	\$1,534
UV Rural Residential	\$2,022
UV Commercial / Industrial	\$2,129
UV Intensive Farmland	\$3,068

4. ADOPTS, in accordance with section 6.45 of the *Local Government Act 1995*, the following options for payment of rates or service charges.

4.1. Instalment Arrangements

NOMINATE the following due dates for the payment of rates in full and by instalments:

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		\$	%	%
Single full payment	15/09/2023	0	0.0%	0.0%
Option two				
First instalment	15/09/2023	0	0.0%	0.0%
Second instalment	17/11/2023	5	5.5%	11.0%
Option three				
First instalment	15/09/2023	0	0.0%	0.0%
Second instalment	17/11/2023	5	5.5%	11.0%
Third instalment	19/01/2024	5	5.5%	11.0%
Fourth instalment	23/03/2024	5	5.5%	11.0%

**4.2. Incentives for Early Payment of Rates**

OFFERS, two \$1,000 incentive prizes to ratepayers who have paid their rates in full prior to 5:00pm 15 September 2023.

That all Elected Members and staff of the Shire of Serpentine Jarrahdale be ineligible to be chosen as a winner of the early rate payment incentive prizes.

5. ADOPTS, in accordance with section 6.47 of the *Local Government Act 1995*, the following Discounts and Concessions:

- Concession of 31% to eligible Farmland and Conservation properties within the UV Rural differential rate category, pursuant to Council Policy 3.2.7 – Farmland Concession;
- Concession of 50% to Conservation properties.

6. ADOPTS, in accordance with section 6.2 of the *Local Government Act 1995*, the Municipal Fund Budget as contained in **attachment 1, Statutory Statements and Notes (including supplementary information) for the year ending 30 June 2024.****7. ADOPTS, in accordance with regulation 34(5) of the *Local Government (Financial Management) Regulations 1996*, and AASB 1031 Materiality, the level to be used in statements of financial activity in 2023/24 for reporting material variances shall be:**

- a) $\geq 10\%$ of the amended budget and $\geq \$10,000$ of the amended budget; or
- b) $\geq \$150,000$ of the amended budget.

In addition, the material variance limit will be applied to each Nature and Type Classification for Operating and Financing Activities and each Project for Investing Activities (Capital).

Option 2 (4% Rate Increase)

That Council:

1. ADOPTS, in accordance with section 6.16 of the *Local Government Act 1995*, the Fees and Charges contained within **attachment 1**.
2. ADOPTS the borrowing of new loan funds of \$2,095,000 Self Supporting Loan for the Oakford Fire Station.
3. IMPOSES, in accordance with section 6.33 of the *Local Government Act 1995*, the following differential general and minimum rates on Gross Rental and Unimproved Values adopted for the purpose of yielding the deficiency disclosed by the Municipal Fund Budget which represents a 4% increase to rates yield.

3.1. Differential Rates

Rate Category	Rate in Dollar (Expressed as cents in \$)
GRV Residential	0.089710
GRV Commercial / Industrial	0.143738
UV General	0.004119
UV Rural Residential	0.004799
UV Commercial / Industrial	0.007006



UV Intensive Farmland	0.008238
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3.2. Minimum Rates

Rate Category	Minimum Payment
GRV Residential	\$1,378
GRV Commercial / Industrial	\$1,564
UV General	\$1,508
UV Rural Residential	\$1,988
UV Commercial / Industrial	\$2,093
UV Intensive Farmland	\$3,016

4. ADOPTS, in accordance with section 6.45 of the *Local Government Act 1995*, the following options for payment of rates or service charges.

4.1. Instalment Arrangements

NOMINATE the following due dates for the payment of rates in full and by instalments:

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		\$	%	%
Single full payment	15/09/2023	0	0.0%	0.0%
Option two				
First instalment	15/09/2023	0	0.0%	0.0%
Second instalment	17/11/2023	5	5.5%	11.0%
Option three				
First instalment	15/09/2023	0	0.0%	0.0%
Second instalment	17/11/2023	5	5.5%	11.0%
Third instalment	19/01/2024	5	5.5%	11.0%
Fourth instalment	23/03/2024	5	5.5%	11.0%

4.2. Incentives for Early Payment of Rates

OFFERS, two \$1,000 incentive prizes to ratepayers who have paid their rates in full prior to 5:00pm 15 September 2023.

That all Elected Members and staff of the Shire of Serpentine Jarrahdale be ineligible to be chosen as a winner of the early rate payment incentive prizes.

5. ADOPTS, in accordance with section 6.47 of the *Local Government Act 1995*, the following Discounts and Concessions:

- Concession of 31% to eligible Farmland and Conservation properties within the UV Rural differential rate category, pursuant to Council Policy 3.2.7 – Farmland Concession;
- Concession of 50% to Conservation properties.



6. ADOPTS, in accordance with section 6.2 of the *Local Government Act 1995*, the Municipal Fund Budget as contained in **attachment 1**, Statutory Statements and Notes (including supplementary information) for the year ending 30 June 2024 through the removal of the following items as below:

Description	Expenditure Type	Amount
Richardson Street, Mundijong - Footpath (Adonis Street to Paterson Street)	Capital	\$195,000
Keirnan Street Freight Rail Pedestrian Crossing	Non-Recurrent	\$100,000
Claire Morris Reserve Fencing	Capital	\$80,000
Transfer to Reserve – Administration Building – Council Chambers Refurbishment	Transfer to Reserve	\$75,000
Equine Officer (0.6 FTE)	Operating	\$47,000

7. ADOPTS, in accordance with regulation 34 (5) of the *Local Government (Financial Management) Regulations 1996*, and AASB 1031 Materiality, the level to be used in statements of financial activity in 2023/24 for reporting material variances shall be:

- a) $\geq 10\%$ of the amended budget and $\geq \$10,000$ of the amended budget; or
- b) $\geq \$150,000$ of the amended budget.

In addition, the material variance limit will be applied to each Nature and Type Classification for Operating and Financing Activities and each Project for Investing Activities (Capital).

Option 1 is recommended.

Conclusion

The 2023/24 Budget continues the Shire's focus on an increased capital program with a significant focus on the improvement of the Shire's roads and facilities. This year will see the Shire continue its development of Kiernan Park, continued works on the Hypergrowth Road projects at Orton Road, Kargotich Road and Soldiers Road and commence construction of the Oakford Bush Fire Brigade.

Despite the increasing challenges associated with providing services to the community in an economic environment of increasing costs, the Shire will continue to look for ways to reduce annual cash expenditure on operational spends to ensure the continued financial sustainability of the Shire into the future.

Attachments (available under separate cover)

- **6.2 - attachment 1** – 2023/24 Statutory Budget and Supplementary Information (E23/9305)
- **6.2 – attachment 2** – 2023/24 Proposed New FTE Justification (E23/9306)



Alignment with our Strategic Community Plan

Outcome	4.1 A resilient, efficient and effective organisation
Strategy	4.1.1 Provide efficient, effective, innovative, professional management of Shire operations to deliver the best outcome for the community within allocated resources.
Outcome	4.2 A strategically focused Council
Strategy	4.2.2 Ensure appropriate long term strategic and operational planning is undertaken and considered when making decisions

Financial Implications

The financial implications are detailed within this report. The 2023/2024 Budget is considered to deliver a sustainable economic outcome for Council and the community.

Risk Implications

Risk has been assessed on the Officer Options and Implications:

Officer Option	Risk Description	Controls	Principal Consequence Category	Risk Assessment			Risk Mitigation Strategies (to further lower the risk rating if required)
				Likelihood	Consequence	Risk Rating	
1	There are no significant risks associated with Council adopting the annual budget.						
2	Option 2 provides an increase of 4% in rates yield compared to Perth CPI of 5.8%. The continuing economic conditions represents a risk to the Shire. This will potentially impact on the budget to accommodate the service delivery contemplated and reduces the funds available for future capital works.	Regular Integrated Planning and Reporting Review cycle.	Financial / Social and Community Outcomes	Possible	Moderate	MODERATE	Nil.



Voting Requirements: Absolute Majority (section 6.2(1) and 6.16(1) of the *Local Government Act 1995*)

Officer Recommendation

That Council:

- ADOPTS, in accordance with section 6.16 of the *Local Government Act 1995*, the Fees and Charges contained within attachment 1.
- ADOPTS the borrowing of new loan funds of \$2,095,000 Self Supporting Loan for the Oakford Fire Station.
- IMPOSES, in accordance with section 6.33 of the *Local Government Act 1995*, the following differential general and minimum rates on Gross Rental and Unimproved Values adopted for the purpose of yielding the deficiency disclosed by the Municipal Fund Budget which represents a 5.8% increase to rates yield.

3.1. Differential Rates

Rate Category	Rate in Dollar (Expressed as cents in \$)
GRV Residential	0.091427
GRV Commercial / Industrial	0.146226
UV General	0.004190
UV Rural Residential	0.004882
UV Commercial / Industrial	0.007127
UV Intensive Farmland	0.008380

3.2. Minimum Rates

Rate Category	Minimum Payment
GRV Residential	\$1,401
GRV Commercial / Industrial	\$1,591
UV General	\$1,534
UV Rural Residential	\$2,022
UV Commercial / Industrial	\$2,129
UV Intensive Farmland	\$3,068

- ADOPTS, in accordance with section 6.45 of the *Local Government Act 1995*, the following options for payment of rates or service charges.

4.1. Instalment Arrangements

NOMINATE the following due dates for the payment of rates in full and by instalments:

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		\$	%	%
Single full payment	15/09/2023	0	0.0%	0.0%



Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
Option two				
First instalment	15/09/2023	0	0.0%	0.0%
Second instalment	17/11/2023	5	5.5%	11.0%
Option three				
First instalment	15/09/2023	0	0.0%	0.0%
Second instalment	17/11/2023	5	5.5%	11.0%
Third instalment	19/01/2024	5	5.5%	11.0%
Fourth instalment	23/03/2024	5	5.5%	11.0%

4.2. Incentives for Early Payment of Rates

OFFERS, two \$1,000 incentive prizes to ratepayers who have paid their rates in full prior to 5:00pm 15 September 2023.

That all Elected Members and staff of the Shire of Serpentine Jarrahdale be ineligible to be chosen as a winner of the early rate payment incentive prizes.

5. ADOPTS, in accordance with section 6.47 of the *Local Government Act 1995*, the following Discounts and Concessions:
 - Concession of 31% to eligible Farmland and Conservation properties within the UV Rural differential rate category, pursuant to Council Policy 3.2.7 – Farmland Concession;
 - Concession of 50% to Conservation properties.
6. ADOPTS, in accordance with section 6.2 of the *Local Government Act 1995*, the Municipal Fund Budget as contained in attachment 1, Statutory Statements and Notes (including supplementary information) for the year ending 30 June 2024.
7. ADOPTS, in accordance with regulation 34(5) of the *Local Government (Financial Management) Regulations 1996*, and AASB 1031 Materiality, the level to be used in statements of financial activity in 2023/24 for reporting material variances shall be:
 - a) $\geq 10\%$ of the amended budget and $\geq \$10,000$ of the amended budget; or
 - b) $\geq \$150,000$ of the amended budget.

In addition, the material variance limit will be applied to each Nature and Type Classification for Operating and Financing Activities and each Project for Investing Activities (Capital).

Alternative Officer Recommendation

That Council:

1. ADOPTS, in accordance with section 6.16 of the *Local Government Act 1995*, the Fees and Charges contained within attachment 1 - Amended.
2. ADOPTS the borrowing of new loan funds of \$2,095,000 Self Supporting Loan for the Oakford Fire Station.



3. IMPOSES, in accordance with section 6.33 of the *Local Government Act 1995*, the following differential general and minimum rates on Gross Rental and Unimproved Values adopted for the purpose of yielding the deficiency disclosed by the Municipal Fund Budget which represents a 5.8% increase to rates yield.

3.1 Differential Rates

Rate Category	Rate in Dollar (Expressed as cents in \$)
GRV Residential	0.091427
GRV Commercial / Industrial	0.146226
UV General	0.004190
UV Rural Residential	0.004882
UV Commercial / Industrial	0.007127
UV Intensive Farmland	0.008380

3.2 Minimum Rates

Rate Category	Minimum Payment
GRV Residential	\$1,401
GRV Commercial / Industrial	\$1,591
UV General	\$1,534
UV Rural Residential	\$2,022
UV Commercial / Industrial	\$2,129
UV Intensive Farmland	\$3,068

4. ADOPTS, in accordance with section 6.45 of the *Local Government Act 1995*, the following options for payment of rates or service charges.

4.1 Instalment Arrangements

NOMINATE the following due dates for the payment of rates in full and by instalments:

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		\$	%	%
Single full payment	29/09/2023	0	0.0%	0.0%
Option two				
First instalment	29/09/2023	0	0.0%	0.0%
Second instalment	01/12/2023	5	5.5%	11.0%
Option three				
First instalment	29/09/2023	0	0.0%	0.0%
Second instalment	01/12/2023	5	5.5%	11.0%



Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
Third instalment	02/02/2024	5	5.5%	11.0%
Fourth instalment	05/04/2024	5	5.5%	11.0%

4.2 Incentives for Early Payment of Rates

OFFERS, two \$1,000 incentive prizes to ratepayers who have paid their rates in full prior to 5:00pm 29 September 2023.

That all Elected Members and staff of the Shire of Serpentine Jarrahdale be ineligible to be chosen as a winner of the early rate payment incentive prizes.

5. ADOPTS, in accordance with section 6.47 of the *Local Government Act 1995*, the following Discounts and Concessions:
 - Concession of 31% to eligible Farmland and Conservation properties within the UV Rural differential rate category, pursuant to Council Policy 3.2.7 – Farmland Concession;
 - Concession of 50% to Conservation properties.
6. ADOPTS, in accordance with section 6.2 of the *Local Government Act 1995*, the Municipal Fund Budget as contained in attachment 1 - Amended, Statutory Statements and Notes (including supplementary information) for the year ending 30 June 2024.
7. ADOPTS, in accordance with regulation 34 (5) of the *Local Government (Financial Management) Regulations 1996*, and AASB 1031 Materiality, the level to be used in statements of financial activity in 2023/24 for reporting material variances shall be:
 - a) $\geq 10\%$ of the amended budget and $\geq \$10,000$ of the amended budget; or
 - b) $\geq \$150,000$ of the amended budget.

In addition, the material variance limit will be applied to each Nature and Type Classification for Operating and Financing Activities and each Project for Investing Activities (Capital).

SCM016/07/23

COUNCIL RESOLUTION

Moved Cr Strautins, seconded Cr Atwell

That Council:

1. ADOPTS, in accordance with section 6.16 of the *Local Government Act 1995*, the Fees and Charges contained within attachment 1- Amended.
2. ADOPTS the borrowing of new loan funds of \$2,095,000 Self Supporting Loan for the Oakford Fire Station.
3. IMPOSES, in accordance with section 6.33 of the *Local Government Act 1995*, the following differential general and minimum rates on Gross Rental and Unimproved Values adopted for the purpose of yielding the deficiency disclosed by the Municipal Fund Budget which represents a 6% increase to rates yield.



3.1 Differential Rates

Rate Category	Rate in Dollar (Expressed as cents in \$)
GRV Residential	0.091599
GRV Commercial / Industrial	0.146502
UV General	0.004198
UV Rural Residential	0.004891
UV Commercial / Industrial	0.007141
UV Intensive Farmland	0.008396

3.2 Minimum Rates

Rate Category	Minimum Payment
GRV Residential	\$1,404
GRV Commercial / Industrial	\$1,594
UV General	\$1,537
UV Rural Residential	\$2,026
UV Commercial / Industrial	\$2,133
UV Intensive Farmland	\$3,074

4. ADOPTS, in accordance with section 6.45 of the *Local Government Act 1995*, the following options for payment of rates or service charges.

4.1 Instalment Arrangements

NOMINATE the following due dates for the payment of rates in full and by instalments:

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		\$	%	%
Single full payment	29/09/2023	0	0.0%	0.0%
Option two				
First instalment	29/09/2023	0	0.0%	0.0%
Second instalment	01/12/2023	5	5.5%	11.0%
Option three				
First instalment	29/09/2023	0	0.0%	0.0%
Second instalment	01/12/2023	5	5.5%	11.0%
Third instalment	02/02/2024	5	5.5%	11.0%
Fourth instalment	05/04/2024	5	5.5%	11.0%

**4.2 Incentives for Early Payment of Rates**

OFFERS, two \$1,000 incentive prizes to ratepayers who have paid their rates in full prior to 5:00pm 29 September 2023.

That all Elected Members and staff of the Shire of Serpentine Jarrahdale be ineligible to be chosen as a winner of the early rate payment incentive prizes.

5. ADOPTS, in accordance with section 6.47 of the *Local Government Act 1995*, the following Discounts and Concessions:

- Concession of 31% to eligible Farmland and Conservation properties within the UV Rural differential rate category, pursuant to Council Policy 3.2.7 – Farmland Concession;
- Concession of 50% to Conservation properties.

6. ADOPTS, in accordance with section 6.2 of the *Local Government Act 1995*, the Municipal Fund Budget as contained in attachment 1 - Amended, Statutory Statements and Notes (including supplementary information) for the year ending 30 June 2024 incorporating amendments as per the following table:

Description	Expenditure Type	Amount
Increase Transfer to Reserve – Investment Reserve	Transfer to Reserve	\$55,789

7. ADOPTS, in accordance with regulation 34 (5) of the *Local Government (Financial Management) Regulations 1996*, and AASB 1031 Materiality, the level to be used in statements of financial activity in 2023/24 for reporting material variances shall be:

- a) $\geq 10\%$ of the amended budget and $\geq \$10,000$ of the amended budget; or
- b) $\geq \$150,000$ of the amended budget.

In addition, the material variance limit will be applied to each Nature and Type Classification for Operating and Financing Activities and each Project for Investing Activities (Capital).

CARRIED 6/3

In accordance with section 5.21(4) of the Local Government Act 1995, the individual vote of each member of the Council was as follows:

Councillors Rich, Atwell, Byas, Dagostino, Strange and Strautins voted FOR the motion.

Councillors Coales, Duggin and Mack voted AGAINST the motion.

Reason for difference to Officer Recommendation

To create an annual legacy reserve investment to fund income producing or efficiency improving opportunities now and into the future.



6.3 - Long Term Financial Plan 2023-33 and Corporate Business Plan 2023-27 (SJ940-3)	
Responsible Officer:	Director Corporate Services
Senior Officer:	Chief Executive Officer
Disclosure of Officer's Interest:	No Officer involved in the preparation of this report has an interest to declare in accordance with the provisions of the <i>Local Government Act 1995</i> .

Authority / Discretion

Executive	The substantial direction setting and oversight role of the Council such as adopting plans and reports, accepting tenders, directing operations and setting and amending budgets.
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Report Purpose

The purpose of this report is to enable Council to consider adopting the:

- Long term Financial Plan 2023-33; and
- Corporate Business Plan 2023-27.

to meet its obligations under the annual Integrated Planning and Reporting (IPR) processes.

Relevant Previous Decisions of Council

Ordinary Council Meeting – 12 December 2022 – OCM312/12/22 - COUNCIL RESOLUTION / Officer Recommendation

That Council NOTES the Shire of Serpentine Jarrahdale's Integrated Planning and Reporting Timetable for the Corporate Business Plan Review, 2023/24 Budget and Long Term Financial Plan as contained within attachment 1.

Background

The Shire has an obligation to plan for the future of the district under the Integrated Planning and Reporting (IPR) Framework. The processes are annual, biennial (minor strategic review) and quadrennial (major strategic review). Information in this report addresses the Long Term Financial Plan and Corporate Business Plan obligations of the annual IPR process.

The Department of Local Government, Sport and Cultural Industries IPR guidelines state that the annual process should include the:

- Development of an annual budget based on the delivery program of the Corporate Business Plan for the relevant year;
- Update and review of the Corporate Business Plan; and
- Addition of a year to the Long Term Financial Plan.

At the December 2022 Ordinary Council Meeting, Council noted the Shire's IPR timetable. This timetable outlined the key steps involved in the Shire's annual IPR process to develop the Annual Budget, review the Corporate Business Plan and update the Long Term Financial Plan. The key



steps included submission and review of business cases, workshops with Executive and Council and establishing due dates to ensure regulatory compliance.

This process is now complete, and the Long Term Financial Plan and Corporate Business Plan is provided for Council consideration as detailed in this report.

Community / Stakeholder Consultation

Policy Concept Forum - Budget Workshop – Rates, Fees and Charges, LTFF

Meeting Date	25 May 2023
Councillors in Attendance	Cr Rich, Cr Atwell, Cr Byas, Cr Coales, Cr Dagostino, Cr Duggin, Cr Mack, Cr Strautins

Policy Concept Forum - Budget Workshop- Capital and Non-Recurrent

Meeting Date	01 June 2023
Councillors in Attendance	Cr Rich, Cr Byas, Cr Dagostino, Cr Duggin, Cr Mack, Cr Strange

Policy Concept Forum - Budget Workshop – Operating Part 1

Meeting Date	07 June 2023
Councillors in Attendance	Cr Rich, Cr Coales, Cr Dagostino, Cr Duggin, Cr Mack, Cr Strange

Policy Concept Forum - Budget Workshop – Operating Part 2

Meeting Date	15 June 2023
Councillors in Attendance	Cr Rich, Cr Atwell, Cr Coales, Cr Dagostino, Cr Duggin, Cr Mack, Cr Strange

Budget Workshop – Final Workshop

Meeting Date	19 July 2023
Councillors in Attendance	Cr Rich, Cr Atwell, Cr Coales, Cr Dagostino, Cr Duggin, Cr Strange, Cr Strautins

Community Consultation – 2023-24 Draft Budget Community Information Breakfast

A free community event was held on 13 July 2023 and provided attendees with the following:

- Economic and Demographics Review
- Engagement activities undertaken which have informed the draft 2023-24 Budget
- Draft 2023-24 Budget highlights
- How to make a submission on the draft 2023-24 Budget

Statutory Environment

Local Government Act 1995 and Local Government (Administration) Regulations 1996

Local governments have a statutory obligation under s 5.56(1) of the *Local Government Act 1995* ('the Act') to plan for the future of their district under the Integrated Planning and Reporting (IPR) Framework. Regulations have been made under s 5.56(2) of the Act that provide minimum requirements for IPR.



The *Local Government (Administration) Regulations 1996* ('the Regulations') require a local government to ensure that a Corporate Business Plan is made for its district (reg 19DA) and that the Corporate Business Plan is reviewed every year (reg 19DA(4)). A full extract of Regulation 19DA is provided below.

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

Reform of the Local Government Act 1995

The State Government is reforming the *Local Government Act 1995*. Theme 6 – 'Improved Financial Management and Reporting' proposes to amend the *Local Government (Administration) Regulations 1996* to replace the Strategic Community Plan with a Council Plan. This change is likely to have a flow on impact on the Corporate Business Plan, however the detail is not currently known. Advice from the Department of Local Government, Sport and Cultural Industries obtained during the Shire's major review of the Strategic Community Plan advised that the Department are currently progressing the policy work behind the Integrated Planning and Reporting Framework reforms. From a compliance perspective, Regulation 19DA of the *Local Government (Administration) Regulations 1996* remains in place until new regulations are in effect and provisions commence.



Comment**Long Term Financial Plan 2023-33**

A Long Term Financial Plan (LTFP) is a ten year rolling plan that incorporates the proposed budget and financial requirements to deliver the Corporate Business Plan. It is a key tool for ensuring the financial sustainability of the Shire. The Long Term Financial Plan 2023-33 provided for Council's consideration, reflects the requirements of the Corporate Business Plan 2023-27 and ensures it is achievable within the Shire's financial resources.

The Long Term Financial Plan 2023-33 is set within the following parameters:

- Interim rates growth of 1.95% in 2023-24 and 2024-25.
- The proportion of untied funds expected to be spent on operating expenditure is projected to decline from 85% to 77% over the life of the LTFP. This means effectively that the Shire is spending proportionately less money on administration and more money on asset delivery and infrastructure.
- The operating savings consequential to the above point will be expended on asset renewal and upgrades lifting the asset renewal spend to be in line with asset management requirements.

Corporate Business Plan 2023-27

The Corporate Business Plan 2023-27 presented for Council's consideration represents the fourth year the Shire has presented a Corporate Business Plan that is fully costed and aligned to the Shire's Long Term Financial Plan and integrated with all components of the State Government's Integrated Planning and Reporting Framework. The Delivery Program of the Plan is divided into the following five areas:

1. Advocacy Projects - the projects that the Shire will focus its advocacy efforts towards over the next four years.
2. Major Capital Projects - capital projects to be delivered over the next four years that are considered 'Major'. A Capital Project is considered 'Major' if:
 - the value is >\$250,000; and
 - it is a new construction; or
 - it is a significant expansion, replacement (i.e. upgrade), or renewal project of existing infrastructure
3. Capital Works Program - planned capital expenditure on our assets over the next four years, excluding Major Capital Projects.
4. Strategic Operational Projects - projects funded from the operating budget considered 'Strategic' in nature because they demonstrate a strong link to the Strategic Community Plan.
5. Service Plan Summary - a summary of the Shire's day-to-day service levels and activities over the next four years that sit outside of the other abovementioned projects.

The focus of this year's review was to incorporate the next steps required to deliver on the major government funded capital projects and Council's key strategic projects including:

- Byford Skatepark – Construction of stage 2 (estimated completion date of February 2024).



- Oakford Bush Fire Brigade Station – construction of the new Oakford Bush Fire Brigade Station (estimated completion date of 31 December 2024).
- Keirnan Park Recreation Precinct – construction of Stage 1A (estimated completion date of 31 December 2025 – subject to irrigation water source).
- Road upgrades to Orton Road, Kargotich Road (estimated completion dates of 30 June 2025) and Soldiers Road (estimated completion date of 30 June 2024).
- Indigo Parkway – create road reservation and prepare detailed design and documentation for future construction (estimated completion date of 30 June 2024).
- Administration Accommodation Upgrade – upgrades to the Administration Accommodation including amenities, offices and relocation of Council Chambers to the old Mundijong Library (estimated completion date of 30 June 2026).
- Byford Health Hub – continue working with the East Metropolitan Health Service in the delivery of the Byford Health Hub (estimated completion date of 31 December 2025).
- Implementation of the Shire's Enterprise Resource Planning system including Property and Rating, Enterprise Content Management, Regulatory Compliance and Enterprise Cash Receipting (estimated completion date of 30 June 2025).
- Collaboration and partnership with Main Roads WA and Metronet to deliver the Tonkin Highway extension and the Metronet Byford Rail Extension.
- Expansion of SJ Recreation Centre, Briggs Park – conduct a feasibility and environment study for the expansion of the SJ Recreation Centre to include two additional indoor Basketball courts (estimated completion date of 30 September 2024 – subject to recruitment of Officer).
- Waste Transfer Station Planning – undertake detailed site planning to enhance control measures for accepting and processing waste (estimated completion date of 30 June 2024).
- West Mundijong Industrial Area Utility Research Project – research the potential for servicing solutions for the West Mundijong Industrial Area and Lot 500 Webb Road (estimated completion date of 30 June 2024).
- Hypergrowth Road Priorities – preparation of a strategic hypergrowth road advocacy and forward works plan (estimated completion date of 30 September 2023).
- Trails Centre and Food and Beverage Design Documentation – design of a Trails Centre with a food and beverage component, at Lot 814 Millers Road, Jarrahdale (estimated completion date of 30 June 2024).
- Corporate Business Plan Review – conduct a major review of the Corporate Business Plan to align with the adopted Council Plan, following the upcoming Local Government election in October 2023 (estimated completion date of 30 June 2024).



Proposed initiatives for delivery over the 2023-27 period are summarised by their respective Strategic Objectives below:

<p><i>PEOPLE - A connected, thriving, active and safe community</i></p> <p>Advocating for and shaping the design of state government infrastructure to benefit our local community of which some include:</p> <ul style="list-style-type: none">• METRONET• Tonkin Highway• Byford Tafe• Oakford Bush Fire Brigade Station <p>Strengthening the connections, health and wellbeing of our growing community by:</p> <ul style="list-style-type: none">• working towards the development of a Reconciliation Action Plan• supporting local community and sporting groups and the broad range of volunteers within the community• delivering programs, events and activities of relevance to the community• working with the East Metropolitan Health Service to deliver the Byford Health Hub	<p><i>PROSPERITY – An innovative, commercially diverse and prosperous economy</i></p> <p>Responding to growth by:</p> <ul style="list-style-type: none">• progressing the development of the Keirnan Park Recreation Precinct• fit for purpose road upgrades and rehabilitations to suit changing needs• enhancing the Developer Contribution Framework to create shared and equitable partnerships towards infrastructure delivery <p>Growing the economy by:</p> <ul style="list-style-type: none">• tourism development in the Shire• supporting the development of our equine community and industry• promoting the delivery of the West Mundijong Industrial Area• trails development and implementation including Jarrahdale Trails Town
<p><i>PLACE – A protected and enhanced natural, rural and built environment</i></p> <p>Establish SJ as leaders in the waste management area by providing best value for money and sustainable waste management in the Shire:</p> <ul style="list-style-type: none">• operation of the Watkins Road Waste Transfer Station and Tip Shop in Mundijong• investigation of FOGO <p>Implementation of the new Local Planning Strategy and Scheme, which sets the vision for our collective future and charts the course to how this vision will be achieved. Through a renewed set of zones, reserves, land use permissibility and development standards, the new planning framework sets the next exciting phase of the Shire's growth.</p>	<p><i>PROGRESSIVE – A resilient organisation demonstrating unified leadership and governance</i></p> <p>Planning for the future through continuing to modernise and develop the organisation to become more efficient, responsive and sustainable:</p> <ul style="list-style-type: none">• continuation of the Shire's Enterprise Resource Planning system• improving community engagement• upgrade and long term planning for the Shire's Administration Building and Operations Centre• relocation of the Council Chambers to the old Mundijong Library building• continued development of the Project and Contract Management Frameworks• implementation of strategic organisational development initiatives



	<ul style="list-style-type: none">• implementation of recommendations and actions from the Review of the Operations and Waste, Fleet and Facilities business units• implementation of the Shire's Council Plan through a major review of the Corporate Business Plan
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The full details of these initiatives, including their associated cost, timing and dependencies are detailed within the Delivery Program section of the plan. The Delivery Program also outlines all other projects and activities occurring within the 2023-27 period.

Major Review of the Corporate Business Plan

A major review of the Corporate Business Plan will be undertaken in 2023-24, for completion by 30 June 2024. This review will align the Corporate Business Plan with the 2023-33 Council Plan (previously known as the Strategic Community Plan), which will be presented to Council for adoption following the upcoming Local Government election in October 2023.

This major review will also integrate the following:

- Identification and consideration of further actions to mitigate strategic risk;
- Consideration of resource capability in line with the Organisational Development Roadmap; and
- Prioritised recommendations and actions resulting from the Review of Operations and Waste, Fleet and Facilities Business Units.

Options and Implications

Option 1 (5.8% rate increase)

That Council:

1. ADOPTS the Long Term Financial Plan 2023-33 which represents 5.8% increase to rates yield at **attachment 1**;
2. ADOPTS the Corporate Business Plan 2023-27 at **attachment 3**;
3. NOTES the Chief Executive Officer will apply the Shire's Corporate Branding in finalising the Corporate Business Plan for publication; and
4. NOTES a major review of the Corporate Business Plan will be undertaken in 2023-24, following the 2023 local government election and adoption of the 2023-33 Council Plan.

Option 2 (4% rate increase)

That Council:

1. ADOPTS the Long Term Financial Plan 2023-33 which represents 4% increase to rates yield at **attachment 2**;
2. ADOPTS the Corporate Business Plan 2023-27 at **attachment 3** with the following amendments:
 - Deferral of the Keirnan Street Freight Rail Pedestrian Crossing Major Capital Project from 2023-24 to 2024-25



- Removal of the Richardson Street, Mundijong Footpath from the 2023-24 Footpaths/Kerb New Capital Works Program
 - Key Assumptions updated to reflect a 4% increase in revenue
 - Removal of part time Equine Officer from the Equine Community Support Service Plan Summary
 - Removal of the Claire Morris Reserve Fencing from the 2023-24 Parks and Environment Renewal Capital Works Program
3. NOTES the Chief Executive Officer will apply the Shire's Corporate Branding in finalising the Corporate Business Plan for publication; and
4. NOTES a major review of the Corporate Business Plan will be undertaken in 2023-24, following the 2023 local government election and adoption of the 2023-33 Council Plan.

Option 3

That Council REQUESTS the Chief Executive Officer revise the Long Term Financial Plan and Corporate Business Plan in accordance with Council's decision in item 6.2 and present these documents to a future Council meeting for consideration.

Option 1 is recommended if Option 1 of Agenda Item 6.2 is resolved by Council.

Option 2 is recommended if Option 2 of Agenda Item 6.2 is resolved by Council.

Option 3 is recommended if an alternative motion at Agenda item 6.2 is resolved by Council.

Conclusion

The completion of the annual Integrated Planning and Reporting review provides the Shire with an integrated, structured and specific framework in which to implement and report on tangible outcomes towards the shire's vision and strategic objectives.

Attachments (available under separate cover)

- **6.3 - attachment 1** – Long Term Financial Plan 2023-33 Option 1 (E23/9307)
- **6.3 – attachment 2** – Long Term Financial Plan 2023-33 Option 2 (E23/9355)
- **6.3 - attachment 3** – Corporate Business Plan 2023-27 (E23/9385)
- **6.3 - attachment 4** – Corporate Business Plan 2023-27 – tracked changes (E23/9346)

Alignment with our Strategic Community Plan

Outcome 4.1	A resilient, efficient and effective organisation
Strategy 4.1.1	Provide efficient, effective, innovative, professional management of Shire operations to deliver the best outcome for the community within allocated resources
Outcome 4.2	A strategically focused Council
Strategy 4.2.2	Ensure appropriate long term strategic and operational planning is undertaken and considered when making decisions



Financial Implications

The Corporate Business Plan 2023-27, Long Term Financial Plan 2023-33 and 2023-24 Annual Budget are aligned.

Risk Implications

Risk has been assessed on the Officer Options and Implications:

Officer Option	Risk Description	Controls	Principal Consequence Category	Risk Assessment			Risk Mitigation Strategies (to further lower the risk rating if required)
				Likelihood	Consequence	Risk Rating	
1,2	No significant risks are associated with Option 1 and 2. The risks to be managed to deliver the Corporate Business Plan are detailed within the ‘Key Risks’ area of the plan.						
2	If Council do not adopt the Corporate Business Plan and Long Term Financial Plan, this will result in documents that are not aligned to the annual budget. This will create a fragmented environment for the Shire to operate in for the short term.	Nil	Organisational Performance	Rare	Moderate	LOW	Nil

Voting Requirements: Absolute Majority (Regulation 19DA(6) of the *Local Government (Administration) Regulations 1996*)

Officer Recommendation

That Council:

- ADOPTS the Long Term Financial Plan 2023-33 at attachment 1;
- ADOPTS the Corporate Business Plan 2023-27 at attachment 3;
- NOTES the Chief Executive Officer will apply the Shire's Corporate Branding in finalising the Corporate Business Plan for publication; and
- NOTES a major review of the Corporate Business Plan will be undertaken in 2023-24, following the 2023 local government election and adoption of the 2023-33 Council Plan.



SCM017/07/23

COUNCIL RESOLUTION

Moved Cr Strautins, seconded Cr Atwell

That Council:

- 1. ADOPTS the Long Term Financial Plan 2023-33 at attachment 1 with the following amendments to represent a 6% increase to rates yield:**
 - **Additional transfer of \$55,789 to the investment reserve to support income producing opportunities; and**
 - **Increase the future transfer to investment reserve line to reflect the change of rates yield revenue in future years.**
- 2. ADOPTS the Corporate Business Plan 2023-27 at attachment 3;**
- 3. NOTES the Chief Executive Officer will apply the Shire's Corporate Branding in finalising the Corporate Business Plan for publication; and**
- 4. NOTES a major review of the Corporate Business Plan will be undertaken in 2023-24, following the 2023 local government election and adoption of the 2023-33 Council Plan.**

CARRIED 6/3

In accordance with section 5.21(4) of the Local Government Act 1995, the individual vote of each member of the Council was as follows:

*Councillors Rich, Atwell, Byas, Dagostino, Strange and Strautins voted FOR the motion.
Councillors Coales, Duggin and Mack voted AGAINST the motion.*

Reason for difference to Officer Recommendation

To create an annual legacy reserve investment to fund income producing or efficiency improving opportunities now and into the future.

**7. Motions of which notice has been given:**

Councillor Atwell declared a Financial Interest in item 7.1 and left the Meeting at 8:22pm prior to this item being discussed.

7.1 - Notice of Motion – West Mundijong Industrial Area (SJ4232)	
Councillor	Councillor Byas
Disclosure of Officers Interest:	No Officer involved in the preparation of this report has an interest to declare in accordance with the provisions of the <i>Local Government Act 1995</i> .

Notice of Motion

A Notice of Motion was received from Councillor Byas via email on Monday, 24 July 2023.

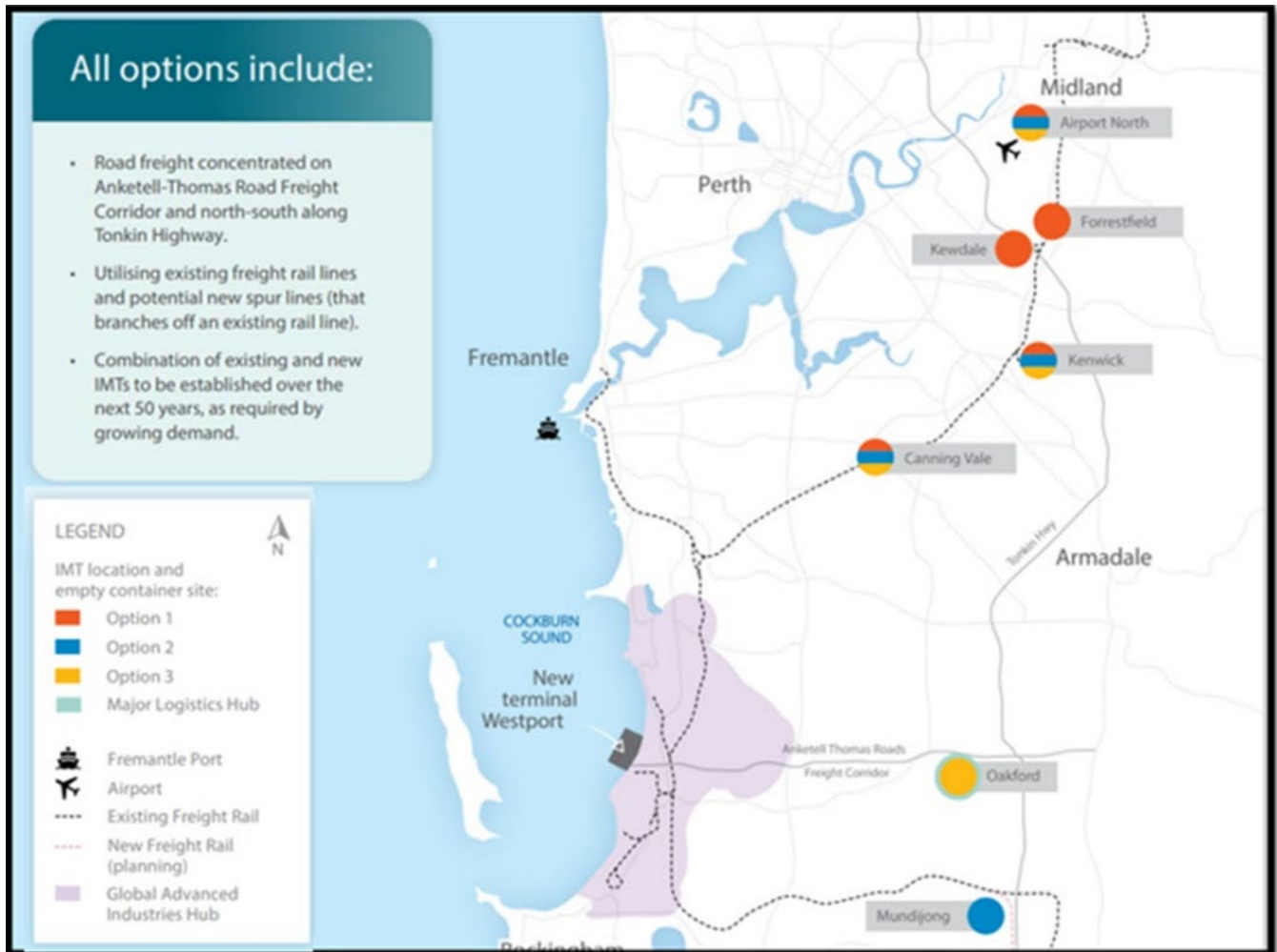
The Notice of Motion is “That Council:

1. REQUESTS the Chief Executive Officer presents a report to Council at the soonest available opportunity detailing the budgetary implications of Council Resolution OCM166/07/23 on both the FY23-24 Budget and the Long-Term Financial Plan.
2. REQUESTS the Chief Executive Officer includes the Council’s explicit objection to Option 3 (Oakford Major Logistics Hub) of the Westport Landside Logistics Options – as per OCM166/07/23 2.ii. – into the Shire’s advocacy material for future State and Federal Government elections. The reasons being:
 - The significant impact on the West Mundijong Industrial Areas; and
 - The severe adverse implications it would have on the amenity and infrastructure of the surrounding Oakford community.”

Officer Comment

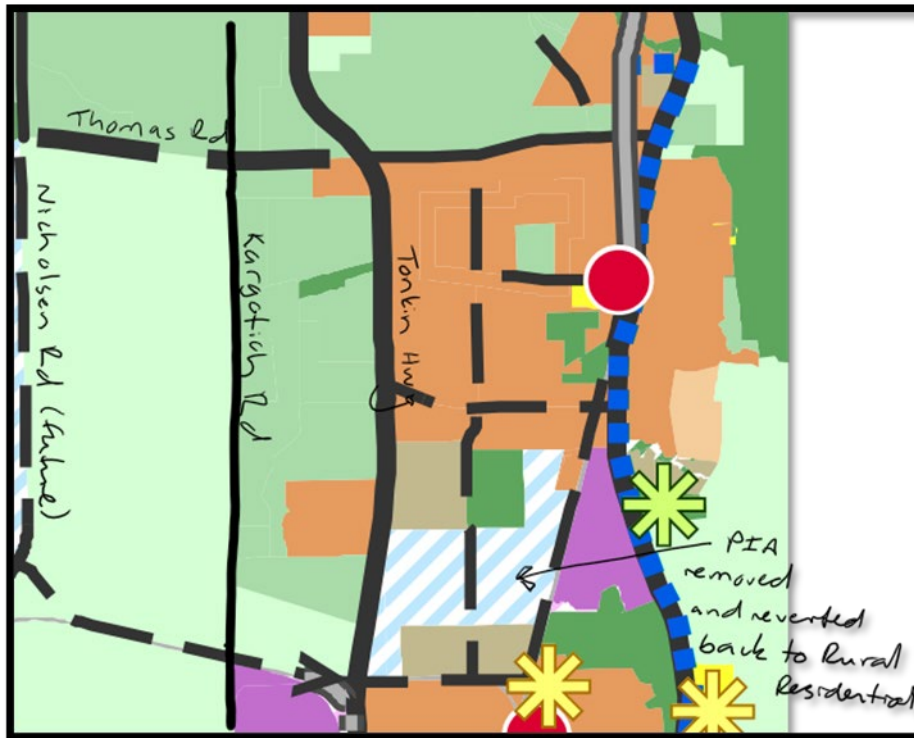
The Westport project of government includes a current component of work underway associated with landside logistics planning. In this regard, Westport’s Landside Logistics Opportunities Study shortlisted landside supply chain network options. This included road and rail corridors, intermodal terminals (IMTs), associated infrastructure and land for the development of complementary land uses.

Three shortlisted landside logistics options have been identified, as follows:



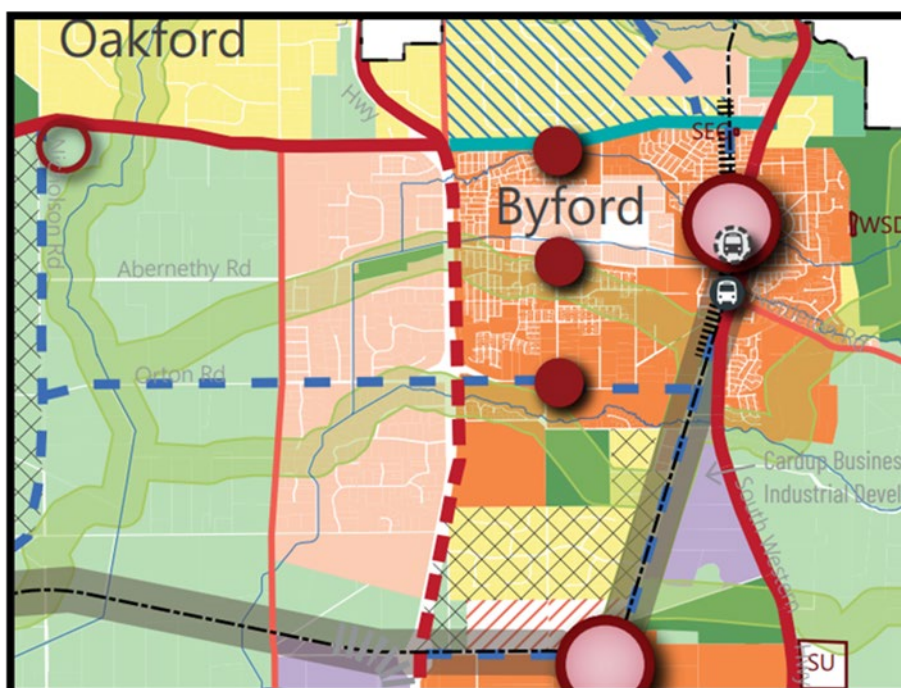
Westport advises that the options will be further tested by Westport's Supply Chain Integrated Design project, which may reconfigure or identify new solutions, or select from one of the current options identified. At the time of writing this report, no formal position of Westport has been communicated to the Shire on option(s) selection, noting Option 2 and Option 3 fall within the Shire district.

In respect of the Oakford option that this Notice of Motion is concerned with, the documentation of Westport shows a potential option in the vicinity of the area between Kargotich Road and Nicholson Road, south of Thomas Road. Officers note that this is inconsistent with both prevailing local and state planning frameworks. The State Government Planning Strategy for Perth and Peel, shows the following specific plan for land use within Oakford, to 2050:



The light green between Kargotich Road and a (potential) southern extension of Nicholson Road, is designated Rural with no further subdivision below 40ha lot sizes. This is intended to protect board scale rural activities in this area, reinforcing the activity corridor of the south east metropolitan area, by containing future western expansion of development. Between Kargotich Road and the future extension of Tonkin Highway, is designated Rural Residential to support ongoing activities in this area. Lot sizes are designated to range between 1ha and 4ha.

Reflecting this, the Shire's Local Planning Strategy identifies the same protection of Rural and Rural Residential, as per the State Planning Framework.





Based on this, an Oakford option should not be supported for Westport. Such option is inconsistent with planning frameworks, and has the potential to cause significant amenity impacts on a large number of private landowners given such would also require an extension of rail to service the area.

In order to raise the level of concern that is represented by an Oakford option, Officers recommend a request for Westport to brief the Council on what is happening in respect of freight handling option analysis.

It is also noted that the West Mundijong Industrial Area is identified for a potential option. In contrast to Oakford, selecting a West Mundijong solution for landside logistics would be very consistent with anticipated planning frameworks.

Officers remained concerned however, that there is limited clarity on whether Westport will consider a West Mundijong solution. To ensure that the Shire continues to promote the importance of government involvement in Westport to enable its commencement, Officers recommend that Council consider resolving to request the Chief Executive Officer and Shire President meet with the Minister responsible for Lands, Minister Carey, and activate discussions about the critical importance of having Development WA allocate its Industrial Lands Authority Business Unit to directly invest in West Mundijong Industrial Area (WMIA), and unlock its development potential. This would be additional to the resolution passed at the recent Council meeting.

Relevant Previous Decisions of Council

Ordinary Council Meeting – 17 July 2023 - OCM166/07/23 - COUNCIL RESOLUTION

That Council:

- 1. In accordance with Clause 9.3.10.1 of the Scheme, ADOPTS Development Contribution Plan Report No. 4 for the West Mundijong Industrial DCP and Development Contribution Plan Report No. 1 for the Mundijong-Whitby Urban Traditional Infrastructure DCP without modifications, and authorises the Chief Executive Officer to update the appendices at the date of adoption; and*
- 2. REQUESTS that the Chief Executive Officer write to the Hon Rita Saffioti MLA in her capacities as WA State Treasurer and Minister for Transport (encompassing responsibility for Westport):*
 - i. Requesting financial support for the provision of essential infrastructure to service the West Mundijong Industrial Area, as has been provided by the State for both the Nambeelup and Forrestdale Industrial Areas situated in neighbouring municipalities;*
 - ii. Advising that in relation to the Westport Landside Logistics Options presented to Council at the briefing held earlier this year, the Council does not support Option 3 (Oakford Major Logistics Hub), given its undermining of the Shire's Local Planning Framework and significantly its impact on the West Mundijong Industrial Area;*
 - iii. Copying the correspondence to the Hon David Michael MLA in his capacity as Minister supporting the Minister for Transport.*

Attachments (available under separate cover)

Nil.



Voting Requirements: Simple Majority

Councillor Recommendation

That Council:

1. REQUESTS the Chief Executive Officer presents a report to Council at the soonest available opportunity detailing the budgetary implications of Council Resolution OCM166/07/23 on both the FY2023-2024 Budget and the Long-Term Financial Plan.
2. REQUESTS the Chief Executive Officer includes the Council's explicit objection to Option 3 (Oakford Major Logistics Hub) of the Westport Landside Logistics Options – as per OCM166/07/23 2.ii. – into the Shire's advocacy material for future State and Federal Government elections. The reasons being:
 - The significant impact on the West Mundijong Industrial Areas; and
 - The severe adverse implications it would have on the amenity and infrastructure of the surrounding Oakford community.

Alternative Officer Recommendation

That Council:

1. REQUESTS the Chief Executive Officer to organise an urgent briefing of Council from Westport, in order to receive an update on the status of freight and logistics planning, and to enable Council to advise its concerns with regard to the Oakford option and the range of negative impacts this will have on the community.
2. REQUESTS the Chief Executive Officer and Shire President write to the Minister for Planning; Lands; Housing; Homelessness, to set out the opportunity and importance of Development WA allocating its Industrial Lands Authority Business Unit to directly invest in the West Mundijong Industrial Area, to unlock its development potential.

SCM018/07/23

COUNCIL RESOLUTION

Moved Cr Byas, seconded Cr Duggin

That the matter be DEFERRED to the August Ordinary Council Meeting.

CARRIED UNANIMOUSLY 8/0

Councillor Atwell returned to the Chambers at 8:28pm.

Presiding Member, Councillor Rich advised Councillor Atwell of the Council Resolution for item 7.1.



8. Urgent business:


Nil.

9. Closure:

There being no further business, the Presiding Member declared the meeting closed at 8:29pm.

Officers assisting the Meeting stopped the recording of the Meeting.

I certify that these minutes were confirmed at the Ordinary Council Meeting held on
21 August 2023.

..........Presiding Member – Councillor Rich

.....05/10/2023.....Date