

# Shire *of* Capel

## AGENDA

### ORDINARY COUNCIL MEETING

Wednesday 27<sup>th</sup> July 2016

Commencing at 4.30pm in the Council Chambers  
Shire Administration Building, Forrest Road, Capel

#### REMINDER:

**1.30pm Councillor Walkthru – East Dalyellup  
Sports Pavilion**

**3.30pm Round the Table Discussion**



*Experience the*  
Shire of Capel



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# **FINANCIAL INTEREST**

(Effective 1 July 1996)

A financial interest occurs where a Councillor, or a person with whom the Councillor is closely associated, has a direct or indirect financial interest in the matter. That is, the person stands to make a financial gain or loss from the decision, either now or at some time in the future.

An indirect financial interest includes a reference to a financial relationship between that person and another person who requires a Local Government decision in relation to the matter.

## **Councillors should declare an interest:**

- a) in a written notice given to the CEO before the meeting; or**
- b) at the meeting immediately before the matter is discussed**

A member who has declared an interest must not:

- \* preside at the part of the meeting relating to the matter; or
- \* participate in, or be present during any discussion or decision making procedure relating to the matter,

unless the member is allowed to do so under Section 5.68 or 5.69, Local Government Act (1995).

Ref: Local Government Act 1995 Division 6 - Disclosure of Financial Interest.  
Specifically Sections 5.60, 5.61, 5.65 and 5.67.

## **DISCLAIMER**

No responsibility whatsoever is implied or accepted by the Shire of Capel for any act, omission or statement or intimation occurring during Council/Committee meetings or during formal/informal conversations with staff. The Shire of Capel disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission or statement or intimation occurring during Council/Committee meetings or discussions.

Any persons or legal entity who acts or fails to act in reliance upon any statement does so at that person's or legal entity's own risk.

In particular and without derogating in any way from the broad disclaimer above, in any discussion regarding any planning application or application for a licence, any statement or limitation of approval made by a member or officer of the Shire of Capel during the course of any meeting is not intended to be and is not taken as notice of approval from the Shire of Capel. The Shire of Capel warns that anyone who has an application lodged with the Shire of Capel must obtain and only should rely on WRITTEN CONFIRMATION of the outcome of the application, and any conditions attaching to the decision made by the Shire of Capel in respect of the application.

SHIRE OF CAPEL

NOTICE OF AN ORDINARY COUNCIL MEETING

THE NEXT ORDINARY MEETING OF COUNCIL WILL BE HELD IN THE COUNCIL CHAMBERS, FORREST ROAD, CAPEL ON WEDNESDAY, 27<sup>TH</sup> JULY 2016 COMMENCING AT 4.30PM.

*PF Sheedy.*

PF Sheedy  
CHIEF EXECUTIVE OFFICER

20 July, 2016

## AGENDA

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**IMPORTANT NOTE:**

Members of the public are advised that any decisions made at the meeting tonight, can be revoked, pursuant to the *Local Government Act 1995*. Therefore, members of the public should not rely on any decisions until formal notification in writing by Council has been received.

**1 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS**

**2 RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE (PREVIOUSLY APPROVED)**

Leave of Absence: Crs S Baxi (OC0601) [Cr J Scott will be attending.]

**3 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**

**4 PUBLIC QUESTION TIME**

*Public Question Time provides an opportunity for members of the public to ask a question of Council. For more information regarding Public Question Time, please phone the Shire Office during office hours on 9727 0222 or visit the Shire's website [www.capel.wa.gov.au](http://www.capel.wa.gov.au).*

**5 APPLICATIONS FOR LEAVE OF ABSENCE**

**6 DECLARATION OF INTEREST**

**7 NOTICE OF ITEMS TO BE DISCUSSED BEHIND CLOSED DOORS**

**8 CONFIRMATION OF MINUTES**

8.1 Ordinary Council Meeting – 22.06.16

**9 ANNOUNCEMENTS BY PERSON PRESIDING WITHOUT DISCUSSION**

**10 PETITIONS/DEPUTATIONS/PRESENTATIONS**

*Any person or group wishing to make a 5 minute presentation to Council regarding any matter on this agenda for consideration must request the right to do so in writing to the Chief Executive Officer prior to 12 noon on the day of this Council meeting. For more information about presentations please contact the Executive Assistant on 9727 0222 or email [info@capel.wa.gov.au](mailto:info@capel.wa.gov.au).*

*Any person or group wishing to make a 5 minute Deputation to Council on any matter is required to apply in writing to the Chief Executive Officer at least 7 days prior to a Council meeting. For more information about making a deputation, please contact the Executive Assistant on 9727 0222 or email [info@capel.wa.gov.au](mailto:info@capel.wa.gov.au).*

**11 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

**12 QUESTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

## 13 CHIEF EXECUTIVE OFFICER REPORTS

### 13.1 Corporate Business Plan 2016-2020

Location:	Whole of Shire
Applicant:	Shire of Capel
File Reference:	N/A
Disclosure of Interest:	I will benefit from provision of replacement vehicle in 2017/18 and 2019/20 financial years
Date:	05.07.16
Author:	Chief Executive Officer, PF Sheedy
Senior Officer:	Chief Executive Officer, PF Sheedy
Attachments:	Corporate Business Plan 2016-2020

#### **MATTER FOR CONSIDERATION**

The endorsement of the updated four (4) year Corporate Business Plan 2016-2020 for the Shire of Capel, incorporating the ten (10) year Long Term Financial Plan, Workforce Plan, Asset Management Plans and various informing Services Strategies and Plans.

#### **BACKGROUND / PROPOSAL**

##### **Background**

The Integrated Planning and Reporting Framework and Guidelines were introduced in Western Australia in 2013 as part of the State Government's Local Government Reform Program. Integrated Planning is the development and delivery of a Strategic Community Plan and a Corporate Business Plan.

Local governments in Western Australia are required to produce a 'Plan for the Future' for their district under S5.56 (1) of the *Local Government Act 1995*. *Local Government (Administration) Regulations 1996* prescribe the requirement to prepare a Strategic Community Plan and Corporate Business Plan as part of the 'Plan for the Future'. These plans were required to be established by 1 July 2013 and are intended to guide local governments to a successful integrated planning process.

The Corporate Business Plan is developed from the Strategic Community Plan Strategic Objectives and Outcomes and includes the ten (10) year Long Term Financial Plan, Workforce Plan, Asset Management Plans and various informing Services Strategies and Plans.

April 2013 refers: Council's administration developed a Corporate Business Plan which flowed on from the Shire of Capel Strategic Community Plan (adopted in April 2013 OC0405), which outlined the Strategies and Actions required to achieve the Strategic Objectives and Outcomes of Council.

June 2013 refers: Council at its Ordinary meeting on 26<sup>th</sup> June 2013 endorsed (OC0617) the first Corporate Business Plan.

November 2014 refers: Council at its Ordinary meeting on 19<sup>th</sup> November 2014 endorsed (OC1106) the updated Corporate Business Plan 2014-2018.

##### **Proposal**

The Corporate Business Plan 2016-2020 has generally only had minor changes made to the existing document to consolidate some of the Actions and to add two additional years given that it was not reviewed in 2015.

**STATUTORY ENVIRONMENT****Local Government (Administration) Regulations 1996  
Division 3 – Planning for the future****19DA. Planning for the future: corporate business plans – 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.

**POLICY IMPLICATIONS**

Policy 2.7 – Preparation of Integrated Financial Plan and Budget applies. The steps and timetable leading to the adoption of the Budget is impacted by the development of the Corporate Business Plan and Long Term Financial Plan.

**FINANCIAL IMPLICATIONS****Budget**

The development of the Corporate Business Plan document itself does not require any specific budget. Completion of some of the projects and/or services identified in the Plan will require a budget allocation in 2016/17.

**Long Term**

The Corporate Business Plan various actions require the allocation of funds over the life of the Plan (2016-2020) and allocations are included in the next four (4) years of the Long Term Financial Plan, which is part of this Plan, to cover these.

**Whole of Life**

The Plan itself has no whole of life cost implications but some of the actions detailed in the Plan over the next four (4) years where they refer to creating infrastructure will have whole of life implications.

## **SUSTAINABILITY IMPLICATIONS**

The Integrated Strategic Planning & Reporting Framework is designed to improve the sustainability of local governments, while engaging in stronger ways with the community.

## **STRATEGIC IMPLICATIONS**

Shire of Capel Strategic Community Plan 2013 to 2031

1. Leadership Experience “Ensure open, transparent, effective good governance and communication within the organisation and the community.”

Strategic outcomes:

- 1.4 Provide efficient and effective financial management to ensure the long term financial sustainability of the organisation.
- 1.5 Ensure the effective management of Council’s resources.

## **CONSULTATION**

The Corporate Business Plan review has been undertaken by the Executive Management Team, whilst the Long Term Financial Plan was discussed as part of the Councillor Budget Workshop earlier this year.

No external consultation is required or proposed for this Plan.

## **COMMENT**

There is a statutory requirement for Council to undertake an annual review of the four (4) year Corporate Business Plan to ensure it aligns with other informing strategies, such as the Long Term Financial Plan, Workforce Plan and others forming part of this Plan. This annual review process is required under the Local Government (Administration) Regulations 1996, specifically Regulation 19DA. For this reason Corporate Business Plan are reviewed and an additional year added onto the plan. This enables continued legislative compliance but also enables the plan to be reviewed, resulting in assumptions and projections being reassessed, and timeframes adjusted for projects if circumstances or the priorities of Council change.

As previously indicated only minor changes have been undertaken to the previous Plan (2014-2018) and these are predominately in the areas covered by Engineering and Development Services. With the major review of the Strategic Community Plan required in 2016/17 the opportunity will be taken to undertake a complete review of the existing Corporate Business Plan format, to improve its understanding by the community and the current strategies and actions amended to ensure they align with any new aspirations of the community that come from the consultation (workshops etc.) undertaken during 2016/17.

Finally as with the normal process when amending other documents proposed deletions to the existing Corporate Business Plan, in the attachment, are shown with a ~~strike through~~, whilst any additions are shown in **bold**.

## **VOTING REQUIREMENTS**

Absolute majority

<b>OFFICER’S RECOMMENDATIONS – 13.1</b>
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**That Council endorses the modified Corporate Business Plan 2016-2020, detailed in the attachment to this report.**



**14 ENGINEERING AND DEVELOPMENT SERVICES REPORTS****14.1 Management Orders - Lot 1 & Lot 100 on DP 406176 Kerrine Approach, Capel**


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Location:	Lot 1 and Lot 100 on DP 406176 Kerrine Approach, Capel
Applicant:	Department of Lands
File Reference:	PR.AR.1
Disclosure of Interest:	Nil
Date:	27.06.16
Author:	Executive Assistant, B Facey
Senior Officer:	Executive Manager Engineering & Development Services, J Gick
Attachments:	Plan – Lot 1 & 100 Kerrine Approach, Capel

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**MATTER FOR CONSIDERATION**

Separate correspondence has been received from Department of Lands requesting advice as to whether Council is prepared to accept the Management Orders for the purpose of "Drainage" for Lot 1 and "Public Recreation & Drainage" for Lot 100 Kerrine Approach, Capel.

**BACKGROUND / PROPOSAL****Background**

As a result of freehold subdivision, Lot 1 and Lot 100 Kerrine Approach, Capel were ceded to the Crown, subject to section 152 of the Planning and Development Act 2005 (PDA) on 4 March 2016.

The Management Orders are proposed to be created under section 41 of the Land Administration Act 1997.

Lot 1 and Lot 100 are created to accommodate drainage and recreation space for "The Grove Estate", Capel.

The attached plans show the location of the proposed reserves.

**Proposal**

To accept Management Orders for the purpose of "Drainage" for Lot 1 and "Public Recreation & Drainage" for Lot 100 Kerrine Approach, Capel.

**STATUTORY ENVIRONMENT**

Planning and Development Act 2005, Section 152

**152. Certain land to vest in Crown**

- (1) If the Commission has approved a subdivision of land subject to a condition that one or more portions of land shown on a diagram or plan of survey relating to the subdivision or a plan under the Strata Titles Act 1985 are to vest in the Crown for any one or more of the following purposes —
- (a) conservation or protection of the environment;
  - (b) an artificial waterway;
  - (c) a pedestrian accessway;
  - (d) a right-of-way;
  - (e) a reserve for water supply, sewerage, drainage, foreshore management, waterway management or recreation;

- (f) a public purpose specified in the condition and related to the subdivision, then, subject to the encumbrances referred to in subsection (5), the land subject to the condition vests in the Crown by force of this section without any conveyance, transfer or assignment or the payment of any fee.
- (2) Land vested under subsection (1) is vested —
- (a) in the case of a plan lodged for registration under the Strata Titles Act 1985, at the time the Registrar of Titles registers the plan under that Act; and
  - (b) in any other case, at the time the new certificate, or if more than one, all the new certificates, for the land the subject of the diagram or plan of survey, has or have been registered under the Transfer of Land Act 1893.
- (3) Land vested under subsection (1) —
- (a) is Crown land; and
  - (b) does not form part of a parcel comprised in a plan that is registered under the Strata Titles Act 1985; and
  - (c) is to be taken to be reserved under section 41 of the Land Administration Act 1997 for the purpose set out in the condition; and
  - (d) may be dealt with in accordance with the Land Administration Act 1997.
- (4) The Registrar of Titles is to do all things necessary to give effect to this section.
- (5) Land vested under this section is to be vested subject to —
- (a) any easement on that land created for the purposes of the subdivision, shown on the diagram or plan of survey and referred to in section 167; and
  - (b) any easement on that land created under Part IVA of the Transfer of Land Act 1893 for the purposes of the subdivision and shown on the diagram or plan of survey; and
  - (c) any existing encumbrance specified in a direction of the Minister responsible for the administration of the Land Administration Act 1997, or a person authorised in writing by that Minister for the purposes of this section, lodged with the Registrar of Titles on or before the vesting; and
  - (d) any encumbrance prescribed, or of a class prescribed, by the regulations.

Land Administration Act 1997

#### **Section 41**

41. Reserving Crown land, Minister's powers as to Subject to section 45(6), the Minister may by order reserve Crown land to the Crown for one or more purposes in the public interest.

#### **POLICY IMPLICATIONS**

There are no policy implications to consider.

#### **FINANCIAL IMPLICATIONS**

##### **Budget**

There are no financial implications relevant to this matter in the annual budget as the developer is maintaining the asset for a defects period of two (2) years from 4 March 2016.

##### **Long Term**

Lot 1 (Drainage) will have an approximate cost for vegetation control in the order of \$250.00 per annum.

Lot 100 (Public Open Space and Drainage) current budget for Operating Expenditure on Capel Parks, Gardens and Reserves (Account 126420) allows \$0.77 per square metre of reserve managed per annum (\$97,302 for 126,343 sqm metre of reserve). On that basis costs in

order of \$3,267 per annum should be allowed for (\$0.77 x 4263) over and above the current budget.

**Whole of Life**

Allow annual costs as shown in Long Term plus administrative costs for insurance and staff management time should be allowed for. These will be in the order of \$200 per annum.

The expected useful life of this type of asset in 'In Perpetuity' therefore the whole of life cost is not time constraint (i.e. It is essentially infinite).

**SUSTAINABILITY IMPLICATIONS**

Accepting Management Orders for these lots will allow the Council to maintain drainage at the "The Grove Estate" and accommodate ongoing development. The drainage is an open channel and swale, which allows for natural nutrient stripping before evaporation and soakage and some passive recreation.

**STRATEGIC IMPLICATIONS**

Shire of Capel Strategic Community Plan 2013-2031.

2 The Community Experience 'Provide facilities and services which recognise the diverse needs of the community and strive to make the Shire a safe place to live, work and visit.'

Strategic Outcomes

2.3 Preserve and protect the character of the communities.

5 The Infrastructure Experience 'Plan and facilitate safe, sustainable and efficient infrastructure and transport networks to meet the needs of the community'.

Strategic Outcome:

5.6 Effectively manage the Shire's assets and resources.

**CONSULTATION**

Shire staff from Engineering, Operations and Technical Services have been consulted regarding the proposal with no objections received.

**COMMENT**

Council has previously accepted Management Orders over drainage reserves and public recreation and drainage reserves within the Shire, as these reserves generally provide an important function to a subdivision and are required to be maintained to effectively serve their intended purpose.

**VOTING REQUIREMENTS**

Simple majority

**OFFICER'S RECOMMENDATIONS – 14.1**

**That Council advises the Department of Lands it is prepared to accept Management Orders for Lot 1 for the purpose of "Drainage" and Lot 100 for the purpose of "Public Recreation and Drainage" on DP 406176 Kerrine Approach, Capel.**

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**14.2 Tender 16/01 Supply and Delivery of Gravel**

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Location:	Whole of Shire
Applicant:	Shire of Capel
File Reference:	CM.TE.6
Disclosure of Interest:	Nil
Date:	08.07.16
Author:	Manager Operations, S Faber
Senior Officer:	Executive Manager Engineering and Development Services, J Gick
Attachment:	Part 5. Tenderers' Offers (Confidential)

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**MATTER FOR CONSIDERATION**

Consideration of tender submissions for the supply and delivery of gravel.

**BACKGROUND / PROPOSAL****Background**

The current contract for the supply and delivery of gravel expires on 31 August 2016. Tenders were called for the supply and delivery of gravel to meet the requirements of Council's road construction and maintenance programs over the next three years.

The contract offered will be for an initial period of one (1) year from 1 September 2016 to 31 August 2017, with an option to extend the contract for two (2) further twelve month periods to 31 August 2018 and 31 August 2019.

Two tenders were received to supply and deliver gravel to meet the requirements of Council's road construction and maintenance programs:

- Carbone Bros Pty Ltd and;
- Westside Equipment Pty Ltd

**Proposal**

Consideration of tender submissions for the supply and delivery of gravel to meet the requirements of Council's road construction and maintenance programs.

**STATUTORY ENVIRONMENT**

Local Government Act 1995 s3.57 (11)(1) of the Local Government Regulations requires all goods and services with a value in excess of \$150,000 to be subject to a public tender process.

**POLICY IMPLICATIONS**

Policy 2.8 Purchasing states "that purchases must be made in consideration of (amongst other things) the best value for money."

To promote economic activity and employment opportunities within the Shire of Capel, Council has a local purchasing preference. A 5% price preference is applicable to locally based suppliers on all purchases where the purchase consideration exceeds \$1,000.

None of the tenderers qualified for consideration of local purchasing preference under this provision of the policy.

## **FINANCIAL IMPLICATIONS**

### **Budget**

The 2016/17 Council Budget includes financial consideration for the provision of funding for this service within the Capital Works Program and Schedule 12 – Transport, Maintenance of Streets, Roads, Bridges, Depots – Expenditure.

### **Long Term**

Ongoing Council budget considerations will be required to facilitate the provision of this service in the subsequent years of the contract. This consideration will provide the funding mechanism to assist with the preservation of road network assets.

The Contract provides for consideration where the price for the supply and delivery may be increased annually in accordance with the Annual Perth Consumer Price Index at 31 March each year.

### **Whole of Life**

The whole of life financial implications have not been calculated. The assets that will be serviced by the provision of this service will require future ongoing funding to ensure the assets are preserved to a suitable service levels.

## **SUSTAINABILITY IMPLICATIONS**

The provision of this service is key to obtaining gravel materials for Council's Capital and Maintenance Programs that will increase the safety for road users and reduce maintenance costs.

## **STRATEGIC IMPLICATIONS**

Shire of Capel Strategic Community Plan 2013-2031

5 Infrastructure Experience "Plan and facilitate safe, sustainable and efficient infrastructure and transport networks to meet the needs of the community."

Strategic outcomes:

- 5.1 Provide and maintain a safe and efficient transport, cycle and pedestrian network throughout the Shire
- 5.2 Improve connectivity throughout our communities and to the region
- 5.6 Effectively manage the Shire's assets and resources.

## **CONSULTATION**

Tender 16/01 Supply and Delivery of Gravel was advertised in the "West Australian" on 25 May 2016 and the "South Western Times" on 26 May 2016, and submissions closed on 24 June 2016.

Staff from Engineering, Operations and Finance have been consulted during the tender development and assessment phases.

## **COMMENT**

Tender submissions were received from two suppliers. Both were assessed against qualitative and financial criteria. On assessment the variance in relevant experience and resources is highlighted with Carbone Bros Pty Ltd scoring higher. Delivery of gravel to meet the Shire's needs is direct with Carbone Bros Pty Ltd whereas Westside Equipment Pty Ltd did not

complete the sub-contractor section of the tender and Westside's resources were also noted as limited.

Carbone Bros Pty Ltd achieved an overall score of 92.0 which is 16.6 higher than Westside Equipment Pty Ltd.

Carbone Bros Pty Ltd also provided the lowest price.

<b>Tenderer</b>	<b>Relevant Experience and Resources (30% weighting)</b>	<b>Price (70% weighting)</b>	<b>Score Total</b>
Carbone	22.0	70.0	92.0
Westside	17.3	59.1	76.4

### **VOTING REQUIREMENTS**

Simple majority

### **OFFICER'S RECOMMENDATIONS – 14.2**

**That Council accepts the tender from Carbone Bros Pty Ltd for the Supply and Delivery of Gravel as per the attachment Part 5. Tenderer's Offer.**

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### **14.3 Amendment to Policy 6.22 Bed and Breakfast Accommodation**

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Location:	Whole of Shire
Applicant:	Shire of Capel
File Reference:	C5.9 and CM.PO.1
Disclosure of Interest:	Nil
Date:	07.07.16
Author:	Senior Planning Officer, L Hughes
Senior Officer:	Executive Manager Engineering and Development Services, J Gick
Attachments:	Policy 6.22 Bed and Breakfast Accommodation

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#### **MATTER FOR CONSIDERATION**

Council is requested to consider a minor amendment to the Bed and Breakfast Policy to remove provision 2 which states '*Annual renewal of planning approvals for Bed and Breakfast Accommodation is required*'.

#### **BACKGROUND / PROPOSAL**

##### **Background**

The Bed and Breakfast policy (Policy 6.22) was adopted on 19 December 2012 to supplement the provisions of Town Planning Scheme No. 7 (TPS7) and provide guidance on the standards required for the provision of bed and breakfast accommodation.

The Bed and Breakfast policy includes 5 provisions, provision no. 1.2 states:

*'Annual renewal of planning approvals for Bed and Breakfast Accommodation is required.'*

Each development application for Bed and Breakfast which is approved has a number of conditions applied, including a time limit of 12 months at the end of which period a renewal application is required to be submitted for consideration by the Shire.

##### **Proposal**

It is proposed to remove this requirement which is considered to be inconsistent with contemporary planning practice.

#### **STATUTORY ENVIRONMENT**

##### **The Planning and Development Regulations 2015 (the Regulations)**

The Regulations were gazetted on 25 August 2015 and have been in effect since 19 October 2015, replacing the Town Planning Regulations 1967. The Regulations are a major part of Western Australia's planning reform agenda, affecting arrangements for local planning strategies, schemes and amendments. In addition to a Model Scheme Text, the Regulations introduced a set of deemed provisions that, following the gazettal of the regulations, now form part of every local planning scheme in the State. If there is any inconsistency between a deemed provision and a scheme, the deemed provision prevails.

Part 2 (Local Planning Framework, Division 2 – Local Planning Policies) of the Regulations replaces Town Planning Scheme No. 7 Clause 8.9 Power to make Policies. The key differences of the deemed provisions under the Regulations from the previously applicable Clause 8.9 Power to make policies under TPS7 are:

- Inclusion of a process for a minor amendment to the local planning policy, which does not require advertising.
- A local planning policy may now address strategic or operational considerations rather than “one or more matters of the aspects of the control of development”.

The deemed provisions for Local Planning policies specifically include:

### 3. Local planning policies

- (1) The local government may prepare a local planning policy in respect of any matter related to the planning and development of the Scheme area.
- (2) A local planning policy —
  - (a) may apply generally or in respect of a particular class or classes of matters specified in the policy; and
  - (b) may apply to the whole of the Scheme area or to part or parts of the Scheme area specified in the policy.
- (3) A local planning policy must be based on sound town planning principles and may address either strategic or operational considerations in relation to the matters to which the policy applies.
- (4) The local government may amend or repeal a local planning policy.
- (5) In making a determination under this Scheme the local government must have regard to each relevant local planning policy to the extent that the policy is consistent with this Scheme.

### 5. Procedure for amending local planning policy

- (1) Clause 4, with any necessary changes, applies to the amendment to a local planning policy.
- (2) Despite subclause (1), the local government may make an amendment to a local planning policy without advertising the amendment if, in the opinion of the local government, the amendment is a minor amendment.

### Food Act 2007 & Food Regulations 2009

The Food Act calls up the requirements of the Food Standards Code under which all premises capable of serving food, such as Bed and Breakfast Accommodation premises, have to meet the requirements of the Code with regards to suitability of construction of the premises and equipment.

Bed and breakfast premises are classed as low risk under the Act and should be inspected every 18 months. Those premises that aren't on scheme water, 5, are visited on a more regular basis so that the water can be sampled to ensure it meets the requirements of the Australian Drinking Water Guidelines.

### **POLICY IMPLICATIONS**

Policy 6.22 Bed and Breakfast Accommodation.

### **FINANCIAL IMPLICATIONS**

#### **Budget**

The application fee for a renewal application is \$78. There are 9 Bed and Breakfast facilities in the Shire which amounts to \$702.00 per year.

There is a one of application fee of \$107 for a Food Licence, as outlined under the Food Regulations 2009, and an inspection fee which depends on the risk classification of the premises, high, medium or low. Bed and Breakfast premises are classed as low risk which currently attracts a fee of \$80. All fees are identified in the Fees and Charges section of the 2016/17 Budget.



### **Long Term**

Council will not get revenue from planning renewal applications in future.

Council will continue to collect fees for regular inspections carried out under the provisions of the Food Act 2007 and any new registrations for new Bed and Breakfast premises applications.

### **Whole of Life**

Council will not get revenue from planning renewal applications in future.

Council will continue to collect fees for regular inspections carried out under the provisions of the Food Act 2007 and any new registrations for new Bed and Breakfast premises applications.

### **SUSTAINABILITY IMPLICATIONS**

The Shire is supportive of and encourages tourism development within the Shire. The requirement to renew such applications on an annual basis could be an onerous restriction resulting in fewer proposals than may otherwise occur. It is considered that the ability to approve applications without the restriction is likely to result in a better long term outcome and assist in the strategic objective of encouraging tourism based business.

### **STRATEGIC IMPLICATIONS**

This policy review is consistent with the following strategic objectives of the Community Strategic Plan 2013 – 2031:

1. Leadership Experience "Ensure open, transparent, effective good governance and communication within the organisation and the community."

Strategic outcome:

1.1 Ensure continuous improvement of the organisation.

3. Environmental Experience "To preserve and enhance the natural and built environment to ensure it is liveable, sustainable and adapts to our communities' needs and expectations."

Strategic outcomes:

3.1 Promote the diverse lifestyle opportunities in the Shire.

3.2 Maintain and enhance the quality of our unique natural environments.

3.3 Preserve and protect the character of the towns as they expand.

4. Economic Experience "Foster and support responsible and progressive economic development opportunities within the Shire."

Strategic outcomes:

4.1 Provide opportunities to take advantage of the Shire's location.

4.2 Pursue diversity and vitality in the local economy.

5. Infrastructure Experience "Plan and facilitate safe, sustainable and efficient infrastructure and transport networks to meet the needs of the community."

Strategic outcome:

5.2 Maintain and enhance the quality of our built environment.

### **CONSULTATION**

Consultation was undertaken with Department of Planning, Shire officers and Executive Manager Engineering and Development Services.

**COMMENT****Planning and Development (Local Planning Schemes) Regulations 2015 (the Regulations)**

Schedule 2 Part 2 clause 5 of the above Regulations sets out the process for amending a local planning policy. Clause 5 (1) states the procedure for amending a planning policy is the same as for making a local planning policy; however clause 5 (2) states:

*‘Despite subclause (1), the local government may make an amendment to a local planning policy without advertising the amendment if, in the opinion of the local government, the amendment is a minor amendment’.*

The Regulations does not define ‘minor amendment’ in relation to a planning policy. The dictionary definition of minor is ‘*Lesser in importance, seriousness or significance*’.

Officers have consulted with the Department of Planning who have confirmed that they would be supportive of the removal of the provision; the decision as to whether the amendment is minor in nature is the responsibility of the local government. In view of the fact that removal of the clause will be beneficial to applicant’s and is not onerous in nature, does not significantly alter the intent of the policy and results in a policy which is more consistent with contemporary planning practice it is considered that the modification is minor and will not require advertising.

The inclusion of the requirement for an annual renewal in the policy is considered to be prescriptive and does not contribute to orderly and proper planning outcomes. In assessing an application for development approval for bed and breakfast, consideration must be given to the merits of the proposal including whether the proposal will have any significant impact on the amenity of the area by virtue of such issues as increased traffic or noise.

The Shire’s TPS7 defines Bed and Breakfast as:

***Bed & Breakfast Accommodation:*** means accommodation provided for hire or reward under the main roof of a dwelling house for not more than four (4) adults or one family in the form of a maximum of two (2) guest bedrooms and one (1) guest bathroom.

In the event that an application for bed and breakfast accommodation is approved, amenity issues will have been considered and by virtue of the details of the proposal and compliance with the above definition an approval will render the proposal acceptable. In view of this the requirement for annual renewal does not appear to have any substantial planning merit.

The Shire’s TPS7 does not make provision for granting temporary approvals however the Schedule 2 Part 9 Clause 72 of the Regulations relates to ‘Temporary development approval’ and states:

*‘The Local Government may impose conditions limiting the period of time for which development approval is granted’.*

It is not normal practice to limit the period of an approval other than in exceptional circumstances and this practice is not considered appropriate for a use which is generally consistent with the provisions of the Scheme and meets the Shire’s Corporate Business Plan objectives in relation to tourism and development of the local economy.

**Conclusion**

The inclusion of the requirement for an annual renewal is considered to be an outdated practice and is not appropriate in contemporary planning practice. The requirement does not result in a beneficial planning outcome and is onerous in terms of the development of

individual businesses and the tourism economy within the Shire. It is therefore recommended that the requirement is removed from the policy and to enable approvals to be issued without a time constraint.

The procedure for amending or revoking planning policies may require formal advertising for submissions and/or publishing a notice in the newspaper as described in the deemed provisions outlined in the "Statutory Environment" section above. Council may make an amendment to a local planning policy without advertising the amendment if, in the opinion of the local government, the amendment is a minor amendment.

The recommended changes to Policies 6.22 reflect legislative amendments since the previous policy review with no alterations to the strategic intent given the Shire of Capel Local Planning Strategy and Scheme review process has not been completed. Council is therefore requested to consider the amendments as minor amendments that will not require advertising.

### **VOTING REQUIREMENTS**

Simple majority

<b>OFFICER'S RECOMMENDATIONS – 14.3</b>
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**That Council adopts the minor amendment to the Policy 6.22 Bed and Breakfast Accommodation as detailed in the attachment to delete General Provision 1.2 which states 'Annual renewal of planning approvals for Bed and Breakfast Accommodation is required'; and update subsequent numbering to reflect this.**

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#### **14.4 Second Hand Dwelling – Lot 72 Edwards Road, Stirling Estate**

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Location:	Lot 72 Edwards Road, Stirling Estate
Applicant:	Stuart Francis Saggars
Owner:	Stuart Francis Saggars
File Reference:	PA35/2015
Disclosure of Interest:	Nil
Date:	08.07.16
Author:	Manager Planning Services, C Muller
Senior Officer:	Executive Manager Engineering & Development Services, J Gick
Attachments:	1. Location plan 2. Development plans

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#### **MATTER FOR CONSIDERATION**

Planning Consent is sought under the Shire of Capel Town Planning Scheme No. 7 (the Scheme) for the development of a Second Hand Dwelling and a Rural Pursuit (fruit trees and pasturing of livestock) on Lot 72 Edwards Road and a Rural Pursuit (pasturing of livestock) on Lot 81 Edwards Road, Stirling Estate.

#### **BACKGROUND/PROPOSAL**

##### **Background**

13.10.2015: Building Permit approval issued for a Shed – Class 10A.

The applicant has submitted photographs, a colour scheme, elevations, floor plan, site plan, Certificate of Title relating to the development of a second hand dwelling on Lot 72 Edwards Road.

##### **Proposal**

Planning Consent is for the relocation of a house to use on a farm. Development plans for Lot 72 have indicated a number of rural activities which require approval as a rural pursuit. The general treatment of the open portions of the site is pasture, vegetables and fruit trees. Lot 81 is to be used for the pasturing of livestock.

#### **STATUTORY ENVIRONMENT**

Planning and Development (Local Planning Schemes) Regulations 2015, Deemed Provisions for local planning schemes

Clause 68, Determination of applications

- (2) The local government may determine an application for development approval by —
- (b) granting development approval with conditions; or
  - (c) refusing to grant development approval.

Town Planning Scheme No. 7

Lots 72 and 81 are zoned 'Rural' under the Scheme. Lot 72 is 6.0218ha in area and Lot 81 is 6.6915ha.

##### **1.6 Scheme Objectives**

Clause 1.6.1 – The objectives of the Scheme are in part to direct and control the development of the Scheme area in such a way as shall promote and safeguard the health, safety, economic and general welfare of its inhabitants and shall conserve the natural values of the District.

A Second Hand Dwelling means any building or structure or part thereof used or intended to be used for human habitation and which does not consist of substantially all new material and may be transported or moved to a site for the purpose of re-erection. Pursuant to the Zoning Table it is an 'AA' use requiring the approval of the Council.

Rural Pursuit: means the use of land for any of the purposes set out hereunder and shall include such buildings normally associated therewith:

- (a) extensive dry land agriculture for crop production;
- (b) dry land production and pasturing of livestock;
- (c) production and pasturing of livestock on irrigated lands;
- (d) plantation growing of trees
- (e) the sale of produce grown solely on the lot provided that if a roadside stall is used it is approved by Council and the Main Roads Department, where appropriate; and
- (f) the stabling, agistment or training of horses; but does not include the following except as approved by the Council:
  - (i) the keeping of pigs;
  - (ii) poultry farming;
  - (iii) the processing, treatment or packing of produce;
  - (iv) the breeding, rearing or boarding of domestic pets.

Clause 5.7 provides Council's objective in the management of land uses in the Rural Zone, which is to preserve the character of the rural area, discourage removal of prime agricultural land from agricultural production and prevent adverse effects on the continuation of established or potential agricultural pursuits. Clause 5.7 also lists general matters to be considered in assessing applications for Planning Consent.

5.7.4 In the Rural Zone the following shall apply to lots with an area of less than 15ha:

- (a) Notwithstanding that in table no. 1 of the Scheme a number of uses of land are designated as uses that are permitted ("P") under the Scheme in the Rural Zone, all such uses of land, other than a single dwelling, shall not be permitted unless approval is granted by the Council.
- (b) Applications for the approval of the Council required by Sub-clause 5.7.4(a), shall be dealt with in accordance with Clauses 8.1 and 8.3 of the Scheme.
- (c) The Council shall have regard to the following in considering an application for its approval required by Sub-clause 5.7.4(a):
  - (i) The suitability of the land for the proposed use and without limiting the generality of the foregoing the potential for environmental degradation.
  - (ii) The likelihood of any adverse impacts on the amenity of the locality.
  - (iii) The likelihood of any adverse impacts on established Rural Uses in the locality.
  - (iv) The standard of road access to the lot and the extent of any contribution to the upgrading of the road that it may require.

#### Greater Bunbury Region Scheme (GBRS)

Pursuant to the GBRS both Lots 72 and 81 are zoned 'Rural' and located within the Strategic Agricultural Resource Policy Area. A GBRS application is required if development *"in the opinion of the WAPC or the local government, would potentially be incompatible with agricultural activities in the policy area or would be adversely affected by, or would adversely affect, those activities"*

The rural pursuit activities and the construction of a dwelling are not considered incompatible with agricultural activities and therefore do not require planning approval under the GBRS. Notwithstanding the proposal for the construction of the dwelling was referred to the Department of Agriculture and Food for comment. The Department advised that it does not object to the development of a dwelling.

The Department of Planning has confirmed that a single dwelling does not require planning approval in the Rural zone within the Strategic Agricultural Policy area.

### **POLICY IMPLICATIONS**

State Planning Policies

SPP 3.7 – not relevant as the lot is not in a gazetted Bushfire Prone Area.

### **FINANCIAL IMPLICATIONS**

#### **Budget**

The applicant has paid the planning application fee.

#### **Long Term**

The proponent has planted a number of large trees in the Edwards Road reserve in front of Lot 72. Pruning and maintenance of trees on the road verge will have long term cost implications for the Shire. The applicant has agreed to remove the trees on the verge. The sea containers on Lot 81 do not have planning approval and the proponent will be requested to remove them from the lot within a reasonable amount of time. Ongoing non-compliance matters may have cost implications to the Shire. Should Council resolve to approve the application, it will be necessary to include a condition of approval requiring the necessary works to be undertaken and it is recommended this be conditioned.

#### **Whole of Life**

There are no whole of life costs to consider.

### **SUSTAINABILITY IMPLICATIONS**

The outcome of the proposal would be the same as a single dwelling being constructed. The landowner is also proposing some hobby farming activities. The use of the lot for farming is limited given it contains a Conservation Category Wetland (CCW) and an appropriate buffer between the development and the wetlands needs to be maintained.

### **STRATEGIC IMPLICATIONS**

Shire of Capel Strategic Community Plan 2013 - 2031

3. The Environmental Experience “To preserve and enhance the natural and built environment to ensure it is liveable, sustainable and adapts to our communities’ needs and expectations.”

Strategic Outcomes:

- 3.1 Promote the diverse lifestyle opportunities in the Shire.
- 3.2 Maintain and enhance the quality of our unique natural environments.

### **CONSULTATION**

The proposal for the construction of the second hand dwelling which included a copy of the application was referred to relevant government agencies including the Environmental Protection Authority (EPA), Department of Water (DoW), Department of Environment Regulation (DER), Department of Agriculture and Food, and the Department of Parks and Wildlife (DPaW) for comment:

- DoW – submission discussed below.
- Department of Agriculture and Food – no objection.

- EPA – proposal to construct a dwelling and operate a farm from Lots 72 and 81 also including clearing of vegetation was referred to the EPA and it resolved not to assess the proposal and advised that clearing of native vegetation requires a clearing permit unless it is exempt. Shire staff has been informed that as of 21 November 2015 the *Environmental Protection (Swan Coastal Lakes) Policy* has been rescinded. This means that referral to the EPA of proposals for approval under the *Environmental Protection (Swan Coastal Lakes) Policy Approval Order 1992* are no longer required.
- DPaW – submission discussed below.
- DER – the applicant has lodged an application for clearing 1.507ha of native vegetation within Lots 72 and 81 for the purpose of establishing a buffer zone between development and the wetland. DER informed Shire staff that the proposal will not be determined until the Development Application has been determined.
- Water Corporation - The applicant also provided an email dated 24 June 2015 where the Water Corporation indicated that the Corporation has no objection to Mr Saggars connecting to the North Drain for storm water but he needs to be aware that because of the low contours it may back flow during peak flows. The Corporation also stated that it appears as though he may be creating a drain that crosses lot boundaries therefore he may need to get approval from the Shire. The Corporation has no objection to him accessing the Woods Drain that runs on the north side of Edwards Road, but as it crosses a gazetted road reserve he will need to obtain approval from the local shire as well as gaining written acceptance from the shire that it will accept ownership of the drain and the culvert under the roads.

The proposal for a Second Hand Dwelling was not advertised to adjoining land owners as it is not required under the Scheme. Notwithstanding a complaint was received on 30 June 2016 in relation to the development on Lot 72. These matters are discussed further in this section below.

In summary, the key matters raised by DoW included:

- *The dwelling on Lot 72 is located 150m from the Conservation Category – Estuary Peripheral Wetland and lies within a Multiple Use – Estuary Peripheral Wetland. Appropriate setback distances for effluent disposal systems will need to be managed early in the approval process.*

Comment: In this regard it should be noted that the Shire Environmental Health Services has already assessed and approved an application to construct or install an apparatus for the treatment of sewage on Lot 72 for a relocatable dwelling.

- *DoW's 'Vasse Wonnerup Wetlands and Geographe Bay Water Quality Improvement Plan, 2010' (Geographe WQIP 2010) registers that the Capel River is classified as a protection catchment. The river has been targeted for zero increase in (nutrient) nitrogen and phosphorus loads. DoW emphasises that changing land uses in protection catchments should not contribute to an increase in nitrogen and phosphorus to these systems. The Geographe WQIP (2010) outlines that the best management practice to reduce and intercept nutrients for this protection catchment are for riparian zones to be protected and rehabilitated. A potential risk in not addressing nutrient input and water quality is increased algal blooms, fish kills and resulting associated odours.*

Comment: The landowner will be provided with this advice.

- *The wetland at Lot 72 also contains areas that pose a "high to moderate" risk of Acid Sulphate Soils (ASS). If the proposed activities intersect and disturb ASS, there is a risk of acidification of groundwater and the Conservation wetland. EPA Guidance Statement No. 33 'Environmental Guidance for Planning and Development' states that*

*in areas of risk, the disturbance of acid sulphate soils should be avoided or managed in accordance to Western Australian, Department of Environment Regulation Guidelines (2015).*

Comment: The landowner will be provided with this advice.

- *Reducing buffer and riparian vegetation that has regional (conservation category) significance is undesirable. DoW Operational Policy 4.3 (2012) states that the DoW does not support development activities within foreshore areas, if they are not consistent with the purposes of the foreshore activities. The building of a residential dwelling is a development activity that is not supported in a foreshore area.*

Comment: The applicant has indicated that the house is approximately 130m from the CCW and the plan reflects the 50m buffer. The DoW has indicated that this meets the minimum required 50 metre buffer distance for wetlands, as outlined in EPA Guidance Statement No. 33. It is however important to note that whilst the area within the lot is classified as a multiple use wetland the lot is still hydrologically connected to the CCW and as such good nutrient management will be important. In view of the DPaW requirement for a revegetation plan including weed management to be developed and implemented (which will enhance the protection to the CCW) and the need for good nutrient management as covered by the recommended advice note given above, the Department of Water indicated that it has no further comment on this.

- *DoW brings your attention to the Environmental Protection Authority's (EPA) 'Environmental Guidance for Planning and Development (May 2008), which promotes information and advice to assist in land use planning and development processes that protect, conserve and enhance the environment. In the case of Multiple Use wetlands, the EPA urges that all reasonable measures are taken to retain the wetlands hydrological functions (including on-site water infiltration and flood detention) and, where possible, other wetland functions. In addition the EPA urges that all Conservation Category Wetlands and appropriate buffers are fully protected. Schemes and proposals that are likely to lead to a significant adverse impact on these wetlands are likely to be formally assessed by the EPA.*

Comment: The proposal to construct a dwelling and operate a farm from Lots 72 and 81 also including clearing of vegetation was referred to the EPA and it resolved not to assess; clearing of native vegetation requires a clearing permit from DER unless it is exempt. Shire Staff have been informed that as of 21 November 2015 the Environmental Protection (Swan Coastal Lakes) Policy has been rescinded. This means that referral to the EPA of proposals for approval under the Environmental Protection (Swan Coastal Lakes) Policy Approval Order 1992 is no longer required. The applicant has lodged an application for clearing with DER which is pending the outcome of the planning approval.

- *To mitigate against the above risks, DoW recommends that the Shire of Capel refers this proposed land use activity to the Department of Parks and Wildlife, for their assessment and advice, with respect to biodiversity and conservation values.*

Comment: The proposal was referred to DPaW and comment received requiring a revegetation plan including weed management. This will form part of the clearing approval by DER.

- *The application is within the boundaries of the proclaimed Busselton-Capel Groundwater and the Capel River Surface Water Areas. The taking and use of water is subject to assessment and licencing by DoW. Any proposed interference with a watercourse, drain, dam or reservoir that flow over or is situated on the land is also subject to assessment and approval under a permit.*



*As of the 1st December 2015, the current groundwater supply is available:*

- *Groundwater from the superficial (quality cannot be guaranteed);*
- *Limited Groundwater from the Leederville, and*
- *No Groundwater from the Yarragadee.*

Comment: The applicant will be advised of his obligations under the Rights in Water and Irrigation Act 1914 in regard to taking any groundwater.

- *The Department of Water, in carrying out its role in floodplain management, provides advice and recommends guidelines for development on floodplains with the object of minimising flood risk and damage. The Busselton Regional Flood Study shows that the general area is affected by flooding during major events with the 100 year ARI flood level for the Capel River and has a drain running in a northwest-southeast direction along the boundary of Lot 81 that currently is estimated to be ~1.0 m AHD. It should be noted that the design flood levels do not include an allowance for possible sea level rise or shoreline changes over the next century. This reach of the Capel River is within levee banks with the general area outside the levee being generally low-lying with a natural surface level of ~ 1.0 m AHD. In the event of a possible levee breach this area would become inundated and floodwaters would likely surround the proposed dwelling and access to the Lot may be affected. Should the proposed dwelling be considered acceptable a minimum habitable floor level of ~2.5 to 3.0 m AHD is recommended to ensure proposed development on the lot has adequate flood protection into the future.*

Comment: The applicant will be informed that plans submitted for a Building Permit are to show finished floor and finished ground levels. The minimum finished floor level of the dwelling shall be 3.0 AHD in accordance with the recommendation from the Department of Water.

In summary, the key matters raised by DER included:

- Based on the preliminary assessment it is likely that if granted, a clearing permit will contain weed control and revegetation conditions.

In summary, the key matters raised by DPaW included:

- During March 2015 DPaW advised the applicant of that Lot 72 contains a Conservation Category wetland (CCW). Development on Lot 72 needs to provide an appropriate buffer between the development and the wetlands. A 50m buffer is required between the wetland and the proposed development. Protection from activities that could result in impacts on groundwater quality, water levels, and increased sedimentation, nutrient loads or pollution would require a buffer of greater than 50m.
- During May 2016 DPaW informed Shire staff that the proponent has advised that a buffer zone is to be established consisting of a clay fill, designed as a raised contour to divert storm water away from the adjacent wetland and associated native vegetation. This raised contour buffer is proposed to be revegetated.
- DPaW has recommended that a Weed Management Plan be incorporated into the Revegetation Plan to ensure the fig orchard is contained to the proposal area.

Comment: In this regard it has been noted that DER has already indicated that if granted a clearing permit, it will contain weed control and revegetation conditions.

- Further advice was sought from DPaW on 12 July 2016 regarding the keeping of grazing stock (horses) on Lot 72 where Parks and Wildlife recommends that the proponent be required to construct a suitable stock proof fence outside the existing wetland and revegetation areas, to fence off and protect the wetland dependent

vegetation and revegetation areas. This would constrain grazing stock to the northern side of the Lot 72 fence. It is noted that the wetland boundary appears to be extremely close to the house and shed. Information regarding appropriate stocking densities for Lot 72 should be sought from the Department of Agriculture and Food.

A nearby landowner raised concerns in regards to the following:

- *Affected neighbours have not been consulted*

Comment: Pursuant to the Zoning Table a Second Hand Dwelling is an 'AA' use which means that the use is not permitted unless the Council has granted its planning consent. There is no requirement for Notice of Application to be given under the Scheme.

- *Loss of privacy due to the 100 year flood rule resulting in the site pad being above 1.6 metres of the concerned nearby landowner's property.*

Comment: It should be noted that a single residence up to two storeys high could technically be approved on the site only 20m from the site boundary and without the need for Planning Consent or neighbour consultation.

- *Type of dwelling is a second hand dwelling*

Comment: A Second Hand Dwelling requires planning approval, planning approval would not have been required for a single dwelling. In other words a second hand dwelling is development that can be considered in this zone.

- *Environmentally sensitive area requirements*

Comment: It is the landowner's responsibility to ensure compliance with other legislation. In this regard the proposal was referred to the DoW, DPaW, DER and EPA.

- Neighbours had an input into this concerned landowner's location of building site and type of dwelling

Comment: No detail has been provided regarding this but it should be noted that there are other requirements pursuant to the Scheme such as setbacks which if relaxation is sought may trigger referral to adjoining landowners.

## **COMMENT**

A single dwelling is permitted development in the Rural Zone (also on a lot less than 15ha). Although the application was triggered due to the fact that the development is for a second hand dwelling the outcome would ultimately be the same. Rural pursuit requires approval under the scheme on land less than 15ha. In this regard the proposal includes reference to pasturing of livestock and a fig orchard.

The lots contain a Conservation Category wetland (CCW) and the appropriate buffer between the development and the wetlands needs to be maintained. The buffer zone is proposed to be established consisting of a clay fill raised contour to divert storm water away from the adjacent wetland and associated native vegetation.

Department of Parks and Wildlife has recommended that a suitable stock proof fence is to be placed outside the existing wetland and revegetation areas, to fence off and protect the wetland dependent vegetation and revegetation areas from grazing stock.

**CONCLUSION**

The initial submitted application when referred to relevant government authorities raised a number of issues as discussed above. The relevant authorities have also had the opportunity to review aspects of the proposal and compromised to the final outcome the subject of this application.

The subject proposal is considered to be generally consistent with the objectives and intent of the Rural Zone. The siting, design and scale of the proposal ensures that whilst a second hand dwelling is proposed, the character and amenity of the area will not be affected. Various other matters can be addressed by conditions on the Planning Consent.

**VOTING REQUIREMENTS**

Simple majority

**OFFICER'S RECOMMENDATION – 14.4**

**That Council approves the development of a Second Hand Dwelling and a Rural Pursuit (fruit trees and pasturing of livestock) on Lot 72 Edwards Road pursuant to Clause 68(2)(b) in Schedule 2, Part 9 of the Deemed Provisions for local planning schemes, Planning and Development (Local Planning Schemes) Regulations 2015, subject to the following conditions:**

- 1 All development being in accordance with the approved Development Plan dated 27 July 2016.**
- 2 Prior to Occupation, a detailed Engineering design plan of the stormwater disposal system including surface levels shall be submitted for approval of the Shire of Capel and thereafter implemented in accordance with the approved plan to the satisfaction of the Shire of Capel.**
- 3 Prior to Occupation, the second-hand dwelling must be renovated, painted and subsequently maintained in accordance with the approved plans to the satisfaction of the Shire of Capel.**
- 4 The landowner to construct a suitable stock proof fence outside the existing wetland and revegetation areas on Lot 72, to fence off and protect the wetland dependent vegetation and revegetation areas. A plan demonstrating the location of the intended fence shall be submitted to the Shire of Capel for approval and thereafter erected in accordance with the approved plan.**
- 5 The applicant is to remove all street trees from the verge along Edwards Road in front of Lot 72 and reinstate the verge to the satisfaction of the Shire of Capel prior to occupation of the dwelling.**

**That Council approves the development of a Rural Pursuit (pasturing of livestock) on Lot 81 Edwards Road pursuant to Clause 68(2)(b) in Schedule 2, Part 9 of the Deemed Provisions for local planning schemes, Planning and Development (Local Planning Schemes) Regulations 2015, subject to the following conditions:**

- 6 The landowner to construct a suitable stock proof fence outside the existing wetland and revegetation areas on Lot 81, to fence off and protect the wetland dependent vegetation and revegetation areas. A plan demonstrating the location of the intended fence shall be submitted to the Shire of Capel for approval and thereafter erected in accordance with the approved plan.**

**Advice notes:**

- (a) The issue of a Building Permit and compliance with the Building Act 2011, Building Regulations 2012 and the Building Code of Australia is required.
- (b) In relation to condition 2 the plans need to have AHD levels included.
- (c) In relation to condition 4 and 6, the applicant is to seek information from the Department of Agriculture and Food regarding appropriate stocking densities for Lots 72 and 81 and the number of stock held on the lot should be limited to ensure that land degradation does not occur.
- (d) The finished floor level for the dwelling shall be 3.0m AHD in accordance with the advice from Department of Water.
- (e) The applicant is to remove the sea containers from Lot 81 and ensure non-compliance matters shall be resolved to the satisfaction of the Shire of Capel. Given the approval relates to land where the dwelling has already been brought onto the site the applicant is to demonstrate compliance with all of the conditions within 12 months from this planning approval being issued which is considered to be a reasonable amount of time for the compliance to be achieved.
- (f) Obligations under the Rights in Water and Irrigation Act 1914 in regard to taking any groundwater.
- (g) The clearing of native vegetation in Western Australia requires a Clearing Permit under the Environmental Protection Act 1986 unless the clearing is for an exempt purpose. Proponents are advised to contact the Department of Environment Regulation on (08) 9725 4300 for further advice in this regard. It should also be noted that the clearing of native vegetation within the Shire of Capel may result in impacts upon threatened species that are protected under the Commonwealth Environment Protection & Biodiversity Conservation Act 1999. Proponents are advised to contact the Department of Sustainability, Environment, Water, Population and Communities on (02) 6274 1111 for further advice regarding their obligations under the Act.
- (h) The site is identified as high to moderate risk of acid sulfate soils. The owner is advised to contact the Department of Environment Regulation before commencing any site works to determine the implications of this and whether there is an obligation to prepare an acid sulfate soils assessment report and implement an acid sulfate soils management plan. Further information can be obtained from the Department of Environment Regulation's Acid Sulfate Soils Branch on (08) 6467 5000 or at [www.der.wa.gov.au](http://www.der.wa.gov.au).
- (i) The site is located within a protection catchment of the Vasse Wonnerup Wetlands and Geographe Bay Water Quality Improvement Plan (DoW 2010), for which the target is to achieve zero increase in (nutrient) nitrogen and phosphorus loads. The owner is encouraged to practise good nutrient management, to avoid nutrient leaching into the underlying groundwater system. Advice on nutrient management is available in the Department of Water's Water Quality Protection Note 33 - Nutrient and Irrigation Management Plans (2010) available from [www.water.wa.gov.au](http://www.water.wa.gov.au).
- (j) This planning decision is confined to the authority of the Shire of Capel Town Planning Scheme No. 7; and any delegation pursuant to the Greater Bunbury Region Scheme. This decision does not remove the obligation of the applicant and/or property owner to ensure that all other required local government approvals are obtained, all other applicable state and federal legislation is

**complied with, and any restrictions, easements and encumbrances are adhered to, nor does it infer that such approvals are forthcoming.**

- (k) This lot is in close proximity to known mosquito breeding areas. The predominant mosquito species is known to carry viruses and other diseases.**

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**14.5 Overnight Stay Caravan and Recreational Vehicle site**

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Location:	Capel
Applicant:	Shire of Capel
File Reference:	N/A
Disclosure of Interest:	Nil
Date:	29.06.16
Author:	Executive Manager Engineering & Development Services, J Gick
Senior Officer:	Chief Executive Officer, P Sheedy
Attachments:	1. Locality Plans 2. Berkshire Road – Concept Plan

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**MATTER FOR CONSIDERATION**

The development of a 'roadside rest area' at Berkshire Road (west), Capel for overnight caravan and recreational vehicle stays.

**BACKGROUND / PROPOSAL****Background**

August 2013 – CEO annual performance review included a KRA to 'prepare a report to Council on potential opportunities and issues for overnight stay caravan sites.

May 2014 – Council Decision OC0602:

That Council received the report on 'Overnight Stay' caravan sites in Capel and resolves:

1. That it agrees that it is important that it not establish similar facilities that will be in competition with the Peppermint Grove Beach Caravan Park;
2. That it makes provision in the future development of the Civic Precinct for signage to be provided giving instruction to travelers on where to find the Peppermint Grove Beach Caravan Park;
3. That the Chief Executive Officer considers in more detail the site suitability and feasibility of providing a temporary "road side rest area" on Berkshire Street west adjacent to the Capel Recreation Ground, specifically for self-contained vehicles for stays no longer than 24 hours; the vehicles that are not self-contained to be directed to the Peppermint Grove Beach Caravan Park;
4. That the Chief Executive Officer investigates the amendment of existing local laws to allow for the designation and management of road side areas by Council;
5. That the Chief Executive Officer investigates the requirements of establishing Ironstone Gully Falls as a nature based camping area and if feasible and subject to budget allocation prepare a reserve management plan to formalize the use of the reserve for camping; and
6. That the Chief Executive Officer investigates the opportunities for Capel Town to obtain "Recreation Vehicle friendly" status.

**Proposal**

That Council develop a 'roadside rest area' costing \$26,000 in 2016/17 and provide \$6,000 for a second coat seal in 2017/18.

**STATUTORY ENVIRONMENT**

Section 3.1 of the Local Government Act 1995 applies.

## 3.1. General function

- (1) The general function of a local government is to provide for the good government of persons in its district.
- (2) The scope of the general function of a local government is to be construed in the context of its other functions under this Act or any other written law and any constraints imposed by this Act or any other written law on the performance of its functions.
- (3) A liberal approach is to be taken to the construction of the scope of the general function of a local government.

Section 11 of the Caravan Park and Camping Grounds Regulations 1997 applies.

## 11. Camping other than at caravan park or camping ground

- (1) A person may camp —
  - (a) for up to 3 nights in any period of 28 consecutive days on land which he or she owns or has a legal right to occupy, and may camp for longer than 3 nights on such land if he or she has written approval under subregulation (2) and is complying with that approval; or
  - (b) for up to 24 consecutive hours in a caravan or other vehicle on a road side rest area; or
  - (c) for up to 24 consecutive hours in a caravan or other vehicle on a road reserve in an emergency, unless to do so would cause a hazard to other road users or contravene any other written law with respect to the use of the road reserve; or
  - (d) on any land which is —
    - (i) held by a State instrumentality in freehold or leasehold; or
    - (ii) dedicated, reserved, or set apart under the *Land Administration Act 1997* or any other written law, and placed under the care, control or management of a State instrumentality, in accordance with the permission of that instrumentality; or
  - (e) on any unallocated Crown land or unmanaged reserve, in accordance with the permission of the Minister within the meaning of the *Land Administration Act 1997*, or a person authorised by the Minister to give permission under this paragraph.

Clause 4.1 and 4.4 of the Shire of Capel Activities in Thoroughfares and Public Places and Trading Local Law 2016 applies.

**4.1 Leaving animal or vehicle in public place or on local government property**

- (1) A person shall not leave an animal or a vehicle, or any part of a vehicle, in a public place or on local government property so that it obstructs the use of any part of that public place or local government property, unless that person has first obtained a permit or is authorised to do so under a written law.
- (2) A person will not contravene subclause (1) where the animal is secured or tethered for a period not exceeding 1 hour.
- (3) A person will not contravene subclause (1) where the vehicle is left for a period not exceeding 24 hours.
- (4) Subclause 1 does not apply to a person with a disability where the animal is a guide dog or assistance animal as defined in the *Disability Discrimination Act 1992* (Commonwealth) s9(2).

**4.4 Removal of vehicle or animal**

Any animal or vehicle left in contravention of Clause 4.1 may be removed, impounded or disposed of in accordance with Subdivision 4 of Division 3 of Part 3 of the Act and regulation 29 of the Regulations.

Clause 3.14 of the Shire of Capel Local Government Property Local Law applies.

- 3.14 (1) In this clause –  
**"facility"** has the same meaning as is given to it in section 5(1) of the *Caravan Parks and Camping Grounds Act 1995*.
- (2) This clause does not apply to a facility operated by the local government.
- (3) A person shall not without a permit -
- (a) camp on, lodge at or occupy any structure at night for the purpose of sleeping on local government property; or
  - (b) erect any tent, camp, hut or similar structure on local government property other than a beach shade or windbreak erected for use during the hours of daylight and which is dismantled during those hours on the same day.
- (4) The maximum period for which the local government may approve an application for a permit in respect of paragraph (a) or (b) of subclause (3) is that provided in regulation 11(2)(a) of the Caravan Parks and Camping Grounds Regulations 1997.

### **POLICY IMPLICATIONS**

Council Policy 7.1: Asset Management applies.

### **FINANCIAL IMPLICATIONS**

#### **Budget**

Development of an overnight stay area on Berkshire Road (west) has been costed at about \$24,500. The cost estimate does not include any project management costs, overheads or contingency. The proposed 2016/17 Budget therefore includes \$26,000 for this item.

#### **Long Term**

The development of a new overnight stay area will require the ongoing maintenance of the site. The asset is essentially a widening of the road formation and seal, and is likely to attract a typical annual maintenance cost of about 2% of the capital outlay. This equates to an increase in the roads maintenance budget of about \$500 per annum into the future. Over the useful life of this new asset (65 years), this will cost the Council \$32,500 in today's value, or \$65,563 if indexed at 2% per annum. This includes provision of \$6,000 in 2017/18.

#### **Whole of Life**

The new asset can be viewed as a road / car park as it will perform and behave in a similar way. The whole of life costing can be summarised as:

<b>Year</b>	<b>Activity</b>	<b>Cost (\$)</b>	<b>Indexed cost (2%) (\$)</b>
0	Construct new formation & seal	26,000	26,000
1	2 <sup>nd</sup> coat seal	6,000	6,120
22	First Reseal	6,000	9,094
44	Second Reseal	6,000	14,059
65	Reconstruction	26,000	94,186
Annual	Maintenance x 65	32,500	65,563
Annual	Depreciation (80% Original capital)	20,800	20,800
Annual	Shire of Capel overheads and management (10% of Capital / useful life)	2,600	5,350
	<b>WHOLE OF LIFE COST</b>	<b>125,900</b>	<b>241,172</b>

The whole of life costs are not included in the Long Term Financial Plan to this level of detail.



**SUSTAINABILITY IMPLICATIONS**

The recommended development of an overnight stay site at Berkshire Road, adjacent to the Capel Recreation ground, addresses sustainability in the following areas:

**Economic** – the recommended treatment is a moderate version of the previous development proposal, and saves Council in the order of \$47,000 in capital expenditure. Overnight visitors are likely to contribute towards the local economy through supplies and services.

**Environmental** – the recommended treatment is a moderate version of the previous development proposal and saves on materials, and reduces impact on stormwater. A dedicated site may reduce the incidence of indiscriminate camping in roads and reserves.

**Social** – the recommended treatment is closer to the Capel recreation ground, the Capel Bowls Club and the Capel Country Club, which may facilitate improved social engagement. The recommended treatment is also closer to dwellings on Goodwood Road, which may attract some negative commentary from nearby landowners.

**STRATEGIC IMPLICATIONS**

Shire of Capel Strategic Community Plan 2013 – 2031

1. The Leadership Experience 'Ensure open, transparent, effective good governance and communication within the organisation and the community.'

Strategic Outcome:

1.4 Provide efficient and effective financial management to ensure the long term sustainability of the organisation

2. The Community Experience 'Provide facilities and services which recognise the diverse needs of the community and strive to make the Shire a safe place to live, work and visit.'

Strategic Outcomes

2.1 Provide social, recreational and cultural opportunities and facilities for our communities.

4. The Economic Experience 'Foster and support responsible and progressive economic development opportunities within the Shire.'

Strategic Outcome:

4.7 Promote tourist interests and provision of tourist accommodation.

5. The Infrastructure Experience 'Plan and facilitate safe, sustainable and efficient infrastructure and transport networks to meet the needs of the community.'

Strategic Outcome:

5.6 Effectively manage the Shire's assets and resources.

**CONSULTATION**

Internal staff in Health, Technical Services, Governance and the Executive Management Team have been consulted on this matter.

The issue of an overnight stay facility was raised by Mr Bevan Martin of the Campervan & Motorhome Club of Australia at the official opening of the Capel Civic Precinct Waste Dump Point on 23 May 2016. Mr Martin suggested to Shire President M Scott, Cr J Scott and the Chief Executive Officer (CEO) that there might be some merit in developing an overnight stay area closer to the dump point. This communication will be commented on further below.

**COMMENT**

The comment for this report provides an update on Council Decision OC0602 from the May 2014 meeting, and addresses a suggestion by the Campervan & Motorhome Club of Australia suggesting the overnight stay area be located closer to the Waste Dump Point.

Update on Council Decision OC0602:

1. That it agrees that it is important that it not establish similar facilities that will be in competition with the Peppermint Grove Beach Caravan Park;

STATUS UPDATE: Noted. No further action required.

2. That it makes provision in the future development of the Civic Precinct for signage to be provided giving instruction to travellers on where to find the Peppermint Grove Caravan Park;

STATUS UPDATE: Stages 2 and 2A of the Capel Civic Precinct are nearing completion. The Project Management Plan for this part of the Capel Civic Precinct project did not include provision for directional signage for the Peppermint Grove Beach caravan park, so has not been installed at this time. A suitable location for signage would be near the waste dump point.

The Shire is working with the new owners of the Peppermint Grove Beach caravan park with respect to statutory approvals for Planning, Building and Health applications. The owners have indicated they are aiming to be operational by October 2016. The Shire will engage with the owners to determine a suitable signage strategy to address this outstanding item.

3. That the Chief Executive Officer considers in more detail the site suitability and feasibility of providing a temporary “road side rest area” on Berkshire Street west adjacent to the Capel Recreation Ground, specifically for self-contained vehicles for stays no longer than 24 hours; the vehicles that are not self-contained to be directed to the Peppermint Grove Caravan Park;

STATUS UPDATE: This decision has been progressed. Consideration of the use of Berkshire Street was discussed in the 18 June 2014 meeting as part of the commentary around the possible use of the northern part of the Capel Recreation Ground. The initial site investigation identified a wide part of the Berkshire Road reserve, west of the Recreation Ground, and adjacent to the railway reserve, as depicted in the attached Locality Plan.

A concept plan was prepared for this location, which included earthworks, bituminous seal, parking for 4 caravans, a turning circle with opportunity for street furniture to compliment the site. A cost estimate was prepared for this site which suggested the works would cost in the order of \$90,000. This was discussed at EMT on 10 May 2016, which coincided with discussions on an already constrained draft 2016/17 budget. The discussion then considered the site which features the following attributes:

<b>Advantages</b>	<b>Disadvantages</b>
Quiet location	Isolated, lack of security
Plenty of space	Walkers, horses, off-road trail bikes
Greenfields development site	Exposed to weather

Review of the 18 June 2014 report also suggested in the commentary that the Berkshire Road might itself present an option for development. There is a section of Berkshire Road between the access crossovers to the Recreation Ground that presents very well as a more suitable passive overnight stay option. This location could be developed as a

widened road formation with line-marking and directional signage to accommodate three caravan bays on the southern side of the road. A cost estimate indicates this project could be delivered for a moderate \$26,000.

The use of the Berkshire Road location, as depicted in the Locality Plan and the attached Concept Plan, features the following attributes:

<b>Advantages</b>	<b>Disadvantages</b>
Quiet location	Isolated, lack of security
Shaded and sheltered	On road traffic
Closer to the Pavilion facilities	Sports training interaction

This site is a moderate development that will provide a space for caravan and recreational vehicles users for overnight stays in Capel.

4. That the Chief Executive Officer investigates the amendment of existing local laws to allow for the designation and management of road side areas by Council;

STATUS UPDATE: There are two Local Laws that make provision for overnight stay for caravans and Recreational Vehicles. Clause 4.1(1) of the Shire of Capel Activities in Thoroughfares and Public Places and Trading Local Law 2016, says:

“A person shall not leave an animal or a vehicle, or any part of a vehicle, in a public place or on local government property so that it obstructs the use of any part of that public place or local government property, unless that person has first obtained a permit or is authorised to do so under a written law.” Contravention of this clause attracts a \$200 infringement.

Clause 4.4 of the Shire of Capel Activities in Thoroughfares and Public Places and Trading Local Law 2016, is a proposed new clause to the Local Law, and says:

“Any animal or vehicle left in contravention of Clause 4.1 may be removed, impounded or disposed of in accordance with Subdivision 4 of Division 3 of Part 3 of the Act and regulation 29 of the Regulations.” This clause gives the Shire authority to forcibly remove an offending vehicle. By definition, a caravan or recreational vehicle is defined as a ‘vehicle’ and would therefore be subject to this clause.

Clause 3.14 of the Shire of Capel Local Government Property Local Law may also apply, as it outlines requirements to obtain a permit to camp outside a caravan park and camping ground.

Clause 3.14 says:

- “(1) In this clause –  
 “facility” has the same meaning as is given to it in section 5(1) of the Caravan Parks and Camping Grounds Act 1995.
- (2) This clause does not apply to a facility operated by the local government.
- (3) A person shall not without a permit -
  - (a) camp on, lodge at or occupy any structure at night for the purpose of sleeping on local government property; or
  - (b) erect any tent, camp, hut or similar structure on local government property other than a beach shade or windbreak erected for use during the hours of daylight and which is dismantled during those hours on the same day.
- (4) The maximum period for which the local government may approve an application for a permit in respect of paragraph (a) or (b) of subclause (3) is that provided in regulation 11(2)(a) of the Caravan Parks and Camping Grounds Regulations 1997.”

This clause can be used to discourage camping in areas on land owned by the local government, if they are camping in areas that causes offence to others.

5. That the Chief Executive Officer investigates the requirements of establishing Ironstone Gully Falls as a nature based camping area and if feasible and subject to budget allocation prepare a reserve management plan to formalise the use of the reserve for camping; and

STATUS UPDATE: The development of a new Reserve Management Plan has been discussed at staff level, but no progress has been made. Staff are scoping up the task and identifying issues for inclusion in a future Management Plan. Some issues identified for consideration include:

- Ironstone Gully Falls not a gazetted camping area, but is mentioned in camping directories as a good place for overnight stay;
- The bushland is managed as a native bushland reserve by the LCDC and Shire, but there is evidence that people are camping in the bushland areas;
- There is no all year fresh water supply, or fire-fighting supply during summer.
- A walk trail has been suggested for future development
- There is a single composting toilet with no water supply.
- There is a poisonous weed problem (*Gastrolobium bilobum*);
- Vehicles have been accessing the “falls area”, which poses safety risks;
- Indigenous heritage; and
- Interesting bird life.

6. That the Chief Executive Officer investigates the opportunities for Capel Town to obtain “Recreation Vehicle friendly” status

STATUS UPDATE: As part of its arrangements to support the official opening of the Waste Dump Point, the Shire engaged with Mr Bevan Martin of the Caravan and Motorhome Club of Australia, to discuss the opportunity for Capel to be recognised as an RV friendly town.

In email dated 27 April 2016, Mr Martin indicated that he would investigate this opportunity. In response to a follow up enquiry, Mr Martin advised in email dated 28 June 2016 that the only item preventing Capel from being eligible for RV Friendly Town status is an overnight stay site.

*Comment on suggestion to locate overnight stay area closer to Waste Dump Point*

Mr Martin made a suggestion to Shire President Scott, Cr J Scott and the CEO that there might be some merit in establishing the overnight stay in a location closer to the Waste Dump Point.

Review of the 18 June 2014 report shows that four sites discussed for further development were:

- Reserve 7574 – Erle Scott Reserve, Buchanan Road;
- Hannaby Park, West Road;
- Reserve 24529 – Capel Recreation Ground (northern end); and
- Railway Reserve, Properjohn Road / Forrest Road.

Three of the four suggested locations are closer to the centre of town, than the Council nominated site at Berkshire Road, however, the distances are not significantly less.

The table below shows the distances from each site to the dump point, the town centre and includes comments on the various advantages and disadvantages of each site:

Site	Advantages	Disadvantages	Distance to Dump Point	Distance to SoC Admin Centre
Erle Scott Reserve	<ul style="list-style-type: none"> <li>• Close to town centre</li> <li>• Good vehicle access</li> <li>• Close to dump point</li> <li>• Public toilet access</li> <li>• Power option</li> </ul>	<ul style="list-style-type: none"> <li>• CCP makes no provision for caravans in plan</li> <li>• CCP redesign required</li> <li>• Close to residences</li> </ul>	260m	210m
Hannaby Park	<ul style="list-style-type: none"> <li>• Close to town centre</li> <li>• Good vehicle access</li> <li>• Pleasant setting</li> </ul>	<ul style="list-style-type: none"> <li>• Close to residences</li> <li>• Playground area use</li> <li>• No power</li> <li>• No toilets</li> </ul>	430m	720m
Capel Recreation Ground	<ul style="list-style-type: none"> <li>• No residential area</li> <li>• Good vehicle access to driveways</li> <li>• Nearby public toilets (pavilion)</li> <li>• Pleasant setting</li> </ul>	<ul style="list-style-type: none"> <li>• Distance to town centre</li> <li>• Drainage and site works required</li> <li>• User conflicts during sports training and events</li> <li>• Land use zoning does not permit use.</li> </ul>	1,270m	980m
Railway Reserve	<ul style="list-style-type: none"> <li>• Close to town centre</li> <li>• Good vehicle access</li> <li>• Close to Doctor &amp; Pharmacist</li> </ul>	<ul style="list-style-type: none"> <li>• Land tenure subject to negotiation</li> <li>• Parking conflicts on Properjohn Road</li> <li>• Close to residences</li> </ul>	580m	390m
Berkshire Road (end)	<ul style="list-style-type: none"> <li>• Quiet location</li> <li>• Greenfields site</li> <li>• Space</li> </ul>	<ul style="list-style-type: none"> <li>• Isolated, lack of security</li> <li>• Walkers, horses, off-road trail bikes</li> <li>• Exposed to weather</li> </ul>	1,380m	1,090m
Berkshire Road (west)	<ul style="list-style-type: none"> <li>• Quiet location</li> <li>• Shaded and sheltered</li> <li>• Nearby public toilets (pavilion)</li> </ul>	<ul style="list-style-type: none"> <li>• Isolated, lack of security</li> <li>• On road traffic</li> <li>• Sports interaction conflicts</li> </ul>	1,200m	910m

The shortest distance is 210m from Erle Scott Reserve to the Shire Administration Centre. The longest distance is 1,380m from the end of Berkshire Road to the dump point. None of the distances are excessive and the distances to the dump point are somewhat moot, as all access to the dump point needs to be driven to bring the caravan or recreational vehicle to the site for dumping.

Commentary around the proximity of the overnight stay to the town centre may be somewhat subjective as the advantages and disadvantages of each site is not easily measurable. The convenience of being close to town for one site might be off-set by the privacy of another site.

#### General Comment

The Council decided on 18 June 2014 to nominate Berkshire Road as its preferred overnight stay location. Some work has been done to develop that option for delivery.

Whilst the number of caravans and recreational vehicles visiting and staying overnight in Capel is gradually increasing, it has not reached a point where dedicated spaces need to be developed significantly, or stringent controls need to be enforced to control anti-social behaviours.

The three sites identified close to the town centre, may be potentially affected by nearby residents. The nearest residential dwelling to the three sites on and near Berkshire Street is 140m away on Goodwood Road. The available space allows over-nighters to choose a space that suits them within a precinct that has a mixture of open space, mature trees, proximity to a toilet (closed at night) and vehicle accessibility.

The site is currently subject to some localised ponding as there is a low space on the verge. This can be addressed through construction of a widened and elevated road shoulder, which will drain into the adjoining drain.

The adjoining drainage line is functional, but will need some maintenance to remove overgrown grasses, thinning out of some saplings and cleaning to remove siltation and litter. The drain drains west to east, then through a series of culverts under Berkshire Road, makes its way into Lot 967, vested in the Crown.

The mature trees nearby will need to be inspected prior to use of the site, to remove any risky or low hanging branches, but this can be undertaken as a routine maintenance of the site.

The project will require some linemarking to separate the verge from the road and to delineate parking spaces along the length of the works.

Advanced warning signage will provide visual cues to motorists on Berkshire Road to slow down and share the road space.

It is recommended that the Council develop a moderate space on Berkshire Street that can accommodate up to three caravans and/or recreational vehicles, and continue to monitor patronage of this user type to determine a more sophisticated development for the future, if required. Notwithstanding this recommendation, it is recommended that caravanners and recreational vehicle users continue to be advised of the choice to use the Peppermint Grove Beach caravan park.

### **VOTING REQUIREMENTS**

Simple majority

<b>OFFICER'S RECOMMENDATIONS – 14.5</b>
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**That Council develops a hardstand verge area on the southern side of Berkshire Road (0.27 SLK to 0.36 SLK) to provide space for caravans and recreational vehicles for overnight stays by provision of \$26,000 in its 2016/17 budget and \$6,000 in its 2017/18 budget.**

## 15 CORPORATE SERVICES REPORTS

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### 15.1 Long Term Financial Plan 2016-2026

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Location:	Whole of Shire
Applicant:	Shire of Capel
File Reference:	Nil
Disclosure of Interest:	I declare a financial interest in that I will benefit from a replacement vehicle in the 2016/17 and 2019/20 financial years
Date:	11.07.16
Author:	Executive Manager Corporate Services, S Stevenson
Senior Officer:	Chief Executive Officer, P Sheedy
Attachments:	Shire of Capel Long Term Financial Plan 2016-2026 [to be distributed under separate cover to Councillors]

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### **MATTER FOR CONSIDERATION**

Council to consider and endorse the ten year Long Term Financial Plan 2016-2026 for the Shire of Capel.

### **BACKGROUND / PROPOSAL**

#### **Background**

The Integrated Planning and Reporting Framework and Guidelines were introduced in Western Australia during 2013/14 as part of the State Government's Local Government Reform Program. Integrated Planning is the development and delivery of a Strategic Community Plan and a Corporate Business Plan.

All local governments in Western Australia are required to produce a 'Plan for the Future' for their district under S5.56(1) of the *Local Government Act 1995*. *Local Government (Administration) Regulations 1996* now prescribe the requirement to prepare a Strategic Community Plan and Corporate Business Plan as part of the 'Plan for the Future'.

These plans were required by the 1 July 2013 and are intended to guide local governments to a successful integrated planning process. This is designed to deliver the following outcomes:

- A long term strategic plan that clearly links the community's aspirations with the Council's vision and long term strategy.
- A corporate business plan that integrates resourcing plans and specific Council plans with the strategic plan.
- A clearly stated vision for the future viability of the local government area.

The Framework is supported by Integrated Planning and Reporting Guidelines, and outline the minimum planning and reporting methodology to achieve the outcome prescribed in the legislation.

The format and structure of individual local government's integrated strategic plans vary with the size and complexity of the local government. While local governments are required to develop a Strategic Community Plan and a Corporate Business Plan, planning elements such as Informing Strategies and the Corporate Business Plan may be presented in a single document or as a range of separate documents.

There are three major parties to the development of an integrated strategic plan:

1. **Community**

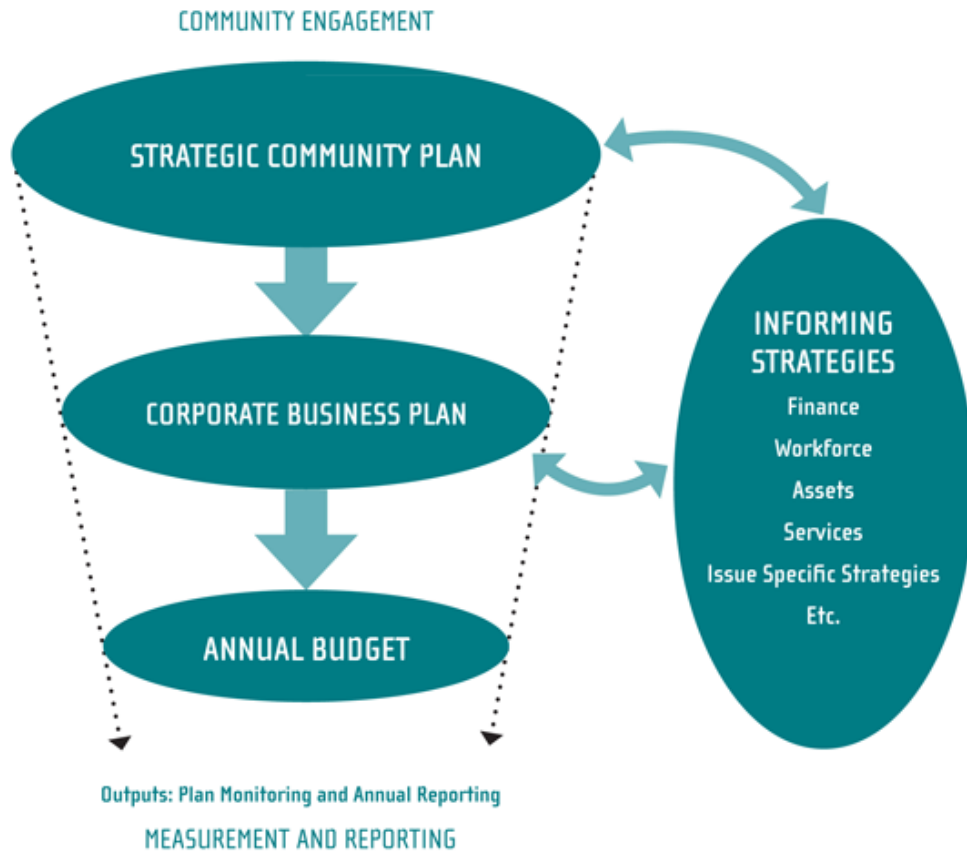
The community participates in a community planning process to determine major vision or big picture directions, and also participates in regular reviews of those directions.

2. **Council**

The Council signs off the Strategic Community Plan resulting from the community planning process, the four year reviews updating that plan, and the annual budget.

3. **Local Government Administration**

The local government administration supports delivery of the Strategic Community Plan, the four-yearly reviews, and an annual budget through the Corporate Business Plan.



**Stages in the Integrated Planning process**

In the first few years immediately after the first Strategic Community Plan is produced, many of the existing scheduled works and actions will remain. Essentially Council’s resources as identified in the Long Term Financial Plan, Asset Management Plans, Workforce Plan and Service Strategies will have already been committed, acted upon or in the process of being implemented.

In later years the prioritised Community Objectives sourced through the community engagement process will be gradually integrated more fully into the Long Term Financial Plan, Asset Management Plans, Workforce Plan and Service Strategies. The ongoing review of the Strategic Community Plan every 4 years will ensure that Council’s Long Term Financial Plan, Asset Management Plans, Workforce Plan and Service Strategies continue to align with the community’s aspirations and priorities.

Council’s administration has developed a Corporate Business Plan which flows on from the Shire of Capel Strategic Community Plan, which outlines the Strategies and Actions required to achieve the Strategic Objectives and Outcomes of Council.



The Corporate Business Plan is developed from the 10 year Long Term Financial Plan, Workforce Plan, Asset Management Plans and various informing Services Strategies and Plans. While the ultimate aim is to incorporate all of these plans as appendices to the Corporate Business Plan, at this time it is proposed to continue to adopt them individually.

While Council adopted the Long Term Financial Plan 2014-2024 in June 2013, there is a statutory requirement for Council to have an annual review of the 4 year Corporate Business Plan and the ten year Long Term Financial Plan forms part of this Plan. For this reason, each year the Long Term Financial Plan will be reviewed and an additional year added onto the plan. This enables continued legislative compliance but also enables the plan to be reviewed, resulting in assumptions and projections being reassessed, and timeframes adjusted for projects if circumstances or the priorities of Council change.

### **Proposal**

That Council receives and adopts the ten year Long Term Financial Plan 2016-2026 for the Shire of Capel.

### **STATUTORY ENVIRONMENT**

Local Government Act 1995, Section 5.56

#### **5.56 Planning for the Future**

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

**Local Government (Administration) Regulations 1996 apply. Specifically:**

#### **Division 3 — Planning for the future**

**19C. Planning for the future: strategic community plans — s. 5.56**

**19DA. Planning for the future: corporate business plans — 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.

**19D. Notice of plan to be given**

- (1) After the adoption of a strategic community plan, or modifications of a strategic community plan, under regulation 19C, the local government is to give local public notice in accordance with subregulation (2).
- (2) The local public notice is to contain —
  - (a) notification that —
    - (i) a strategic community plan for the district has been adopted by the council and is to apply to the district for the period specified in the plan; and
    - (ii) details of where and when the plan may be inspected;
 or
  - (b) where a strategic community plan for the district has been modified —
    - (i) notification that the modifications to the plan have been adopted by the council and the plan as modified is to apply to the district for the period specified in the plan; and
    - (ii) details of where and when the modified plan may be inspected.

**POLICY IMPLICATIONS**

The budget is based on the principles contained in the Strategic Community Plan and Corporate Business Plan. Policy 2.7 – Preparation of Integrated Financial Plan and Annual budget applies. The steps and timetable leading to the adoption of the Budget is impacted by the development of the Corporate Business Plan and Long Term Financial Plan.

**FINANCIAL IMPLICATIONS****Budget**

The development of an Integrated Strategic Planning & Reporting Framework has required the allocation of considerable staffing resources. This allocation of time and resources is an ongoing commitment of Council.

In addition to staff time, \$14,500 has been allocated in the 2016/17 budget under GL104120 towards Integrated Strategic Planning & Reporting modelling. As the Community Strategic Plan must have a major review every 4 years, \$65,350 has been added to the same account in order to facilitate the community consultation and creation of the revised report.

**Long Term**

The development of the Long Term Financial Plan in itself does not have any long term financial implications, other than those referred to within the Plan and the ongoing staff resources required to annually produce and update the Plan.

Through the development of the Integrated Planning Framework, Council now has the ability to evaluate the long term financial implications of all of its strategies, plans and works programs. This provides sound guidance to Council on the amount of rates required to fund all of these services and facilities, and/or in turn adjust expenditure and service levels to match the rate income projected for the future.

**Whole of Life**

This plan proposes the construction on new assets and the whole of life costs needs to be a consideration. A general allocation of 2% of the capital value has been used to represent the on-going expenditure associated with these assets.

**SUSTAINABILITY IMPLICATIONS**

The Integrated Strategic Planning & Reporting Framework is designed to improve the sustainability of local governments, while engaging in stronger ways with the community.

## **STRATEGIC IMPLICATIONS**

Shire of Capel Strategic Community Plan 2013 – 2031

1 The Leadership Experience 'Ensure open, transparent, effective good governance and communication within the organisation and the community.'

Strategic Outcomes:

- 1.4 Provide efficient and effective financial management to ensure the long term financial sustainability of the organisation;
- 1.5 Ensure the effective management of Council's resources.

2 The Community Experience 'Provide facilities and services which recognise the diverse needs of the community and strive to make the Shire a safe place to live, work and visit.'

Strategic Outcome:

- 2.1 Provide social, recreational and cultural opportunities and facilities for our communities.

5 The Infrastructure Experience 'Plan and facilitate safe, sustainable and efficient infrastructure and transport networks to meet the needs of the community.'

Strategic Outcomes:

- 5.1 Provide and maintain a safe and efficient transport, cycle and pedestrian network throughout the Shire;
- 5.6 Effectively manage the Shire's assets and resources.

## **CONSULTATION**

Extensive community, Councillor, staff and stakeholder consultation was undertaken in the development of the Strategic Community Plan in 2013. The current endorsed Long Term Financial Plan utilises this consultation to detail and prioritise actions and strategies within the Plan. The Strategic Community Plan must have a major review every four years and as such Council staff will commence the community engagement process again in the second half of 2016. Outcomes from this consultation process will be fed into subsequent revised Long Term Financial Plans and Corporate Business Plans.

The various projects, funding and timeframes outlined in the Long Term Financial Plan have been reviewed by the Executive Management Team and discussed as part of the Councillor Budget Workshop on 24<sup>th</sup> February 2016. This has resulted in a number of capital works project timeframes being altered, and funding sources being changed.

## **COMMENT**

The Long Term Financial Plan has been developed and presented to Council in a similar format as the Strategic Community Plan and Corporate Business Plan. This approach has been used to provide a consistent appearance and structure for all of the related documents, and to assist in enabling a tracking of the various Strategic Objectives, Outcomes and Actions. This approach is also being used for other related informing strategies.

A Councillor workshop was also conducted on 24<sup>th</sup> February 2016 to review major strategic projects included in the previously adopted 2014-2024 Long Term Financial Plan. Projects were reviewed and the scope and timing of projects was considered where appropriate. The outcomes of this workshop are reflected in the proposed 2016-2026 Long Term Financial Plan.

In any long term financial forecasting environment, a number of Assumptions and Policies have to be made to ensure future readers and users of the Plan can understand the basis for the future forecasts, and to enable consistent ongoing development and update of the policies within the organisation, particularly as there is always a level of risk and uncertainty

associated with known and unknown variables in the future. The following table illustrates the variables assumed for this plan.

**Table 1 Assumed forecasting variables**

Year	1	2	3	4	5	6	7	8	9	10
	16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24	24-25	25-26
<b>OPERATIONS- Revenue</b>										
Rates - Base:										
- Rates - Growth or Decline	4.34%	3.59%	4.01%	5.26%	4.42%	4.95%	4.41%	5.03%	3.81%	4.34%
- Rates - Strategy	6.00%	6.00%	6.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Operating grants, subsidies and contributions	0.00%	2.25%	2.50%	2.50%	2.75%	2.75%	3.00%	3.00%	3.25%	3.25%
Fees and charges	2.00%	2.25%	2.50%	2.50%	2.75%	2.75%	3.00%	3.00%	3.25%	3.25%
Interest Yield	2.25%	2.50%	2.50%	2.75%	3.00%	3.25%	3.50%	3.50%	3.00%	3.00%
Other revenue	1.75%	2.25%	2.50%	2.50%	2.75%	2.75%	3.00%	3.00%	3.25%	3.25%
<b>OPERATIONS- Expenditure</b>										
Employee costs	2.75%	5.75%	6.63%	8.50%	9.25%	9.50%	9.75%	9.75%	9.75%	9.75%
Materials and contracts	1.75%	2.25%	2.50%	2.50%	2.75%	2.75%	3.00%	3.00%	3.25%	3.25%
Utility charges (electricity, gas, water etc.)	5.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Insurance expense	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Other expenditure	1.75%	2.25%	2.50%	2.50%	2.75%	2.75%	3.00%	3.00%	3.25%	3.25%
Salaries & Wages-training percentage	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

The Long Term Financial Plan incorporates a comprehensive list of stated Assumptions and Policies, some of which have been updated. Some of these include:

- The Long Term Financial Plan is being developed on the basis that it will be 'Balanced' over the 10 years and the activities of Council are sustainable.
- There are no increases in full-time staff in 2016/17. 2017/18 has an allowance for an additional 2 full-time equivalent staff with increases in following years approximately aligning with major projects. These timelines and staff requirements will be reviewed as part of the on-going annual process and any amendments endorsed through Council. Projected wages increases are based on CPI plus 0.25%. For 2016/17, a base of 2.5% has been used.
- Projects funded by grants are not included in the 4 Year Corporate Plan unless there is a strong probability of receiving the grant and the funding body is identified. The project must be well advanced in planning and all approvals obtained or in the process of being obtained.
- In the 5 - 10 year period of the Long Term Financial Plan, grant funded projects that are less certain are included based on a provisional grant being obtained.
- Loan funds have been used as a last resort for funding projects, and are based primarily on 20 year loan terms for major building and infrastructure projects.

- The implementation of Fair Value asset accounting has had a significant impact on asset values and depreciation and will continue to do so into the future. The full impact is assessed and adjusted in the annual financial statements as a rolling asset valuation program. Asset valuations remain difficult to forecast. The base for this plan has been the recent revaluation as at June 2015. A further assessment is currently underway which will see asset values amended again. These adjustments will form part of the 2015/16 annual financial reports and forecasts will be updated accordingly. Base depreciation is \$5,797,667 as at 1<sup>st</sup> July 2016. This is forecast to increase to \$5,838,642 in 2016/17, \$5,904,440 in 2017/18 and rising to \$6,569,283 by the end of the 2015/16 financial year.
- The Rating Strategy identifies an annual rate increase of 6% plus growth for six years, reducing in 2019/20 to a 4% increase plus growth thereafter. The current draft budget for 2016/17 has deviated slightly from this strategy and Council has endorsed, at its meeting on the 25<sup>th</sup> May 2016, to increase rates by 6% on the 2015/16 rate in the dollar.
- Population, demographics and land growth projections are based on current forecasts identified within the Shire of Capel over the next 10 years. These are primarily sourced from the Shire of Capel Local Profile document and development services staff.

This Local Profile is regularly updated by the Council's Planning staff, which has resulted in a downward revision of some growth projection for Dalyellup.

- Economic indicators for cost and revenue increases are provided through a variety of sources including the WALGA Economic Briefing, ABS and Treasury forecasts.
- Cash Reserves will gradually increase into the future to assist in funding major capital works in the latter portion of the 10 year plan and to assist in funding projects identified in the 10-20 year period.
- Capital works and Strategic Project expenditure are based on the categorisation into: Asset Renewal; Asset Upgrade and New Assets. Asset "renewal" and "upgrade" projects have been given priority over "new" projects to ensure a focus remains on the asset preservation and sustainability needs of the Council.

Listed below are the significant changes that have occurred since the adoption of the Long term Financial Plan adopted in June 2014:

- Updated Perth Consumer Price Index and Local Government Cost Index forecasts for future years.
- Revised population and dwelling growth projections. These have resulted in a downward estimate on previous forecasts, but still provide projected growth in 2016/17 of 4.34%, 2017/18 of 3.59%, 2018/19 of 4.01% and 2019/20 of 5.26%.
- No increase in Federal Grant Assistance Grants in 2016/17 and then marginal increases using CPI forward estimates in line with the WA Treasury State Budget handed down in May 2016.
- Significant increases in utilities costs with a 5% increase built in for 2016/17 and 6% thereafter.
- Assumed inclusion of the revised Developer Contribution Plan endorsed in principle by Council in its meeting of 23rd March 2016. Revenue is included from 1st January 2017.
- Increased costs associated with the maintenance and upkeep of the Dalyellup Parks, Gardens and Reserves occurring earlier than previously forecast. This cost is related to the handover of parks, gardens and reserves previously maintained by private developers.

- Adjusted timeframes and/or costs for the following Strategic Projects:
  - Stage 3, 3A and 4 of the Capel Civic Precinct has been condensed into the 2016/17 and 2017/18 financial years. Previously this was planned to be completed in 2023/24.
  - Within the Capel townsite, the upgrade of Roe Road to Properjohn Road has been moved to 2025/26 from 2022/23.
  - Capel drainage works have been brought forward into 2024/25.
  - The proposed Capel depot relocation remains outwith the ten year timeframe of this plan however the purchase of the land was originally scheduled for 2024/25. The purchase of this land is no longer anticipated.
  - The expansion of the Capel Recreation Ground has been re-scoped and re-phrased. It is proposed to carry out some capital works between 2017/18 and 2019/20 to make interim improvements in the facilities which will allow the main expansion including the second oval to be deferred until 2018/19.
  - There has been a number of changes to various Capel road projects which were in the previous Long Term Financial Plan:
    - The upgrade to Capel Drive between Reid Avenue and Gavins Road and the upgrade to Weld Road have been removed as strategic projects and will be assessed as part of the on-going road maintenance program
    - The upgrade to the Capel Drive and Weld Road intersection have been removed from the plan as these roads are owned by Main Roads WA and the project is not considered to be a priority.
    - The installation of the roundabout at the Capel Drive and Forrest Road intersection has been moved out to 2025/26 from 2019/20 due to the scoping, planning and liaison with Main Roads WA required.
  - Works planned to the Boyanup townscape have been re-scoped and re-phased from 2020/21 to 2026/27.
  - Boyanup drainage works have been brought forward into 2025/26.
  - There has been a deferral of new Boyanup Recreation Facilities. The new sports pavilion (Stage 1) was previously planned for 2018/19 with football change rooms in 2019/20. These projects are now outwith the 10 year scope of this plan and will need to be re-assessed in line with population growth. In place of this project there is a proposed renovation of the sports building and bowling club in 2017/18 and 2018/19 respectively to provide some immediate improvement to Boyanup facilities.
  - Boyanup public open space facilities have also had a review of the project timings. Project design for Fettle's Park is planned for 2017/18 with the provision of shelters and seating for both Fettle's Park and Lions Park proposed for 2018/19. Children's play equipment is also scheduled for 2018/19.
  - Road traffic works originally planned for Boyanup in 2022/23 and 2024/15 have been deferred to out with the ten year scope of this plan.
  - The East Boyanup multipurpose works have been deferred from 2024/25 to 2027/28.

- Installation of permanent water and sewerage for Dalyellup Sports Pavilion has been moved from 2016/17 to 2017/18.
- Planning and construction of Dalyellup beach precinct facilities was originally scheduled across the financial years 2016/17 to 2021/22. This project is dependent on developer infrastructure being in place and at present this is not foreseen to be completed in that period. As a result, this project has had its timing reviewed with planning to take place in 2021/22 and construction commencing in 2023/24 and concluding in 2027/28.
- Dalyellup Civic Precinct design and planning timeframes have generally moved out one year to 2018/19. The forecast construction period is due to commence in 2019/20 with a youth space building and counselling rooms, followed by a Dalyellup skate park in 2020/21 and construction of the Dalyellup district centre library and multipurpose centre spanning three years between 2020/21 to 2022/23.
- Construction of the Dalyellup sports fields has been deferred to 2025/26 and 2026/27.
- New toilets for Gutmann Parkway in Dalyellup are still planned for 2018/19.
- Minor adjustments for some senior facilities.
- There has been a general annual allocation included for trails development.
- For Peppermint Grove Beach, the trail viewing platform, carpark expansion and beach access walkway have been removed from the capital plan as have the works planned for the Peppermint Grove Community Centre surrounding facilities and carpark.
- Within the Town Planning Scheme No. 3 projects, the 100 year flood events migration works have been moved out one year to 2020/21.
- The Gelorup Drainage Study has been deferred until 2026/27 and therefore outwith the scope of this plan.
- There has been a general reshaping of expenditure on entry statement, naming of parks and signage with an annual allocation built into the plan.
- In line with the Aged Friendly Plan, installation of bus shelters and seating has been retained.
- Updated Capital Works Program to reflect current needs including an updated Road Construction Program, Footpath Program and Plant Replacement Program.
- Various adjustments to operating costs to reflect increased maintenance and planning requirements.

Throughout the development of the Long Term Financial Plan, the financial sustainability of Council has remained a focal point. The determination, prioritisation and timing of services and facilities identified through the community and Councillor input has been strongly influenced by the Council's ability to manage expected financial requirements and financial risks over the long term without the use of disruptive revenue or expenditure measures.

This has involved the examination and projection of Council's financial position in the current period and long term, while ensuring infrastructure renewals/replacement expenditure matches forward looking asset management plan expenditure needs.

**VOTING REQUIREMENTS**

Simple majority

**OFFICER'S RECOMMENDATION – 15.1**

**That Council adopts the updated Shire of Capel ten year Long Term Financial Plan 2016-2026, including the revised timeframes and budget funding allocations for the various services strategies and plans referenced in the Plan.**



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## 15.2 Adoption of Budget and Differential Rates for 2016/17

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Location:	Whole of Shire
Applicant:	Shire of Capel
File Reference:	Nil
Disclosure of Interest:	I declare a financial interest in that I will benefit from a replacement vehicle in the 2016/17 budget
Date:	12.07.16
Author:	Executive Manager Corporate Services, S Stevenson
Senior Officer:	Chief Executive Officer, P Sheedy
Attachments:	1. Differential Rates Submission 2. Differential Rates Submission response 3. 2016/17 Rates – “Objects and Reasons” 4. Shire of Capel Budget for the year ending 30 June 2017 (Attachments will be distributed under separate cover to Councillors)

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### **MATTER FOR CONSIDERATION**

Council to consider adopting the 2016/17 Budget and also approve:

- differential, minimum and specified area rates;
- rate payment discount, instalment interest rate and fee, penalty interest rate and early payment incentive prizes;
- rubbish collection and disposal fees and charges;
- the waiving of charges and granting of concessions;
- the Schedule of Fees and Charges; and
- the materiality percentage for monthly financial reporting of variances.

### **BACKGROUND / PROPOSAL**

#### **Background**

On 22nd June 2016 Council considered and endorsed the draft Budget for 2016/17 (refer Council resolution OC0612).

#### **Proposal**

Council consider the adoption of the 2016/17 Budget, incorporating the Schedule of Fees & Charges, differential, minimum and specified area rates, related concessions, discounts, interest rates and monthly reporting variance.

### **STATUTORY ENVIRONMENT**

Local Government Act 1995, Section 6.2

#### **6.2. Local Government to prepare Annual Budget**

- (3) During the period from 1 June in a financial year to 31 August in the next financial year, or such extended time as the Minister allows, each local government is to prepare and adopt\*, in the form and manner prescribed, a budget for its municipal fund for the financial year ending on the 30 June next following that 31 August.

*\*Absolute Majority required*

- (4) In the preparation of the annual budget the local government is to have regard to the contents of the plan for the future of the district made in accordance with section 5.56 and to prepare a detailed estimate for the current year of –
- (a) the expenditure by the local government; and
  - (b) the revenue and income, independent of general rates, of the local government;
- and

- (c) the amount required to make up the deficiency, if any, shown by comparing the estimated expenditure with the estimated revenue and income.

Local Government (Financial Management) Regulations 1996, regulation 26

**26. Discount, incentive, concession, waiver and write-off information**

- (1) The annual budget is to include for each discount or other incentive to be granted for early payment of any money and in respect of each waiver or concession proposed in relation to any money –
  - a) in respect of a discount -
    - (i) the amount of the discount, or the percentage discount, to be allowed; and
    - (ii) the circumstances in which the discount will be granted;
  - and
  - c) in relation to a waiver or concession -
    - (i) a brief description of the waiver or concession;
    - (ii) a statement of the circumstances in which it will be granted;
    - (iii) details of the persons or class of persons to whom it is available; and
    - (iv) the objects of, and reasons for, the waiver or concession.

Local Government Act 1995, Section 6.12

**6.12. Power to defer, grant discounts, waive or write off debts**

- (1) Subject to subsection (2) and any other written law, a local government may –
  - a) when adopting the annual budget, grant\* a discount or other incentive for the early payment of any amount of money; or
  - b) waive or grant concessions in relation to any amount of money; or
  - c) write off any amount of money, which is owed to the local government.

*\* Absolute majority required*
- (2) Subsection 1(a) and (b) do not apply to an amount of money owing in respect of rates and services charges.
- (3) The grant of a concession under subsection (1)(b) may be subject to any conditions determined by the local government.

Local Government Act 1995, Section 6.16(1)

**6.16. Imposition of fees and charges**

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

Local Government Act 1995, Section 6.28

**6.28. Basis of Rates**

- (2) In determining the method of valuation of land to be used by a local government the Minister is to have regard to the general principle that the basis for a rate on any land is to be –
  - a) where the land is used predominantly for rural purposes, the unimproved value of the land; and
  - b) where the land is used predominantly for non-rural purposes, the gross rental value of the land.
- (4) Subject to subsection (5), for the purposes of this section the valuation to be used by a local government is to be the valuation in force under the *Valuation of Land Act 1978* as at 1 July in each financial year.

Local Government Act 1995, Section 6.32

**6.32. Rates and Service Charges**

- (1) When adopting the annual budget, a local government –
  - (a) in order to make up the budget deficiency, is to impose\* a general rate on rateable land within its district, which rate may be imposed either –
    - i. uniformly; or

- ii. differentially;
  - and
  - (b) may impose\* on rateable land within its district –
    - i. a specified area rate; or
    - ii. a minimum payment;
  - and
  - (c) may impose\* a service charge on land within its district.
- \**Absolute Majority required*

Local Government Act 1995, Section 6.33

### **6.33. Differential General Rates**

- (1) A local government may impose differential general rates according to any, or a combination, of the following characteristics –
  - (a) the purpose for which the land is zoned, whether or not under a local planning scheme or improvement scheme in force under the *Planning and Development Act 2005*; or
  - (b) a purpose for which the land is held or used as determined by the local government; or
  - (c) whether or not the land is vacant land; or
  - (d) any other characteristic or combination of characteristics prescribed.
- (2) ...
- (3) In imposing a differential general rate a local government is not to, without the approval of the Minister, impose a differential general rate which is more than twice the lowest differential general rate imposed by it.

Local Government (Financial Management) Regulations 1996, regulation 52A

### **52A. Characteristics prescribed for differential general rates**

- (1) In this regulation
  - commencement day** means the day on which the *Local Government (Financial Management) Amendment Regulations (No.2) 2012* regulation 5 comes into operation;
  - relevant district** means a district that –
    - (a) is declared to be a district by an order made under section 2.1(1)(a) on or after commencement day; or
    - (b) has its boundaries changed by an order made under section 2.1(1)(b) on or after commencement day.
- (2) For the purposes of section 6.33(1)(d), the following characteristics are prescribed in relation to land in a relevant district, where not more than 5 years has elapsed since the district last became a relevant district –
  - (a) whether or not the land is situated in a townsite as defined in the *Land Administration Act 1997* section 3(1);
  - (b) whether or not the land is situated in a particular part of the district of the local government.

Local Government Act 1995, Section 6.34

### **6.34. Limit on Revenue or Income from General Rates**

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

Local Government Act 1995, Section 6.35

### **6.35. Minimum Payment**

- (1) Subject to this section, a local government may impose on any rateable land in its district a minimum payment which is greater than the general rate which would otherwise be payable on that land.
- (2) A minimum payment is to be a general minimum but, subject to subsection (3), a lesser minimum may be imposed in respect of any portion of the district.
- (3) In applying subsection (2) the local government is to ensure the general minimum is imposed on not less than –

- (a) 50% of the total number of separately rated properties in the district; or
  - (b) 50% of the number of properties in each category referred to in subsection (6), on which a minimum payment is imposed.
- (4) A minimum payment is not to be imposed on more than the prescribed percentage (50%) of –
- (a) the number of separately rated properties in the district; or
  - (b) the number of properties in each category referred to in subsection (6), unless a general minimum does not exceed the prescribed amount (\$200).
- (5) If a local government imposes a differential general rate on any land on the basis that the land is vacant land it may, with the approval of the Minister, impose a minimum payment in a manner that does not comply with subsection (2), (3) and (4) for that land.
- (6) For the purposes of this section a minimum payment is to be applied separately, in accordance with the principles set forth in subsection (2), (3) and (4) in respect of each of the following categories –
- (a) to land rated on gross rental value; and
  - (b) to land rated on unimproved value; and
  - (c) to each differential rating category where a differential general rate is imposed.

Local Government Act 1995, Section 6.36

**6.36. Local Government to give Notice of Certain Rates**

- (1) Before imposing any differential general rates or a minimum payment applying to a differential rate category under section 6.35(6)(c) a local government is to give local public notice of its intention to do so. *(21 days – may be 2 months before financial year)*
- (2) ....
- (3) ....
- (4) The local government is required to consider any submissions received before imposing the proposed rate or minimum payment with or without modification.
- (5) ....

Local Government Act 1995, Section 6.37(1)

**6.37. Specified Area Rates**

- (1) A local government may impose a specified area rate on rateable land within a portion of its district for the purpose of meeting the cost of the provision by it of a specific work, service or facility if the local government considers that the ratepayers or residents within that area –
- (a) have benefited or will benefit from; or
  - (b) have access to or will have access to; or
  - (c) have contributed or will contribute to the need for, that work, service or facility.

Local Government Act 1995, Section 6.45(1)(2)(3)

**6.45. Options for Payment of Rates or Service Charges**

- (1) A rate or service charge is ordinarily payable to a local government by a single payment but the person liable for the payment of a rate or service charge may elect to make that payment to a local government, subject to subsection (3), by –
- (a) 4 equal or nearly equal instalments; or
  - (b) such other method of payment by instalments as is set forth in the local government's annual budget.
- (2) Where, during a financial year, a rate notice is given after a reassessment of rates under section 6.40 the person to whom the notice is given may pay the rate or service charge –
- (a) by a single payment; or
  - (b) by such instalments as are remaining under subsection (1)(a) or (b) for the remainder of that financial year.
- (3) A local government may impose an additional charge (including an amount by way of interest) where payment of a rate or service charge is made by instalments and that additional charge is, for the purpose of its recovery, taken to be a rate or service charge, as the case requires, that is due and payable.

Local Government Act 1995, Section 6.47

**6.47. Concessions**

Subject to the *Rates and Charges (Rebates and Deferments) Act 1992*, a local government may at the time of imposing a rate or service charge or at a later date resolve to waive\* a rate or service charge or resolve to grant other concessions in relation to a rate or service charge.

\* *Absolute majority required*

Local Government Act 1995, Section 6.51

**6.51. Accrual of interest on overdue rates or service charges**

- (1) A local government may at the time of imposing a rate or service charge resolve\* to impose interest (at the rate set in its annual budget) on —
  - (a) a rate or service charge (or any instalment of a rate or service charge); and
  - (b) any costs of proceedings to recover any such charge, that remains unpaid after becoming due and payable.

\* *Absolute majority required.*

Local Government Act 1995, Section 5.56

**6.56. Planning for the Future**

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

**Local Government (Administration) Regulations 1996 apply. Specifically :-  
Division 3 — Planning for the future**

**19C. Planning for the future: strategic community plans — s. 5.56**

**19DA. Planning for the future: corporate business plans — 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.

**19D. Adoption of plan, public notice of to be given**

- (1) After the adoption of a strategic community plan, or modifications of a strategic community plan, under regulation 19C, the local government is to give local public notice in accordance with subregulation (2).
- (2) The local public notice is to contain —

- (a) notification that —
  - (i) a strategic community plan for the district has been adopted by the council and is to apply to the district for the period specified in the plan; and
  - (ii) details of where and when the plan may be inspected;
- or
- (b) where a strategic community plan for the district has been modified —
  - (i) notification that the modifications to the plan have been adopted by the council and the plan as modified is to apply to the district for the period specified in the plan; and
  - (ii) details of where and when the modified plan may be inspected.

Other legislation (i.e.: Freedom of Information Act 1992, Emergency Service Levy Act 2002, Caravan Park & camping Ground Regulations 1997, Health Act 1911, Waste Avoidance & Resource Recovery Act 2007, Planning & Development Act 2005, Building Services Act 2011) specifies certain fees and charges that may be adopted by Council, and the fee threshold.

Regulation 34(5) of the Local Government (Financial Management) Regulations 1996 states 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.

### **POLICY IMPLICATIONS**

The Budget is based on the principles contained in the Strategic Community Plan and Corporate Business Plan. Policy 2.7 – Preparation of Integrated Financial Plan and Annual Budget applies.

### **FINANCIAL IMPLICATIONS**

#### **Budget**

The Budget outlines planned expenditure and revenue and determines the financial parameters for the Shire to operate within for the 2016/17 financial year. The proposed budget for the year is balanced with all revenue to be received during the year and the estimated brought forward surplus being expended on meeting operating expenditure demands, the capital works program and transfers to reserves for future year's expenditure.

The fees and charges when adopted will determine the amount of revenue to be received during the 2016/17 financial year for certain areas. This income has been forecast in the budget income projections.

After taking into consideration all other sources of income, Council is required to raise sufficient rates to meet its total expenditure. However, it is allowed to adopt a budget that has a deficit that does not exceed 10% of its rate revenue.

For the 2016/17 Budget it is proposed a total of \$10,713,454 be raised from general property rates and \$611,936 from specified area rates. The expected yield from rates will be sufficient to balance the 2016/17 Budget, after some adjustment have been made to increase other sources of revenue, reduce operating expenditure, to modify amount transferred to or from reserves, and increase the Infrastructure Asset Preservation Reserve by \$369,579 to assist in the funding of the 2017/18 Roads program.

The Budget outlines planned expenditure and revenue for the 2016/17 financial year. A generally balanced (break-even) position for the 2016/17 year provides a small estimated carried forward surplus at 30 June 2017 of \$4,442 but this will vary depending upon the final brought forward surplus/deficit from 2015/16.

**Long Term**

The proposed 6% increase in differential rate in the dollar is in line with the Long Term Financial Plan. Minimum rates have increased by 10% as per the ratings workshop held on the 23<sup>rd</sup> March 2015. However, the level of population growth anticipated during 2012/13, 2013/14 and for the next few years is noticeably lower than originally forecast in the Long Term Financial Plan and variable costs will need to be contained, where possible. Discretionary expenditure on capital works and other service areas will need to be closely managed to ensure the financial sustainability of the Shire is maintained.

**Whole of Life**

While the budget contains new assets and infrastructure, this report does not deal directly with the whole of life cost for those items. Consideration of the whole of life costs relevant to those items forms part of the individual project or asset evaluation and justification.

In future years it is anticipated that this will form an increasing proportion of the Strategic Integrated Planning process and link in with Council's Long Term Financial Plan and four year Corporate Plan.

**SUSTAINABILITY IMPLICATIONS**

The Budget includes a number of projects that will have a positive environmental impact. The levying of property rates has an environmental impact in that approximately 7,359 rate notices will be distributed in a paper based medium.

Many of the projects proposed in the Budget will provide a direct social benefit for the community. Increased property rates have the potential to have a social impact in terms of their affordability. Bearing in mind property rates also create a financial burden on customers, every effort has been made to minimise the size of the rate increase.

The projects in the Budget will generate a significant economic benefit for the Shire and some businesses within the Shire of Capel will share in this benefit. Property rates are the Shire's main area of "own source" revenue and it is therefore essential rate revenue be raised in a timely manner. To this extent they allow the continued financial operation of the Shire in a sustainable manner.

There are no environmental impacts expected from the adoption of fees and charges. The increased fees and charges are not expected to have any social impact on the use of Shire services.

Increases to fees and charges will result in increased economic benefit to the Shire and whilst the increases will need to be paid by the users of the services, the extent of the increases are not expected to cause any undue economic hardship.

**STRATEGIC IMPLICATIONS**

Shire of Capel Strategic Community Plan 2013 – 2031

1. The Leadership Experience 'Ensure open, transparent, effective good governance and communication within the organisation and the community.'

Strategic Outcomes:

- 1.4 Provide efficient and effective financial management to ensure the long term financial sustainability of the organisation;
- 1.5 Ensure the effective management of Council's resources.

2. The Community Experience 'Provide facilities and services which recognise the diverse needs of the community and strive to make the Shire a safe place to live, work and visit.'

Strategic Outcome:

2.1 Provide social, recreational and cultural opportunities and facilities for our communities.

5. The Infrastructure Experience 'Plan and facilitate safe, sustainable and efficient infrastructure and transport networks to meet the needs of the community.'

Strategic Outcomes:

5.1 Provide and maintain a safe and efficient transport, cycle and pedestrian network throughout the Shire;

5.6 Effectively manage the Shire's assets and resources.

## **CONSULTATION**

The Budget includes items and projects that have been suggested by Councillors, the community and staff, and has been reviewed through the Executive Management Team.

The Shire departments involved with the administration of the various services involved were consulted and provided input to the proposed schedule of fees and charges.

The proposed differential rates were advertised for public comment in advertisements placed in the *Bunbury Herald* on Tuesday 31<sup>st</sup> May 2016 and the *South Western Times* on Thursday 2<sup>nd</sup> June 2016. Ratepayers and electors were invited to provide submissions by 4.00pm on Friday 24<sup>th</sup> June 2016. One submission was received from McMahon Mining Title Services Pty Ltd and in accordance with Section 6.36(4), Council considered this submission at a Special Council Meeting on Thursday 30<sup>th</sup> June 2016. Council endorsed imposing the proposed rate and minimum payment without modification (SC0601).

In accordance with Section 6.33(3) of the Local Government Act 1995, an application was made to the Department of Local Government on 1<sup>st</sup> July 2016 requesting the Minister's approval to impose a differential general rate for land rated on the basis of its unimproved value (UV) and gross rental value (GRV) that is twice the lowest differential general rate.

In accordance with Section 6.35(5) of the Local Government Act 1995, an application was also made to the Department of Local Government on 1<sup>st</sup> July 2016 requesting the Ministers approval to impose a minimum rate for the Vacant Residential and Urban differential rate category that exceeds 50%. The number of properties that the minimum rate of \$1,175 applies to is 84%.

This year saw a number of administrative changes by the Department of Local Government to how these applications were made to the Minister, resulting in additional material and submissions being made to provide these applications in the required format. This is an indication of increased scrutiny by the Department of the rate setting process to ensure compliance with the relevant legislation.

In line with government guidelines, staffs have contacted, individually, the owners of 22 properties making up zone groups six and nine to advise of their new rate in the dollar as they form a group of fewer than 30 properties with a differential rate. They were given the opportunity to make a submission. No submissions were received from this group by the end of the closing on Friday 24<sup>th</sup> June 2016. In addition, property owners in zone group 10 (Rural Commercial Use) have also been contacted individually as this group forms a group with fewer than 30 properties. This zone group is made up of 14 properties. No submissions were received from this group by the end of the closing on Friday 24<sup>th</sup> June 2016.

## **COMMENT**

The 2016/17 budget document includes the following information:

- Commentary section incorporating:



- Directory of the Council;
  - Message from the President;
  - Budget Highlights;
  - Graphs of operating Revenue and Expenditure;
  - Comparison of Key Statistics;
  - How a Rate Dollar is allocated; and
  - The Budget in Overview.
- Financial statements including the Statement of Comprehensive Income (Income Statement) by Nature or Type, Statement of Comprehensive Income (Income Statement) by Program, Cash Flow Statement and Rate Setting Statement;
  - Notes to and forming part of the budget including notes on:
    - Significant Accounting Policies;
    - Operating Revenue and Expenditure;
    - Acquisition and Disposal of Assets;
    - Information on loan borrowings;
    - Reserve funds;
    - Net Current Assets;
    - Rating Information including Specified Area Rating;
    - Fees & Charges;
    - Grants and Contributions; and
    - Asset Management.
  - Detailed Financial Information at account level with Explanatory Notes, provides a greater level of detail for each account. This information is formatted with the account number, description and totals for the 2016/17 Budget, 2015/16 Actual (estimated end of year position) and 2015/16 Budget on the left hand page. The right hand page provides a break-down of the major components (expenditure or revenue items) of each account that has been included in the 2016/17 Budget column.
  - 2016/17 Differential Rates – Objects and Reasons;
  - 2016/17 Capital Works Program; and
  - 2016/17 Schedule of fees & Charges.

Following changes processed to the draft Budget provided to Council at its meeting on 22<sup>nd</sup> June 2016, the Rate Setting Statement has been amended and shows essentially a balanced result.

The budgeted result of \$4,442 for 2016/17 assumes that a surplus of \$151,668 will be recorded for 2015/16. However, as the annual financial statements have not been completed this forecasted result is only a projection and may be subject to change.

#### Changes to the Draft Budget

Following the Council meeting on 22<sup>nd</sup> June 2016 the following major changes have been processed in the Budget document:

- An additional \$44,100 for compostable bags. This equates to a maximum of 4,500 properties being given the option of two free rolls of compostable bags at a cost of \$9.80 per household. This is to promote environmental awareness. This cost will be funded from the Waste Management Reserve so will have no impact on the surplus carried forward presented in the draft budget;
- \$110,825 has been budgeted to be drawn from the Capel Community Facilities Reserve to fund Stage 3 and 3A of the Capel Civic Precinct;

- Various other minor changes in movements to and from Reserves;
- The Light Industrial Area Land Reserve has been renamed the Depot Redevelopment Reserve. The purpose of this reserve is to collect funds to be used to redevelop or construct a new Council works depot.
- Addition of \$24,246 to the capital schedule for the Peppermint Grove Beach Community Hall Recreation Hub Upgrade. This will be partly offset with capital contributions of \$16,160;
- Movements of the following items from expense to the capital schedule;
  - Duplicate Culvert for Hasties Road, Gelorup - \$36,000
  - Entry Statements for Capel Townscape - \$20,000
  - Trails Master Plan general trails allocation - \$43,000
  - Whole of Shire POS (Naming of parks, signage, seats, shelters and bins) - \$25,000
  - Capel Recreation Ground contamination study - \$20,000
- Changes in overhead allocations for Administration and Engineering Overheads for 2016/17. This does not change the total allocation, but affects the percentage of cost allocated to the various cost areas. This is undertaken periodically to ensure the overhead allocations reflect actual cost allocations; and
- Other minor variations to other grants, income, subscriptions, interest and expense areas to reflect updated forecasts for 2015/16 and 2016/17.

#### Rates, Discounts, Penalties and Instalments

The rates in the dollar and minimum rates included in the budget document are the same as those approved by Council at its meeting on 22<sup>nd</sup> June 2016.

A letter was sent on 1<sup>st</sup> July 2016 to the Director General of the Department for Local Government & Communities requesting approval to implement a differential rate for both UV and GRV properties that are more than twice the lowest differential rate and to have the percentage of properties under the Vacant Residential & Urban Development category exceed the 50% limit.

This approval in part is required in accordance with Section 6.33(3) of the Local Government Act 1995 and applies to the Rural Commercial Use UV rate of 1.3048 cents which is more than twice the Rural UV rate of 0.4340 cents and the Vacant Residential & Urban Development GRV rate of 12.3724 cents which is more than twice the Special Rural GRV rate of 5.9860 cents.

In accordance with Section 6.35(5) of the Local Government Act 1995, an application was also made to the Department of Local Government & Communities requesting the Minister's approval to impose a minimum rate for the Vacant Residential & Urban Development differential rate category that exceeds 50%. The number of properties that the minimum rate of \$1,175 applies to in this category is 84%.

Ministerial approval for the proposed 2016/17 minimum and differential rates was received on 20 July 2016.

As part of the review process, the Department of Local Government and Communities requested that we make additional amendments to the 2016/17 Rates - "Objects and Reasons" for the 2016/17 financial year and adopt as part of the 2016/17 Budget.

Overall, the objective for property rates was to increase the yield from rates by 6% in addition to the growth in the number of properties and the change in the GRV/UV valuation from the

Valuer General. Council agreed, at its meeting on 25<sup>th</sup> May 2016 to increase the 2015/16 rate in the dollar by 6% across all rate groups. The minimum was increased by 10% across all categories. This increase is necessary to fund increases in the cost of the goods and services used by the Shire as well as fund the delivery of services to meet the needs of a rapidly growing area.

This rate increase has essentially resulted in a balanced budget for the year. Revenue from property rates including interim rates of \$110,000 has increased to \$10,713,454. Compared to the forecast rates income for last year of \$9,566,055 this represents an overall increase of 12%. A large part of this increase is attributable to the 6% increase in the differential rate in the dollar and the 10% increase in minimum with the balance being attributable to the year on year growth rate in properties.

Penalty interest rate for rates not paid by the due date and rate payment instalment options and interest rate have been retained in percentage terms as per 2015/16 rates.

- The penalty interest to be charged on rates outstanding after the due date and for which the instalment option has not been taken up, was 10% last year. 11% is the maximum amount stipulated by Regulation.

It is proposed that this penalty interest rate be changed to be based on the penalty interest rate applied by the Australian Taxation Office General Interest Charge (GIC) rounded up to the nearest half percentage (9.01% for July-Sept 2016). This is in response to Ministerial Circular 11-2012 where the Minister sought a sector wide focus on administrative charges being based on cost recovery.

The GIC is based on the 90 day bank accepted bill rate plus an uplift factor of 7%. The definition of the 90 day bank accepted bill rate is the average mid rate for Australian dollar prime bank bills of exchange, accepted by an approved 'prime bank'. Prime bank designation approved by the Australian Financial Markets Association.

"The uplift factor is intended to make the GIC rate sufficiently high to discourage the use of tax debts as a source of business or private finance. However, the uplift factor is not intended to serve as a 'culpability penalty' that is, it is not a penalty for having engaged in blameworthy conduct. The GIC also serves to compensate the Australian Government for the impact of late payments, as delays in tax receipts mean that government borrowing and interest costs are higher than otherwise need be." (ATO)

This principle established in the determination of a Penalty Interest Charge by the ATO is proposed to form the basis for the determination of the penalty interest to be charged on rates outstanding after the due date.

The budgeted interest charge will remain at 10% for 2016/17.

- Rates can be paid in four instalments two months apart, provided there are no outstanding rates from the previous year. An instalment charge of \$11.00 is applicable to the second, third and fourth instalment (compared with \$12.00 in 2015/16).

Interest charges paid on instalments were 3.5% in 2015/16. 5.5% is the maximum amount stipulated by Regulation. In response to Ministerial Circular 11-2012 where the Minister sought a sector wide focus on administrative charges being based on cost recovery, it is proposed that this instalment interest rate be based on the average market interest rate available for a 12 month term deposit of \$100,000 in Western Australia, rounded up to the nearest half percentage.

The InfoChoice website ([www.infochoice.com.au](http://www.infochoice.com.au)) provides this market comparison, which on the 30 June 2016 was on average between 2.45% - 3.05%. The comparative range for 2015/16 was between 2.4% - 3.05%. As there is very little movement year on year,

the resultant instalment interest charge will remain at 3.5% for the 2016/17 financial year.

Rates incentive prizes for rates paid in full and received by Council by 4.30pm on the first due date are offered to ratepayers. Three prizes of Bendigo Bank savings accounts of \$500.00, \$300.00 and \$200.00 are anticipated to be offered again provided by the Donnybrook Capel Districts Community Bank Branch of Bendigo Bank.

### Rubbish and Service Charges

Council agreed, at its meeting on 17<sup>th</sup> December 2014, to various refuse and service charges as a result of the "Review of Waste Management Services". Recommendations, as per minutes reference OC1221, are included in the Budget for adoption. Specifically, Council agreed to retain the combined fee for 3 bin and 2 bin kerbside collection at 2015/16 levels foregoing any fee increase in 2016/17. The charges are summarised below:

	3 Bin			2 Bin		
	2016/17	2015/16	2014/15	2016/17	2015/16	2014/15
Refuse Collection	254	254	254	191	191	191
Waste Transfer Fee	80	80	80	80	80	80
Green and Hard waste fee	30	30	30	12	12	12
<b>Combined Fee</b>	<b>364</b>	<b>364</b>	<b>364</b>	<b>283</b>	<b>283</b>	<b>283</b>

For ratepayers provided with the three bin service (primarily in residential areas) the combined Refuse Collection Charge will be \$364.00 which is unchanged from 2015/16. For ratepayers provided the two bin service (primarily rural, semi-rural, industrial and commercial areas) which consists of the domestic and recycling pickup service, the combined Refuse Collection Charge will be unchanged at \$283.00.

### Rate Concessions

Council has a number of properties where it needs to grant a rate concession or waive the rates each year, when adopting its Budget. Details are as follows:

- Sussex Location 1328, Capel Tutunup Road – GL Roberts. This property is held in one title, but is divided by the Ludlow River; hence the property is partly located in both the Capel Shire and City of Busselton. As a result, the section located in the Shire of Capel attracts the minimum rate for rural land each year and is more than Mr Roberts would be levied if it was based on the rate in the dollar. Since 1997 Council has agreed to grant Mr Roberts a concession each year.
- A rate concession to all ratepayers in Dalyellup is requested in order to cap the specified area rate for Dalyellup Parks & Gardens Maintenance at \$176.30. The amount of this specified area rate has been frozen at 2015/16 levels. The impact of this concession is that almost all properties will be rated the \$176.30 maximum rate.
- The amount budgeted to be raised from the specified area rate, including interim rates, is \$611,936. This is virtually equivalent to half of the total expenditure budget for maintenance of gardens and public open space in Dalyellup of \$546,998. \$40,000 will be utilised to fund additional POS maintenance provisions. The Dalyellup Specified Area Rate reserve is expected to be \$999,809 at the end of 2016/17. This is a useful insurance against expenditure increases in maintenance costs or unexpected costs being incurred.

### Fees and Charges

Some minor amendments to the Schedule of Fees and Charges that was presented to Council at its meeting on 25<sup>th</sup> May 2016 (refer minute OC0416) include:

- The Emergency Services Levy has been increased from \$68.00 to \$71.00 in accordance with advice received from the Department of Fire and Emergency Services (DFES);
- Two new additional fees to be applied to the Capel Hall:
  - Hall (excluding kitchen)           \$32.10 per hour
  - Main hall (kitchen only)           \$32.10 per hour
- Building Permit Applications have increased from \$95.00 to \$96.00 for 2016/17. These are regulated under Building Regulations 2012;
- Removal of Minor Amendment to Planning Consent Application as now covered by new fee 5A in schedule.
- Two cemetery fee increases:
  - Reserving a grave – increases to \$200.00 in 2016/17 from \$30.00 in 2015/16
  - Reserving a niche – increases to \$200.00 in 2016/17 from \$30.00 in 2015/16.
- Two new cemetery fees:
  - Issue of Grant of Right of Burial - \$50.00
  - Renewal of Grant of Right of Burial - \$100.00
- Fees associated with the introduction of a fines enforcement process through the Fines Enforcement Registry, have increased year on year as follows:
  - Issuing Final Demand – increased from \$16.40 to \$18.20 for 2016/17;
  - Preparing enforcement certificate – increased from \$13.95 to \$15.50 for 2016/17; and
  - Registration of infringement notice – increased from \$52.00 to \$58.00 for 2016/17.

These fees are set under the *Fines Penalties and Infringements Notice Enforcement Regulations 1994*.

### Summary

The Budget document as presented to Council is complete in its format. However, as the information relating to the 2015/16 financial year is still being compiled and is subject to end of financial year audit scrutiny, the brought forward position for 2016/17 is likely to change. All of the explanatory text associated with the Budget has been prepared and is included with the document provided with this item and Councillors are asked to refer to this text for additional commentary on the budget.

Once adopted by Council this document, after the relevant noted amendments, will be the final Budget and will be provided to the Department of Local Government and Communities by the end of August 2015 as is required by the Local Government Act (1995).

To complete the budget process for 2016/17 there are a number of formal decisions required and these are outlined in the staff recommendations.

### Materiality Limit

Local Government Financial Management Regulation 34 (5) requires that each financial year a local government adopts a percentage or value, calculated in accordance with the Australian Accounting Standards (AAS).

This percentage or value is required to guide the users of financial reports regarding variances in actual to budget expenditures and revenues. Specifically the intention is to highlight variances that are important or significant due to their magnitude and possible impact.

Having regard to the fact that the users of these financial reports are management and Council requiring assistance with making management decisions, 10% has been considered to be a reasonable lower limit for highlighting material variances. However, this limit could be adjusted in the future if necessary and the use of this limit also does not preclude reporting lesser variances if it is considered their disclosure would be of benefit to the user of the financial report. It is therefore proposed that the materiality limit remain at 10% for 2016/17.

Council last approved the materiality limit of 10% at its meeting on 17<sup>th</sup> July 2013 (minute reference OC0708) as part of the annual budget approval process. As legislation requires this approval be provided every year, it is recommended it continue to be considered as part of the annual budget approval process.

#### Compliance Audit Return – Executive Functions

As part of the annual Compliance Audit Return process, Council is requested to attest to whether it has satisfied the provisions of Section 3.18 of the Local Government Act 1995. This section is entitled “Performing Executive Functions” and Part 2 deals with a local government providing services and facilities. Part 3 states that a local government is to satisfy itself that the services and facilities it provides are properly managed, avoid unnecessary duplication with other sectors and integrate and coordinate as far as practicable with other sectors.

At the Audit Committee Meeting on 9 March 2011, Councillors queried how this compliance could be substantiated. The advice provided from the Department of Local Government in a letter dated 4 April 2011 is as follows:

“The Department notes your comment that in adopting the annual budget to fund the services and facilities proposed, tacit acceptance of compliance with this section of the Act is given. There is no specific prescribed manner in which the local government is to satisfy itself that it has conformed with section 3.18 and in the Department’s view, the absence of a specific resolution of Council does not of itself indicate non-compliance. However it is suggested that the following resolution as part of budget adoption would clearly indicate that the Council has considered and deliberated on this.”

In accordance with this advice an additional staff recommendation, that replicates the wording of that provided by the Department of Local Government, has been included for Council’s consideration.

**OFFICER'S RECOMMENDATIONS – 15.3****VOTING REQUIREMENTS**

Absolute majority

**STAFF RECOMMENDATION 1**

That Council having considered the one submission received in accordance with Section 6.36 of the Local Government Act 1995, adopts the following differential, minimum and specified area rates for the year ending 30 June 2017:

	Rate in \$	Minimum
<b>Differential Rating :</b>		
- Residential & Urban Developed (zone groups 1 & 3 GRV)	6.9255 cents	\$1,175.00
- Residential & Urban Vacant (zone groups 2 & 4 GRV)	12.3724 cents	\$1,175.00
- Town Centre / Special Use / Light Industry Vacant (zone groups 6 & 9 GRV)	9.2839 cents	\$1,175.00
- Town Centre/Light Industry / Commercial Use Urban Development (zone groups 5,7 & 8 GRV)	6.5773 cents	\$1,175.00
- Land Use – Rural Commercial Use (zone group 10 – UV)	1.3048 cents	\$1,175.00
- Rural (zone group 11 – UV)	0.4340 cents	\$1,175.00
- Special Rural (zone group 12 – GRV)	5.9860 cents	\$1,175.00
<b>Specified Area Rating:</b>		
- Dalyellup Parks, Reserves Maintenance (GRV) Purpose: Parks and Reserves Maintenance	4.5434 cents (to a maximum of \$176.30 per assessment)	Nil

**VOTING REQUIREMENTS**

Absolute majority

**STAFF RECOMMENDATION 2**

That Council grants a rate concession for 2016/17, under Section 6.47 of the Local Government Act 1995, to limit the specified area rate for Dalyellup Parks and Reserves Maintenance to a maximum amount of \$176.30 for all ratepayers in zone groups 3 and 4 (Dalyellup) who are levied the specified area rate for the maintenance of parks and reserves.

**VOTING REQUIREMENTS**

Absolute majority

**STAFF RECOMMENDATION 3**

That Council grants a rate concession for 2016/17, under Section 6.47 of the Local Government Act 1995, to GL Roberts for Sussex Location 1328 Capel Tutunup Road (A94), by levying a rate on the property calculated at the adopted rate in the dollar for rural land (Rate zone group 11) disregarding the application of the minimum rate.

**VOTING REQUIREMENTS**

Absolute majority

**STAFF RECOMMENDATION 4**

**That Council:**

1. In accordance with Section 6.45 (1) (b) of the Local Government Act 1995, offer the following options for the payment of rates:

Option 1 – payment in full by a single instalment 35 days after the issue date of the annual rates notice (9<sup>th</sup> September 2016); and

Option 2 – payment in four equal instalments at intervals of two calendar months (9<sup>th</sup> September 2016, 9<sup>th</sup> November 2016, 9<sup>th</sup> January 2017, 9<sup>th</sup> March 2017) with the first instalment being payable 35 days after the issue date of the annual rates notice (9<sup>th</sup> September 2016).

2. In accordance with Section 6.45 (3) of the Local Government Act 1995, impose an interest rate on instalments of 3.5% for the second, third and fourth instalments.
3. In accordance with Section 6.45 (3) of the Local Government Act 1995, impose an administration fee of \$12.00 to the second, third and fourth instalments.
4. In accordance with Section 6.51 of the Local Government Act 1995, impose a late payment penalty interest rate of 10% on rates that have not been paid by the due date and where instalment option 2 has not been taken up.
5. Offers incentive prizes for rates paid in full and received by 4.30pm on the first due date shown on the annual rates notice (9<sup>th</sup> September 2015).

**VOTING REQUIREMENTS**

Absolute majority

**STAFF RECOMMENDATION 5**

**That Council, in accordance with Section 67 of the Waste Avoidance and Resource Recovery Act 2007, imposes the following receptacle charges for 2016/17:**

- |   |              |
|---|--------------|
| 1. Combined 3 bin refuse collection service | \$ 364.00 pa |
| 2. Combined 2 bin refuse collection service | \$ 283.00 pa |

**VOTING REQUIREMENTS**

Absolute majority

**STAFF RECOMMENDATION 6**

**That Council, in accordance with Section 6.16 of the Local Government Act 1995, adopts the Schedule of Fees and Charges as presented in the Budget for the year ending 30 June 2017.**



**VOTING REQUIREMENTS**

Absolute majority

**STAFF RECOMMENDATION 7**

That Council, in accordance with Section 6.2 of the Local Government Act 1995, adopts the Annual Budget for the year ending 30 June 2017, acknowledging the changes noted contained will alter some of the annual budget content and authorises the CEO to effect changes to the budget document before distribution.

**VOTING REQUIREMENTS**

Absolute majority

**STAFF RECOMMENDATION 8**

That Council, in accordance with Local Government Financial Management Regulation 34(5), adopts a percentage of plus or minus 10% to be used for the reporting of variances of actual expenditure and revenue to budgeted expenditure and revenue in the monthly report of financial activity for 2016/17.

**VOTING REQUIREMENTS**

Simple majority

**STAFF RECOMMENDATION 9**

That Council, in accordance with Section 3.18 of the Local Government Act 1995, advises it is satisfied that the services and facilities it provides and which are funded in the 2016/17 Annual Budget:

- integrate and coordinate, so far as is practicable, with any provided by the Commonwealth, State or any public body;
- do not duplicate, to an extent that the Council considers inappropriate, services or facilities provided by the Commonwealth, State or any other body or person, whether public or private; and
- will be managed efficiently and effectively.

**VOTING REQUIREMENTS**

Absolute majority

**STAFF RECOMMENDATION 10**

That Council, in accordance with The Department of Local Government and Communities 'Rating Policy: Differential General Rates' and 'Rating Policy: Minimum Payments' Guidelines, adopts the 2016/17 Rates "Objects and Reasons" for the 2016/17 financial year.

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**15.3 Lease – Lot 1 South Western Highway, Boyanup**

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Location:	Lot 1 South Western Highway, Boyanup
Applicant:	Shire of Capel
File Reference:	LD 245447
Disclosure of Interest:	Nil
Date:	05.07.16
Author:	Governance Officer, A Handley
Senior Officer:	Executive Manager Corporate Services, S Stevenson
Attachments	1: Map showing Lot 1 South Western Highway 2: Draft lease

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**MATTER FOR CONSIDERATION**

Lease of Lot 1, South Western Highway, Boyanup to Daniel Neill of Giant Valley Beef.

**BACKGROUND / PROPOSAL****Background**

In 1994 Council entered into a deed of agreement to acquire Lot 1 South Western Highway (8.1 ha) from Mr M Morris with the view to use the land for future expansion of the Boyanup Recreation Ground. Part of the deed of agreement required Council to fence the southern boundary of Lot 1 to separate it from land owned by Mr Morris (Lot 100, South Western Highway, Boyanup).

Following transfer of the land to Council, it was leased back to Mr Morris for grazing until such time as Council was ready to develop the land. There is no source of water on Lot 1, and grazing stock must access water on Lot 100 via a gate installed in the fence on the southern boundary.

Lot 100 is now leased to Daniel Neill of Giant Valley Beef, who for the last 3 years has also leased Lot 1 from the Shire of Capel. The term of this lease will end 30 November 2016 and Mr Neill has expressed an interest in continuing to lease the land.

**Proposal**

Council to approve a new lease of Lot 1 South Western Highway, Boyanup to Daniel Neill representing Giant Valley Beef for a period of 2 years with a further single year option.

**STATUTORY ENVIRONMENT**

Local Government Act 1995 s3.58

**3.58. Disposing of property**

- (1) In this section —  
dispose includes to sell, lease, or otherwise dispose of, whether absolutely or not;  
property includes the whole or any part of the interest of a local government in property,  
but does not include money.
- (2) Except as stated in this section, a local government can only dispose of property to —
  - (a) the highest bidder at public auction; or
  - (b) the person who at public tender called by the local government makes what is, in the opinion of the local government, the most acceptable tender, whether or not it is the highest tender.

- (5) This section does not apply to —
- (a) a disposition of an interest in land under the *Land Administration Act 1997* section 189 or 190; or
  - (b) a disposition of property in the course of carrying on a trading undertaking as defined in section 3.59; or
  - (c) anything that the local government provides to a particular person, for a fee or otherwise, in the performance of a function that it has under any written law; or
  - (d) any other disposition that is ***excluded by regulations*** from the application of this section.

Local Government (Functions and General) Regulations 1996

**30. Dispositions of property excluded from Act s. 3.58**

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

**POLICY IMPLICATIONS**

There are no policy implications relevant to this matter

**FINANCIAL IMPLICATIONS**

**Budget**

By offering the land for lease, Council can expect to receive rental income and mitigate the cost of maintaining the land.

There are no other budget implications associated with this matter.

**Long Term**

There are no long term financial implications associated with this matter.

**Whole of Life**

As there are no assets being created there are no whole of life financial implications associated with this matter.

**SUSTAINABILITY IMPLICATIONS**

There are no adverse environmental implications associated with the granting of this lease. The lease contains clauses requiring the lessee to comply with all statutes and regulations and prohibits the carrying on of offensive acts. The Lessee is also required to control and eradicate any noxious plants or weeds.

**STRATEGIC IMPLICATIONS**

Shire of Capel Strategic Community Plan 2013 - 31

4. The Economic Experience 'Foster and support responsible and progressive economic development opportunities within the Shire.'

Strategic Outcomes:

- 4.3 Enhance the local economy by promoting local produce
- 4.6 Support and promote the agricultural economy
- 4.6 Encourage business development.

5. The Infrastructure Experience 'Plan and facilitate safe, sustainable and efficient infrastructure and transport networks to meet the needs of the community.

Strategic Outcome

- 5.6 Effectively manage the Shire's assets and resources.

**CONSULTATION**

Discussion with the Executive Manager Community Services indicated the new lease will have no impact on the timing of further development of the Boyanup Memorial Park.

**COMMENT**

Council has no immediate plans to develop Lot 1 for recreational purposes, and it is unlikely that any development will occur within the next 3 years. Although the land is suitable for stock agistment, there are no yards or water source. The only safe point for stock to access Lot 1 is via the gate in the southern fence on the boundary of Lot 100. This is also the access point for stock to reach water.

It is considered that given these limitations there would be little benefit in leasing the land to anyone other than the current lessee of Lot 100.

If the land were not leased, Council would be required to maintain firebreaks, limit pasture growth and manage weed outbreaks at its own expense. Use of the land for grazing and the presence of a Manager in the adjoining property is a cost effective way to manage both fire risk and environmental concerns.

The annual rental value of the land was assessed in early 2012 and set at \$1,600 inclusive of GST. Rental values have not changed significantly in that time. Aligning the rent to CPI increases sets a value for the new lease of \$1,516 plus GST per annum.

**VOTING REQUIREMENTS**

Simple majority

**OFFICER'S RECOMMENDATIONS – 15.3**

**That Council approves the lease of Lot 1, South Western Highway to Daniel Neill for a period of 2 years beginning 01 December 2016 and expiring 30 November 2018 at an annual rental of \$1,516 (plus GST), with an option of a further 1 year extension. This lease will be subject to the lessee maintaining firebreaks and undertaking all appropriate weed eradication on the property during the term of the lease.**

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**15.4 Accounts Due and Submitted for Authorisation**

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Location: Capel  
Applicant: Shire of Capel  
File Reference: N/A  
Disclosure of Interest: Nil  
Date: 27.07.2016  
Author: Finance & Accounts Payable Officer, S Searle  
Senior Officer: Executive Manager Corporate Services, S Stevenson  
Attachments: Nil

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**MATTER FOR CONSIDERATION**

Adoption of accounts to be paid.

**BACKGROUND / PROPOSAL****Background**

Accounts for payment are required to be submitted each month for authorisation.

**Proposal**

The list of accounts listed for payment have been checked and certified by staff as being correct and are submitted for the endorsement of Council.

**STATUTORY ENVIRONMENT**

Local Government Act 1995, section 6.10

**6.10. Financial management regulations**

- (d) The general management of, and the authorisation of payments out of-
  - (i) the municipal fund; and
  - (ii) the trust fund,of a local government.

Local Government (Financial Management) Regulations 1996, regulation 13, 1 & 2

**13. List of accounts**

- (1) If the local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing for each account paid since the last such list was prepared-
  - (a) the payee's name;
  - (b) the amount of the payment;
  - (c) the date of the payment; and
  - (d) sufficient information to identify the transactions.
- (2) A list of accounts for approval to be paid is to be prepared each month showing-
  - (a) For each account which requires council authorisation in that month-
    - (i) The payee's name;
    - (ii) The amount of the payment; and
    - (iii) sufficient information to identify the transactions;and
  - (b) the date of the meeting of the council to which the list is to be presented.

**POLICY IMPLICATIONS**

There are no current policies relevant to this matter.

**FINANCIAL IMPLICATIONS****Budget**

Payment from Council's Municipal Fund.

There are no financial implications relevant to this matter in the annual budget.

**Long Term**

There are no long term financial implications relevant to this matter.

**Whole of Life**

As no asset/infrastructure is to be created there are no whole of life costs relevant to this matter.

**SUSTAINABILITY IMPLICATIONS**

The Shire provides monetary funds to suppliers in exchange for goods and services received. Where possible it is preferred to pay suppliers by electronic funds transfer; with remittances emailed thereby reducing the amount of paper used, lessening the environmental impact.

**STRATEGIC IMPLICATIONS**

Shire of Capel Strategic Community Plan 2013 – 2031

1. The Leadership Experience 'Ensure open, transparent, effective good governance and communication within the organisation and the community'.

Strategic Outcome:

1.4: Provide efficient and effective financial management to ensure long term financial viability of the organisation.

**CONSULTATION**

Relevant staff have been consulted and authorised the payments. Documents have been reviewed by Manager Finance, A Mattaboni.

**COMMENT**

Accounts due and submitted for authorisation are as follows:

EFT22052	28/07/2016	B & B STREET SWEEPING	1/7/15 TO 30/6/16 - ANNUAL GENERAL SWEEPING OF SHIRE TOWNSITES, STREET SWEEPER HIRE NEW ROADS WE 29/6 AND HIRE FOR MALLOKUP RD AND STIRLING RD 27/6/16 AND CLEAN UP OIL SPILL 28/6/16	21615.00
EFT22053	28/07/2016	BUNNINGS BUILDING SUPPLIES PTY LTD	WD40 WASTE TRANSFER STATION AND DOOR CLOSERS FOR DAYELLUP BEACH TOILETS	171.93
EFT22054	28/07/2016	BUNBURY HARVEY REGIONAL COUNCIL	JOINT SHARE OF REGIONAL WASTE EDUCATION OFFICER	2153.71

EFT22055	28/07/2016	BOYLES PLUMBING & GAS	REPLACE FOUR EXISTING TOILET CISTERNS AT WAVE WALK TOILET	2849.00
EFT22056	28/07/2016	BRAD BROOKSBY	ROAD SAFETY AUDIT LUDLOW ROAD NORTH 2018/19 - IMPROVEMENT AND WIDENING OF INTERSECTION (STIRLING ROAD) AND COMPLETE 3RD PARTY ASSET VALUATION FOR ALL ROADS IN SHIRE AND VISUAL CONDITION RATING FOR ALL SEALED ROADS	2530.00
EFT22057	28/07/2016	STAPLES AUSTRALIA PTY LTD	2016/17 STATIONERY	13.02
EFT22058	28/07/2016	COATES HIRE SERVICE	ROLLER HIRE - 31/5/16-30/6/16	4949.51
EFT22059	28/07/2016	CLEANAWAY	DISPOSAL OF HOUSEHOLD WASTE FROM THE DOMESTIC PICKUP-JUN 16 AND COLLECTION AND DISPOSAL OF WASTES FROM WTS	23903.43
EFT22060	28/07/2016	CENTRECARE CORPORATE	CENTRECARE CORPORATE - ANNUAL FEE AND ONGOING APPOINTMENTS/USAGE	550.00
EFT22061	28/07/2016	TJ DEPIAZZI & SONS	SUPPLY AND DELIVER PLAYGROUND SOFT FALL TO BOYANUP MEMORIAL PARK	6250.37
EFT22062	28/07/2016	DELRON CLEANING	CARRY OUT CLEANING OF SHIRE OFFICES FROM 13/6 - 26/6/16	165.00
EFT22063	28/07/2016	ERG ELECTRICS PTY LTD	MAINTENANCE OF DECORATIVE LIGHTS IN DALYELLUP - APRIL TO JUNE 16	9389.60
EFT22064	28/07/2016	EDENFIELD LANDSCAPE CONTRACTORS	CAPEL CIVIC PRECINCT LANDSCAPING AROUND ADMIN BUILDING	5742.00
EFT22065	28/07/2016	GRACE RECORDS MANAGEMENT	15/16 RECORD STORAGE & DESTRUCTION-JUNE 16	255.33
EFT22066	28/07/2016	HANSON CONSTRUCTION MATERIALS PTY LTD	36.14 TONNE RIP RAP	1439.10
EFT22067	28/07/2016	JETLINE KERBING CONTRACTORS	22-24 SAMROSE ROAD, DALYELLUP RED CONCRETE BETWEEN KERB AND PATH INCLUDING TRAFFIC MANAGEMENT AND SUPPLY AND LAY RED CONCRETE PATH TO MIDDLE LAKE GAZEBO DALYELLUP	8345.15
EFT22068	28/07/2016	LD TOTAL	LANDSCAPE MAINTENANCE IN CAPS GARDENS ALONG MAIDMENT PDE AND DALYELLUP BLVD, REPAIRS TO SHADE SAILS IN STARLITE PARK AND REPAIRS FOR DALYELLUP 22KW PUMP	19017.63
EFT22069	28/07/2016	LANDGATE	GRV INTERMS VALS COUNTRY AND RURAL UV ITERIM VALS	1339.88

EFT22070	28/07/2016	LANDMARK PRODUCTS LTD	K651 KING SHELTER AND INSTALLATION AND 2 STAINLESS STEEL SPIRAL 4 BAY BIKE RACKS FOR CAPEL CIVIL PRECINCT STAGE 2	16164.50
EFT22071	28/07/2016	MALATESTA ROAD PAVING & HOT MIX	3 TONNE HOTMIX KILLERBY DRIVE	600.00
EFT22072	28/07/2016	MUIR'S MANJIMUP	45CP - 30,000 KM SERVICE INCLUDES ROTATION OF TYRES	557.25
EFT22073	28/07/2016	MJB INDUSTRIES	300 - 450MM CLASS 2 CONCRETE PIPES 80 - 450MM SINGLE PIPE HEADWALLS 20 - 450MM DOUBLE PIPE HEADWALLS AND FREIGHT FOR CAPEL TOWNSITE DRAINAGE	54796.10
EFT22074	28/07/2016	MARKETFORCE	ADVERTISE NOTICE OF INTENTION TO LEVY DIFFERENTIAL RATES 2016/17 IN SOUTH WESTERN TIMES ON THURSDAY 2 JUNE 2016 AND VARIOUS PUBLIC NOTICES	1474.84
EFT22075	28/07/2016	NIGHTGUARD SECURITY SERVICE PTY LTD	SECURITY PATROLS	1599.69
EFT22076	28/07/2016	AUSTRALIAN COASTAL COUNCILS ASSOCIATION INC.	ANNUAL MEMBERSHIP FEES FOR PERIOD 1/7/2016 TO 30/6/2017	1266.25
EFT22077	28/07/2016	PEERLESS JAL PTY LTD	SUPPLY 1 X 18L EASYPOL 18 FLOOR POLISH FOR BOYANUP HUGH KILPATRICK HALL	209.13
EFT22078	28/07/2016	FULTON HOGAN INDUSTRIES PTY LTD	4 X TONNE HOTMIX	1304.01
EFT22079	28/07/2016	PRESTIGE PRODUCTS-BUSSELTON	VARIOUS CLEANING AND TOILETRIES	200.53
EFT22080	28/07/2016	POSITION PARTNERS	SUPPLY OF TRAINING - INTRODUCTION TO MAGNET OFFICE	544.50
EFT22081	28/07/2016	SOUTHERN LOCK & SECURITY	3 KEYS CUT TO MKW SYSTEM, 4 PADLOCKS TO MK2 AND 3 PADLOCKS TO L1, REPAIR LATCH RELEASE ON TECH SERVICES ENTRY DOOR, 1 BACKSTEP LOCK FOR BOYANUP CC, 4 PADLOCKS KEYED TO L1, 6 PADLOCKS KEYED TO H1, 1 PADLOCK, 6 PADLOCKS KEYED TO WMK AND 4 PADLOCKS KEYED TO LMK AND INSTALL EMERGENCY ALARM AND DURESS BUTTON AT SHIRE DEPOT	3945.85
EFT22082	28/07/2016	SKYLINE LANDSCAPE SERVICES PTY LTD	MONTHLY LANDSCAPE MAINTENANCE DALYELLUP POS	46631.57
EFT22083	28/07/2016	TOTALLY WORKWEAR	2015/2016 UNIFORMS	643.95
EFT22084	28/07/2016	TRADE HIRE	DAY HIRE OF TORO MINI BOBCAT/DIGGER FOR BOYANUP RECREATION GROUND SOFTFALL WORKS (27-28TH JUNE)	425.00



EFT22085	28/07/2016	TOTAL EDEN	PUMP, FILTRATION AND IRRIGATION REQUIREMENTS FOR CAPEL CIVIC PRECINCT	112706.00
EFT22086	28/07/2016	WORK CLOBBER BUNBURY	PPE WORKWEAR	1463.44
EFT22087	28/07/2016	WESTRAC EQUIPMENT	750 HOUR SERVICE - ROLLER CP4833	705.39
EFT22088	28/07/2016	WARREN BLACKWOOD WASTE	15/16 WASTE, RECYCLING & ORGANIC COLLECTION, STREET BIN WASTE COLLECTION AND PARKS WASTE COLLECTION JUN 16	64008.78
				419926.44

OUTSTANDING CREDITORS AS AT 30 June 2016: \$1,071,406.53

CERTIFICATE OF CHIEF EXECUTIVE OFFICER

This schedule of accounts to be passed for 27<sup>th</sup> July 2016 have been checked and are fully supported by vouchers and invoices which are submitted herewith and which have been duly certified as to the receipt of goods and services and as to prices, computations, and costings and the amounts shown are due for payment.

*P.F. Steady.*

\_\_\_\_\_  
CHIEF EXECUTIVE OFFICER

**VOTING REQUIREMENTS**

Simple majority

**OFFICER'S RECOMMENDATIONS – 15.4**

**That Council authorises the Schedule of Accounts covering vouchers EFT22052 to EFT22088, a total of \$419,926.44 for payment.**

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## 15.5 Accounts Paid During the Month of June 2016

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Location: Capel  
 Applicant: Shire of Capel  
 File Reference: N/A  
 Disclosure of Interest: Nil  
 Date: 27.07.16  
 Author: Finance & Accounts Payable Officer, S Searle  
 Senior Officer: Executive Manager Corporate Services, S Stevenson  
 Attachments: Nil

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### **MATTER FOR CONSIDERATION**

Authorisation of accounts paid during the month.

### **BACKGROUND / PROPOSAL**

#### **Background**

Accounts paid are required to be submitted each month.

#### **Proposal**

The list of accounts listed for payment have been checked and certified by staff as being correct and are submitted for the endorsement of Council.

### **STATUTORY ENVIRONMENT**

Local Government Act 1995, section 6.10

#### **6.10. Financial management regulations**

- (d) The general management of, and the authorisation of payments out of-
  - (i) the municipal fund; and
  - (ii) the trust fund,
 of a local government.

Local Government (Financial Management) Regulations 1996, regulation 13, 1 & 2

#### **13. List of accounts**

- (1) If the local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing for each account paid since the last such list was prepared-
  - (a) the payee's name;
  - (b) the amount of the payment;
  - (c) the date of the payment; and
  - (d) sufficient information to identify the transactions.
- (2) A list of accounts for approval to be paid is to be prepared each month showing-
  - (a) For each account which requires council authorisation in that month-
    - (i) The payee's name;
    - (ii) The amount of the payment; and
    - (iii) sufficient information to identify the transactions;
 and
  - (b) the date of the meeting of the council to which the list is to be presented.

**POLICY IMPLICATIONS**

There are no current policies relevant to this matter.

**FINANCIAL IMPLICATIONS****Budget**

Payment from Council's Municipal Fund.

There are no financial implications relevant to this matter in the annual budget.

**Long Term**

There are no long term financial implications relevant to this matter.

**Whole of Life**

As no asset/infrastructure is to be created there are no whole of life costs relevant to this matter.

**SUSTAINABILITY IMPLICATIONS**

The Shire provides monetary funds to suppliers in exchange for goods and services received. Where possible it is preferred to pay suppliers by electronic funds transfer; with remittances emailed thereby reducing the amount of paper used, lessening the environmental impact.

**STRATEGIC IMPLICATIONS**

Shire of Capel Strategic Community Plan 2013 – 2031

1. The Leadership Experience 'Ensure open, transparent, effective good governance and communication within the organisation and the community'.

Strategic Outcome:

1.4: Provide efficient and effective financial management to ensure long term financial viability of the organisation.

**CONSULTATION**

Relevant staff have been consulted and authorised the payments. Documents have been reviewed by Manager Finance, A Mattaboni.

**COMMENT**

Payments made during the month of June 2016 are as follows:

EFT21742	01/06/2016	AUSTRALIA POST	15/16 POSTAGE APRIL 16	1300.80
EFT21743	01/06/2016	AMPAC DEBT RECOVERY	RATES DEBT RECOVERY	421.10
EFT21744	01/06/2016	BUNBURY CITY GLASS	REPLACE BROKEN WINDOW DALYELLUP SPORTS PAVILION	249.68
EFT21745	01/06/2016	BUNBURY BASKETBALL ASSOCIATION	KIDSPORT REGISTRATIONS	188.00
EFT21746	01/06/2016	BRANDICOOT	WEBSITE SUBSCRIPTION - MAY 16	238.00
EFT21747	01/06/2016	BUNBURY PCYC	KIDSPORT REGISTRATIONS	400.00
EFT21748	01/06/2016	STAPLES AUSTRALIA PTY LTD	2015/16 STATIONERY	1060.06

EFT21749	01/06/2016	COATES HIRE SERVICE	1.5 TON ROLLER HIRE-2 DAYS	474.10
EFT21750	01/06/2016	CAPEL SOCCER CLUB	KIDSPORT REGISTRATIONS	3360.00
EFT21751	01/06/2016	DELRON CLEANING	CLEANING OF SHIRE OFFICES AND PLAYGROUP	440.00
EFT21752	01/06/2016	DATA #3	ANTI VIRUS SUBSCRIPTIONS, FILTERING & IT HARDWARE	1489.46
EFT21753	01/06/2016	DALYELLUP DOCKERS FOOTBALL CLUB	KIDSPORT REGISTRATIONS	1020.00
EFT21754	01/06/2016	GOLDEN WEST PLUMBING & DRAINAGE	UNBLOCK PEPPI GROVE BEACH FORESHORE TOILETS AND SUPPLY AND INSTALL TWO VANDAL PROOF TAPS WITH KEYS AT CIVIC PRECINCT DUMP POINT	335.50
EFT21755	01/06/2016	FENCING UNLIMITED	70 CLIPS FOR WINDOW SECURITY AT BOYANUP MEMORIAL PARK	24.50
EFT21756	01/06/2016	GEOVET BUSSELTON	15/16 POUND BOARDING	560.00
EFT21757	01/06/2016	INSTANT RACKING & STEEL SHELVING	6 LOCKERS FOR DEPOT	792.00
EFT21758	01/06/2016	JUMOR WASTEWATER SERVICE & REPAIRS	NEW PUMP, 2X AIR FILTERS, PARTS AND LABOUR AND ATU MAINTENANCE	1723.10
EFT21759	01/06/2016	LOCAL GOVERNMENT MANAGERS AUSTRALIA LGMA	LGMA ASPIRING LEADERS CONFERENCE	3564.00
EFT21760	01/06/2016	ANDREW MATTABONI	PARKING FOR MOORE STEPHENS WORKSHOP 19/5/16 AND 20/5/16	34.50
EFT21761	01/06/2016	PERTH MANAGEMENT SERVICES	RENT AND OUTGOINGS - UNIT 5/135 NORTON PMDE 1/6/16-30/6/16	1522.75
EFT21762	01/06/2016	PRIME INDUSTRIAL PRODUCTS PTY LTD	LENS CLEANING WIPES, CTN 500	458.75
EFT21763	01/06/2016	RETHINK MARKETING	RETHINK MARKETING MOSQUITO SURVEY STAGE 2 & 3	3901.92
EFT21764	01/06/2016	SUSSEX TURF CONTROL	CARRY OUT MOWING OF PEPPERMINT GROVE OPEN SPACE BELOW COMMUNITY CENTRE AND SUPPLY AND APPLY FERTILISER TO BOYANUP OVAL	1540.00
EFT21765	01/06/2016	SONIC HEALTHPLUS PTY LTD	PRE EMPLOYMENT MEDICAL	280.50
EFT21766	01/06/2016	STACEY SZYSZKA	SUCCESSFUL APPLICANT TO SPORT PARTICIPATION SCHEME	300.00
EFT21767	01/06/2016	TRADE HIRE	HIRE COMBO ROLLER - 18/5/16	709.50
EFT21768	01/06/2016	RAY TINK ROOFING	CLEAN GUTTERS AND CARRY OUT ROOF INSPECTION - SHIRE BUILDINGS AND LOCATE AND REPAIR WATER LEAK AT DALYELLUP COMMUNITY CENTRE	3410.00

EFT21769	01/06/2016	WINDSOR LODGE COMO	ACCOMMODATION FOR FINANCE CONFERENCE 18/5/2016 AND 19/5/2016	370.00
EFT21770	01/06/2016	WESTSIDE EQUIPMENT	HIRE PLANT, BOBCAT; SIDE TIPPER; 8.8T EXCAVATOR; 8T TIP TRUCK - CAPEL DRIVE	8315.45
EFT21771	01/06/2016	WYE ELECTRICAL PTY LTD	GST COMPONENT MISSED ON INVOICE 1251	497.70
EFT21772	01/06/2016	WESTNET PTY LTD	SHIRE OF CAPEL INTERNET ADMINISTRATION – JUNE 16	369.78
EFT21773	08/06/2016	SAI GLOBAL LIMITED	INTERNET DOWNLOAD	810.23
EFT21774	08/06/2016	AUSLEC	6 BOXES FLUORO LIGHTS SMALL	404.29
EFT21775	08/06/2016	AUSTRAL MERCANTILE COLLECTIONS P/L	SOLICITORS FEES	157.30
EFT21776	08/06/2016	BELL FIRE EQUIPMENT COMPANY	ROUTINE MONTHLY SERVICE - CAPEL AND BOYANUP LIBRARIES	229.16
EFT21777	08/06/2016	CR BARRY BELL	JUNE COUNCILLOR ALLOWANCE	2829.00
EFT21778	08/06/2016	BUNNINGS BUILDING SUPPLIES PTY LTD	FLOOR PAINT FOR NEW DOG POUND	69.83
EFT21779	08/06/2016	BUNBURY POTHOLE & ASPHALT REPAIRS	CAPEL DRIVE SHOULDER REPAIRS	3850.00
EFT21780	08/06/2016	CR SIDDHARTHA BAXI	JUNE COUNCILLOR ALLOWANCE	2829.00
EFT21781	08/06/2016	BUILT RIGHT APPROVALS	BUILDING SURVEYING CONTRACTOR SERVICE	1540.00
EFT21782	08/06/2016	STAPLES AUSTRALIA PTY LTD	2015/16 STATIONERY AND WHITEBOARD FOR COMMUNITY RANGERS	641.32
EFT21783	08/06/2016	CR MURRAY SCOTT	JUNE PRESIDENT ALLOWANCE	10091.00
EFT21784	08/06/2016	DM & S CURTIN	CHECK/REPAIR AIR CONDITIONER AT MAIN SHIRE OFFICE BUILDING	214.50
EFT21785	08/06/2016	CAPEL CLEANING	CLEANING OF CAPEL PLAYGROUP/INFANT HEALTH BUILDING	135.00
EFT21786	08/06/2016	CARBONE BROS PTY LTD	RECONSTRUCTION OF PORTION OF ELGIN ROAD	119018.35
EFT21787	08/06/2016	CHILD SUPPORT AGENCY	PAYROLL DEDUCTIONS	1353.54
EFT21788	08/06/2016	ENVIRONMENTAL HEALTH AUSTRALIA (NSW) INCORPORATED	I'M ALERT FOOD SAFETY TRAINING	550.00
EFT21789	08/06/2016	Dept of Fire and Emergency Services (DFES).	ESL QUARTER 4	48878.40
EFT21790	08/06/2016	FLEXI STAFF	FLEXISTAFF HIRE	1657.57
EFT21791	08/06/2016	GANNAWAYS	BUS CHARTER TO PERTH ZOO AS PART OF ACTIVE AGEING PROGRAM	1155.00
EFT21792	08/06/2016	GHD PTY LTD	LANDFILL GAS MONITORING	13040.50
EFT21793	08/06/2016	CR BRIAN HEARNE	JUNE DEPUTY PRESIDENT ALLOWANCE	3981.00
EFT21794	08/06/2016	JUMOR WASTEWATER SERVICE & REPAIRS	SERVICE ANAEROBIC TREATMENT UNIT	250.00

EFT21795	08/06/2016	JTAGZ PTY LTD	2000X WRAP AROUND TAGS, NUMBERED 0001 - 2000 EXP 3 OCT 2019	1221.00
EFT21796	08/06/2016	CR P McCLEERY	JUNE COUNCILLOR ALLOWANCE	2829.00
EFT21797	08/06/2016	CR GREG NORTON	JUNE COUNCILLOR ALLOWANCE	2829.00
EFT21798	08/06/2016	AUSTRALIA TAXATION OFFICE	31/5/16 PAYG	46007.00
EFT21799	08/06/2016	REACHING FORWARD COUNSELLING SERVICES (WA)	GUEST SPEAKERS FOR COMMUNITY TALK ON ICE ADDICTION	1325.00
EFT21800	08/06/2016	SOUTH WEST TREE SAFE	REMOVE, STUMP GRIND AND CLEAN UP DEBRIS OF DEAD PEPPY TREE IN DALYELLUP & REMOVE TREE HASTIES RD	935.00
EFT21801	08/06/2016	SOS OFFICE EQUIPMENT	MONTHLY PHOTOCOPIER METERBILLING FOR SHIRE BUILDING AND DALYELLUP AND BOYANUP LIBRARIES	2330.09
EFT21802	08/06/2016	SOUTH WEST RUBBER STAMPS	REPLACE STAMP FACE FOR RECORDS & 1 SPARE STAMP PAD	84.70
EFT21803	08/06/2016	SELECTUS	PAYROLL DEDUCTIONS	2276.19
EFT21804	08/06/2016	SW PRECISION PRINT	7000 X HARDWASTE FLYERS	1130.00
EFT21805	08/06/2016	DONNA SIMS	REIMBURSEMENT REFRESHMENTS FOR COMMUNITY TALK	119.80
EFT21806	08/06/2016	CR JENNIFER SCOTT	JUNE COUNCILLOR ALLOWANCE	2829.00
EFT21807	08/06/2016	CR BRIAN SMITH	JUNE COUNCILLOR ALLOWANCE	2829.00
EFT21808	08/06/2016	CR SEBASTIAN SCHIANO	JUNE COUNCILLOR ALLOWANCE	2829.00
EFT21809	08/06/2016	D & K THOMAS ELECTRICAL	REPAIRS TO THE OUTSIDE LIGHTS AT CAPEL HALL	1459.92
EFT21810	08/06/2016	TELSTRA BUSINESS CENTRE BUNBURY	5S LIFE CASE X 2	190.00
EFT21811	08/06/2016	RAY TINK ROOFING	REPLACE GRATE ON BOX GUTTER DALYELLUP COMMUNITY CENTRE	220.00
EFT21812	08/06/2016	VACUUM WORLD SALES & SERVICE	REPAIR OVEN AT DALYELLUP SPORTS PAVILION AND 2 PACKS OF VACUUM BAGS	185.00
EFT21813	08/06/2016	WORK CLOBBER BUNBURY	HIGH VIS PRIME MOVER WET WEATHER JACKET	139.47
EFT21814	08/06/2016	WML CONSULTANTS	CARRY OUT ASSESSMENT OF BRACING ON JAMIESON ROAD BRIDGE	429.00
EFT21815	08/06/2016	WESTRAC EQUIPMENT	CALL OUT ON GRADER - NEW FAN BELT AND 500 HOUR SERVICE ON CP1025	2831.90
EFT21816	08/06/2016	WESTSIDE EQUIPMENT	BOBCAT HIRE AND DIGGER HIRE FOR BUS TURN AROUND RYELANDS DRIVE	2767.88

EFT21817	10/06/2016	CIVILCON (WA) PTY LTD	CONTRACT TO BUILD EAST DALYELLUP SPORTS PAVILION CLAIM 4	180643.77
EFT21818	08/06/2016	FUJI XEROX AUSTRALIA PTY LTD	LEASE OF PHOTOCOPIER PER MONTH-CAPEL LIBRARY	132.00
EFT21819	14/06/2016	BENDIGO BANK BUSINESS CREDIT CARD	CREDIT CARD TRANSACTIONS: 17.05.16 - WILSON PARKING FOR EXEC DEVELOPMENT TRAINING -\$7.21 18.05.16 - MAIN ROADS WA HEAVY - VEHICLE PERMIT CP9574- \$50.00 18.05.16 - TRADEWINDS HOTEL - EXEC MANAGEMENT DEVELOPMENT DAY - \$463.35 20.05.16 - CSIRO PUBLISHING - GUIDE TO MOSQUITOES - \$58.95 21.05.16 - BAYVIEW GEOGRAPHE RESORT - LGMA MENTORS CONFERENCE - \$134.09 25.05.16 - DEPT OF COMMERCE - ASBESTOS RENEWAL LICENCES - \$576.00 25.05.16 - MURRAY HOTEL - WALGA TRAINING - \$149.00 26.05.16 - DEPT OF TRANSPORT - FIRETRUCK REGO 1EZY847 - \$22.30 26.05.16 - INJURY CONTROL COUNCIL - EVALUATION TRAINING WORKSHOP - \$99.00 28.05.16 - JOBFIT - PRE-EMPLOYMENT MEDICAL AND EXAM - \$290.29 30.05.16 - CREDIT CARD FEE - \$8.00 31.05.16 - MURRAY HOTEL - WALGA TRAINING DINNER CHARGE - \$21.00	1879.19
EFT21820	TO	EFT21864	PAYMENT ALREADY APPROVED BY COUNCIL, PLEASE REFER TO AGENDA ON 22.06.2016	0.00
EFT21865	15/06/2016	AMITY SIGNS	RURAL NUMBER PLATES, VARIOUS ROAD SIGNS AND METAL GUIDE POSTS	10401.05
EFT21866	15/06/2016	AUSLEC	120 X 1.5V DURACELL BATTERIES, FLUORO LIGHTS AND VOLTAGE DETECTOR	449.22
EFT21867	15/06/2016	AMD CHARTERED ACCOUNTANTS	RISK REVIEW REGULATION 17	10780.00
EFT21868	15/06/2016	BUNBURY PLUMBING SERVICES BPS	PUMP OUT GREASE TRAP INCLUDING WASTE DISPOSAL FEE - CAPEL HALL	244.60

EFT21869	15/06/2016	BESAFE BUILDING INSPECTIONS	2015 SWIMMING POOL INSPECTIONS	3575.00
EFT21870	15/06/2016	STAPLES AUSTRALIA PTY LTD	OFFICE CHAIR	344.14
EFT21871	15/06/2016	CENTRECARE CORPORATE	11X EAP SERVICES	7469.00
EFT21872	15/06/2016	C & D CUTRI	REPAIR YEARDY RD BRIDGE	11000.00
EFT21873	15/06/2016	CAPEL PANEL & PAINT	EXCESS \$1000 FOR CLAIM FOR 40CP DAMAGE	1000.00
EFT21874	15/06/2016	DELRON CLEANING	CLEANING OF SHIRE OFFICES MAY	330.00
EFT21875	15/06/2016	GOLDEN WEST PLUMBING & DRAINAGE	UNBLOCK MALE TOILET DALYELLUP LAKES 7/6/16	280.50
EFT21876	15/06/2016	FENNESSY'S	40,000KM SERVICE CP9132	750.90
EFT21877	15/06/2016	FLEXI STAFF	STAFF HIRE	2047.58
EFT21878	15/06/2016	FIT 2 WORK.COM.AU	3X FIT TO WORK POLICE CHECKS	121.77
EFT21879	15/06/2016	KEEN'S TRUCK DRIVING TRAINING	MR TRAINING & ASSESSMENT X 2 (STIRLING BFB)	800.00
EFT21880	15/06/2016	WESTERN AUSTRALIAN LOCAL GOVERNMENT ASSOCIATION WALGA	AWARE FUNDED TRAINING FOR SENIOR RANGER TO ATTEND THE 'PARTICIPATE IN LOCAL GOVERNMENT EMERGENCY MANAGEMENT PREPARATION' COURSE	1199.00
EFT21881	15/06/2016	MALATESTA ROAD PAVING & HOT MIX	200 TONNE HOTMIX	200.00
EFT21882	15/06/2016	MUIR'S MANJIMUP	NEW VEHICLES AND TRADE-INS 80CP AND 46CP	54154.25
EFT21883	15/06/2016	NOVUS AUTO GLASS BUNBURY & BUSSELTON	SUPPLY AND FIT WINDSCREEN TO CP154	319.00
EFT21884	15/06/2016	QUICK ERECTION GYROCKING	REPAIR CEILING IN CLEANERS ROOM DALYELLUP SPORTS PAVILION	319.00
EFT21885	15/06/2016	SPRAYMOW SERVICES	SLASH GRASS AREAS OF JOSHUA LAKE PARK AND SPRAY ROCK PITCHED SWALE DRAINS	1584.00
EFT21886	15/06/2016	D & K THOMAS ELECTRICAL	REPLACE SWITCHES IN POWER BOX IN OPS SECTION OF SHIRE OFFICE TO MAKE COMPLIANT	1098.90
EFT21887	15/06/2016	WESTERN AUSTRALIAN TREASURY CORPORATION	LOAN NO. 76 FIXED COMPONENT - COUNCIL ADMINISTRATION BUILDING UPGRADE -	84004.51
EFT21888	15/06/2016	WEST OZ LINEMARKING	LINE MARKING FOR CAPEL FIRE STATION	660.00
EFT21889	15/06/2016	WESTSIDE EQUIPMENT	HIRE OF 8T EXCAVATOR - 16/6/16	1277.65
				0.00
EFT21890	22/06/2016	BUNBURY AUTO ELECTRICS	MISC GLOBES FOR VEHICLES	190.95
EFT21891	22/06/2016	BUNBURY CITY GLASS	TWO CALLOUTS 5/6/16 TO SECURE WINDOWS DALYELLUP PAVILION	1263.84



EFT21892	22/06/2016	CLARE BONNIE	REIMBURSEMENT ACCOMMODATION HERITAGE UPDATE SEMINAR	100.00
EFT21893	22/06/2016	BUNBURY UNITED SOCCER CLUB	KIDSPORT REGISTRATIONS	2392.20
EFT21894	22/06/2016	CENTRECARE CORPORATE	ANNUAL EAP SERVICES	374.00
EFT21895	22/06/2016	CAPEL SOCCER CLUB	KIDSPORT REGISTRATIONS	135.00
EFT21896	22/06/2016	CAREY PARK SCOUT GROUP	KIDSPORT REGISTRATIONS	1400.00
EFT21897	22/06/2016	CAPEL GOJU RYU KARATE DO	KIDSPORT REGISTRATIONS	600.00
EFT21898	22/06/2016	1st Donnybrook Scout Group	KIDSPORT REGISTRATIONS	135.00
EFT21899	22/06/2016	DALYELLUP DOCKERS FOOTBALL CLUB	KIDSPORT REGISTRATIONS	280.00
EFT21900	22/06/2016	GOLDEN WEST PLUMBING & DRAINAGE	REPAIR JAMMED TAP TO EXTERNAL SHOWER AT OLD DALYELLUP TOILET BLOCK (SURF CLUB) AND CHECK OPERATION OF BORE PRESSURE PUMP & UNBLOCK MALE TOILET DALYELLUP	280.50
EFT21901	22/06/2016	FLEXI STAFF	FLEXISTAFF LABOUR HIRE	1657.57
EFT21902	22/06/2016	FAT BIRDIE CAFE	CATERING - LUNCH - FOR LEMC MEETING HELD ON 9 JUNE 2016 AND LUNCH CDT WORKSHOP	215.00
EFT21903	22/06/2016	HART SPORT	SPORTING/SAFETY EQUIPMENT FOR BOYANUP HARDCOURTS	159.90
EFT21904	22/06/2016	IVC COMPUTER SERVICES IVC	8 X 1.8 METRE HDMI TO DVI- D CABLES AND ADAPTORS	280.00
EFT21905	22/06/2016	AUSTRALIA TAXATION OFFICE	PAYG WITHHOLDING 14/6/16-\$45069	45069.00
EFT21906	22/06/2016	SHADE WEST	REMOVE AND STORE SHADE SAILS AT BOYANUP COMMUNITY CENTRE	1103.00
EFT21907	22/06/2016	SONIC HEALTHPLUS PTY LTD	PRE-EMPLOYMENT MEDICAL BUILDING OFFICER / SURVEYOR	280.50
EFT21908	22/06/2016	FRANS VAN ZYL	SPORT PARTICIPATION SCHEME	400.00
EFT21909	22/06/2016	WESTERN AUSTRALIAN TREASURY CORPORATION	LOAN NO. 75 FIXED COMPONENTS - CAPEL HARD COURTS AND NO. 93 PURCHASE BINS	57697.47
EFT21910	22/06/2016	ZARBELLIKA	GIS CONSULTANCY	2477.75
EFT21911	21/06/2016	CALTEX AUSTRALIA	MAY FUEL	2912.41
EFT21912	22/06/2016	BUILT RIGHT APPROVALS	BUILDING SURVEYING CONTRACTOR SERVICE	1408.00
EFT21913		-EFT21947	SYNERGY ERROR BATCH DELETED	0.00
EFT21947	30/06/2016	CLAIRE ANDERSON	CATERING FOR CUSTOMER SERVICE DEVELOPMENT DAY	46.30
EFT21948	30/06/2016	BUNBURY MOWER SERVICE	REPAIR/SERVICE EDGER, INCLUDES HANDLE HOLDER ASSY OIL AND HEADS, SHARPEN CHAINSAW	432.90

EFT21949	30/06/2016	BOYANUP BUILDING AND EARTHWORKS CONTRACTORS	EMERGENCY CLEARING TREE DOWN ON HURST ROAD - 21/5/16 STORM	660.00
EFT21950	30/06/2016	CARDNO (WA) PTY LTD	REVIEW & GEOTECHNICAL AND CONTAMINATION ADVICE	6105.00
EFT21951	30/06/2016	BOUNCE INC	INZONE EXCURSION - BOUNCE	649.00
EFT21952	30/06/2016	BRAD BROOKSBY	COMPLETE 3RD PARTY ASSET VALUATION FOR ALL ROADS IN THE SHIRE OF CAPEL AND VISUAL CONDITION RATING FOR ALL SEALED ROADS	1608.75
EFT21953	30/06/2016	COVS PARTS	2X FLASHING/ROTATING BEACONS & 2X HALOGEN GLOBES	346.63
EFT21954	30/06/2016	CAPEL HARDWARE & FARM SUPPLIES	GENERAL HARDWARE PURCHASES	2124.00
EFT21955	30/06/2016	CMT TRANSPORT TRAINERS	FRONT END LOADER COURSE - 6 EMPLOYEES OVER 2 DAYS	3600.00
EFT21956	30/06/2016	COUNTRY WOMENS ASSOCIATION CAPEL	REFRESHMENTS FOR ICE ADDICTION TALK IN CAPEL	200.00
EFT21957	30/06/2016	D'VINCI CONTRACTING	REMOVE GATE AT FRONT OF PLAYGROUND AND RELOCATE TO REAR OF PLAYGROUND. INSTALL POLES X2 AND INSTALL FENCING TO SECTION REMOVED FROM FRONT OF PLAYGROUND.	485.00
EFT21958	30/06/2016	GOLDEN WEST PLUMBING & DRAINAGE	CHECK/REPAIR HOT WATER SYSTEM AT BOYANUP SPORTS PAVILION, REPLACEMENT AS APPROVED AND ARRANGE PUMP OUT OF SEPTIC TANKS AND REPAIR OUTLET AT BOYANUP FOOTBALL CLUBROOMS	3955.05
EFT21959	30/06/2016	FLEXI STAFF	FLEXISTAFF LABOUR HIRE	2047.58
EFT21960	30/06/2016	GRESLEY ABAS PTY LTD	EAST DALYELLUP SPORTS PAVILION, ARCHITECTURAL CONSULTANCY FEE FOR SKETCH DESIGN, DETAILED DESIGN, CONTRACT ADMINISTRATION AND FOR AS CONSTRUCTED DOCUMENTATION	1347.89
EFT21961	30/06/2016	GISSA INTERNATIONAL PTY LTD	RENEWAL OF MEMBERSHIP OF A-SPEC CONSORTIUM 16-17	3129.50
EFT21962	30/06/2016	GRACE RECORDS MANAGEMENT	15/16 RECORD STORAGE & DESTRUCTION MAY 16	255.33
EFT21963	30/06/2016	DEAN & MELISSA GIBSON	CROSSOVER CONTRIBUTIONS	600.00
EFT21964	30/06/2016	HARVEY FARM SERVICE	LH MIRROR FOR TRACTOR	353.73
EFT21965	30/06/2016	INSIGHT CCS PTY LTD	MAY AFTER HOURS CALLS	478.34
EFT21966	30/06/2016	JULIES LAWNMOWING	MOWING OF BOYANUP MUSEUM GROUNDS AND BOYANUP HALL	280.00

EFT21967	30/06/2016	PERTHWASTE GREEN RECYCLING	PROCESSING OF DOMESTIC RECYCLING MAY 16	4087.69
EFT21968	30/06/2016	LANDGATE	MINING TENEMENTS	37.50
EFT21969	30/06/2016	LASER CORPS	INZONE ACTIVITY DEPOSIT	700.00
EFT21970	30/06/2016	MUIR'S MANJIMUP	35,000KM SERVICE 43CP	384.50
EFT21971	30/06/2016	VODAFONE HUTCHISON AUSTRALIA PTY LTD	BRIGADE MESSAGING SERVICE JUNE 16	104.94
EFT21972	30/06/2016	PJ & EV PAGE	WAXING AND BUFFING FLOOR BOYANUP HALL MONTHLY 2015/16 MAY16	70.00
EFT21973	30/06/2016	PLANNING INSTITUTE AUSTRALIA	PIA CONFERENCE BUNBURY 10 JUNE 2016 3 PLANNING EMPLOYEES	756.00
EFT21974	30/06/2016	RIDING FOR THE DISABLED SOUTH WEST	KIDSPORT REGISTRATIONS	200.00
EFT21975	30/06/2016	SOUTH WEST TREE SAFE	REMOVE OVERHANGING BRANCHES THAT ARE AFFECTING SCHOOL BUSES, REMOVE DEAD TUART TREE ON FISHERMAN'S ROAD, TIDY UP DEADWOOD HARDY TCE	3190.00
EFT21976	30/06/2016	SHEREE MCGEE	REIMBURSEMENT FOR RECORDS LABELS	48.72
EFT21977	30/06/2016	SKYLINE LANDSCAPE SERVICES PTY LTD	DALYELLUP POS MAINTENANCE FOR MAY AND PARADE ROAD MEDIAN STRIP CAPEL	47905.73
EFT21978	30/06/2016	SLEE ANDERSON & PIDGEON	PROFESSIONAL FEES ANCILLARY ACCOMMODATION	783.20
EFT21979	30/06/2016	TARVIA	RE-OIL AND TIGHTEN BOLTS ON PEPPY BEACH STAIRS	1925.00
EFT21980	30/06/2016	TELSTRA BUSINESS CENTRE BUNBURY	2 X LIFEPROOF COVER TO SUIT IPHONE 6	179.90
EFT21981	30/06/2016	WREN OIL	COLLECTION AND DISPOSAL OF OILY WATER FROM CAPEL WASTE TRANSFER STATION FOR 2015/16	112.75
EFT21982	30/06/2016	CHILD SUPPORT AGENCY	PAYROLL DEDUCTIONS	902.36
EFT21983	30/06/2016	SELECTUS	PAYROLL DEDUCTIONS	1517.46
48084	01/06/2016	AQWEST	MURTIN PARK WATER USAGE	36.90
48085	01/06/2016	BENDIGO BANK LIMITED	RETURN OF UNSPENT FUNDS FOR COMMUNITY BUS INITIATIVE	3379.90
48086	01/06/2016	SHIRE OF CAPEL	PETTY CASH REIMBURSEMENT-CAPEL LIBRARY	86.80
48087	01/06/2016	ROEL DAILISON	REFUND DEVELOPMENT APPLICATION NOT REQUIRED	147.00
48088	01/06/2016	SYNERGY	ELECTRICITY	6527.45
48089	01/06/2016	TELSTRA CORPORATION LTD	MOBILE RENT AND CALLS	1728.07
48090	01/06/2016	WATER CORPORATION	WATER USAGE	439.48
48091	08/06/2016	AUSTRALIAN SERVICES UNION	PAYROLL DEDUCTIONS	77.40

48092	08/06/2016	THE AUSTRALIAN WORKERS UNION	PAYROLL DEDUCTIONS	176.00
48093	08/06/2016	SHIRE OF CAPEL	PAYROLL DEDUCTIONS	3493.00
48094	08/06/2016	INFINITE ENERGY	SUPPLY AND INSTALL SOLAR POWER SYSTEM	15272.00
48095	08/06/2016	LGRCEU	PAYROLL DEDUCTIONS	307.50
48096	08/06/2016	DEPARTMENT OF TRANSPORT - VEHICLE LICENSING	ORDER SPECIAL PLATES 74CP	200.00
48097	08/06/2016	YOUTH VISION WA (STATE YOUTH GAMES)	HALL BOND REFUND	150.00
48098	08/06/2016	SYNERGY	ELECTRICITY	801.50
48099	08/06/2016	TELSTRA CORPORATION LTD	LANDLINE PHONE EXPENSE	2143.34
48100	08/06/2016	SHIRE OF CAPEL	PETTY CASH REIMBURSEMENT-ADMIN	238.30
48101	15/06/2016	GELORUP BUSHFIRE BRIGADE	REIMBURSEMENT OF HAZARD REDUCTION BURN INCOME	7463.64
48102	15/06/2016	BGC RESIDENTIAL	REFUND BUILDING PERMIT FEE	321.56
48103	15/06/2016	JENNA BIRNIE	RATES REFUND	267.19
48104	15/06/2016	COURIER AUSTRALIA INTERNATIONAL	COURIER FEES-HEALTH	92.90
48105	15/06/2016	SHIRE OF CAPEL	PETTY CASH REIMBURSEMENT-DALYELLUP AND BOYANUP LIBRARIES	56.35
48106	15/06/2016	ELGIN BUSHFIRE BRIGADE	REIMBURSEMENT OF HAZARD REDUCTION BURN INCOME	2822.73
48107	15/06/2016	EDGE TOURS AUSTRALIA	INZONE APRIL SCHOOL HOLIDAY ACTIVITY - SEA KAYAKING HAMELIN BAY	1650.00
48108	15/06/2016	BEN JOHNSON	CROSSOVER CONTRIBUTION-DALYELLUP	300.00
48109	15/06/2016	MR K LEWIS	RATES REFUND	813.00
48110	15/06/2016	REECE LE JUGE DE SEGRAIS & HOLLY CAMPBELL	CROSSOVER CONTRIBUTION-DALYELLUP	300.00
48111	15/06/2016	SIKHANYISIWE MOYO & BUTHOLEZWE MATHEMA	CROSSOVER CONTRIBUTION-DALYELLUP	300.00
48112	15/06/2016	OCEAN FOREST LUTHERAN COLLEGE PARENTS & FRIENDS	HALL BOND REFUND	256.80
48113	15/06/2016	SYNERGY	ELECTRICITY-170X STREETLIGHTS	2277.95
48114	15/06/2016	WATER CORPORATION	WATER USAGE	947.80
48115	15/06/2016	SHIRE OF CAPEL	22X CONCESSION FERRY TICKETS FOR ELIZABETH QUAY FERRY-\$0.80 & 2X NON-CONCESSION -\$2.10	21.80
48116	22/06/2016	SHIRE OF CAPEL	PETTY CASH REIMBURSEMENT-DALYELLUP LIBRARY & ADMIN	283.15
48117	22/06/2016	DEPARTMENT OF TRANSPORT DRIVER AND VEHICLE SERVICES	VARIATION IN LICENCING FEES FOR CAPEL LIGHT TANKER 1EZY847	22.45

48118	22/06/2016	YOUTH VISION WA (STATE YOUTH GAMES)	HALL BOND REFUND	100.00
48119	22/06/2016	SYNERGY	ELECTRICITY-1703X STREETLIGHTS	32857.60
48120	22/06/2016	WATER CORPORATION	WATER USAGE	1802.47
48121	29/06/2016	COURIER AUSTRALIA INTERNATIONAL	FREIGHT FOR RATES NOTICES	32.09
48122	29/06/2016	CAFFISSIMO MARITIME MUSEUM	EMT DEVELOPMENT WORKSHOP 2 - CATERING (PERTH)	134.30
48123	29/06/2016	PAUL CORCORAN	CROSSOVER CONTRIBUTION DALYELLUP	300.00
48124	29/06/2016	FINES ENFORCEMENT REGISTRY	REFUND PAYMENT RECEIVED TWICE	50.00
48125	29/06/2016	LEE KRAETER & ORLANDO FAZZOLARI	CROSSOVER CONTRIBUTION DALYELLUP	300.00
48126	29/06/2016	BREDAN & DENISE LYNCH	CROSSOVER CONTRIBUTION CAPEL	300.00
48127	29/06/2016	SYNERGY	ELECTRICITY	2063.80
48128	29/06/2016	TELSTRA CORPORATION LTD	MOBILE RENT AND CALLS	2026.55
48129	29/06/2016	WA COUNTRY BUILDERS	REFUND OF SEPTIC APPROVAL	118.00
48130	30/06/2016	SHIRE OF CAPEL	PETTY CASH REIMBURSEMENT-CAPEL LIBRARY & ADMIN	283.32
48131	30/06/2016	AUSTRALIAN SERVICES UNION	PAYROLL DEDUCTIONS	51.60
48132	30/06/2016	THE AUSTRALIAN WORKERS UNION	PAYROLL DEDUCTIONS	132.00
48133	30/06/2016	SHIRE OF CAPEL	PAYROLL DEDUCTIONS	2437.00
48134	30/06/2016	LGRCEU	PAYROLL DEDUCTIONS	205.00
660	01/06/2016	JESSICA SHIRREN	HALL BOND REFUND	150.00
661	08/06/2016	BUILDING & CONSTRUCTION IND TRAINING FUND	BCITF LEVY COLLECTED MAY	7174.56
662	08/06/2016	DEPARTMENT OF COMMERCE - BUILDING COMMISSION	BSL LEVY COLLECTED MAY	7435.56
663	08/06/2016	REBECCA BARLOW	HALL BOND REFUND	150.00
664	08/06/2016	STEPHEN JOHN BARNES	HALL BOND REFUND	150.00
665	08/06/2016	SHIRE OF CAPEL	BCITF COMMISSION COLLECTED MAY	257.00
666	08/06/2016	CALIBRE CONSULTING PTY LTD	RIVER LOTS STAGE 1 PEPPERMINT GROVE BEACH BOND REFUND	485.75
667	08/06/2016	REALGAIN INVESTMENTS	THE GROVE POS BOND REFUND	47795.00
668	15/06/2016	OCEAN FOREST LUTHERAN COLLEGE PARENTS & FRIENDS	BOND REFUND	1000.00
669	15/06/2016	LEONORA PAHL	HALL BOND REFUND	150.00
670	15/06/2016	SATTERLEY PROPERTY GROUP PTY LTD	RE-ISSUE BOND REFUND REGARDING 2012 HIRE OF DALYELLUP COMMUNITY CENTRE	150.00
671	22/06/2016	BEVERLY BRYANT	HALL BOND REFUND	500.00

672	30/06/2016	CALIBRE CONSULTING PTY LTD	RIVER LOTS STAGE 1 PEPPERMINT GROVE BEACH BOND REFUND	485.75
673	30/06/2016	MICHAEL SYMONDS	HALL BOND REFUND	150.00
				1082950.27

14.06.16 SHIRE OF CAPEL PAYROLL PAYMENTS \$152503.55  
 28.06.16 SHIRE OF CAPEL PAYROLL PAYMENTS \$149434.42

**\$301,937.97**

08.06.16 TRANSFER to MUNICIPAL ACCOUNT \$473,000.00  
 15.06.16 TRANSFER to MUNICIPAL ACCOUNT \$719,430.00

**\$1,192,430.00**

CERTIFICATE OF CHIEF EXECUTIVE OFFICER

This schedule of accounts to be passed for payment, covering vouchers as detailed above which was submitted to each member of Council on 27<sup>th</sup> July 2016 have been checked and are fully supported by vouchers and invoices which are submitted herewith and which have been duly certified as to the receipt of goods and services and as to prices, computations, and costings and the amounts shown are due for payment.

*P.F. Heedy.*

\_\_\_\_\_  
 CHIEF EXECUTIVE OFFICER

**VOTING REQUIREMENTS**

Simple majority

**OFFICER'S RECOMMENDATIONS – 15.5**

**That Council receives:**

- 1 The Schedule of Accounts covering vouchers 660-673, EFT21742 to EFT21983, CHQ48084 to CHQ48134 totalling \$1,082,950.27 during the month of June 2016;**
- 2 Payroll payments for the month of June 2016, totalling \$301,937.97; and**
- 3 Transfers to and from investments as listed.**

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**15.6 Financial Statements for 30 June 2016**

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Location:	Capel
Applicant:	Shire of Capel
File Reference:	
Disclosure of Interest:	Nil
Date:	15.07.16
Author:	Manager Finance, A Mattaboni
Senior Officer:	Executive Manager Corporate Services, S Stevenson
Attachments:	Financial Statements for June 2016

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**MATTER FOR CONSIDERATION**

Council to consider adopting the monthly financial statements for June 2016.

**BACKGROUND / PROPOSAL****Background**

Local Government (Financial Management) Regulations 1996 prescribe the requirement to prepare financial reports on a monthly basis and also prescribe their format and content.

**Proposal**

The financial statements provided to Council satisfy the requirements.

**STATUTORY ENVIRONMENT**

Local Government Act 1995, Section 6.4 (1) & (2).

**6.4 Financial Report**

Section 6.4 of the Local Government Act 1995 specifies that a local government is to prepare such other financial reports as are prescribed.

- (1) A local government is to prepare an annual financial report for the preceding financial year and such other financial reports as prescribed.
- (2) The financial report is to –
  - (a) be prepared and presented in the manner and form prescribed; and
  - (b) contain the prescribed information.

Local Government (Financial Management) Regulations 1996, Regulation 34 (1).

**Financial Activity Statement Report**

- (1) A local government is to prepare each month a statement of financial activity reporting on the revenue and expenditure, as set out in the annual budget under regulation 22(1)(d), for that month in the following detail:
  - (a) annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c);
  - (b) budget estimates to the end of month to which the statement relates;
  - (c) actual amounts of expenditure, revenue and income to the end of the month to which the statement relates;
  - (d) material variances between the comparable amounts referred to in paragraphs (b) and (c);
  - (e) the net current assets at the end of the month to which the statement relates.

Sections 2, 3, 4, 5 and 6 prescribe further details of information to be included in the monthly statement of financial activity.

### **POLICY IMPLICATIONS**

Policy 2.6 – Financial Reports, Policy 2.8 – Purchasing, Policy 2.9 – Budget Management – Capital Acquisition & Works, 2.10 – Fixed Asset Accounting, Policy 2.11 – Fair Value of Assets, Policy 2.12 – Investment of Funds.

### **FINANCIAL IMPLICATIONS**

#### **Budget**

Reports showing year to date financial performance allow monitoring of actual expenditure, revenue and overall results against budget targets.

#### **Long Term**

As all expenditure is covered in the current annual budget allocation, there are no long term financial implications from this item.

#### **Whole of Life**

As no assets/infrastructure is being created, there are no whole of life costs relevant to this item.

### **SUSTAINABILITY IMPLICATIONS**

The Monthly Financial Report includes the financial details of a number of projects that have a positive environmental impact and a direct social benefit for the community. Many of the projects and items included in the Monthly Financial Report have or will generate a significant economic benefit for the State and some businesses within the Shire of Capel have already shared in this benefit.

### **STRATEGIC IMPLICATIONS**

Shire of Capel Strategic Community Plan 2013 to 2031

1. Leadership Experience: “Ensure open, transparent, effective good governance and communication within the organisation and the community”.

Strategic Outcomes:

- 1.4 Provide efficient and effective financial management to ensure the long term financial sustainability of the organisation.
- 1.5 Ensure the effective management of Council’s resources.

### **CONSULTATION**

The monthly Financial Statement was developed with the assistance and input of staff who determined expenditure needs and revenue expectations for the remainder of the financial year based upon actual performance compared against budget.

### **COMMENT**

At 30<sup>th</sup> June 2016, Council’s net current assets position was a surplus of \$816,577. This amount will change as the entries into the 2015/16 financial year are finalised. The Local Government (Financial Management) Regulations 1996, Regulation 34(4)(a) require a monthly financial statement be presented at an ordinary meeting within 2 months of the period end



date. This June 2016 monthly report complies with the regulation but the final annual financial report will be presented with the 2015/16 Annual report.

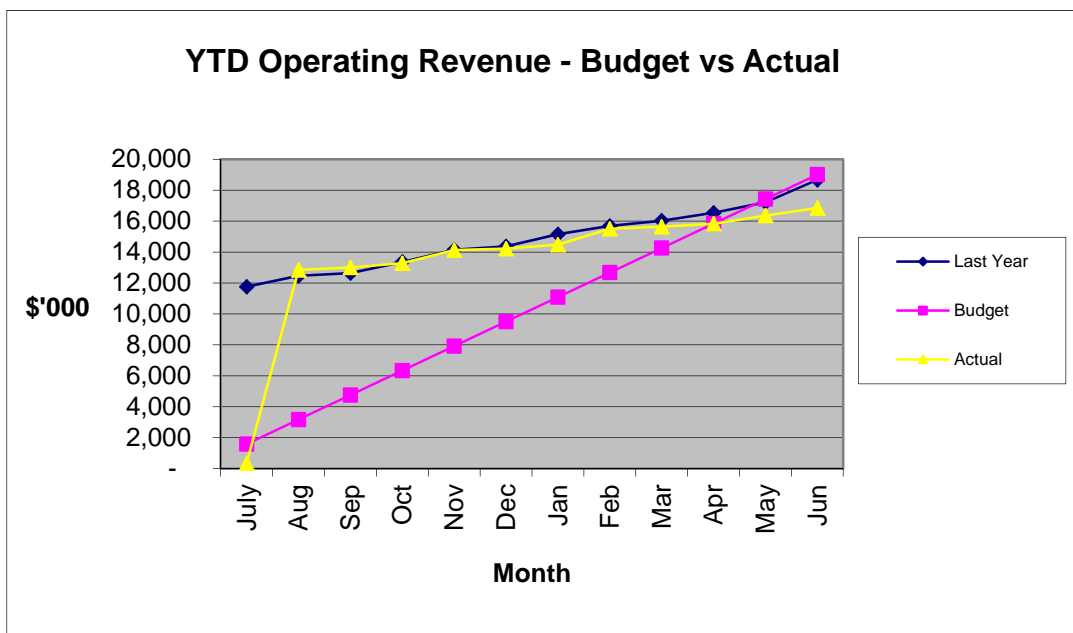
June 2016 invoices are still being received and input into the 2015/16 financial year. Salary and leave accruals are still to be calculated and input along with non-cash infrastructure contributions. The final transfers to and from reserve accounts have yet to be calculated and input. Accrued interest earnings on investments have been calculated and input. Accrued interest expense on loans has been calculated and input. The June depreciation has been calculated and input.

The forecast year end net current asset position is a surplus of \$151,668. The forecast surplus/deficit has been not been updated for the last month to enable finalisation of the 2016/17 budget which uses the 2015/16 forecast surplus (deficit) amount.

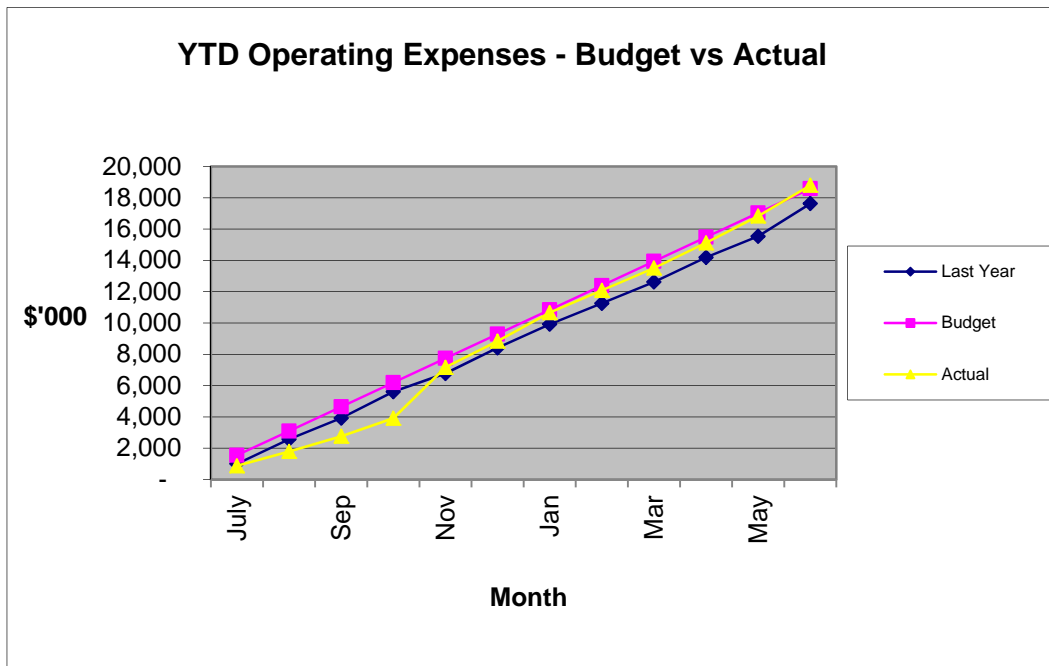
Compared to the annual budget approximately 101% of Operating Revenue has been invoiced and 101% of the Operating Expenditure budget has been spent.

A comparison of employee costs shows that 94% of the annual budget has been spent. This amount will change as two days of salary expenses are still to be accrued into 2015/16. The final leave liability expenses are to be calculated. The current employee costs year to date actual amount is below the year to date budget amount by \$378,460 or 6%. Year end employee costs are forecast to be \$73,824 below budget. The forecast year end depreciation amount is expected to be significantly above budget in the asset areas of roads, paths and drainage. A review of valuations and depreciation forecasts in this financial year should give more accurate depreciation amounts for future budget years. The interest expense of \$405,330 is above the budgeted amount of \$355,225 due to; the earlier than budgeted draw down of Capel Civic Precinct loan 89, and the timing of loans causing the actual fee increase on WA Treasury Corporation loans being above the budgeted estimate.

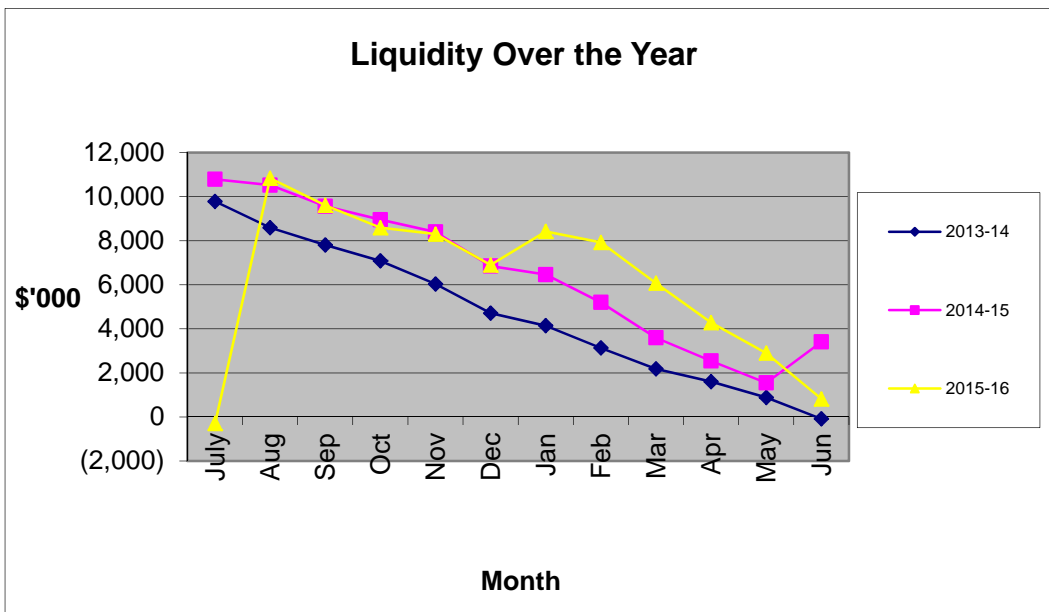
The following graphs compare actual Operating Revenue and Operating Expenditure against the approved budget on a year to date basis. Last year’s actual is also included for comparative purposes. The skew in August reflects the raising of rates in August 2015. This revenue is now trending as per previous years. The non-cash operating revenue for 2015/16 has yet to be posted.



Year to date actual expenditure continues to compare favourably with the budget.



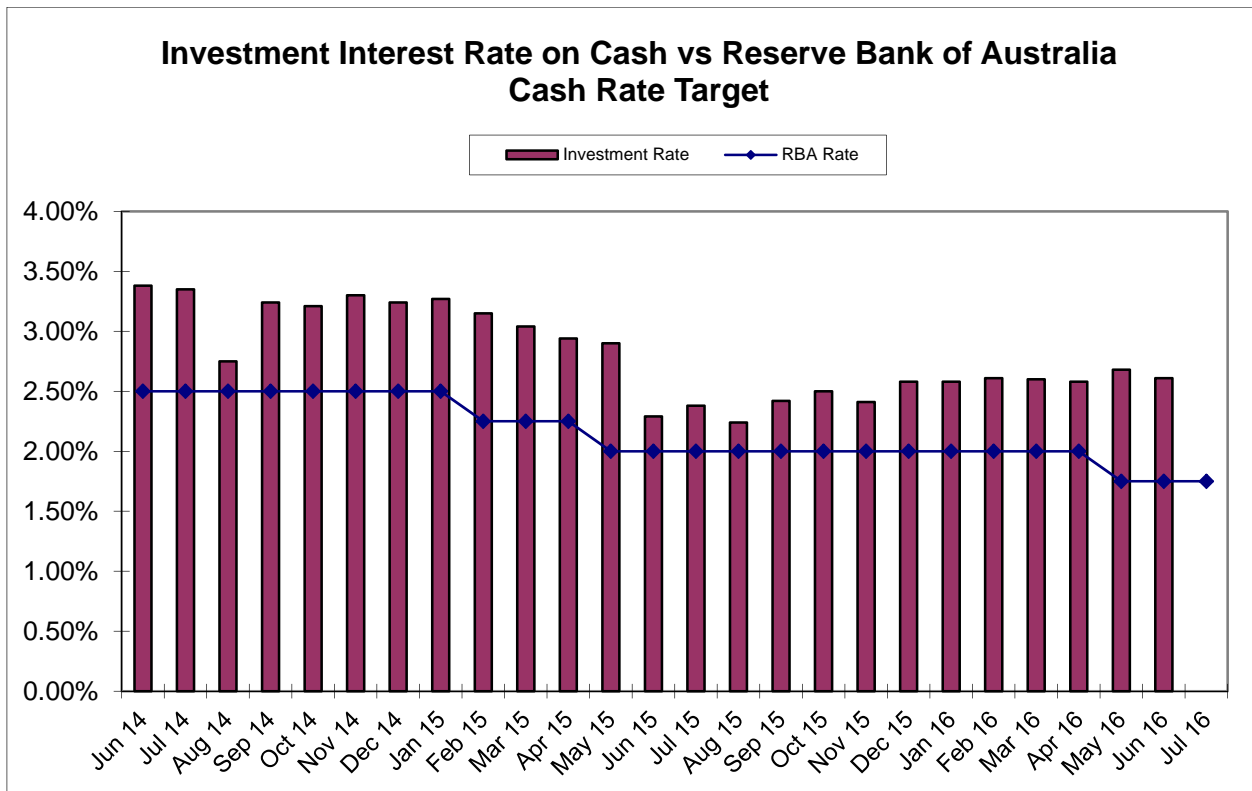
The liquidity graph compares the current year's net current assets position against that of the two previous years. The January loan draw down is still affecting the graph.



Council's municipal cash and investments position has decreased by \$879,320 compared to May 2016. The budgeted cash position at year end for 2015/16 is \$9,421,016 with the actual Municipal cash position being \$12,593,309 of which \$10,237,774 is restricted for specific purposes as shown at Note 3. The transfers to and from restricted cash reserves will be finalized as the end of year accounts are completed to determine the final transfer amounts. The actual reserve balances will indicate where the higher than budgeted cash is being held. Cash revenue came from grant funding for capital works completed in 2015/16 and to be completed in 2016/17. Major cash expenses were for capital works, loan repayments and waste contractor payments.

Total interest earned for the year is \$434,394 which is above the budget amount of \$379,519. The higher interest earned reflects the higher than budgeted cash held. The interest earned

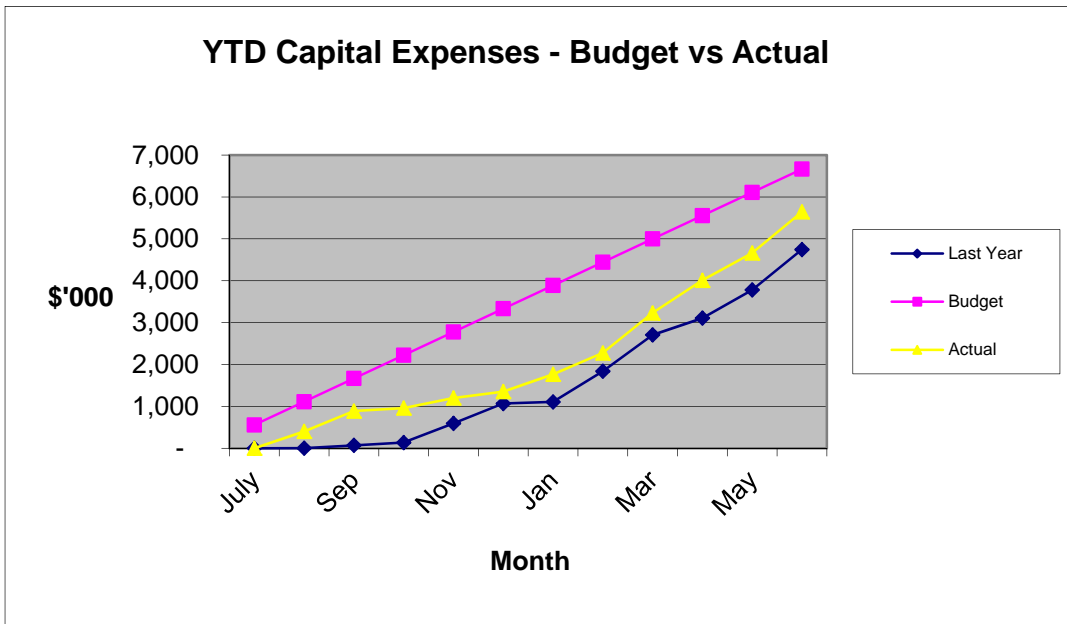
on unpaid rates was higher than budgeted. The average investment rate of return has decreased from 2.68% to 2.61% which exceeds the Reserve Bank’s cash reference rate of 1.75%. The Reserve Bank Board on 6<sup>th</sup> July 2016 maintained their target cash rate at 1.75%. The Shire has term deposits maturing from July 2016 to December 2016, investment terms ranging from 91 days to 182 days and interest rates from 2.50% to 3.00%.



Capital works expenditure of \$962,266 was incurred during the month on:

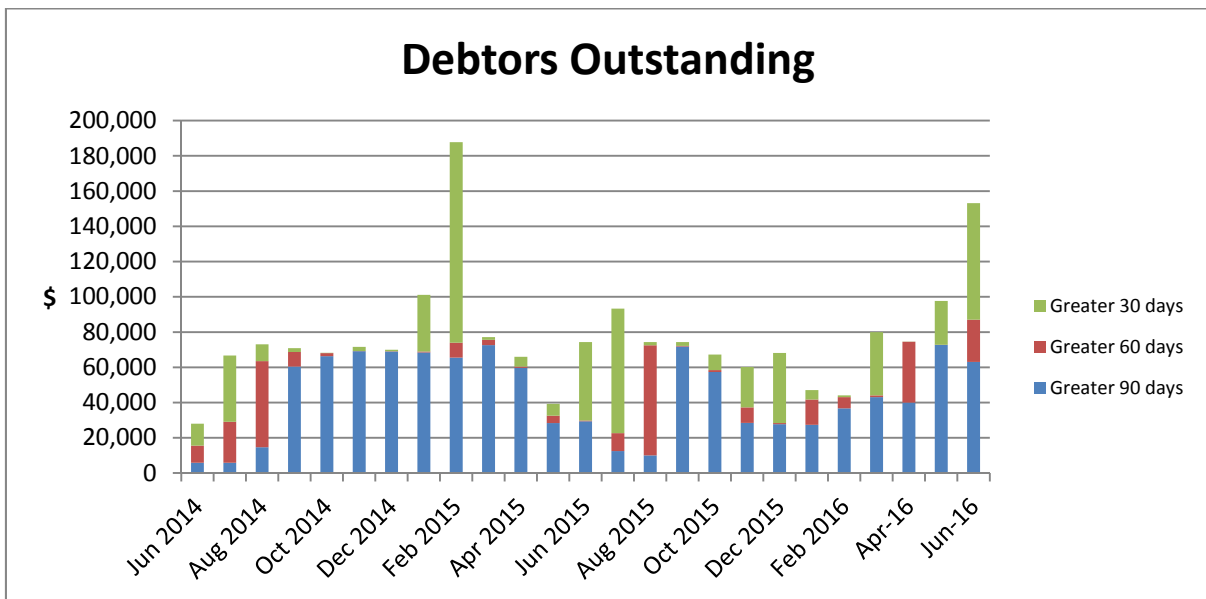
- \$108,199 Road Widening,
- \$54,671 Drainage,
- \$2,730 Dual Use Paths,
- \$8,012 Playground capital replacement,
- \$272,758 Capel Civic Precinct,
- \$299,040 Tuart Forest Oval Facilities,
- \$1,023 Administration building,
- \$148 Dog pound,
- \$13,884 Energy efficient systems,
- \$116,875 Bush Fire Brigade plant,
- \$82,770 Plant & Machinery and
- \$2,156 PC replacement.

The following graph compares actual capital expenditure against budget on a year to date basis. Last year’s actual is included for comparative purposes. Non-cash infrastructure has not been included in the graph. Excluding non-cash infrastructure, 94% of the capital budget has been expensed.

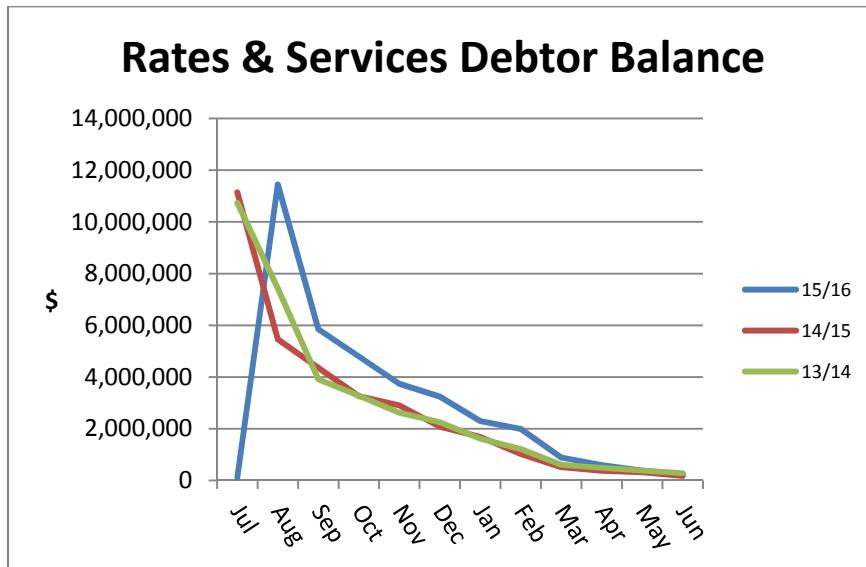


Council's financial ratios are disclosed in Note 14. Ratios show no adverse trends.

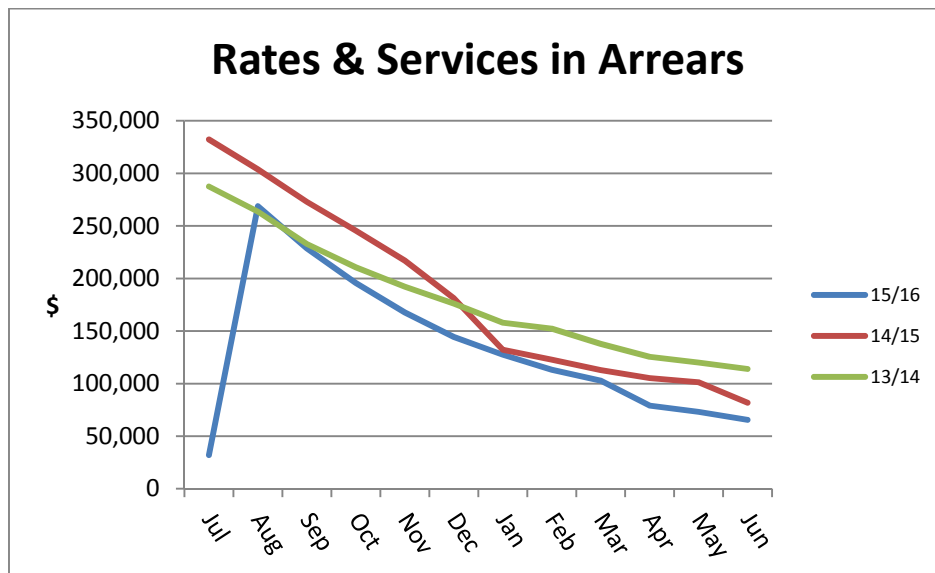
The following graph illustrates Council's current level of general Debt recovery for 31-60 days, 61-90 days and greater than 90 days.



The following illustrates Council's current level of Rate Debtors recovery and compares this with previous years. The amount includes both current and in arrears rates & services debtor balance. The Rates Debtor balance continues to fall in line with previous years.



The following graph shows the level of rates and services in arrears for the last three years. Rates and Services in Arrears at the start of each financial year as a percentage of the Rates and Services Debtor Balance has been: 2015/16 2.35%, 2014/15 2.98% and 2013/14 2.68%.



A review of the Statement of Financial Position and the attendant notes indicates there are no adverse trends evident in the year to date financial statements as at 30<sup>th</sup> June 2016.

**VOTING REQUIREMENTS**

Simple majority

**OFFICER’S RECOMMENDATION – 15.6**

**That Council adopts the financial statements for the period ending 30<sup>th</sup> June 2016 as attached.**

- 16 COMMUNITY SERVICES REPORTS**
- 17 NEW BUSINESS OF AN URGENT NATURE**
- 18 PUBLIC QUESTION TIME**
- 19 MOTIONS WITHOUT NOTICE (ABSOLUTE MAJORITY BY COUNCIL)**
- 20 NOTICES OF MOTION FOR CONSIDERATION AT THE NEXT ORDINARY MEETING OF THE COUNCIL**
- 21 ITEMS FOR CONSIDERATION BEHIND CLOSED DOORS**
- 22 MEETING CLOSURE**