Ordinary Council

AGENDA

FOR THE MEETING TO BE HELD
WEDNESDAY, 26 FEBRUARY 2020
IN COUNCIL CHAMBERS,
WALLCLIFFE ROAD, MARGARET RIVER
COMMENCING AT 5:30PM
Meeting Notice

Dear Councillor

I advise that an Ordinary Council Meeting of the Shire of Augusta Margaret River will be held in Council Chambers, Wallcliffe Road, Margaret River on Wednesday 26 February 2020, commencing at 5:30pm.

Yours faithfully

[Signature]

STEFANIE ADDISON-BROWN
CHIEF EXECUTIVE OFFICER
ATTENTION/DISCLAIMER

This agenda has yet to be dealt with by the Council. The Recommendations shown at the foot of each item have yet to be considered by the Council and are not to be interpreted as being the position of the Council. The minutes of the meeting held to discuss this agenda should be read to ascertain the decision of the Council.

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Ordinary Council Meeting

1. DECLARATION OF OPENING

2. ATTENDANCE

3. DISCLOSURES OF INTEREST

4. PUBLIC QUESTIONS
   4.1. Response to Previous Public Questions Taken on Notice
   4.2. Public Question Time

5. APPLICATIONS FOR LEAVE OF ABSENCE

6. CONFIRMATION OF MINUTES OF PREVIOUS MEETING
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7. DEPUTATIONS

8. PETITIONS

9. ANNOUNCEMENTS FROM THE PRESIDING MEMBER

10. QUESTIONS FROM MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

11. REPORTS OF COMMITTEES AND EMPLOYEE REPORTS
11.1. Chief Executive Officer
11.1.1 LAND ASSET MANAGEMENT PLAN (LAMP) REVIEW

LOCATION/ADDRESS
Shire of Augusta Margaret River

APPLICANT/LANDOWNER
Shire of Augusta Margaret River

FILE REFERENCE
LND/127

REPORT AUTHOR
Ian McLeod, Manager Legal and Governance Services

AUTHORISING OFFICER
Stephanie Addison-Brown, Chief Executive Officer

IN BRIEF
• The Land Asset Management Plan (LAMP) is a strategic plan to prioritise the use and tenure of land assets the Shire owns and/or manages.
• This report reviews and provides updated recommendations on the short, medium and longer term priorities contained within Council’s adopted LAMP.
• In addition to an update the review intends to continue to rationalise the plan to focus on those land based projects that are critical to the betterment or use of the land by the community. This will enable a higher level of focus and direction of resources towards achieving strategic outcomes. It will also see those current LAMP recommendations that are more procedural in nature to be progressed through standard work programmes within the Shire. This rationalisation process commenced as part of the past review and is progressed in this report.
• The report also integrates recommendations of the Public Open Space (POS) Strategy which informs some of the recommendations.

RECOMMENDATION
That Council adopts the revised Land Asset Management Plan shown as confidential Attachment 2 and the recommendations for each item therein.

LOCATION PLAN
Nil

TABLED ITEMS
Nil

BACKGROUND
2009/2010 - Valuers were engaged to undertake an audit of Council’s land holdings and to make recommendations on ways of better managing and capitalising on these land assets. The report was finalised in early 2010 and prioritised actions relevant to individual properties into short, medium and longer term. This report formed the basis of Councils adopted LAMP programme.

11 March 2011 - Council adopted the LAMP report including a range of short, medium and long term recommendations for land assets in Cowaramup, Margaret River, Witchcliffe, Karridale, Kudardup and Augusta. LAMP classifies the varying priorities as follows:
- Short Term: within the next financial year.
- Medium Term: completed in the next 2-5 years.
- Long Term: completed in the next 5-10 years.
- Non Urgent Priorities: no time frame

A Land Asset Management Policy was also adopted at this meeting which sets out objectives and protocols for review of Councils land assets.

April 13 2011 – Council adopted recommendations for additional properties in Augusta.
March 2012 - Council adopted a revised LAMP programme. This review gave the program a more strategic focus which continues as part of the current review.

June 2014 – Council adopted a revised LAMP programme. A large number of properties were removed from the programme.

December 2016 – Council adopted a revised LAMP programme. The total number of items is reduced due to a number of dispositions of freehold properties and removal of reserves.

CONSULTATION AND ADVICE

External Consultation

It is recommended that formal consultation and communication be undertaken for individual recommendations in LAMP when action on such items is commenced. This can either be through statutory processes (i.e. rezoning, disposal of land, notice of tenure) or other mechanisms (such as the preparation of the Shire’s POS Strategy).

Department of Planning Lands and Heritage (DPLH) has been engaged in some capacity for the actioning of most items. DPLH’s responsibility for administering the Land Administration Act 1997 means that they are relevant to most LAMP actions that involve a reserve, whether it be a lease, tenure rearrangement or change to a management order.

Internal Consultation

Executive Leadership Team

DISCUSSION / OFFICER COMMENTS

Structure of report

In each LAMP review the properties are divided into 5 different categories, which are contained in a separate attachments to this report:

- **Short Term Priorities:** *(Public and confidential versions)* Items which will require significant actions such as sale, leasing, sub-division or rezoning before the next LAMP review. Short term items will usually be finalised in a review period (2 to 3 years).

- **Medium Term Priorities:** *(Public and confidential versions)* Items where further investigations or preliminary actions are required before the item can become a short term priority. These items will generally have a 5-6 year time frame before being finalised.

- **Long Term Priorities:** *(Public and confidential versions)* Items where there is going to be a delay before any significant action can take place. This includes land that is still being used for a Shire purpose, where there is no current demand for the land or the Shire is yet to obtain tenure or a management order. These items will generally have a 6 to 10 year timeframe before being realised.

- **New Properties:** *(Public and confidential versions)* Properties that have not previously been included in any LAMP review, but either have a strategic or monetary value that is not being properly utilised. Council will need to determine whether to include these properties in the LAMP review and the priority that should be given to them.

- **Inventory of other Shire Freehold properties:** *(Public)* This is a section that has not previously been included in any LAMP report. It includes all land owned by the Shire in freehold (not Shire managed reserves) which are not otherwise included in LAMP. There are no recommendations association with these properties either because they are currently being utilised to their full potential or they have no strategic or monetary value.

Confidentiality

Following Councillor comments made during the last LAMP review there will be a confidential and public version of the LAMP Report. The confidential LAMP report will contain the following headings for each item or property:

1. Aerial photo
2. Site photos  
3. Description  
4. Easements/encumbrances/management orders  
5. Licences/leases/permits  
6. Building maintenance & insurance  
7. Previous LAMP resolutions  
8. Officer comments  
9. Financial implications  
10. Officer recommendation

The short/medium/long term priority parts of the Public Report will be the same as the Confidential Report except the officer comments and financial implications headings and information will be omitted. These parts of the LAMP report are considered confidential because they may often contain legal advice, information about potential contracts and property valuation information.

Significant actions and events since 2016 review

Short term priorities
Of the six short term items from the 2016 review, four had their listed actions completed and three of those were finalised and are ready to be removed from LAMP. The remaining two items are in progress and should be retained as short term items. Significant actions on the Short term priorities since 2016 include:

- In June 2018 Lot 134 Bussell Highway Margaret River (corner Churchill Ave) sold for $797,500, with proceeds used to fund the main street upgrade (to be removed from LAMP);
- In 2019 Lots 80 and 101 Humble Way and Lot 113 and 115 Lloyd Loop, Margaret River sold for $135,000, $137,000, $150,00, and $140,000 respectively with proceeds being used to fund POS development in Rapids Landing (to be removed from LAMP);
- In November 2019 Lot 15 Allnutt Terrace Augusta sold for $245,000, the proceeds will be used to fund the Augusta Lighthouse path (to be removed from LAMP);
- Lot 27 Greenhill Road, Augusta was subject to a scheme amendment and was rezoned from Shire purposes reserve to rural residential (to be retained as a short term priority);
- Lot 472 Stirling Street, Augusta was converted from crown land to freehold and was purchased by the Shire (to be retained as a short term priority).

Medium term priorities
Of the seven medium term items, four have had all listed actions completed and of those four, two are recommended for removal from LAMP, one is to be moved to a short term priority and one to be moved to a long term priority. There are three items still in progress, but one of these is recommended for removal (Gloucester Park) as all actions are near completion and the item does not meet the objectives of LAMP, as the actions are merely boundary corrections.

Significant actions on the Medium term priorities since 2016 include:

- Completion of feasibility studies on relocating the Cowaramup Playgroup and selling Lot 3 Peake Street Cowaramup (to be moved to short term priority);
- Completion of feasibility studies on relocating the Augusta Museum and selling Lots 79-81 Corner of Bussell Highway and Green Street (to be removed from LAMP);
- Lot 875 Eatt Place, Augusta converted from crown land to freehold and purchased by Shire.

Long term priorities
Of the eight long term items, there has only been significant action in relation to one of the properties (Lot 875 Eatt Place, Augusta). One property (Reserve 34229 Jane Street) is recommended for removal from LAMP as its conversion to freehold would be inconsistent with the Shire’s environmental and sustainability policies. All other items are inactive and still being used for Shire purposes or on hold pending external factors such as native title settlements.

Significant actions on the Long term priorities since 2016 include:

- Lot 875 Eatt Place Augusta (rear of Augusta Bowling Club) converted to freehold and purchased by the Shire (item to be moved to short term priority).
New properties recommended for inclusion in LAMP
Only one new property has been identified as a new property having an under utilised strategic or monetary value to the Shire.

- Reserve 27301 Burton Road Margaret River and Reserve 27302 Bussell Highway Margaret River. This is the unleased portion of the Lions Shed Reserve and the adjoining Stockyards reserve. These reserves have strategic value to the Shire and investigation of future use is recommended.

This LAMP review has included an individual assessment and update of this item and its recommendation. This can be seen in the confidential attachment to this report.

Inventory of freehold properties
Attachment 3 is a list of freehold properties within the Shire. There are a total of 29 properties in the list with 16 of these already in the LAMP. Of the remaining 13 properties the majority are being used for a public purpose such as POS or for water tanks. These properties do not come with any recommendation. However, the large car parking lots on Fearn Avenue in Margaret River and Blackwood Avenue in Augusta may have potential for investigation in a future LAMP review.

STATUTORY ENVIRONMENT / LEGAL IMPLICATIONS
The following legislation is relevant to LAMP and implementing its actions:

- Local Government Act 1995 (LG Act)
- Planning and Development Act 2005 (P&D Act)
- Land Administration Act 1997 (LA Act)
- Native Title Act 1993 (Cth) (NT Act)

Local Government Act 1995
The governance process and transparency obligations of the LG Act are particularly relevant to the asset sale actions in LAMP. The most pertinent obligation is that in section 3.58, which requires sales/dispositions by private treaty to be advertised for 2 weeks and submissions considered prior to entering into the transaction.

Planning and Development Act 2005
The P&D Act and the Shire's Local Planning Scheme No.1 establish the framework and processes relevant to the subdivision and rezoning actions in LAMP. It is critical to a number of items in LAMP that they are rezoned and subdivided to ensure their value is maximised and/or their use is appropriately formalised.

Land Administration Act 1997
The provisions of the LAA are essential in relation to any non-freehold land in LAMP. It provides the processes for converting reserves to freehold, amending/establishing management orders (formerly referred to as vesting's) for reserves and the administration of all crown land.

Native Title Act 1997
A number of items in LAMP involve land that is subject to native title claims. This is the case with all the items that include unallocated crown land. Most LAMP items that involve an action in respect of land subject to a native title claim cannot be progressed until the relevant native title claim is resolved. This is because such items involve an action that would constitute a “future act” under the NT Act.

A “future act” is an act done after 1 January 1994 which affects native title. The future act can be an activity or development that has the potential to affect native title by extinguishing it or by creating interests that are inconsistent with the existence or exercise of native title. Common examples are the proposed grants of mining or land titles.

The required process that is triggered where a future act is proposed is considered prohibitive to actioning a LAMP item that is subject to a native title interest. These items will have to await native title settlement.
The Western Australian Government has pursued negotiations to resolve native title claims in the South West of Western Australia since 2009. This project is referred to as the “South West Settlement”. On 5 July 2013 the WA Government presented a final offer to resolve native title claims across the South West to the South West Aboriginal Land and Sea Council. This is the body who represents the six relevant native title groups/claimants.

In July 2016 the Department of Premier and Cabinet's Land, Approval and Native Title Unit advised on the establishment of the Noongar Boodja Trust, followed by the appointment of the six Noongar Regional Corporations.

In September 2019 the Native Title Unit advised the Native Title Registrar made the decision to register each of the six Settlement Indigenous Land Use Agreements. Currently judicial review is being undertaken by the Federal Court regarding the registration of these Settlement ILUAs. Before settlement is effective and native title rights are considered to be surrendered, each of the ILUAs must be conclusively registered pursuant to the Native Title Act 1993.

As a result of the application for judicial review before the Federal Court, the Settlement ILUAs are not conclusively registered and settlement cannot proceed. It is anticipated settlement will occur in 2020 however this will depend on when review proceedings are determined and whether any of the proceedings are subject to further legal proceedings such as appeal. It is recommended that all LAMP items that involve unallocated crown land have their actions suspended pending resolution or renunciation of the relevant native title claims.

**STRATEGIC PLAN / POLICY IMPLICATIONS**

*Community Strategic Plan 2036 (CSP)*

*Corporate Business Plan 2019-2023*

Key Result Area 5: Effective leadership and governance

Community Outcome 2: Effective and integrated strategy, planning, financial and asset management

Strategic Response 3: Develop long term Informing Strategy including asset and financial management aligned to the Community Strategic Plan

Service level strategy/plan 5.2.3.12: Implement the Shire’s Land Asset Management Plan and review every four years

**PLANNING FRAMEWORK**

Nil

**FINANCIAL IMPLICATIONS**

Implications

The financial implications proposed for the individual land transactions and projects in LAMP are discussed in the confidential attachments. From a broader perspective, it is an objective of this review to ensure that LAMP is better aligned with maximising community benefit, including where relevant, contribution towards strategic land and financial goals. This is proposed by focussing on the more pragmatic projects of LAMP and directing resources towards the most realistic outcomes. This also ensures that exposure to financial risk is minimised and funds generated from the program are effectively directed towards key community projects and infrastructure.

**Long Term Financial Plan**

In terms of the contribution and relationship of the potential LAMP sales to the Long Term Financial Plan (LTFP), the more flexible nature of the timing of sales as recommended in this revised strategy (i.e. to be sold at an appropriate time, linked to funding and development of major community projects) differs from the rigid wording of a number of the previous LAMP actions. The previous strategy was to allocate the revenue from the sales in specific years in the LTFP to fund specific projects; given the current climate other potentially better financing options exist which would allow land assets to be retained for future use and/or sale when the market improves. This is not considered necessary and does not allow the flexibility to ensure the best return is obtained for sale items. The updated approach provides a strategy with the flexibility necessary for ensuring LAMP’s benefits are maximised and have the capacity to respond to uncertainties such as grant funding. Proceeds from land sales will be provided to the reserve account for the town the land is located in so the proceeds can be allocated towards projects in that town once grant and other funding are obtained to leverage against the sale proceeds.
Freehold land owned by the Shire is unconstrained by statutory requirements and can be used for commercial purposes and the funds from the sale of freehold land can be put towards any local government purpose. One of the goals in the current LAMP review is to maximise the potential for freehold land wherever possible, by moving community and recreational uses from freehold to unused/underutilised reserves.

Reserve land on the other hand can generally only be used for purposes stated within management orders. This is typically recreation, community purposes or conservation. Reserve land cannot be sold unless it can be converted into freehold. The DPLH will generally not allow the conversion of crown land into freehold, with the exception of POS land created under s152 of the Planning and Development Act 2005.

The proceeds from land that has been converted from POS into freehold can only be used to fund the consolidation of other recreational reserves within the Shire. The process involved in converting this land and dealing with the proceeds are particularly onerous with specific accounting, auditing, consultation and record keeping requirements.

The LAMP items that are recommended for sale as short term priorities still have the capacity to substantially contribute towards key future community projects and POS upgrades despite not being tied to the LTFP. The return on short term priority items to sell in the Margaret River area (including items sold in the last 24 months) is estimated at approximately $1.4 million. In Augusta in the short and medium term the estimate is approximately $1 million. Neither of these estimates include potential funds generated from POS conversions and sale.

Whole of Lifecycle considerations
See economic

SUSTAINABILITY IMPLICATIONS

Environmental
Environmental considerations were central to the 2016 and 2014 LAMP reviews and were reflected in a number of recommendations to remove items. Environmental implications were particularly pertinent to the recommendations in respect of highly vegetated reserves. LAMP recommendations in 2010 and 2012 had sought to investigate development of reserves containing remnant vegetation and high environmental values. It is now recommended that these actions be reversed and superseded with more environmentally sustainable recommendations.

Only a few parcels with significant vegetation remain in the 2019-20 LAMP such as Lot 27 Greenhill Road, Augusta (Short term); Lot 1271 Fisher Road, Kadardup (Medium term); Lot 92 Roxburgh Road, Margaret River (Medium term); Lot 4638 (Reserve 34229) Jane Street, Augusta (Long term). The recommendations in relation to each of these items takes environmental values into consideration.

Social
The Shire, in carrying out its functions under the LGA is to use its best endeavours to meet the needs of current and future generations through integration of environmental protection, social advancement and economic prosperity. This emphasis on an intergenerational approach has been applied in this LAMP review to ensure the use of land assets maximises community benefit. This will increase sustainability by increasing visitor attraction and retention, provide quality community facilities and aid environmental protection through long term conservation programs.

Economic
LAMP is a strategic plan to prioritise the use and tenure of the Shire’s land assets. The economic sustainability implications are central to LAMP. This is particularly pertinent considering the significant operational costs incumbent on the Shire in maintaining land assets. These costs include:

- common maintenance (parks and gardens, buildings etc);
- insurance (public liability and buildings); and
- tenure coordination (leasing, licencing, hiring).
These considerations have been balanced against the community benefit and relevant broader interest in forming the relevant recommendation for each land asset in LAMP.

ADVOCACY
Nil

IMPLICATIONS OF ALTERNATIVE RESOLUTION
Should Council not proceed with adopting LAMP, it will be referred back to the Executive Leadership Team to reconsider priorities. Further workshops will be held with Councillors prior to a new item being prepared for Council’s consideration.

VOTING REQUIREMENTS
Simple Majority

RECOMMENDATION
That Council adopts the revised Land Asset Management Plan shown as confidential Attachment 2 and the recommendations for each item therein.

ADVICE TO APPLICANT / PROPOSENT
Nil

ATTACHMENTS
1. Land Asset Management Plan
2. CONFIDENTIAL Land Asset Management Plan
3. CONFIDENTIAL Inventory of Freehold Properties
11.2. Sustainable Development
IN BRIEF

- A development application has been lodged for 6 chalets and 12 campsites at Lot 1 Brockman Highway, Karridale (the Site).
- The proposal presents a variation to Local Planning Scheme No.1 (the Scheme) to consider an increase in the maximum number of chalets and campsites from 6 chalets or 12 campsite to a combined total of 18 sites. The primary function of the Site for agriculture is to continue to operate as a vineyard.
- The application was advertised to land owners within a two-kilometre radius of the Site. During the advertisement a total of 6 submissions were received; 1 in support, 2 indifferent and 3 objections.
- The application is brought to Council for a decision due to the scale of the development being inconsistent with the scheme provisions.

RECOMMENDATION

That Council grants Planning Consent for 6 x Chalets and 12 x Campsites at 522 (Lot 1) Brockman Highway, Karridale subject to compliance with conditions.

LOCATION PLAN

The Site is located approximately 5km east of Karridale (see Figures 1 and 2 below). The site is zoned priority agriculture and has a total area of 86ha. The Site contains 9ha of mature vines within the north eastern portion of the Site, 30ha of remnant vegetation and a dam with the central southern part of the Site. The north eastern corner of the Site is subject to an agreement to reserve by covenant under the Soil and Land Conservation Act 1945. This is the area that the landowner / proponent wishes to locate the campsites and chalets. In order to use this area of the Site the landowner’s has sought in principle agreement from the Department of Primary Industries and Regional Development to remove the covenant in exchange for an additional 3ha of the Site to be added to the agreement to reserve. If this is able to be proceed, the existing covenant will be discharged and a new covenant will be executed.

Existing development on the Site consists of a sea container that has been converted to a dwelling. This is located within the front northern portion of the Site. Planning approval is in place for a similar structure approved as an ancillary dwelling, but this has not been constructed. Both the dwelling and the ancillary dwelling were approved in 2018.
TABLED ITEMS
Nil

BACKGROUND
The planning history for the Site dates back to 1997. Approvals have been granted for numerous developments ranging from marron / fish farm, cellar door sales, restaurant and shop. To date, only a dwelling has been built.

The primary function of the Site has been as a vineyard for the production of grapes for the landowners wine enterprise ‘Happs’. The Site was purchased in 1994 and has been planted with 30 grape varieties.
The front north eastern area of the Site that is the subject of this proposal is believed to be a former grit pit. The owners state that the area of the site proposed for this use dries out very quickly in spring and is unproductive land. The area is not suitable for planting of vines or the grazing of stock as the soil consists of quartz grit with a clay layer at 2 – 3 metres depth. Vegetation exists within this area and consists of a mixture of native mature trees. In the past this area has been parkland cleared and continues to be maintained as such. This area of the Site is close to the existing dwelling, access onto the highway and services such as power and water supplies.

THE PROPOSAL
The original application submitted consisted of the following:

- Cellar door
- Functions area
- 12 camp sites
- 6 chalets
- Camp toilets and kitchen
- Caretakers dwelling
- Parking area at the front (northern) portion of the site adjacent to Brockman Highway
- Access and informal driveways through the site

A complete set of the plans are included in this report at Attachment 1.

The 6 chalets, camp kitchen and camp toilet are to be built from sea containers, locally constructed by the land owner / proponent. The 6 chalets will accommodate 2 bedrooms, open plan living, kitchen area and separate bathroom and carport. A total floor area of just over 50sqm per chalet, and a height of approximately 3.5 metres from the natural ground level. The sea containers will be clad in a mixture of colorbond and timber finishing’s. Each chalet is designed to accommodate 4 people making the overall occupancy 24 people across 6 chalets.

The 12 campsites are to be informally located within existing cleared areas. An informal track will be created that meanders through the Site linking to the proposed campsites. Under the Caravan and Camping Grounds Regulations each campsite is to have a minimum area of 25sqm and can accommodate up to 10 people. In total the campsites could occupy 120 people. However in practise sites would normally be occupied by a single group. In terms of capacity, each campsite is considered as equivalent to 6 people.

The proponent’s intention is that accommodation will be for use by both rural workers employed during harvesting season and visitors. It is anticipated the campsites will cater for the rural workers during those peak picking harvesting times.

CONSULTATION AND ADVICE
Government Agencies
The application was referred to the following government agencies:

- Department of Biodiversity, Conservation and Attractions (DBCA)
- Main Roads WA (MRWA)
- Department of Fire and Emergency Services (DFES)
- Department of Primary Industries and Regional Development

Of the Government submissions no objections were raised subject to some specific issues being addressed. The Department of Fire and Emergency Services (DFES) acknowledged that the revised Bushfire Management Plan (BMP) responded to issues that were previously raised by the first BMP. DFES has made reference to the extensive vegetation management area that is being proposed which extends across the entire development area in order to achieve a ‘park land’ state required to support the exclusion of vegetation from this area. DFES has concerns with the ongoing management of such an extensive area. DFES recommends that if the proposal is to be accepted the BMP should be further revised to provide additional information to ensure a thorough consideration of the vegetation impacts, to ensure they are accurate and can be implemented and maintained.
Whilst the above comments have been made, DFES is satisfied that the proponent has adequately identified the issues arising from the bushfire risk assessment and consider how compliance with the bushfire protection can be achieved. Any modifications to the BMP are considered to be minor in nature and should not affect the siting of the development. Given it is not anticipated that any changes to the BMP will impact the location of the development, it is recommend these matters can be addressed as a planning condition that requires the BMP to be updated.

Main Roads WA has raised concerns with the existing access and seeks a new access to the Site to ensure that acceptable sight lines can be met. This will require the existing access to the Site to be closed and the road verge reinstated. It is recommended that the access is addressed through a planning condition, in consultation with Main Roads. The Site has a large frontage, and this issue can be suitable addressed by condition.

Surrounding Landowners
The application was advertised to property owners within a 2km radius of the site as required under the Shire’s ‘Planning Consultation Guidelines Non Rural uses in Rural Zones’ (Council Resolution 24/10/18). A total of 6 submissions were received. The full schedule of submissions can be reviewed as Attachment 2.

Of the 6 submissions, 3 were objections that raised the following:

- The location of the campsites, parking and septic tanks
- Parking along Brockman Highway
- Safety concerns with the access
- Risk from bushfire
- Impact to the existing vegetation
- Variation to the Scheme for combined total 18 sites consisting of 6 chalets and 12 campsites

Internal Consultation
Internal departments including Health and Environment have reviewed the proposal. No objections to the proposal have been made.

DISCUSSION / OFFICER COMMENTS
The matters raised during consultation are set out and addressed below:

The location of the campsites, parking and location septic tanks
During the assessment of the application a number of revisions to the proposal have been undertaken, one of which has been the review and revision of the location of the chalets and campsites. The distance from the nearest campsite to the side (eastern) boundary is 30 metres. This is compliant with the development setbacks of Schedule 9 of the Scheme which requires a 20 metre set back from side boundaries. The application initially included a large expanse of parking at the front (northern) part of the Site, alongside Brockman Highway. This has been removed. Any septic system installed will be required to meet the minimum separation distances from site boundaries and will assessed during a septic application by the Shires Environmental Health Department.

Safety concerns with the access
The application has been referred to Main Roads, as the Brockman Highway is under Main Roads control. As discussed earlier in the report, the advice provided from Main Roads is recommended to be included as conditions on the approval to ensure safe access to and from the Site is achieved.

Risk from bushfire
As per State Planning Policy 3.7 Planning in Bushfire Prone Areas, the development constitutes a ‘vulnerable use’, which is defined as “a land use where persons may be less able to respond in a bushfire emergency”.

Clause 6.6 of SPP3.7 (depending on the Bushfire Attack Level) sets the fire management requirements for vulnerable uses, and requires the preparation of a Bushfire Management Plan (BMP), Bushfire Emergency Evacuation Plan (BEEP).
The proposed chalets and campsites are located within areas that have been assigned as BAL 12.5 therefore meeting the requirements of SP3.7.

During the assessment, the BMP has been updated and revised to address initial comments made by DFES. With only some minor adjustments, DFES has advised that the BMP adequately identifies and addresses the issues arising from the bushfire risk assessment. The end result is that the entire area for the development proposal is to be maintained in a ‘parkland’ state, which is to a low threat. A 20 metre asset protection zone (APZ) is required around all buildings, this does not include the campsites, as these are not considered as buildings for this assessment.

An onsite manager will reside on Site, either in the dwelling or ancillary dwelling. Having a manager on Site provides a far greater level of control over the guests who visit the Site in terms of safety, fire restrictions, noise and behaviour, and familiarity with the area.

**Impact to the existing vegetation**
Before any development of the Site is able to occur the land owner / proponent will be required to have the existing covenant removed from the area of the Site the subject of the application. It is recommended that a planning condition be imposed to prevent development of the Site until such time as this is resolved with the Department of Primary Industries and Regional Development.

During the assessment of the application the location of the chalets has been revised. Originally the chalets were to be located within areas of vegetation. To address concerns raised by Shire officers and DFES the location of the chalets has been revised to an area outside the vegetation. The revised location of the chalets has no impact on the vegetation.

The BMP provides details on what vegetation will be required to be removed in order for the area in which the proposed chalets and campsites are to be located. The BMP states that the only management of vegetation within the Site is focused on the understory. The Site has already been ‘parkland’ cleared, as shown in (see Figure 3 below). Given the area is already being managed, the only trees that may be required to removed are saplings and juvenile trees. The consultant who prepared the BMP is confident that the area can continue to be managed by the landowner/proponent as outlined in the implementation schedule of the BMP.

The location of the track, camp kitchen, water tanks have also been revised to ensure they are also located within existing cleared areas.

![Figure 3: Image dated 24/04/2018 taken from the BMP to show the areas ‘parkland’ cleared](image)

**STATUTORY ENVIRONMENT / LEGAL IMPLICATIONS**
Nil

**STRATEGIC PLAN / POLICY IMPLICATIONS**
*Community Strategic Plan 2036 (CSP)*
Corporate Business Plan 2019-2023
Key Result Area 3: Managing growth sustainably
Community Outcome 2: Clearly defined areas for growth and renewal
Strategic Response: Implement Local Planning Scheme
Service level strategy/plan: Provide Planning Services

PLANNING FRAMEWORK
Local Planning Scheme No.1 (LPS1)
Applications can be submitted when they do not fully comply with the standards of the Scheme, such as more chalets and campsites. The Local Government has the discretion to consider the development application under clause 5.5 which sets out the procedure for variations to development standards. It requires that the impacts of the variation be considered against the actual and likely impacts on existing and future residents, the inhabitants of the locality and future development.

The Scheme (LPS1) zones the Site as priority agriculture. The proposal presents a form of tourism development that can be considered in the priority agriculture zoning. Whilst the use can be considered, the proposal presents a variation to the Scheme given the combined total number of chalets and campsites. The Scheme permits a total of either 6 chalets or 12 campsites. The variation is to consider an increased capacity of 6 chalets and 12 campsites.

The applicable policy and provisions of LPS1 can be summarised as:

- The primary use of the land should be for agricultural purposes
- The development must qualify under the definition of Low Impact Tourism Development
- The development should be such that it doesn’t compromise the agricultural use in the zone, both on the Site and on surrounding land
- The development is incidental to the principal use of the land for agricultural purposes
- The development will result in the retention and enhancement of existing vegetation, and the rural character of the property will not be affected.

The relevant definitions under the Local Planning Scheme (LPS1) are:

**Chalets**
Self contained accommodation unit (i.e. containing cooking, bathroom, sleeping and living area facilities) used for short term accommodation

**Camping Ground**
Has the same meaning as in a Caravan Parks and Camping Ground Act 1995, which states that a camping ground means an area of land on which camps, but not caravans are situated for habitation but does not include any land prescribed for the purpose of this definition.

**Low Impact Tourism Development**
Is development predominantly of a tourist nature that has been designed in such a manner that it does not detract from the rural and natural amenity of the locality, and includes the following criteria:

a) development being located so as to avoid ridge lines, escarpments or visually exposed sites and situated where screening vegetation or landform can be utilised;

b) use and development being sensitively located and designed to minimise impact on vegetation, watercourses, soil quality and existing land uses;

c) development being of a scale and nature so as to be self-sustaining on the lot or demonstrating the ability to provide servicing without significant modifications to existing infrastructure;

d) development that by the nature of its scale, design, colours, materials, landscaping and use, has minimal impact on its site and surrounding areas; and

e) where the land use and any development has a minimal off-site consequence.

Both chalets and camp grounds are an ‘A’ use in the zone. Both uses that are permitted at the Council’s discretion following mandatory consultation.

The Scheme outlines that the permitted number of chalets or campsites is linked to the size of the Site. The Scheme states that the greatest number that can be applied for is either 6 chalets or 12 campsites.
on any Site greater than 20 hectares. Notwithstanding that the subject site is considerably larger than 20ha (86 hectares), no further development potential is provided for.

In this instance, there are factors which support the allowance of a greater number of accommodation than otherwise permitted. In the first instance, the size of the proposed chalets at 50m² is significantly less than the otherwise permitted size of 150m². This limits the overall ‘development footprint’.

Another factor supporting an increase is the fact that the site has a demonstrated history of agricultural production and the proponent intends to utilise the proposed campsites for the purposes of accommodating rural workers during peak times.

Conclusion
The applicant / proponent believes that the existing agricultural operations will enhance the experience for visitors staying at the Site, and when required will provide for accommodation for rural workers. The revised location of the chalets and campsites within existing cleared area of the Site, ensures that the development has minimal impact on the vegetation, nor will it hinder the existing established agricultural operations of the Site, or of neighbouring Sites in the future.

Shire officers are of the opinion that through the use of appropriate planning conditions the development of the Site is acceptable. The variation to allow the total number of chalets and campsites is considered to meet the above provision of the agricultural zone, and is consistent with a low impact tourism development. The development will not compromise the existing agricultural operations as a vineyard in that the development utilises an unproductive area. It is recommended for approval.

FINANCIAL IMPLICATIONS
Implications
Nil

Long Term Financial Plan
Nil

Whole of Lifecycle considerations
Nil

SUSTAINABILITY IMPLICATIONS
Environmental
Conditions of approval will require that potential environmental impacts are suitably mitigated, and that the area of vegetation is no compromised by the proposal. This also ensures that suitable methods of wastewater disposal will be utilised.

Social
The proposal has the potential to provide for an additional tourism accommodation in close proximity to Karridale.

Economic
The development provides for a unique tourism opportunity in association with an existing agricultural industry that provides an opportunity to strengthen the economy of the Shire with additional economic activity.

ADVOCACY
Nil

IMPLICATIONS OF ALTERNATIVE RESOLUTION
Nil

VOTING REQUIREMENTS
Simple Majority
RECOMMENDATION
That Council grants Planning Consent for 6 x Chalets and 12 x Campsites at 522 (Lot 1) Brockman Highway, Karridale subject to compliance with the following conditions:

CONDITIONS
1. The development is to be carried out in compliance with the plans and documentation listed below and endorsed with Council’s stamp, except where amended by other conditions of this consent.

| Plans and Specifications | P1 – P5 received at the Shire office on the 4 December 2018 |

2. If the development, the subject of this approval, is not substantially commenced within two (2) years from the date of this letter, the approval shall lapse and be of no further effect. Where an approval has lapsed, development is prohibited without further approval being obtained.
3. Prior to the lodgement of an application for a building permit, the extent of the existing covenant which applies to the portion of the site subject to this development approval is to be discharged.
4. A manager or caretaker shall permanently reside on Site at all times when the Chalets or Campsite are in use.
5. The Bushfire Management Plan and Bushfire Emergency Evacuation Plan (Version 1.4 dated 15/05/2019) shall be revised to the specifications of the Department of Fire and Emergency Services and to the satisfaction of the Shire. The revised Bushfire Management Plan and Bushfire Emergency Evacuation Plan shall be submitted for the acceptance of the Shire prior to commencement of the use.
6. The revised and accepted Bushfire Management Plan and Bushfire Emergency Evacuation Plan, required in above-mentioned condition 5, shall be implemented on site prior to commencement of the use and at all times thereafter.
7. The Bushfire Emergency Evacuation Plan shall be displayed in a conspicuous location within the development at all times.
8. Prior to commencement of the use, certification shall be provided to the Shire by an accredited Bushfire Consultant confirming that all bushfire management actions detailed in the approved Bushfire Management Plan have been implemented.
9. Prior to lodgement of application for a building permit a new access to the Site is to be designed and constructed in consultation and in accordance with Main Roads WA standards and specifications.
10. Upon completion of the new access the 2 existing access to the site will be closed and the road verge reinstated to the satisfaction of Main Roads WA
11. The Chalets and Camping Bays are approved for short stay purposes only. Short stay means premises occupied by the same people for no more than three (3) months in any 12 month period.
12. One (1) parking bay shall be provided per chalet and campsite. An additional two (2) visitor parking bays shall be provided in close proximity to the chalets and an additional five (5) visitor parking bays shall be provided in close proximity to the camping bays.
13. Vehicle parking areas shall be designed, constructed to a gravel standard, drained and thereafter maintained in accordance with Australian Standard AS 2890 and the Shire’s standards and specifications, prior to occupation of the development. A detailed engineering plan is to be submitted for approval prior to commencement of works showing construction details including pavement levels, thickness, cross fall, drainage disposal method.
14. All stormwater and drainage run-off from the development shall be detained within the lot boundaries, managed to pre-development flow regimes and/or disposed on site in accordance with the Shire of Augusta Margaret River Standards & Specifications.

ADVICE NOTES
a) You are advised of the need to comply with the requirements of the following other legislation:
   (i) This is not a Building Permit. A Building Permit must be issued by the relevant Permit Authority before any work commences on site as per the Building Act 2011;
   (ii) Health (Miscellaneous Provisions) Act 1911 and Department requirements in respect to the development and use of the premises; and

c) Onsite wastewater treatment and disposal systems shall be adequately sized and installed in accordance with the Health (Treatment of Sewage and Disposal of Effluent & Liquid Waste) Regulations 1974 and to the satisfaction of the Shire / WA Department of Health.

d) The development is to provide a potable water source in accordance with The Australian Drinking Water Guidelines.

e) Any untreated water supply that is available to the public shall be provided with signage stating that water is not treated.

f) Rubbish enclosure areas adequate to service the development are to be constructed and provided in accordance with the Shire of Augusta Margaret River Health Local Laws 1999 prior to the occupation or use of the development to the satisfaction of the Local Government.

g) The Bushfire Management Plan specifically requires the following to be implemented:
   (i) Onsite works including parkland clearing, vegetation management and installation of APZ.
   (ii) Dedication of water supplies for fire fighting purposes;
   (iii) Ensure internal access ways are constructed in accordance with the standards specified in the Guidelines for Planning in Bushfire Prone Areas.

ADVICE TO APPLICANT / PROPOSENT
Nil

ATTACHMENTS
1. Plans of the proposed development
2. Schedule of submissions
11.2.2 AMENDMENT 67, WALLCLIFFE HOUSE, FOR INITIATION

LOCATION/ADDRESS  Lot 101 Wallcliffe Road Margaret River

APPLICANT/LANDOWNER  Taylor Burrell Barnett Town Planning & Design

FILE REFERENCE  LND/1/67

REPORT AUTHOR  Matt Cuthbert, Strategic Project Officer

AUTHORIZING OFFICER  Dale Putland, Director Sustainable Development

IN BRIEF
- The subject land is the location of the heritage listed ‘Wallcliffe House’.
- Buildings on the site were significantly impacted upon by the 2011 bushfires however the surrounding gardens remain intact.
- Council considered a proposed scheme amendment to modify provisions of the scheme relating specifically to the site, at the Ordinary Meeting of 11 September 2019. Council declined to initiate the proposed Amendment at that time.
- The proponent has submitted a new amendment that responds to concerns relating to the perceived scale of the development and its impact on the natural environment.
- This proposal is not a development application and the exact detail surrounding possible future built form would come by way of a development application in due course.

RECOMMENDATION
That Council adopts proposed Amendment 67 to allow for consultation to commence, subject to modifications.

LOCATION
The subject land is Lot 101 Wallcliffe Road. It is 5.2ha in size and directly abuts the Margaret River. Access to the site is via a long driveway which forms part of the lot and connects the lot to Wallcliffe Road. Land to the south of the subject land is state reserve whilst to the east, Lot 102 is zoned ‘chalet and camping’.

Vegetation on site is a combination of remnant native vegetation and formal manicured gardens.

Figure 1 – Location Plan
TABLED ITEMS
Nil

BACKGROUND
Construction of Wallcliffe House was completed in 1865 at which time it was occupied by the Bussell Family. A second house was built on the site in 2001 and was commonly referred to as ‘the Chaney House’ after its then owners. In 2011, fire destroyed the aforementioned buildings and ancillary structures with the exception of a small boat shed adjoining the river foreshore. The extensive formal gardens which surround the houses have continued to be maintained and currently remain at a high standard.

Figure 2 – Wallcliffe House  Figure 3 - Boatshed

At the Ordinary Council meeting of 11 September 2019, Council determined that it would not initiate the proposed Amendment and gave the following reason for its decision:

The amendment will lead to a form of development which has potential for adverse impacts on the surrounding natural environment and on the sites of Aboriginal and colonial cultural importance (within and surrounding the site). In light of the above, the existing scheme provisions represent the maximum development intensity that Council is prepared to support on the subject site without risk of negative environmental and Aboriginal and colonial heritage outcomes.

The applicant has lodged a new amendment that responds to these concerns.

PLANNING FRAMEWORK
The planning framework applicable to the site includes the current scheme provisions which describe the rules for development at present, State Planning Policies, in particular SPP 3.5 and 6.1 which must be given due regard when amending the scheme, the historic significance of the site including state heritage registration and significance in the Local Inventory and Heritage List and the Local Planning Strategy which identifies the land for tourism purposes and contains policy relating to visual management.

The subject land is zoned ‘Tourism’ by LPS1 and is designated as tourism site ‘T5’. LPS1 contains provisions specifically related to T5 which the proponent requests be amended (see ‘the proposal’).

Wallcliffe House is listed on the State Register of Heritage Places. It is recognised by the Shire’s Municipal Heritage Inventory and listed on the Shire’s heritage list as having ‘Exceptional’ significance. It should be noted that this listing occurred after the 2011 fires and denotes Wallcliffe House as being “ruins”. The site therefore has two layers of heritage significance. As required by the State Heritage Act, detailed consideration will be sought from the State Heritage Council at the Scheme amendment and development stages.

The effect of the site’s inclusion on the Shire’s heritage list is that the statutory heritage controls of LPS1 and State Planning Policy 3.5 (SPP 3.5) become applicable. State Planning Policy 3.5 relates to ‘Historic Heritage Conservation’ and includes provisions guiding development decisions where heritage is a relevant consideration. Relevant to the proposal at hand, SPP3.5 states that:
“In some cases, the conservation and protection of a heritage place may require a change of use to ensure a reasonable beneficial use or return. Sympathetic adaptation and change of use should be supported in such cases.”

In short, the applicable statutory controls require that the following be taken into account when assessing any development application:

- The level of heritage significance of the place, based on a relevant heritage assessment;
- Measures proposed to conserve the heritage significance of the place and its setting;
- The structural condition of the place, and whether the place is reasonably capable of conservation; and
- Whether the place is capable of adaptation to a new use which will enable its retention and conservation.

The Leeuwin Naturaliste Sub Regional Strategy, whilst not making any specific recommendations applicable to Wallcliffe House states “historic heritage places have the potential to contribute to the cultural and economic diversity of the sub-region. In particular, heritage assets can play a significant role in local tourism development.”

The Leeuwin Naturaliste Ridge Statement of Planning Policy 6.1 (LNRSPP) identifies the subject land as a ‘Development Investigation Area’ within which detailed planning should occur. Policy LUS 1.23 of the LNRSPP states “Proposals for rezoning, subdivision and development within the Development Investigation Area will be considered only after comprehensive planning has been undertaken and……..has been the subject of community consultation, including public advertising, and approved by the local government and the Western Australian Planning Commission having consulted with the relevant agencies.”

The DIAs applicable to the Augusta Margaret River Shire relate primarily to greenfield expansion areas surrounding Margaret River and Augusta. Here, the land will need to be rezoned prior to subdivision and the comprehensive planning required by the LNRSPP will be achieved through the preparation of structure plans. This is in contrast to the subject land which is already identified and zoned for tourism development, with the proposal at hand being one of expanding the tourism land uses rather than introducing a new zone. As such, the detailed planning anticipated by the LNRSPP will be achieved via a future development application, at which time, compliance of the proposal can be tested against all of the relevant development controls provisions of the policy.

The site is also designated as being within a ‘National Park Influence Area’ where “local government should consider inclusion within its local planning scheme of…….special provisions for the type, scale and materials of buildings.” This Amendment serves to fulfil the requirements of the LNRSPP by putting in place parameters which will be applicable to future development. The LNRSPP also contains policies applicable to landscape protection and heritage conservation which will be relevant to the assessment of a future development application.

The Local Planning Strategy is the policy document developed in conjunction with the current planning scheme that sets out the rationale for scheme content and guidance of planning provisions. The subject land is identified for tourism purposes in the LPS and located within Visual Management Zone ‘A’. THE PROPOSAL

The amendment is put forward for the purposes of amending 4 of the 5 special provisions which relate to the land. Changes sought by the proponent are outlined below with strikethroughs indicating deletions and underlining indicating the additions which are sought.

1. Development and land use of a is limited to single residential house and ancillary uses consistent with the heritage values of the land site and its National Trust classification unless otherwise may be approved by the local government.

2. The local government may also approve applications for the following tourist type uses such as :restaurant, tearooms conference facilities, hotel or guesthouse, chalet, small bar, spa, and activities related to public viewing of the buildings and grounds, provided such uses do not conflict with the heritage values of the land site, and does not require a material change to the...
visual appearance and character of the site. A building to accommodate exhibition centre, reception centre and conference uses may also be approved on the site, provided the uses are incidental to the predominant use of the land.

3. No development shall be approved by the local government unless:
   a) It is consistent with the heritage values and integrity of the land site; and its buildings.
   b) It is consistent with the landscape significance and setting of the site;
   c) It is appropriately sited and designed to ensure that fire mitigation measures do not compromise environmental and landscape values;
   d) It is set back a minimum of 20m from the property boundary where it abuts the Margaret River (with the exception of existing development, landscape works and essential services); and
   e) The adjacent foreshore values are appropriately, enhanced, protected and managed.

4. For the purpose of conditions 1 and 3 “development” includes buildings, fencing, driveway, walkways, landscaping, changes in the use of the land site and buildings and changes in the structural integrity of the buildings.

5. Removal of existing vegetation is not permitted without the approval of local government.

DISCUSSION / OFFICER COMMENTS

Existing Uses
The existing scheme provisions provide for the following uses on the site:
“tourist type uses such as:
- restaurant,
- tearooms,
- conference facilities,
- guesthouse and:
- activities related to public viewing of the buildings and grounds”

Proposed Development
The proposal would add land uses to the list of those that may be developed on the site. Each of the proposed uses is listed below together with its definition:

Hotel - means premises providing accommodation the subject of a hotel licence under the Liquor Control Act 1988, and may include a betting agency on those premises, but does not include a tavern or motel.

Chalet - means a self-contained accommodation unit (i.e. containing cooking, bathroom, sleeping and living area facilities) used for short term accommodation.

Exhibition centre - means premises used for the display, or display and sale, of materials of an artistic, cultural or historical nature, and includes a museum or art gallery.

Reception centre - means premises used for functions on formal or ceremonial occasions but not for unhosted use for general entertainment purposes.

Small bar - means premises licensed as a small bar under the Liquor Control Act and used to sell liquor for consumption on the premises, but not including the sale of packaged liquor; and with the number of persons who may be on the licensed premises limited to a maximum of 120.

Spa - There are references to spa in the scheme although it is not defined. The use is however considered to be the provision of facilities for the purposes of health and beauty treatment.

The ability to implement any of the listed land uses is subject to the qualifications expressed in parts 1 and 3 of the proposed scheme provisions which have the intent of preventing development which would have unacceptable impacts.
To provide an indication as to the built form ‘footprints’ and how they might be arranged on site, the proponent has provided a concept plan (see figure 4). The plan differs from that which accompanied the previous proposal considered by Council in that:

- Two ‘riverside’ chalets have been removed;
- One bush cottage has been removed;
- An arrival cottage, gatehouse and bin store have been added; and
- Minor adjustments have been made to pathways and building locations.

The proponents have also advised that the hotel will be designed to cater for 40 guests, rather than 50 as previously put forward.

It should be noted that the concept plan is preliminary only and does not limit or bind the proponent or the Shire to this arrangement.

**Figure 4 – Concept plan**

**Suitability of Uses**

Consistent with SPP 3.5, a future development proposal would provide the impetus to restore the heritage elements of the site through repurposing the former Wallcliffe and Chaney Houses for tourism purposes.

The proponent has provided Bushfire, Environmental, Water, Aboriginal and European Heritage, Transport, Servicing and Landscape assessments, to demonstrate that there are no fundamental issues precluding development of the nature intended. The suitability of future development will be a process of sensitive planning for the site involving the relevant professionals engaged by the proponent, the Shire and groups and individuals who can provide expert input such as Traditional Owners and the Heritage Council. Initiation of the Amendment will allow for a process of public consultation which will further inform the process.

A summary of the findings of each of the expert consultant reports provided by the applicant in support of the proposal is outlined below:

Transport Report – Recommends that the existing capacity of Wallcliffe Road and the intersection with the subject site is designed to cater for the anticipated level of traffic likely to be generated by the proposal without modification. Shire infrastructure staff have however indicated a desire to explore the
need for a turning lane into the site at the detailed development application stage once the level of anticipated traffic can be more accurately predicted.

Servicing Report – Identifies that the key consideration will be the method of waste water disposal which could be either by connection to the water corporation facility in Prevelly or a package treatment plant located on site. Other services are readily available.

Aboriginal Heritage – Describes the listed heritage sites which overlay the site and details the obligations of the developer to comply with the Aboriginal Heritage Act including further consultation with Traditional Owners prior to any ground disturbing activities occurring.

European Heritage – Outlines the range of heritage protections which apply to the site and outlines the developer’s obligations with complying with the applicable requirements. Advocates a cautious approach to change and emphasises the importance of not only the buildings but their context.

Water Management – Records the finding of onsite geotechnical investigations and recommends an on-site infiltration approach to future stormwater management.

Fauna Survey – The study finds evidence of possum activity across areas of the site where remnant vegetation is present. Three large potential habitat trees are located at the northern most boundary of the site (one tree is on the site and two are located on the adjoining reserve. The tree located on the site was observed to be used for osprey nesting at the time of the survey.

Flora Survey – The spring flora survey found that the site contains an area of 1.39ha of remnant native vegetation consisting of 104 plant species. The majority of the vegetation was found to be in good (0.62ha) or very good (0.28ha) condition. The best quality vegetation is located in the south west corner of the site.

Landscape Assessment – Models the impact of a hypothetical development scenario (as per the concept plan) from key viewing locations including the river and Wallcliffe Road. It confirms that measures can be utilised such as benching, retention of vegetation, limiting development to in and around the previous development footprints and use of sympathetic colours to create a development which causes minimal visual disruption.

Bushfire Management – Confirms that there are locations on the site where development can be located so as to achieve a suitably low Bushfire Attack Level.

Potential for offsite impacts
The land use of ‘hotel’ if ultimately pursued by the owner by way of a development application will naturally bring more guests to the site as compared with that which would typically occur under the current limitations on the permissible scale of accommodation (‘guesthouse’). The expected increased patronage gives rise to the potential for off-site impacts such as light, noise, visual disruption, use of the river and vehicle movements which, if not carefully managed, could have a negative impact on the surrounding ecosystem and the quality of the site, particularly when experienced from the river.

A response to these matters is informed by the Lower Margaret River Foreshore Action Plan (2018) which makes recommendations relevant to the proposal at hand such as:

- 12.9 Where subdivision and development occurs adjacent to the foreshore reserve it should, whenever possible, result in improvements to river foreshore condition.
- 12.10 Much of the foreshore reserve is narrow and increasing the width of the reserve should be a priority through rezoning and subdivision processes.

Further discussion as to opportunities for improvement of the foreshore adjacent to the subject site are discussed later in this report.

The Foreshore Action Plan identifies land adjoining the subject site to the west as being one of 5 areas which display high ‘wildness qualities’. Applicable recommendations are:

- 12.12 The human footprint in areas with high ‘wildness quality’ to be restricted. This includes constructed walking/cycling/vehicle tracks, signs or other infrastructure.
• Activities, including services and infrastructure, adjacent to areas of high ‘wildness quality’ that may impact on landscape values and/or otherwise degrade the quality of such areas should be avoided where possible. Such activities should not be permitted within areas of high ‘wildness quality’.

If the amendment is initiated, comments will be sought from state government agencies with responsibilities for the terrestrial and riverine environment, not for profit groups such as Nature Conservation Margaret River and the general public. This will provide Council with a greater body of knowledge regarding perceived impacts and methods which might be employed to address them. If warranted, further changes to the proposed Scheme text could be made to embed development standards which would then apply to any future development application.

**Foreshore reserve**
The subject site is not separated from the Margaret River by a foreshore reserve. An approximately 30m section of the lot boundary directly abuts the river.

Whilst the initiation of this amendment is not a suitable opportunity to rectify this situation, the proponent should nonetheless be made aware of Council’s expectations regarding resolution of the matter in due course. This would logically necessitate further discussions with the proponent and relevant state government agencies. Future discussions and investigations would establish whether or not there is a statutory basis for the ceding of the foreshore, whether the proponent would be prepared to cede the land in any event, the proponent’s intentions for this land, responsibilities for ongoing management of the overall foreshore reserve and other such matters. Outcomes in this regard should be informed by the Lower Margaret River Foreshore Action Plan (2018).

In regard to practical works that can be implemented to enhance the foreshore, via the planting of native vegetation, a provision is proposed to be added to the scheme to ensure that this will be a key outcome of any future development application. Furthermore, a planning provision has been added which requires any ‘new’ development to be located at least 20m from the property boundary where it abuts the Margaret River. This ensures that future development proposals will not be located so as to compromise the enhanced foreshore reserve. It will also have the effect of:

- Reducing the landscape impact of development when viewed from the river;
- Ensuring development is located above the 5m Australian Height Datum contour to avoid flooding;
- Ensuring development will be located away from identified habitat trees (osprey nest located 13m from property boundary);
- Placing the majority of the potential development area outside of the mapped extent of the Aboriginal Heritage Site associated with the Margaret River.

**Aboriginal Heritage**
The Aboriginal Heritage Enquiry System administered by the Department for Planning, Lands and Heritage, maps the coordinates of two heritage sites intersecting with the subject land, being those associated with the Margaret River and Wallcliffe cliffs. The mapped coordinates extend well beyond the actual heritage features and serve to flag the necessity to undertake consultation and referral to the DPLH as part of any development proposal. There is at this stage, no indication that any heritage sites would be impacted upon by the future development. The proponent has advised that preliminary consultation with Traditional Owners has commenced and that further more detailed consultation will be progressed should the amendment be initiated.

**European Heritage**
The Site’s listing on the State Heritage Register provides a high degree of protection for the heritage elements of the site which include both the buildings and surrounding grounds.

The ‘statement of significance’ recorded on the register explains that both Wallcliffe House and its natural surrounds are equally important. It states:

“Wallcliffe House & Landscape, consisting of Wallcliffe House, a two storey stone, shingle and corrugated iron homestead designed in the Victorian Georgian style, remaining outbuildings and designed landscape setting, together with the adjacent Bushland, Wallcliffe Cliffs, Wallcliffe Cave and
the Bushland Scarp on the northern side of Margaret River which represents the original view from the property, has cultural heritage significance"

Clause 79 of the Planning and Development Act 2005, requires that a local government “in preparing or amending a local planning scheme —
(a) is to refer the proposed scheme or amendment to the Heritage Council for advice in so far as any proposal under that scheme or amendment affects or may affect any such land or waters; and
(b) is to have regard to any advice given; and
(c) is not to proceed, without the consent of the Minister, with the proposal unless or until that advice has been received.

This statutory process will ensure that Council are fully appraised of the views of the Heritage Council when making a decision as to whether or not to support the amendment post advertising.

**Council’s concerns**

Staff note the concerns of Council, as previously expressed at the Ordinary Council Meeting of 11 September 2019, in response to the initial proposal, particularly relating to potential impacts on the natural environment and cultural values. The proponent has sought to address these issues in part by removing three land uses previously sought, being ‘Resort’, ‘Café’ and “Serviced Apartment’. Further changes confirm that accommodation on site will be in the form of a hotel or guesthouse (not both), eliminate uncertainty caused by the existing wording which refers to “tourism type uses” and confine conference and reception uses to being subsidiary to the primary tourism use established on site. Changes to the concept plan to reduce the scale of development have also been made as previously discussed and the hotel is now intended to accommodate no more than 40 guests.

Whether or not a future proposal may indeed give rise to the issues raised by Council can only be properly determined once a detailed planning application is lodged. Furthermore, a decision as to the suitability of any future development would be better informed through consultation with Traditional Owners, heritage and environmental experts and the wider community, which will occur if the amendment is initiated.

The inclusion of the 6 additional land uses as proposed would not appear to allow a level of development on the site which could not be appropriately managed through the planning process. In fact the modifications proposed to condition 3 of the applicable scheme text strengthen the Shire’s ability to be able to reject any proposal which does not suitable respond to landscape, heritage and environmental objectives.

**CONSULTATION AND ADVICE**

If the subject amendment is initiated by Council it will be subject to a consultation process in accordance with the Planning and Development (Local Planning Scheme) Regulations 2015.

Further to this, it is recommended that the proponent undertake a deeper level of consultation by engaging directly with members of the community. This would provide the opportunity for two way communication and would enhance the level of understanding of the proposal by interested parties. This recommendation is consistent with advice provided to proponents of similar proposals attracting a high level of community interest.

**STATUTORY ENVIRONMENT / LEGAL IMPLICATIONS**

The Planning and Development Act 2005, provide for the ability of a Local Government to amend a Local Planning Scheme. It states:

A local government may amend a local planning scheme with reference to any land within its district, or with reference to land within its district and other land within any adjacent district, by an amendment —
(a) prepared by the local government, approved by the Minister and published in the Gazette; or (b) proposed by all or any of the owners of any land in the scheme area, adopted, with or without modifications, by the local government, approved by the Minister and published in the Gazette.

The Planning and Development (Local Planning Schemes) Regulations 2015, sets out the process which must be followed in order to progress an amendment.

**STRATEGIC PLAN / POLICY IMPLICATIONS**
Community Strategic Plan 2036 (CSP)
Corporate Business Plan 2019-2023
Key Result Area 3: Ensuring sustainable development
Community Outcome 1: Clearly defined areas for growth, renewal and protection.
Strategic Response: Ensure structure plans are designed to preserve and enhance the unique character and sustainability of centres, towns and villages.

FINANCIAL IMPLICATIONS
The proponent has paid the required fee for processing of the Amendment.

SUSTAINABILITY IMPLICATIONS
Environmental
The site contains areas of remnant vegetation which will not be impacted upon as a direct result of the subject proposal. Future development of the site will provide an opportunity to create a river foreshore reserve.

Social
Redevelopment of the site provides an opportunity to restore buildings of significant heritage importance and provide for greater community access. An important consideration for future development will be the compatibility with sites of heritage importance.

Economic
Redevelopment of the site will require significant resources which if sourced locally will have a positive impact on the local economy. It is expected that future operation of the establishment will create new employment opportunities.

Long Term Financial Plan
Nil

Whole of Lifecycle considerations
Nil

ADVOCACY
Nil

IMPLICATIONS OF ALTERNATIVE RESOLUTION
That Council refuses to initiate Amendment 67.

Clause 76 of the Planning and Development Act 2005 allows the Minister to require a scheme to be amended where the Minister is satisfied that the Local Government “has failed to take the requisite steps for having a satisfactory local planning scheme or an amendment to a local planning scheme prepared and approved in a case where a local planning scheme or an amendment to a local planning scheme ought to be made”

The Minister rarely exercises this ability.

VOTING REQUIREMENTS
Simple Majority

RECOMMENDATION
That Council:
1. Pursuant to section 75 of the Planning and Development Act 2005, amend Local Planning Scheme No. 1 by modifying text included in Schedule 12 ‘Special Conditions Relating to Tourist Zones’ applicable to site No. ‘T5’ for the purposes of expanding the suite of discretionary land uses allowable on the site, subject to:
a) The document entitled ‘Volume 1 – Planning Report’ being modified such that it may serve as an ‘amendment document’ inclusive of WAPC Form 2A;

2. Determines that the Amendment is ‘standard’ under the provisions of the Planning and Development (Local Planning Schemes) Regulations 2015 for the following reason:
“the amendment is an amendment relating to a zone or reserve that is consistent with the objectives identified in the scheme for that zone or reserve;”;

3. Requests that staff liaise with the proponent and relevant State Government agencies to address the lack of a foreshore reserve fronting a 30m (approx.) section of the Margaret River abutting the subject land; and

4. Recommends that the proponent undertakes a direct and interactive consultation process with the community during the advertising period.

ADVICE TO APPLICANT / PROONENT
Nil

ATTACHMENTS
1. Scheme Amendment Request Document (Volume 1)
11.3. Infrastructure Services
11.3. INFRASTRUCTURE SERVICES

Nil
11.4.

Corporate and Community Services
11.4.1 HOUSING ADVOCACY OFFICER PROJECT FIRST QUARTER YEAR THREE REPORT

LOCATION/ADDRESS  Shire of Augusta Margaret River
APPLICANT/LANDOWNER  Shire of Augusta Margaret River
FILE REFERENCE  CSV/104
REPORT AUTHOR  Jason Cleary, Coordinator Community Development and Planning
AUTHORISING OFFICER  James Shepherd, Director Corporate and Community Services

IN BRIEF
- Council endorsed in January 2017 (OM2017/15) to provide Just Home with $20,000 per annum for three (3) years commencing the 2017-18 financial year, for part funding of a Housing Advocacy Officer (HAO) - subject to co-matched funding - to enable regular data collection and reporting.
- The Just Home Housing Advocacy Officer commenced in July 2017 and Just Home have provided all year 1 and year 2 reporting.
- Just Home have now provided the full second year report July 2018 - June 2019 and the first quarter report for year 3 2019-20, July - Sept 2019.

RECOMMENDATION
That Council:
1. Accepts the Just Home second year report July 2018 - June 2019; and

BACKGROUND
Affordable housing and homelessness has been a discussion between Council and community members for a number of years. Homelessness exists on a global scale, with little progress over time in reducing the incidence of people living without a secure home. A definition of homelessness and its surrounding data continues to be debated universally.

There is limited data available in relation to homelessness and associated service use within the Shire. The Australian Bureau of Statistics (ABS) advises there is no single variable in the Census which can accurately inform on homelessness.

Just Home, the Margaret River Community Centre (MRCC) and the Margaret River Soup Kitchen are some of the local providers of support services to those facing housing stress. These groups report an increase in the use of local services since 2015.

The Shire’s Affordable Housing Strategy 2015 and the Homelessness Policy 2016 acknowledge that the challenge of homelessness is multi-faceted and requires involvement by all levels of government, non-government, private and community sectors. The Affordable Housing Strategy identifies the need for and availability of affordable housing, setting out a series of measures aimed at assisting with the delivery of affordable housing of a type and quantity sufficient to meet with the defined demand. Most importantly, the Strategy focuses only on outcomes which can feasibly be delivered by the Shire.

For the last two years Just Home have dedicated their efforts to reducing housing stress and preventing homelessness in the Augusta Margaret River area through volunteer efforts. The group incorporated in May 2017 and compiled a long term action plan as a result of engagement conducted over 2016 as part of the Shire’s Homelessness Policy. This includes the Housing Advocacy Project which includes a
funded position to provide immediate support to people experiencing or at risk of homelessness and housing stress in Augusta Margaret River, and to monitor local experiences for rigorous data collection. Through this work Council committed $20,000 in the 2017-18 budget and further two financial years to Just Home to part fund this project (OM2017/15). Year one and two have now been completed and year 3 is now underway.

Just Home determined the Housing Advocacy Officer position (HAO) to be part time at 15 hours per week and based at the Margaret River Community Centre (MRCC). The position description details the total cost for the position over three years is $124,078.29 which includes a total remuneration package of $119,078.29 and $5,000 for evaluation. This is part funded by the Shire at $20,000 per year for three years, subject to ongoing co-matched funding. In both year one and two co-matched funding has been confirmed via a number of local and government partners.

As part of their agreement with the Shire, Just Home are required to provide data quarterly to Council, detailing the demographics of the clients engaged in services, and the nature of the services provided.

CONSULTATION AND ADVICE

External Consultation
Extensive community consultation occurred on the topic of homelessness over March to June 2016 by the Shire and through collaboration with Just Home, which information assisted development of the Homelessness Policy. Consultation and awareness raising programs have continued throughout the project.

Internal Consultation
Nil

DISCUSSION / OFFICER COMMENTS

The Year 2 report (Attachment 1) provides summary of the second year program and confirmation of other partners that have ensured the Just Home program has been a success.

The report also showcases local trends in housing stress and homelessness and the needs to ensure our community supports the alleviation of these issues. Major needs identified have been:

- A need to acknowledge homelessness locally as an issue to strengthen community response
- The current 15 hours per week HAO role services approximately 70 people each year
- No local crisis accommodation options are available
- Support to navigate Department of Communities, particularly housing, systems is required
- Local public housing options are limited with extensive waiting lists
- No family or domestic violence services available locally
- Unaffordable caravan park options
- Rising rental costs across the board
- Stretched and splintered local service provision in the area of mental health family violence
- The majority of clients are long term, aged residents
- Changes to the NDIS structure has affected access to disability payments
- 85% of clients are single
- Large number of migrant women are affected and significant life events cause many housing stress and homelessness issues
- The need for generalist social worker role based locally within the community has been identified within the report.

The first quarter report for year 3 (Attachment 2) shows 16 clients received services for this period, five (5) new clients were received over the period whilst 11 clients received continuing service. 76 clients have accessed Just Home HAO service since July 2017.

This report continues the trend that most clients are long term residents of the region with the majority, four of the five new clients, accessing the service in this period being residents for over six years. Mental health and disability continue to be common coexisting factors for clients. Four of the five new clients were also aged 36 or over showing that mature residents are also constantly most affected by unstable housing situations. Domestic violence also continues to be an issue for female clients accessing the service and Just Home have been working with Centrecare, South West Refuge and
Waratah to provide both short and long term support. Just Home have supported Waratah to provide one day per week outreach service to Margaret River.

Just Home and the Department of Communities have continued strengthening the partnership to provide housing support to clients accessing public housing. Just Home now provide a one day per week face to face contact with Department of Communities housing staff for their clients. This has enabled a stronger understanding of the process and options for local housing.

During this period Homelessness Week was presented by Just Home with a forum held in partnership with the Shire at Council Chambers following receipt of a grant from Shelter WA. The event Home Safe Home: A community forum on family and domestic violence, crisis accommodation and homelessness was attended by over 60 people.

Media coverage, including two newspaper articles, two radio interviews and a GWN news interview in this period.

Local initiatives have continued to be pursued through the Homelessness and Affordable Housing Working Group over the quarter. The group consists of Shire officers and Just Home representatives, who meet quarterly. The group are focused on building a collaboration with state government to develop an emergency and/or affordable accommodation in the shire. Possible affordable housing sites within the shire have been identified and presented to Council and will continue to be pursued.

Just Home’s current funding arrangement with the Shire will end as of 30 June 2020. The Shire has recently received a submission from the Housing Advocacy Project Steering Committee for the development of a second stage of the partnership between the organisations and Just Home that will be submitted to Council as a separate agenda item.

STATUTORY ENVIRONMENT / LEGAL IMPLICATIONS
Nil

STRATEGIC PLAN / POLICY IMPLICATIONS
Community Strategic Plan 2036 (CSP)
Key Result Area 2: Welcoming, inclusive and healthy communities
Community Outcome 6: Community health, safety and social justice in the face of changing climate
Strategy 2: Lead and partner with other agencies on community safety and regulatory programs for community wellbeing.

PLANNING FRAMEWORK
Nil

FINANCIAL IMPLICATIONS
Implications
Council has committed $20,000 in the 2017-18, 2018-19 and 2019-20 budget to Just Home (OM2017/15). Just Home have submitted the required financial reports for the first and second year confirming matched funding and confirmed budgeted income and expenses for year 3.

Long Term Financial Plan
Nil

Whole of Lifecycle considerations
Nil

SUSTAINABILITY IMPLICATIONS
The Shire’s Homelessness Policy includes acknowledgment of the Shire’s commitment to using its best endeavours to meet the needs of current and future generations through the integration of environmental protection, social advancement, cultural recognition and economic prosperity.

ADVOCACY
Nil
IMPLICATIONS OF ALTERNATIVE RESOLUTION
Nil

VOTING REQUIREMENTS
Simple Majority

RECOMMENDATION
That Council:
1. Accepts the Just Home second year report July 2018 - June 2019; and

ADVICE TO APPLICANT / PROPOSED
Nil

ATTACHMENTS
1. Just Home final year report year 2 July 2018 - June 2019
2. Just Home Margaret River first quarter report 2019-20, July – September 2019
11.4.2 LIST OF PAYMENTS FOR JANUARY 2020

LOCATION/ADDRESS  N/A
APPLICANT/LANDOWNER  Shire of Augusta Margaret River
FILE REFERENCE  FIN/42
REPORT AUTHOR  Lynne Kenworthy, Coordinator Finance
AUTHORIZING OFFICER  James Shepherd, Director Corporate and Community Services

IN BRIEF
It is a requirement of the Local Government (Financial Management) Regulations 1996 that payments made under delegated authority by the CEO are reported to Council on a monthly basis showing details of each account paid since the last such list was prepared.

RECOMMENDATION
That Council notes the January 2020 List of Payments for $3,602,701.14 as certified correct by the Chief Executive Officer.

LOCATION PLAN
Nil

TABLED ITEMS
Nil

BACKGROUND
Where Council has delegated authority to the CEO to make payments from the Shire’s bank accounts then under Local Government (Financial Management) Regulations 1996, Regulation 13 (1) a list of such payments is to be prepared each month for noting by Council.

CONSULTATION AND ADVICE
External Consultation
Nil

Internal Consultation
Nil

DISCUSSION / OFFICER COMMENTS
Table 1 below provides a summary of the payments made and Table 2 makes comparison between payments for the 2018-19 and 2019-20 financial years.

The List of Payments attachment provides further details as required under Regulation 13 (1). These details are as follows.

(a) The payee’s name;
(b) The amount of the payment;
(c) The date of the payment; and
(d) Sufficient information to identify the transaction.

In order to improve operational efficiency and reduce costs, the Shire’s Finance team continually liaise with creditors paid by cheque to encourage them to switch to EFT.
### TABLE 1 – SUMMARY OF PAYMENTS MADE IN THE MONTH DECEMBER 2019

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### TABLE 2 – COMPARISON WITH PRIOR YEAR OF PAYMENTS

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SHIRE OF AUGUSTA MARGARET RIVER
ORDINARY COUNCIL MEETING 26 FEBRUARY 2020
STATUTORY ENVIRONMENT / LEGAL IMPLICATIONS

STRATEGIC PLAN / POLICY IMPLICATIONS
*Community Strategic Plan 2036 (CSP)*
*Corporate Business Plan 2019-2023*
Key Result Area 5: Effective leadership and governance
Community Outcome 2: Effective and integrated strategy, planning, financial and asset management

PLANNING FRAMEWORK
Nil

FINANCIAL IMPLICATIONS
Implications
Nil

Long Term Financial Plan
Nil

Whole of Lifecycle considerations
Nil

SUSTAINABILITY IMPLICATIONS
Environmental
Nil

Social
Nil

Economic
Nil

ADVOCACY
Nil

IMPLICATIONS OF ALTERNATIVE RESOLUTION
Nil

VOTING REQUIREMENTS
Simple Majority

RECOMMENDATION
That Council notes the January 2020 List of Payments for $3,602,701.14 as certified correct by the Chief Executive Officer.

ADVICE TO APPLICANT / PROPOSER
Nil

ATTACHMENTS
1. List of Payments for January 2020
11.4.3 CORPORATE PLAN 2019-23 - YEAR ONE, QUARTER TWO PROGRESS REPORT

LOCATION/ADDRESS  N/A

APPLICANT/LANDOWNER  Shire of Augusta Margaret River

FILE REFERENCE  COR/130

REPORT AUTHOR  Stacey Hutt, Community and Corporate Planner

AUTHORIZING OFFICER  James Shepherd, Director Corporate and Community Services

IN BRIEF

• Council adopted the Corporate Plan 2019-23 on 24 July 2019 (OM2019/137) which outlines the activities, projects, resources and infrastructure in reference to the priorities set by Council and the annual budget
• This is integrated with the Shire’s Informing Strategy, which is comprised of the Long Term Financial Plan, Workforce Plan and Asset Management Plan, and addresses the objectives and strategies outlined in the Community Strategic Plan 2036
• The Corporate Plan allocates responsibility to business units, details services, priority areas and performance measures in the short term and is aligned to the budget including the capital works program
• It is best practice for the Shire to report quarterly progress against the Corporate Plan to Council
• This report relates to the period between October and December 2019.

RECOMMENDATION
That Council receives the Corporate Plan 2019-23 Year One Quarter Two Progress Report (Attachment 1).

LOCATION PLAN
Nil

TABLED ITEMS
Nil

BACKGROUND
Under the Local Government (Administration) Regulations 1996, all local governments in Western Australia are required to have adopted two key documents: a Strategic Community Plan (CSP) and a Corporate Plan (CP), which are supported and informed by an Informing Strategy. These documents drive the development of each local government’s annual budget.

The Shire’s CSP underwent a major review over 2016-17, with the final plan for 2036 endorsed by Council on 27 September 2017. The CSP 2036 is currently being implemented through the Corporate Plan 2019-23 and Informing Strategy. The CSP outlines five key result areas to be achieved through a series of strategies, with actions detailed in the Corporate Plan. These documents integrate the Shire’s Informing Strategy, which is comprised of the Shire’s Long Term Financial Plan, Workforce Plan and Asset Management Plan.

The Corporate Plan sets out the projects and services the Shire will deliver over the next four years to work towards the long term outcomes identified in the CSP. The four year Corporate Plan is achieved through the annual budget, which includes information on individual actions and projects programmed to be completed throughout the year (year 1 of the Corporate Plan) and includes the priority projects as adopted by Council.

The Integrated Planning and Reporting Framework and Guidelines (2016) issued by the Department of Local Government, Sport and Cultural Industries provides guidance in the reporting requirements of local government in relation to the integrated plans. Performance monitoring of the Corporate Plan is
required to be undertaken quarterly and reported to Council. This is the first quarter report for 2019-20 to be received by Council.

CONSULTATION AND ADVICE

External Consultation
No external consultation is required as part of the Quarterly Report review.

Internal Consultation
Executive Leadership Team
Business Unit Managers and Coordinators

DISCUSSION / OFFICER COMMENTS

In accordance with the guidelines issued by the Department of Local Government, Sport and Cultural Industries, Council is to receive quarterly updates on the Corporate Plan and to be aware of the resourcing required by the Shire to implement Council’s vision and priority projects.

This quarterly report includes the planned activities and projects for the 2019-20 financial year across all Shire business units. Each action indicates the responsible officer, provides an update on according to business unit indicators, and some commentary of the highlights and challenges encountered on the way.

Overview
This report relates to quarter two, which is the period between October and December 2019. Quarter two progress for the 2019-20 financial year shows:

192 actions are green (on track and have achieved their target), 12 actions are amber (achieving between 40-60% of their target) and 4 (four) actions are red (achieving less than 40% of their target).

The four (4) actions achieving less than 40% of their target are all operational corporate projects, which relate to long-term planning and service improvements efforts. The delay in project delivery will not impact on 2019-20 budget spend.

<table>
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<tr>
<th>Action Title</th>
<th>Priority project: Conduct a minor review of the Long Term Financial Plan every year, and a major review every two years (due 2019-20)</th>
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<td>Responsible Person</td>
<td>Andrew Ross - Acting Director Corporate and Community Services</td>
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Action Progress Comments:
Planning for the conduct of a major review of the LTPF commenced during the second quarter of 2019-20 with the preparation of a timetable and request to obtain the LTPF template being issued. The process of preparing the LTPF will occur during the third quarter.
Below is a brief road map on reading the quarter report:

- Unique numbering of actions as listed in the OP 2018-19
- Position responsible for completing the action
- Indicates the percentage of work complete for 2018-19
- Progress comments are relevant to this quarter only

**STATUTORY ENVIRONMENT / LEGAL IMPLICATIONS**

Section 5.56 (1) *Local Government Act 1995* requires local governments to have in place a plan for the future.

**STRATEGIC PLAN / POLICY IMPLICATIONS**

*Community Strategic Plan 2036 (CSP)*  
*Corporate Business Plan 2019-23*

Key Result Area 5: Effective leadership and governance  
Outcome 5.5. A culture of innovation, quality and continuous improvement  
Strategic Response 5.6.2. Report on our success and sustainability to the community and stakeholders

**PLANNING FRAMEWORK**

Nil

**FINANCIAL IMPLICATIONS**

The actions and projects which are detailed in the Corporate Plan 2019-23 and this quarterly report are aligned with the Shire’s annual budget and Long Term Financial Plan.

**SUSTAINABILITY IMPLICATIONS**

The Community Strategic Plan fosters an identification and integration of environmental protection, social advancement and economic prosperity which is enacted through the Corporate and Operational Plan.
ADVOCACY
Nil

IMPLICATIONS OF ALTERNATIVE RESOLUTION
Nil

VOTING REQUIREMENTS
Simple Majority

RECOMMENDATION
That Council receives the Corporate Plan 2019-23 Year One Quarter Two Progress Report (Attachment 1).

ADVICE TO APPLICANT / PROPOSER
Nil

ATTACHMENTS
1. Corporate Plan 2019-23 Year One Quarter Two Progress Update
11.4.4 2019-20 BUDGET REVIEW

LOCATION/ADDRESS  N/A
APPLICANT/LANDOWNER  Shire of Augusta Margaret River
FILE REFERENCE  FIN/14
REPORT AUTHOR  Andrew Ross, Manager Corporate Services
AUTHORISING OFFICER  James Shepherd, Director Corporate and Community Services

IN BRIEF
- Legislation requires that between 1 January and 31 March each year a local government is to carry out a review of its annual budget for the year.
- The 2019-20 Budget review has resulted in the Shire's net result decreasing from a surplus of $1.893 million to a surplus of $1.729 million. The extent of the decrease is relatively minor and is attributable to the forecast increase in operating expenditure being greater than the forecast increase in operating revenue and grants for capital projects.
- The review identified increases to operating revenue of $0.569 million, increases to operating expenditure of $1.352 million and increases to capital grants of $0.414 million.
- Capital expenditure is expected to be $3.548 million lower than expected with the main reduction being the re-profiling of the main street project to recognise stage 2 construction occurring in 2020-21.
- Transfers to Reserves have reduced by $0.050 million with the main budget amendment being the reduction in interest earned on reserves.
- Transfers from reserves have reduced by $3.841 million due to the revised funding for the main street project offsetting increases in funding required for waste services projects.
- In summary the completed review has resulted in a balanced budget position at 30 June 2020.
- To comply with legislation a copy of this review and Council's determination is to be provided to the Department of Local Government, Sport and Cultural Industries.

RECOMMENDATION
That Council:
1. Receives the 2019-20 Budget review in accordance with regulation 33A of the Local Government (Financial Management) Regulations 1996; and
2. Adopts the results of the review and the budget amendments contained in the Attachment including the amended transfers to and from reserves.

LOCATION PLAN
Nil

TABLED ITEMS
Nil

BACKGROUND
In accordance with Regulation 33A of the Local Government (Financial Management) Regulations 1996 local governments are required to carry out a review of their annual budget after six months and Council is required to consider the results of this review.

To undertake the review business units were provided statements of their financial results at 31 December 2019 and requested to review these results and record any budget adjustments they believed to be materially significant. To ensure budget adjustments were of a material nature, only budget adjustments greater than $5,000 were requested. A conservative approach to reviews was followed and the reason for the proposed budget adjustments recorded. Business units were also encouraged to find savings to offset any over expenditures.
In order to determine the expected financial position at 30 June 2020, the budget review financial statements contain all actual expenditure and revenue to 31 December 2019, the proposed adjustments to accounts or jobs and the amended budget or forecast end of financial year balance.

Although Council has adopted a material variance threshold for reporting purposes of greater than 10% and $10,000 (minute reference OM2019/236, 24/7/2019) and policy CCSP4 (Finance General Policy) allows the CEO to approve budget variations up to $10,000, Council is requested to review and approve variations greater than $5,000.

CONSULTATION AND ADVICE
External Consultation
Nil

Internal Consultation
Business Units reviewed the financial results and Budget, provided amendments and reasons for the amendments.

DISCUSSION / OFFICER COMMENTS
The attached Business Unit Financial Report includes the Statement of Financial Activity which shows a summary by business unit, the balances of each reserve account and revenue and expenditure details by business unit.

In summary, the Statement of Financial Activity shows the following proposed amendments:

<table>
<thead>
<tr>
<th></th>
<th>Approved Budget $</th>
<th>Budget Amendment $</th>
<th>Amended Budget $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenue</td>
<td>34,365,971</td>
<td>568,713</td>
<td>34,934,684</td>
</tr>
<tr>
<td>Operating Expenditure</td>
<td>(37,938,450)</td>
<td>(1,352,030)</td>
<td>(39,290,480)</td>
</tr>
<tr>
<td>Net Operating Surplus/(Deficit)</td>
<td>(3,572,479)</td>
<td>(783,317)</td>
<td>(4,355,796)</td>
</tr>
<tr>
<td>Capital Grants &amp; Contributions</td>
<td>5,707,255</td>
<td>414,022</td>
<td>6,121,277</td>
</tr>
<tr>
<td>Net Result</td>
<td>1,892,879</td>
<td>(164,295)</td>
<td>1,728,584</td>
</tr>
<tr>
<td>Depreciation</td>
<td>9,361,200</td>
<td>0</td>
<td>9,361,200</td>
</tr>
<tr>
<td>Capital Expenditure</td>
<td>(23,473,962)</td>
<td>3,548,297</td>
<td>(19,925,665)</td>
</tr>
<tr>
<td>Transfers to Reserves</td>
<td>(1,113,076)</td>
<td>50,000</td>
<td>(1,063,076)</td>
</tr>
<tr>
<td>Transfers from Reserves</td>
<td>10,194,525</td>
<td>(3,841,000)</td>
<td>6,353,525</td>
</tr>
<tr>
<td>New Loan Borrowings</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Proceeds from Disposal of Assets and Land Inventory</td>
<td>435,000</td>
<td>70,000</td>
<td>505,000</td>
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<tr>
<td>Net Current Assets (Closing Position)</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Additionally, an improved closing position at 30 June 2019 (which became the opening position at 1 July 2019) was recorded compared to that included in the 2018-20 Budget. The budget forecast an opening position of $3,587,187 when the actual audited result was $3,804,165 and resulted in an improvement of $216,998. This improved opening position allows a balanced budget position to be forecast at 30 June 2020.

The overall nett impact of budget amendments for the majority of business units is relatively minor as the intent was to balance proposed changes to operating and capital expenditures and revenues.

The main reasons for the increase in operating revenue of $0.569 million are:

- higher interim rates resulting from additional lots and developed properties as well as an increase in the number of ratepayers using the instalment option;
- Financial Assistance Grant was $0.020 million higher than budgeted, however this benefit is more than offset by the expectation that interest earned on investments may be $0.245 million lower than originally budgeted due to the Reserve Bank’s decisions to reduce the cash reference rate (0.75% at 1/10/19);
• the receipt of an Emergency Services Levy supplementary grant for 2018-19 of $0.015 million and the operating grant for 2019-20 is $0.056 million higher than was expected;
• additional fees and charges of $0.219 million and the expected receipt of an additional grant of $0.093 million have resulted in additional revenue for Waste Services;
• net additional income of $0.061 million from the operation of the HEART is a conservative estimate as the building is not operating at capacity;
• trading results to date indicate fees and charges for the caravan parks may exceed budget expectations by $0.110 million; and
• the recognition of notional income obtained from Shire operated gravel reserves as well as increased lime sand royalties have contributed to increased revenue for the Other Property and Services area.

The main reasons for the overall increase in operating expenditure of $1.352 million are:
• increased expenditure for Waste Services of $0.303 million includes increased collection costs as the budget assumed collections on a per lift basis when the contract is on a per service basis, increased staffing and surveillance costs for transfer stations and increased waste education to be funded from a grant;
• the inclusion of $0.234 million labour related expenditure for public works overheads was inadvertently excluded when the budget was originally loaded;
• purchase of land for the Margaret River trail of $0.166 million has been transferred to operating expenditure as the land purchase is required for the trail alignment and the subdivision is conditional on it being included in a foreshore reserve, therefore it will not be a saleable asset;
• a Workers Compensation performance based adjustment of $0.115 million based on actual claims for 2018-19 has been received and will be funded from the Self Insurance reserve;
• equipment lease repayments totalling $0.205 million have been included within various business units including Information Communication Technology (ICT) and Recreation Services when they had previously been categorised in the same way as loan repayments; and
• employee expenses have been changed to recognise organisational restructuring that has occurred including moving records and governance staff to the Legal and Governance area, increasing resources for the Communications and Marketing area, recognising the staffing needs for the HEART under a Shire run model as opposed to the outsourced model that was budgeted and providing administrative support for the Community Emergency Services area.

The main changes proposed to the capital works programme are:
• expenditure on Land and Buildings has been reduced by $0.550 million with the major variation being the reassessment of the Turner Caravan Park (TCP) chalets project with construction scheduled to commence in May 2020;
• other infrastructure assets have been increased by $0.992 million with the major change being to increase the budget for the construction of landfill cell 3 and the leachate pond from $0.600 million to $1.640 million with this increased expenditure funded from the Waste Management reserve;
• budgeted expenditure on road works is expected to reduce by $4.712 million primarily as a result of the Margaret River main street project budget being changed to reflect stage 1 works commencing in February and stage 2 occurring in 2020-21; and
• the proposed purchase of a compactor for Waste Services at a cost of $0.600 million is the main reason plant and equipment expenditure is expected to increase by $0.721 million.

The overall change in capital works is a decrease of $3.518 million with the majority of this decrease matched by a reduction in transfers from reserves used for the Margaret River main street project and the TCP chalets projects.

Capital grants increased by $0.414 million and include:
• the special purpose bridge grant of $0.378 million for Courtney Road and West Bay Creek Road bridges;
• approved Roads to Recovery grants being $0.130 million higher than was budgeted; and
• reducing the Regional Road Group grants by $0.094 million as a result of a grant claim for Wallcliffe Road being received in 2018-19 and additional grants being obtained for three other road reconstruction projects.
Transfers to reserves decreased by $0.050 million due primarily to:
- the expectation interest earned on reserves will be $0.155 million lower than expected;
- proceeds from the sale of land in August being $0.030 million lower than budgeted; and
- sale proceeds of $0.120 from the last lot of land inventory being transferred to the Community Facilities reserve.

Transfers from reserves decreased by $3.841 million and include:
- the transfer from the Margaret River CBD reserve being reduced by $4.700 million to $2.800 million;
- transfers from the Waste Management reserve of $1.040 million and $0.600 million for the construction of waste cell 3 and the leachate pond;
- $0.115 million transferred from the Self Insurance reserve;
- the transfer from the Caravan Park Upgrade reserve being reduced by $0.470 million;
- transfers from the Infrastructure Assets Contributions reserve being reduced by $0.429 million as a transfer is not required for stage 1 of the Margaret River main street project but a transfer is required for works on Ashton Street; and
- a transfer from the Plant Replacement reserve of $0.080 million is required to fund the additional cost to replace a Loader.

Unspent proceeds of Loan 194 for asbestos removal and reinstatement works total $0.284 million and are included in the Community Buildings area. It is intended these funds will be allocated to suitable projects in future years.

As a result of the proposed amendments, the closing budget position at 30 June 2020 is forecast to be a balanced position in line with the approved budget although it is likely a carried forward position will be recorded due to the expectation of some projects not being able to be completed during the remainder of this financial year.

However, a number of areas of risk have been identified which may impact upon the Shire’s ability to record this result and these include whether:
- operating and capital grants are received in accordance with expectations;
- capital projects do not exceed budget projections;
- fees and charges for areas such as the Margaret River Recreation Centre, Town Planning, Building Services and Caravan Parks can be achieved;
- labour costs continue to be controlled; and
- other operating expenditure items continue to be managed in accordance with budget projections.

The following are the major adjustments disclosed by business unit.

Rates
Total income has increased by $47,880. An increase in the number of ratepayers electing to pay by instalments has resulted in the instalment interest charges budget increasing. Back rates raised from valuation changes and interim rates from new lots and developed properties have also increased. Expenditure is to increase by $20,000 due to increased debt recovery costs, however, these are offset by increased income.

General Purpose Funding
Income is expected to decrease by $210,000 primarily due to interest earned on investments being amended to reflect the reduced rate of interest being earned on term deposits and the WA Treasury Corporation’s Overnight Cash Deposit Facility for the Margaret River main street project. The WA Local Government Grants Commission grant has been increased to match the actual grant amount to be received and resulted in an adjustment of $20,000. Expenditure has been increased by $5,000 to reflect the calculation of interest on eligible leases in accordance with the Accounting Standards. Similarly lease principal repayments totalling $205,000 have been transferred to business units.
The budget for the CEO Performance Review was removed and the saving of $5,000 allocated to election expenses which were understated.

CEO
Salaries budget has been reduced to 2 full time equivalents (FTEs) as 0.9 FTEs have been transferred to the Legal and Governance area.

Director Corporate and Community Services
Salaries budget has been reduced to 1.72 FTE as 0.43 FTE allocated to the Fire Prevention area to provide administrative support for the Community Emergency Services Manager and Bushfire Mitigation Officer. Budget for sponsorships has been increased by $5,000 to meet the demand for youth sporting sponsorships.

Director Sustainable Development
No changes made.

Director Infrastructure Services
Consultancy budget has been increased by $10,000 to allow for anticipated consultancy expenditure for de-proclamation of Bussell Highway. The Forward Planning budget has been increased by $5,000 due to an expected requirement for increased road design costs. $30,000 has been allocated for community engagement and marketing collateral for the main street project and will be funded from the Margaret River CBD Redevelopment reserve.

Finance
Based on actual claims history for 2018-19 a Workers Compensation performance based adjustment of $115,000 has been received and increases insurance costs. This expenditure is funded from the Self Insurance reserve which was built up from more favourable claims history in previous years.

Records
Salaries budget has been reduced by 0.25 FTE as allocation for Information Communications Technology Coordinator is not required with Records being moved to Legal and Governance area.

Corporate Services
No changes made.

Customer Relations
No changes made.

Information and Communications Technology
Salaries budget has been increased by 0.25 FTE to reflect revised cost allocation for Coordinator. $85,000 for equipment leasing costs included that had previously recognised in the General Financing area.

Human Resources
No changes made although it is likely that paid parental leave will exceed budget.

Community Planning and Development
Grant income has been increased to reflect actual and expected grants to be received. Correction of the overstatement carry forward amount for some unspent grant funded expenditure has resulted in an expenditure saving.

Legal & Governance
Salaries budget increased by 0.88 FTE due to staff transferred from the CEO’s area. Risk management budget increased by $10,000 to provide for the development of an operational and strategic risk register.

Communications & Marketing
FTE allocation increased to 2 from November 2019 has required an increase to the salaries budget.
Emergency Management
Operating income has been increased as supplementary grants for expenditure incurred in 2018-19 totalled $14,736 and the approved ESL operating grant for 2019-20 is $56,000 higher than was estimated. Salaries budget has been increased by 0.43 FTE to include administration support for the CESM position.

Rangers
The budget for a short-term ranger has been moved from contract services to salaries as the position is employed by the Shire. The purchase of the shark warning system approved by Council on 28 August 2019 has been included.

Beach Lifeguards
The lifeguard service at the Margaret River Rivermouth Beach has been contracted to Surf Lifesaving WA as a trial in 2019-20. Budgets have been amended to remove all salary and related expenses and replace these with a contract services budget. The nett impact on the budget for this business unit is increased expenditure of $30,000. However, savings in employee supervision and administration will largely offset this increase as will the associated reduction in risk to the Shire.

Libraries
Salaries budget has been increased to employ a cleaner rather than contract this service. Savings in cleaning costs offset this increase.

Environmental Health
$10,000 has been included for implementation of the Public Health Plan and is largely funded by an anticipated $9,000 saving in contractor costs. Some minor increases were made to other budgets to reflect actual expenditure.

Outside School Hours Care
Salaries have been increased to reflect actual expenditure and a capital budget for a storage unit has been moved to operating expenditure as the purchase amount was lower than the capitalisation threshold.

Waste Services
Total operating income budgets have been increased by $312,000 due to:
- residential collection charges and rural waste facility passes income being increased to reflect actual income;
- commercial disposal charges being reduced as a result of adverse economic conditions reducing volumes and revenue for this revenue stream; and
- a possible grant of $93,000 from the Department of Water and Environmental Regulation (DWER) being received for waste education campaigns and material.

Operating expenditure budgets are expected to increase by $303,000 and include:
- grant funded expenditure for waste education;
- a reduction in special projects of $85,000 to fund increases in other areas;
- waste collection costs have increased by $245,000 as the budget was predicated on rubbish and recycling collection costs being charged on a per lift basis rather than a per service basis; and
- increased servicing, surveillance and staffing costs for transfer stations of $60,000.

Capital works projects have been increased by $1,605,000 and is primarily due to increasing the budget allocation for the preparation and construction of Waste Cell 3 and the Leachate Pond by $1,040,000 to the tendered contract cost. The other major variation is the purchase of a landfill compactor at a cost of $600,000. Increased transfers from the Waste Management reserve have funded these expenditures and the balance of this reserve is forecast to be $9,123,000 at the end of the year.

Town Planning
No changes made, however it is likely the budget for the second Climate Action Summit will be carried forward.
Landcare
A budget of $60,000 has been included for the implementation of the recommendations relating to the stability of limestone cliffs. The funds for these works have been transferred from a construction project. No other changes are proposed, however it is expected part of the budget allocation for the streams and wetlands fund will be carried over to 2020-21. Any other Environmental Management Fund underspends will either be transferred to the Biodiversity reserve or carried over if the project is not completed.

Community Buildings
The RADS grant for the Augusta Airport Patient Transfer Facility has been reduced to $35,333 to represent the actual grant to be received and paid to St Johns Ambulance. The overall capital works programme has been reduced by $50,874 due to the following:
- the expenditure budget for the HEART project has been reduced to agree with the total project funding budget less actual total project expenditure incurred to 30/6/2019;
- under budget and deferred asbestos removal and reinstatement works has increased the future works able to be funded from the unspent balance of loan 194; and
- a new project to replace the Margaret River Depot workshop roof has been included as this location is the preferred site for the solar cells to be installed due to its proximity to power.

Indoor Sports
Expenditure increased by $15,000 to reflect the actual cost of recommissioning court 3 after the construction of the HEART. $8,200 has also been included to upgrade the basketball backboards and is funded by reallocating funds from the proposed upgrade of the playground area. The cost of renewing the sports floors for courts 1, 2 and 3 exceeded budget and $5,000 has been transferred from the Gym Appraisal Room to offset this variance.

Aquatic Centre
Fees and charges have been increased as actual usage indicates the budget will be exceeded. The budget to replace the booster pumps, input pipes and valves has been increased to the actual cost of this project.

Fitness Centre
Apart from including gym equipment leases no changes have been made although revenue is currently under budget.

Augusta Recreation
Lease of gym equipment has been included and the capital budget for the Croquest/Tennis Club building increased to match actual expenditure. A new capital budget of $10,000 has been included for a system to remotely monitor the operation of the Hydrotherapy Pool’s pumps which have required replacement and significant maintenance.

Gloucester Park
To meet safety requirements $7,000 has been included to install a handrail and safety ramp at the rear of football club rooms.

HEART
This area has been significantly reviewed as a result of the decision for the Shire to operate the centre rather than outsource this responsibility. The overall net impact upon the budget is nil with the amended budget result being the same as that proposed in the approved budget for 2019-20. To achieve this operating income has increased by $61,000, capital expenditure for fit-out has reduced by $34,100 and operating expenditure increased by $95,100. The main area of expenditure increase is employee costs with a workforce of 5.5 FTEs plus casuals included. The other major changes are the inclusion of the HEART Culture and Arts Grants program budget and a reduction in the contract services budget.

Parks and Gardens
Operating expenditure is to decrease by $100,000 with these savings allocated to other areas. Capital works are to increase due mainly to expenditure for the landscaping of John Archibald Drive not being carried over. The final claim for the Community Sport and Recreation Facilities Fund (CSRFF ) grant for the Lower Western playing fields project was not paid in full by the Department as the project came in under budget. This resulted in $60,655 less than was claimed being paid by the Department and is
effectively recognised as expenditure this year. This amount has not been adjusted and should be offset by budget savings during the remainder of the year.

Asset Services
Additional fees and charges are expected from subdivision works supervision due to increased activity. Operating expenditure has increased by $138,000 due primarily to the transfer of the expected payment for the acquisition of land for the Margaret River Trail from capital. As the land will be incorporated into the foreshore reserve it will not become a Shire asset. Other budgets have been reallocated within operating and capital expenditure to amend budget shortfalls and reflect project delays.

Construction
Capital grants increased by $414,022 due to the special purpose bridge grant for Courtney Road and West Bay Creek Road bridges that was unbudgeted and the higher than expected Roads to Recovery grant. Changes to the Regional Road Group grants offset these increases. These changes included additional grants for Leeuwin Road, Rosa Brook Road and Rosa Glen Road and reducing the grant for Wallcliffe Road as part of this grant had been claimed in 2018-19.

A number of changes have been made to capital projects and in total these reduce the capital works budget by $4,711,978 and include:

- reducing the Margaret River main street project budget by $5,487,000 to $3,170,000 which equates to the value of stage 1 works to be completed in 2019-20;
- reallocating the $100,000 budget for Gloucester Park roads and car parking to drainage projects;
- allocating $110,000 from the Parking reserve to the construction of new carparks on the corner of Walcliffe Road and Station Road;
- reallocating $78,000 from various project to the sealing of the airport access road;
- bridge works for Courtney Road and West Bay Creek Road bridges funded by the Special Purpose Grant;
- increase asphalt overlays funded by Roads to Recovery;
- increased budgets for Leeuwin Road, Rosa Brook Road and Rosa Glen Road funded by Regional Road Group grants;
- increased allocation for crack patching to meet needs for these works;
- increased allocation for Ashton Road works funded by developer contributions; and
- changes to various path projects.

Maintenance
Operating expenditure budgets have increased by a total of $67,000 with the majority of this increase required for the Waste Collection Public Open Space budget due to the increased contract waste collection cost. Expected savings to the budgets for drainage and removal of dangerous trees have partially offset this increase as well as the increase to the traffic signs budget.

Plant Program
Proceeds from sale of assets have all been amended as sale proceeds from plant and equipment have been higher than expected.

Capital expenditure is expected to increase by $121,000 as the purchase price of some items of plant exceeded budget estimates. The major variation was the replacement of a loader which required an increased transfer from the Plant reserve of $80,000. The balance of this reserve is forecast to be $713,000 at the end of the year.

Caravan Parks
Income has been increased by $110,000 to reflect increased visitation at the parks. No changes to operating expenditure budgets although some areas are currently under budget.

Capital expenditure reduced by $407,000 to reflect the timing of major projects such as the construction of chalets which is expected to commence in May 2020. These adjustments have been offset by increased budgets for the renewal of park infrastructure. As the chalets are being funded from the Caravan Park Upgrade reserve the transfer from this reserve has been reduced and the balance of this reserve is forecast to be $1,230,000 at the end of the year.
Building Services
No adjustments made although income is currently below budget.

Sustainable Economy
Operating expenditure increased to include the Make It Local initiative approved by Council.

Public Works Overheads
The majority of expenditure items are on budget although an adjustment has been made to include the budget for unallocated works payroll which had been omitted. This results in this area recording a net loss when a slight net profit was included in the approved budget.

Plant Operating Costs
Expenses for leased items of plant have been included.

Other Property and Services
Income has been increased by $140,000 due to royalties for the limesand pit being higher than budgeted and the recognition of notional income from the use of the Shire’s gravel stockpiles. If not spent during the year the royalties will be transferred to the Infrastructure Assets Contributions reserve.

The budget for land sale costs was increased by $20,000 in line with actual expenditure. Budgets were also adjusted to recognise increased workers compensation claims, loss of disposal of land and proceeds from the sale of the last vacant residential lot held for sale in Rapids Landing. These proceeds have been transferred to the Community Facilities reserve.

STATUTORY ENVIRONMENT / LEGAL IMPLICATIONS
Regulation 33A of the Local Government (Financial Management) Regulations 1996 specifies the following for the Review of the Budget.
(1) Between 1 January and 31 March in each financial year a local government is to carry out a review of its annual budget for that year.
(2A) The review of an annual budget for a financial year must —
(a) consider the local government’s financial performance in the period beginning on 1 July and ending no earlier than 31 December in that financial year; and
(b) consider the local government’s financial position as at the date of the review; and
(c) review the outcomes for the end of that financial year that are forecast in the budget.
(2) Within 30 days after a review of the annual budget of a local government is carried out it is to be submitted to the council.
(3) A council is to consider a review submitted to it and is to determine whether or not to adopt the review, any parts of the review or any recommendations made in the review.
(4) Within 30 days after a council has made a determination, a copy of the review and determination is to be provided to the Department.
*Absolute majority required.

Section 6.11 of the Local Government Act 1995 specifies the following for Reserve accounts.
(1) Subject to subsection (5), where a local government wishes to set aside money for use for a purpose in a future financial year, it is to establish and maintain a reserve account for each such purpose.
(2) Subject to subsection (3), before a local government —
(a) changes the purpose of a reserve account; or
(b) uses the money in a reserve account for another purpose, it must give one month’s local public notice of the proposed change of purpose or proposed use.
* Absolute majority required.

STRATEGIC PLAN / POLICY IMPLICATIONS
Community Strategic Plan 2036 (CSP)
Corporate Business Plan 2019-2023
Key Result Area 5: Effective leadership and governance
Outcome 6: Measure and report on success and sustainability
Strategy 1: effectively measure our success and progress to a sustainable future
Service level strategy/plan: Continue to monitor monthly, year to date and annual financial performance including preparation of the annual financial report.
PLANNING FRAMEWORK
Nil

FINANCIAL IMPLICATIONS
Implications
The review provides an indication of the possible end of financial year position based on an assessment of actual expenditure to the end of December 2019 and expectations of revenue and expenditure for the next six months compared to the 2019-20 adopted Budget.

Long Term Financial Plan
The revised budget will influence the Long Term Financial Plan by providing actual revenue and expenditure parameters to compare against forecast results.

Whole of Lifecycle considerations
Nil

SUSTAINABILITY IMPLICATIONS
Environmental
Nil

Social
Nil

Economic
As outlined in the report.

ADVOCACY
Nil

IMPLICATION OF ALTERNATIVE RESOLUTION
Nil

VOTING REQUIREMENTS
Absolute Majority

RECOMMENDATION
That Council:
1. Receives the 2019-20 Budget review in accordance with regulation 33A of the Local Government (Financial Management) Regulations 1996; and
2. Adopts the results of the review and the budget amendments contained in the Attachment including the amended transfers to and from reserves.

ADVICE TO APPLICANT / PROPOSER
Nil

ATTACHMENTS
1. 2019-20 Budget Review using results to 31 December 2019
12. MOTIONS FROM MEMBERS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

12.1 Donation to Sister Province, Haining – Cr Cristoffanini

At the 12 February 2020 Ordinary Council Meeting Cr Cristoffanini gave notice of the following motion:

MOTION
That Council notes the request for assistance received by our sister province, Haining, who have been affected by the impact of the coronavirus and authorises the CEO to transfer funds of $5,000 to the Donations budget for the purpose of providing assistance, either through a cash donation or supplies and equipment.

13. MOTIONS FOR CONSIDERATION AT NEXT MEETING

14. NEW BUSINESS OF AN URGENT NATURE

14.1. Members

14.2. CEO

15. CONFIDENTIAL BUSINESS

16. CLOSURE OF MEETING