



Shire of
Peppermint Grove

ORDINARY COUNCIL MEETING

MINUTES

**HELD ON
TUESDAY 22 JUNE 2021
AT
5.30 PM**



Shire of Peppermint Grove

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ORDINARY COUNCIL MEETING MINUTES

1 DECLARATION OF OFFICIAL OPENING

At 5.30pm, the Shire President declared the meeting open and requested that the Affirmation of Civic Duty and Responsibility be read aloud by a Councillor and requested the recording of attendance and apologies.

The media indicated they were not recording the meeting.

The Presiding Member caused the Affirmation of Civic Duty and Responsibility to be read aloud by Councillor Farley.

Affirmation of Civic Duty and Responsibility

I make this Affirmation in good faith on behalf of Councillors and Officers of the Shire of Peppermint Grove. We collectively declare that we will duly, faithfully, honestly, and with integrity fulfil the duties of our respective office and positions for all the people in the district according to the best of our judgment and ability. We will observe the Shire's Code of Conduct and meeting procedures to ensure the efficient, effective and orderly decision making within this forum.

2 RECORDING OF ATTENDANCE, APOLOGIES AND LEAVES OF ABSENCE

2.1 ATTENDANCE

Shire President
Deputy Shire President
Elected Member
Elected Member
Elected Member
Elected Member
Elected Member

Cr R Thomas
Cr C Hohnen
Cr G Peters
Cr P Macintosh
Cr P Dawkins
Cr D Horrex
Cr K Farley



Chief Executive Officer
Manager Development Services
Manager Corporate and Community Services
Manager Infrastructure Services

Mr D Burnett
Mr R Montgomery
Mr M Costarella
Mr D Norgard

Gallery 0 Members of the Public
1 Members of the Press

2.2 APOLOGIES

NIL

2.3 LEAVES OF ABSENCE

NIL

2.4 NEW REQUEST FOR A LEAVE OF ABSENCE

NIL

3 DELEGATIONS AND PETITIONS

3.1 DELEGATIONS

NIL

3.2 PETITIONS

NIL

4 PUBLIC QUESTION TIME

The Presiding Member opened the public question time by asking the gallery if there were any questions or deputation for Council.

- The Agenda
- Question to Council and
- Deputation Forms

Were placed at the end of the Council Meeting table in front of the public gallery, for the public, as well as on the Shire Webpage.

Rules for Council Meeting Public Question Time

- Public Question Time provides the public with an opportunity to put questions to the Council. Questions should only relate to the business of the Council and should not be a statement or personal opinion.*
- During the Council meeting, after Public Question Time no member of the public may interrupt the meeting's proceedings or enter into conversation.*
- Whenever possible, questions should be submitted in writing at least 48 hours prior to the start of the meeting.*
- All questions should be directed to the President and only questions relating to matters affecting Council may be answered at an Ordinary meeting, and at a Special meeting only questions that relate to the purpose of the meeting may be answered. Questions may be taken on notice and responded to after the meeting, at the discretion of the President.*
- The person presiding will control Public Question Time and ensure that each person wishing to ask a question should state his or her name and address before asking the question. If the question relates to an item on the agenda, the item number should also be stated. In general, persons seeking to ask a question will be given 2 minutes within which to address their question to the Council. The person presiding may shorten or lengthen this time in their discretion.*

4.1 RESPONSE TO PREVIOUS QUESTIONS TAKEN ON NOTICE FROM A PREVIOUS MEETING

NIL

4.2 QUESTIONS FROM MEMBERS OF THE PUBLIC

NIL

4.3 DEPUTATIONS OF THE PUBLIC

NIL

4.4 PRESENTATIONS FROM THE PUBLIC

NIL

5 DECLARATIONS OF INTEREST

Councillors / Staff are reminded of the requirements of section 5.65 of the Local Government Act 1995, to disclose any interest during the meeting when the matter is discussed, and also of the requirement to disclose an interest affecting impartiality under the Shire's Code of Conduct. Councillors / staff are required to submit declarations of interest in writing on the prescribed form.

5.1 FINANCIAL INTEREST

Chief Executive Officer – Item 11.1 – CEO Performance Review 2021

The nature of the interest being that the report deals with his contract.

5.2 PROXIMITY INTEREST

NIL

5.3 IMPARTIALITY INTEREST

Cr Dawne Horrex – Item 9.1 Budget 2021/22

The nature of the interest being that she is a long term life member of the tennis club. She has been a past President amongst other positions held.

5.4 INTEREST THAT MAY CAUSE A CONFLICT

NIL

5.5 STATEMENT OF GIFTS AND HOSPITALITY

NIL

6 ANNOUNCEMENTS BY THE PRESIDING MEMBER (WITHOUT DISCUSSION)

NIL

7 CONFIRMATION OF MINUTES

7.1 ORDINARY COUNCIL MEETING 25 MAY 2021

OFFICER RECOMMENDATION/COUNCIL DECISION – ITEM 7.1

Moved: Cr Horrex

Seconded: Cr Hohnen

That the Minutes of the Ordinary Council Meeting, of the Shire of Peppermint Grove held in the Council Chambers on 25 May 2021 be confirmed as a true and accurate record.

CARRIED 7/0

7.2 SPECIAL COUNCIL MEETING 1 JUNE 2021

OFFICER RECOMMENDATION/COUNCIL DECISION – ITEM 7.2

Moved: Cr Peters

Seconded: Cr Macintosh

That the Minutes of the Special Council Meeting, of the Shire of Peppermint Grove held in the Council Chambers on 1 June 2021 be confirmed as a true and accurate record.

CARRIED 7/0

7.3 SPECIAL COUNCIL MEETING 8 JUNE 2021

OFFICER RECOMMENDATION/COUNCIL DECISION – ITEM 7.3

Moved: Cr Dawkins

Seconded: Cr Peters

That the Minutes of the Special Council Meeting, of the Shire of Peppermint Grove held in the Council Chambers on 8 June 2021 be confirmed as a true and accurate record.

CARRIED 7/0



8 OFFICER REPORTS

8.1 MANAGER DEVELOPMENT SERVICES

NIL

8.2 MANAGER INFRASTRUCTURE SERVICES

NIL

8.3 MANAGER CORPORATE AND COMMUNITY SERVICES

8.3.1 Financial Statements for Period Ended 31 May 2021

CORPORATE

ATTACHMENT DETAILS

<u>Attachment No</u>	<u>Details</u>
Attachment	Financial Statements for the period ended 31/05/2021

Voting Requirement	:	Simple Majority
Subject Index	:	Financial Statements- 2020/21
Disclosure of Interest	:	Nil
Responsible Officer	:	Michael Costarella

PURPOSE OF REPORT

To receive the financial statements for the period ended 31 May 2021.

SUMMARY AND KEY ISSUES

There are some variances between the year to date budget and the actual expenditure and income to the 31 May 2021. These include:-

- Fees & Charges
- Contributions
- Employee Costs
- Materials and Contracts
- Capital Expenditure.

BACKGROUND

The Monthly Financial Statements are prepared in accordance with the requirements of the Local Government Act & Financial Management regulations and are presented to Council for information.

CONSULTATION

There has been no specific consultation undertaken in respect to this matter.

STRATEGIC IMPLICATIONS

Objectives within the Governance section of the Strategic Community Plan

POLICY IMPLICATIONS

Shire of Peppermint Grove Financial Management Policies

STATUTORY IMPLICATIONS

Local Government (Financial Management) Regulations 1996

FINANCIAL IMPLICATIONS

There are no financial implications evident at this time.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications evident at this time.

SOCIAL IMPLICATIONS

There are no social implications evident at this time.

OFFICER COMMENT

The following comments relate to year-to-date (YTD) **Revised budget** versus actuals variances or forecasts that vary from the full year estimate that are greater than \$10,000.

(1) Employee Costs- \$ 47,000

The amount of \$47,000 is less than the year-to-date budget and relates to anticipated expenditure of :-

- Occupation Health & Safety program \$14,000
- Salary and Wages \$33,000 (timing)

(2) Materials & Contract-(\$329,000)

This year's actual expenditure is some \$329,000 less than the year to date budget and relates to anticipated expenditure of:-

1. Consultancies- **\$85,000** (inc Cottesloe Hub Project)
2. Materials and Contractors **\$232,000** (see below list)
 - a. Advertising \$ 5,000
 - b. Drainage Contractor \$ 10,000
 - c. Audit Fees \$ 16,000
 - d. Legal costs \$ 8,000
 - e. Office Equip Mtce \$ 13,000
 - f. Records Management \$ 20,000
 - g. Reserves Mtce \$ 54,000
 - h. Events \$ 12,000
 - i. Road Repairs \$ 34,000
 - j. Green Waste \$ 14,000
 - k. Swimming Pool Insp \$ 19,000
 - l. Waste Management \$ 27,000

Note: Purchase Orders totalling \$183,000 have been raised for May, however Council is awaiting invoices and these are not included in the expenditure.

3. Building Utilities & Maintenance **\$12,000**

(3) Capital Expenditure- total Expenditure \$770,000

The total budget amount of capital works equate to \$1,086,544. As at the 30th April, there are a number of projects that (have commenced) and are to be completed by the end of June 2021 and these include:-

- Reticulation Upgrade - Manners Hill Park, Keanes Point and Foreshore
- Paving Areas- Lilla Street ACROD path to toilets- Keanes Point
- Paving - footpath from Depot public toilets to Pavilion
- Street furniture renewal – various
- Depot - operations area pedestrian fence installation

Note: Purchase Orders have been raised for these projects, however these are not included in the expenditure.

The Local Road and Community Infrastructure Program (LRCI- Phase 2 has been deferred and will be carried forward to the 2021/22 financial year. Council has until the 31 December 2021 to complete the project.

Full details of the individual project costs are shown on page 11 of the Financial Statements.

OFFICER RECOMMENDATION/COUNCIL DECISION – ITEM NO 8.3.1

Moved: Cr Farley

Seconded: Cr Horrex

That Council receive the financial report for the period 1 July 2020 to 31 May 2021.

CARRIED 7/0

8.3.2 Accounts Paid May 2021

CORPORATE

ATTACHMENT DETAILS

<u>Attachment No</u>	<u>Details</u>
Attachment	Accounts Paid – May 2021

Voting Requirement	:	Simple Majority
Subject Index	:	Financial Management
Disclosure of Interest	:	Nil
Responsible Officer	:	Michael Costarella, Manager Corporate and Community Services

PURPOSE OF REPORT

The purpose of this report is to advise the details of all cheques drawn, credit card and electronic funds payments and direct debits since the last report.

SUMMARY AND KEY ISSUES

Significant payments in May 2021 included the following:

- GST & PAYG remittance to ATO;
- Waste Management Services
- WA Superannuation

BACKGROUND

The Attachment lists details of all payments made in April & May 2021 since the last report. The following summarises the cheques, credit card payments, electronic fund transfers and direct debits included in the list presented for information.

PAYMENT TYPE	NUMBER SERIES	AMOUNT
EFT	EFT413-416	\$150,023.59
Direct Debits	DD233-237	\$ 4,793.54
BPAY	BPAY207-213	\$ 886.31
Cheque- Petty Cash	CN443	\$ 52.80
Credit Cards- April		\$ 4,371.96
TOTAL		\$160,128..20

CONSULTATION

There has been no specific consultation undertaken in respect to this matter.



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STRATEGIC IMPLICATIONS

There are no Strategic Plan implications evident at this time.

POLICY IMPLICATIONS

There are no significant policy implications evident at this time.

STATUTORY IMPLICATIONS

Accounts are paid during the month in accordance with Delegation 2 "Payments from the Municipal Fund and the Trust Fund". Power to delegate to the CEO is contained in Section 5.42 of the Local Government Act 1995.

FINANCIAL IMPLICATIONS

The payments processed by the Shire relate to expenditure approved in the 2020/21 annual budget.

OFFICER COMMENT

The List of Accounts paid are provided to Council for information purposes and in accordance with the delegation to the CEO.

OFFICER RECOMMENDATION/COUNCIL DECISION – ITEM NO 8.3.2

Moved: Cr Hohnen

Seconded: Cr Farley

That Council receive the list of payment of accounts by:-

- 1. cheques, electronic funds transfers, direct debit payments for the month of May 2021, totalling \$155,756.24**
- 2. credit card payments for April 2021 totalling \$4,371.96**

CARRIED 7/0

8.4 CEO/ MANAGEMENT / GOVERNANCE / POLICY

8.4.1 2021-2031 Strategic Community Plan

MANAGEMENT/GOVERNANCE/POLICY

ATTACHMENT DETAIL

Attachment No	Details
Attachment 1 – Item refers	2021-2031 Strategic Community Plan incorporating changes from the Agenda Briefing Forum 8 June 2021

Voting Requirement	:	Absolute Majority
Subject Index	:	Annual Reports
Disclosure of Interest	:	Nil
Author	:	Michael Costarella, Manager Corporate & Community Services
Responsible Officer	:	Don Burnett, Chief Executive Officer

PURPOSE OF REPORT

The purpose of the report is for Council to adopt the 2021- 2031 Strategic Community Plan following the community survey and a Councillor workshops held on 9 March 2021.

SUMMARY AND KEY ISSUES

- The Strategic Community Plan is future focussed and aspirational. Developed in consultation with the community, this plan will enable a transparent and accountable report on how the Shire performs in representing the views, expectations and aspirations of our community.

BACKGROUND

The Shire undertook a review of the current Strategic Community Plan and following community consultation and a Councillors workshop, the consultant, in liaison with Executive Staff, prepared the 2021-2031 Strategic Community Plan. The Plan has been developed with the following themes: -

- Social.
- Economic.
- Built Environment;
- Natural Environment; and
- Good Governance.

CONSULTATION

In order to commence the consultation process, staff engaged the services of a marketing organisation to assist in the community consultation. The company developed a survey that was distributed to all residences in October 2020, this was also on the Shire of Peppermint Grove website link for on-line responses. The comment period closed on the 27 November 2020.

The community responses received were reviewed and discussed at the Councillors Workshop held on the 9 March 2021.

STRATEGIC IMPLICATIONS

The Town is required to develop the following:

- 10-year Strategic Community Plan - (reviewed every 4 years).
- 4-Year Corporate Business Plan - (reviewed annually); and
- Informing Strategies - Asset Management Plans, Workforce Plans and Long-Term Financial Plans. (reviewed annually).

The Corporate Business Plan will now be completed using the Strategic Community Plan as the basis for this plan.

The Asset Management Plan is being presented to Council at this meeting for adoption. The Long-Term Financial plan will be updated taking into consideration any financial impact from the Asset Management Plan.

POLICY IMPLICATIONS

There are no significant policy implications evident at this time.

STATUTORY IMPLICATIONS

Section 5.56 of the Local Government Act, Regulation 19D, 19DA & 19DB of the Local Government (Administration) Regulations requires the Shire to adopt and review a Community Plan.

In accordance with Section 5.56 of Local Government Act and Administration Regulation 19D, the Shire is to give local, public notice of the adoption of the 2021-2031 Strategic Community Plan.

FINANCIAL IMPLICATIONS

There are no financial implications at this time.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications at this time.

SOCIAL IMPLICATIONS

The Draft Strategic Community Plan was developed with the following themes: -

- Social.
- Economic.
- Built Environment.
- Natural Environment; and
- Governance.

The Draft Strategic Community Plan will provide a guide for the future delivery of services. in these areas.

OFFICER COMMENT

The Shire's Strategic Community Plan articulates the Shire's community's vision and aspirations and informs the strategic directions that the Shire takes in delivering its future planning, projects and services. It provides the foundation for how the Shire supports and services the community, and will:

- Guide Council decision making.
- Inform and target the allocation of resources.
- Guide local planning initiatives.
- Form mutually beneficial partnerships with other organisations.
- Monitor progress against the Shire's vision and priorities.

The Shire applies tailored business planning processes to take the priorities outlined in this Strategic Community Plan and turn them into actions that will be delivered for the community.

This Plan comprises:

VISION - A descriptive statement of the future desired position for the Shire of Peppermint Grove.

STRATEGIC PRIORITY AREAS

Key Result Area 1: Social

Key Result Area 2: Economic

Key Result Area 3: Built Environment

Key Result Area 4: Natural Environment

Key Result Area 5: Governance

The Plan presented for adoption basically reinforces the Shire's first Community Plan developed in 2015. The main community priorities relate to the maintaining the urban green environment and treescape and valuing local history and heritage. A new area of focus is the Cottesloe Central/ Village precinct to be developed into a thriving business and social centre.

A minor review of our Strategic Community Plan will be undertaken every two years and a major review every four years.

Further Information following the Agenda Briefing Forum 8 June 2021

Following a final review of the Strategic Community Plan, the following amendments to the plan are recommended,

- 1. Page 3, the deletion of the following in the Presidents Message that was included twice "I am Pleased to present the Shire of peppermint Grove's Strategic Community Plan 2021 - 2031".*
- 2. Page 10, the Vision to be changed to read "A Shire valued for its heritage, sense of community and natural ambience".*
- 3. Page 13 amend "Curtin Care" to "Curtin Heritage Living" where is appears twice.*
- 4. Page 13 add a Strategy "1.3.2 Preserve the heritage buildings in the Shire", Measure of Success "Level of take up of the Shire's heritage grant program".*

OFFICER RECOMMENDATION/ – ITEM NO 8.4.1

That Council adopts the 2021-2031 Strategic Community Plan

ALTERNATE MOTION/COUNCIL DECISION– ITEM NO 8.4.1

Moved: Cr Farley

Seconded: Cr Hohnen

That Council adopts the 2021-2031 Strategic Community Plan with the following amendments:

- 1. Page 3, the deletion of the following in the Presidents Message that was included twice "I am Pleased to present the Shire of peppermint Grove's Strategic Community Plan 2021 - 2031".**
- 2. Page 10, the Vision to be changed to read "A Shire valued for its heritage, sense of community and natural ambience".**
- 3. Page 13 amend "Curtin Care" to "Curtin Heritage Living" where is appears twice.**
- 4. Page 13 add a Strategy "1.3.2 Preserve the heritage buildings in the Shire", Measure of Success "Level of take up of the Shire's heritage grant program".**

CARRIED 7/0

8.4.2 2021 – 2031 Asset Management Plan

MANAGEMENT/GOVERNANCE/POLICY

ATTACHMENT DETAILS

<u>Attachment No</u>	<u>Details</u>
Attachment 2 – Item refers	2021/22 – 2030/31 Asset Management Plan

Voting Requirement	:	Simple
Subject Index	:	Shire Infrastructure- Planning
Disclosure of Interest	:	Nil
Author	:	Chief Executive Officer, Don Burnett
Responsible Officer	:	Chief Executive Officer, Don Burnett

PURPOSE OF REPORT

Under Integrated Reporting requirements the Shire is required to develop and maintain an Asset Management Plan (AMP)

SUMMARY AND KEY ISSUES

- The Shire has developed an AMP for the financial management of its assets for a 10-year rolling program.
- The AMP is broken into asset classes and identifies the financial commitment required to maintain or replace these assets.

BACKGROUND

Local Governments are required to develop a number of plans and strategies as part of an Integrated Planning Framework. The key documents are the Strategic Community Plan (rolling 10-year plan) which is supported by a Corporate Business Plan (4 year rolling cycle). The Corporate Business Plan is the implementation document for the strategies identified in the Community Strategic Plan, with the annual budget proving resources for this implementation process.

A number of other documents feed into the financial side of the planning, The AMP is one of these documents.

The Shire's AMP breaks the Shire's assets into the following categories.

- Transport – which covers roads, footpaths, drainage.
- Recreation – infrastructure on parks, lighting, street furniture (seats, bins, picnic tables, playgrounds etc)
- Plant & vehicles
- Property – buildings such as the Grove/library, depot, public toilets.
- New projects are included, but not incorporated into the financial implications of the AMP until such time as a project is started.

CONSULTATION

There has been no specific consultation undertaken in respect to this matter.

STRATEGIC IMPLICATIONS

The AMP identifies the cost implications for the Long-term Financial Plan and the 4 Year Corporate Plan.

POLICY IMPLICATIONS

There are no significant policy implications evident at this time.

STATUTORY IMPLICATIONS

The AMP is part of the requirements of the Integrated Planning Framework.

FINANCIAL IMPLICATIONS

The AMP identifies funds required to maintain the Shire's asset to a sustainable level. Most assets will have funds required to be spent on an annual or regular basis to maintain the asset to an acceptable standard. On occasion an upgrade of an asset will also require expenditure.

The AMP identifies the funds required and the Long-Term Financial plan and Corporate/annual budget will make provision for this expenditure.

The 2019/20 Annual Financial Statements include ratios that includes minimum standards for the renewal of assets, asset consumption as well as ensuring asset sustainability.

Asset consumption ratio – this ratio seeks to highlight the aged condition of the Shire's stock of physical assets. It measures the extent to which depreciable assets have been used by comparing the written down value to their replacement costs.

Asset renewal funding ratio – this ratio vindicates whether Shire has the financial capacity to fund asset renewal as required and continue to provide existing levels of services in the future, without additional operating income or reduction in operating expenses.

Asset sustainability ratio – this ratio indicates whether the Shire is replacing or renewing existing non-financial assets at the same rate that its overall asset stock is wearing out.

The ratios are as follows:-

	Council %	Standard Required
Asset consumption ratio = <i>depreciated replacement cost</i> <i>current replacement cost.</i>	97%	60-75%
Asset renewal funding ratio = <i>CAPEX expenditure</i> <i>depreciation expense</i>	169%	95-105%
Asset sustainability ratio = <i>Net present value of planned Asset renewal for 10 years</i> <i>Net present value of required asset renewal for 10 years</i>	135%	90-110%

This means that Council is currently exceeding the requirements for the asset management and continues to maintain its assets to an above average standard.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications at this time.

SOCIAL IMPLICATIONS

The AMP ensures that community assets valued by the community is maintained by the Shire.

OFFICER COMMENT

The AMP identifies each asset owned by the Shire within each asset class. Each asset has been inspected and a condition of the asset is made, and an assessment of funds required to either upgrade the condition or maintain the condition. The AMP only covers assets under the Shires care and control. Properties such as Wearne House and the Peppermint Grove Tennis Club clubhouse, court lights etc are not in the Shire's AMP.

The AMP aggregates the costs into the asset class, with these costs either met on an annual basis through the Shire's CAPEX budget, or provision set aside in the Shire' reserve funds for a future upgrade. In some areas there may be an annual requirement to upgrade, such as the drainage network, however from an operational point of view it is better to undertake a major upgrade in a number of years, in this instance the annual allocation would be transferred to a reserve fund.

The AMP covers a 10-year period, with the annual expenditure varying from \$289,000 in 2028/29 to \$552,800 in 2025/26. These amounts are in today's dollars. The funding requirement for 2021/22 is \$477,400 and this will be met in the 2021/22 CAPEX budget.

The AMP also has a schedule showing amounts that should be transferred on an annual basis that will be required to meet future renewal costs. The reserve fund transfer is to ensure the Shire has the funds to meet the costs when these larger renewal costs are due. The total scheduled to be transferred to reserve funds is \$309,700 however of this amount, \$213,639 is allocated to the Towns of Cottesloe and Mosman Park towards to the allocation of asset renewal costs for the library. The Shire is responsible for 9.09% of library asset renewal costs. The balance of \$96,061 the 21/22 transfer is being met by a transfer \$100,000 into the Infrastructure/Building reserve.

The AMP is updated each year with CAPEX works undertaken, any new projects funded, and allocations reviewed.

OFFICER RECOMMENDATION/COUNCIL DECISION – ITEM NO 8.4.2**Moved: Cr Horrex****Seconded: Cr Farley****That Council adopts the 2021/22 – 2030/31 Asset Management Plan.****CARRIED 7/0**

8.4.3 Matters for Information and Noting

MANAGEMENT/GOVERNANCE/POLICY

ATTACHMENT DETAILS

<u>Attachment</u>	<u>Details</u>
Attachment refers to	Library Statistics Recycling Statistics

Voting Requirement	:	Simple majority
Subject Index	:	Matters for Information June 2021
Disclosure of any Interest	:	Nil
Responsible Officer	:	CEO

PURPOSE OF REPORT

The Shire of Peppermint Grove regularly receives and produces information for receipt by the Elected Members. The purpose of this item is to keep Elected Members informed on items for information received by the Shire.

The Matters for information report will be presented at each Council meeting and will provide an update on a number of areas of the Shire's operations and also provide information and correspondence of interest to elected members.

It is intended that the following information is provided on a regular basis, either monthly or quarterly, noting some of this data is still to be collected in a presentable format.

- Building permits issues
- Demolition permits issued
- Seal register advising of when the Shire seal has been applied
- Infringements for parking/dogs etc
- Waste and recycling data
- Library statistics
- Library Management Group Meeting Notes

SUMMARY AND KEY ISSUES

The following reports are presented to Council 22 June 2021:

1. Library Statistics May 2021
2. Recycling Statistics April 2021

CONSULTATION

No community consultation was considered necessary in relation to the recommendation of this report.

OFFICER RECOMMENDATION/COUNCIL DECISION – ITEM NO. 8.4.3

Moved: Cr Macintosh

Seconded: Cr Horrex

That Council receives the information in this report.

CARRIED 7/0

8.5 COMMITTEE REPORTS

NIL

9 NEW BUSINESS OF AN URGENT NATURE

9.1 Adoption of Budget 2021/22

ATTACHMENT DETAILS

<u>Attachment</u>	<u>Details</u>
Attachment refers to	2021/2022 Budget

Voting Requirement	:	Absolute majority
Subject Index	:	Budget
Disclosure of any Interest	:	Nil
Responsible Officer	:	Don Burnett, CEO & Michael Costarella, Manager Corporate & Community Services

PURPOSE OF REPORT

To consider and adopt the municipal fund budget for the 2021/22 financial year, together with supporting schedules including imposition of rates and minimum payments, adoption of fees and charges, setting of elected members fees for the year and other consequential matters arising from the budget papers.

SUMMARY AND KEY ISSUES

- The draft 2021/22 budget recommends an 1.7% increase in the rates
- Capital expenditure of \$ 890,750.

BACKGROUND

The Rate Setting Statement shows total revenue required from property rates of \$3,419,406 compared with \$3,345,072 derived in 2020/21.

The draft budget has the rate-in-a dollar increased from 8.599 cents to 8.745 cents in a dollar, which will represent a 1.75 increase to property owners.

Minimum rates will increase by 1.7% to \$1,424.

A schedule of fees and charges is included with the draft budget document.

CONSULTATION

Consultation was undertaken through workshops held with Councillors and Senior staff.

Senior staff have had input into the document which has been reviewed by the Senior Management Team.

STRATEGIC IMPLICATIONS

The budget recognises the objectives and strategies of the Shire's revised Community Strategic Plan and Corporate Business Plan.

POLICY IMPLICATIONS

The budget is based on the principles contained within the current Plan for the Future (community strategic and corporate business plans).

STATUTORY IMPLICATIONS

Division's 5 and 6 of Part 6 of the Local Government Act 1995 refer to the setting of budgets and raising of rates and charges. The Local Government (Financial Management) Regulations 1996 details the form and content of the budget. The 2021/22 budget as presented is considered to meet statutory requirements.

On the 2nd June 2021, Clause 27 of the Local Government (Financial Management) Regulations 1996 was amended to include details of individual Councillor remuneration. This is included in Note 23- page 26.

FINANCIAL IMPLICATIONS

Specific financial implications are as itemised in the draft 2021/22 budget attached for adoption.

SOCIAL IMPLICATIONS

The draft budget delivers social outcomes identified in various planning and community-supporting strategies. The Council will continue to fund community-focused projects such as SHINE Community Services and events such as Australia Day, Carols by Candlelight and Christmas decoration installations.

OFFICER COMMENT

The draft 2021/22 budget continues to deliver on key strategies identified by the community as part of Strategic Community Plan and maintains a high level of service across all programs while ensuring an ongoing focus on renewing all asset classes at sustainable levels.

The following information is provided highlighting the key considerations in developing the 2021/22 budget.

Opening balance as at 1 July 2021

For the purposes of estimating an opening balance as of 1 July 2021, an amount of \$83,170 is estimated as the surplus carried forward. This still could change pending end of year transactions.

This is also subject to final audit and any material variation will be addressed in the mid-year budget review.

Local Government Cost Index

WALGA provides local government with a cost index for local government, which expands on the CPI, and it includes construction costs etc not in the CPI figure. The Perth March 2021 annual CPI was 1.7% and the WALGA 21/22 projected cost index is 1.4% with an upward trend.

Rates Modelling

The budget shows rates income of \$3.42m based on a 1.7% increase on the rates raised over 2020/21. In a normal year, a 1% increase in rates revenue would equate to \$34,000. The minimum rate is \$1,424. The budget does not include any discount or incentives for early payment.

During 2019/20 Council adopted a COVID hardship policy and did not set rate instalment interest or administration charges for instalments. These charges have been reintroduced, however the COVID hardship policy would still apply if a ratepayer can demonstrate hardship due to COVID 19.

Waste changes

There are no changes proposed for the second bins charges for MWS, recycling or Green organics (Go) bins. Early indications are that the Verge Valet collection service will reduce costs however the budget has left the allocation of \$33,000 as per previous year for the bulk verge collection service until more robust data is received.

Salary costs

The Staff Enterprise Agreement expired on 30 June 2019 and staff have agreed to rollover the existing agreement conditions for a further 3 years with the annual pay rise to be the higher of the Perth March Quarter CPI movement or the annual Fair Work Australia (FWA) minimum wage adjustment. The draft budget makes provision for a 1.7% increase for staff salaries. There are no plans for any new staff or any significant staff structure changes. Superannuation costs will increase by 0.5% from 9.5% to 10% in accordance with the superannuation guarantee.

Events Calendar

The draft budget, in account 28340 – Activities and Events, has a budget of \$36,000. This is made up as follows; \$20,000 for Christmas decorations, \$8,000 for a children's event, \$7,000 Australia Day, \$500 for Christmas Street party support and \$500 for senior's morning tea. There is a separate budget for Carols by Candlelight for \$14,000 and the library has its own budget for its events.

Library Contributions

The net operating cost of running the Grove library is met by the three member councils of the Towns of Mosman Park and Cottesloe and the Shire. The draft library budget was presented at the last Library Management Committee meeting, however a quorum was not attained.

The Town's of Mosman Park and Cottesloe have endorsed the library operating budget. The level of contribution is based on census population data.

The net operating shortfall for 21/22 for the library, history unit and community centre, excluding capital, is \$1,161,645, with the Town of Mosman Park contributing \$618,818, Cottesloe \$536,826 and the Shire \$115,552. The contribution levels have increased by 1.7% over last year's costs.

Income from the West Community Centre has been reduced by \$4,500 based on a request from WCC to assist in waiving their MOU fee for 6 months to 31 December 2021.

Economic stimulus grants

The Federal Government has provided local governments with Local Road and Community Infrastructure Program (LRCI) grants. The grants are to stimulate local economies. The Shire's Phase 1 grant of \$49,642 was used to offset costs for the Stirling Hwy footpath upgrade. Council has received 50% of the grant and the balance is budgeted to be received in 2021/22. The draft budget includes Phase 2 (\$78,350) and Phase 3 (\$99,284). The Phase 2 grant and part of Phase 3 have been allocated in the CAPEX program towards the cost of installing parking bays along Bay View Terrace and Keane Street (around Manners Hill Park). This project is estimated at \$278,350 however detailed costing is yet to be received. The balance of the phase 3 grant of \$62,380 is allocated to the balance of the footpath program along Stirling Hwy from the Irvine Street intersection south along Stirling Hwy. These projects are discretionary spending projects as they are not in the AMP.

Overheads and Activity Based Costing

The Shire does not allocate overheads to jobs, i.e., corporate services costs to Manners Hill Park etc. These costs would be internal charges and have no impact on the budget bottom line. The only overhead charge applied is 5% of Shire corporate management costs to the library.

Loans

One new loan of \$25,000 is proposed, which is a self-supporting loan for the Peppermint Grove Tennis Club to go towards a lighting upgrade. The library is the other loan the Shire has. The draft provides for capital repayment of \$33,953 for the library loan, leaving a principal balance as of 30 June 2022 of \$691,029. Interest repayments during the year total \$54,647 The loan costs for the Tennis Club self-supporting loan are met by the Tennis Club.

Reserve funds

The balance of the reserve funds as of 30 June 2021 are projected to be \$1,318,014. This is substantially higher than budgeted for in 20/21, as operational and CAPEX savings during 20/21 have meant that the reserve fund transfers budgeted for in 20/21 were not required.

Transfers into the reserves during the 21/22 year will be \$2,430 interest earnings for the individual reserves, \$20,500 to the Library Infrastructure reserve, \$50,000 into the staff leave reserve to match the leave liability and \$100,000 to Infrastructure reserve for future works in accordance with the Asset Management Plan. Transfers out will be \$113,000 from the Road reserve and \$135,000 from the Infrastructure/Building reserve for CAPEX projects linked to the AMP.

In February 2020, Council resolved to “consider an amount of up to \$20,000 each year as part of the budget deliberations to fund the possible purchase of public art in accordance with the public art strategy. The Arts & Culture reserve is projected to have a balance of \$20,823 as of 30 June 2022. No provision has been made for a transfer in 21/22. Council has adopted a Public Art Policy, however no suitable projects have been identified in the near future.

The total projected reserve fund balance as of 30 June 2022 is \$1,244,944.

Capital Works program (CAPEX)

The CAPEX program is now linked to the asset renewal requirements as identified in the Asset Management Plan (AMP). The CAPEX schedule is broken to asset classes of Property, Plant & Equipment, Transport and Recreation. New capital projects are also included, however these projects are at Council’s discretion as to whether they proceed or not.

Asset renewal or upgrade projects total \$477,400 of which \$47,182 is met by the Towns of Cottesloe and Mosman Park as contributions towards library capital, \$50,000 is the fleet trade in values, \$135,000 is transferred for reserve and the balance of \$245,218 is met from the municipal fund.

New capital works total \$413,350, of which \$37,501 would normally be met by the Towns of Cottesloe and Mosman Park for library projects, \$177,730 from LCRI Phase 2 & 3 Grants, \$113,000 from reserves and the balance of \$82,215 from municipal. The Town of Mosman Park have indicated that they will not be allocating budget funds to the two new library CAPEX projects, however it is recommended that the Shire budget retains these projects in the CAPEX budget and further considers them during 21/22/.

The AMP also has a schedule showing amounts that should be transferred on an annual basis that will be required to meet future renewal costs. The reserve fund transfer is to ensure the Shire has the funds to meet the costs when these larger renewal costs are due. The total scheduled to be transferred to reserve funds is \$309,700 however of this amount \$213,639 is the proportionate cost allocated to the Towns of Cottesloe and Mosman Park towards their portion of asset renewal costs for the library. The Shire is responsible for 9.09% of library asset renewal costs. The balance of \$96,061 is being met by a transfer \$100,000 into the Infrastructure/Building reserve.

Fees and Charges Schedule

It is not proposed to increase existing fees and charges. There are several minor changes to the schedule;

- West Coast Community Centre – have request a waiving of 6 months MOU contribution of \$4500.
- Interest on overdue rates and rates instalments is set at 4% (prior to COVID was 6%)
- Rate's instalments establishment fee of \$15 reinstated.
- New charges for town planning for subdivision lot clearance charge of \$200 per lot, deemed to comply assessment \$295 and DA amendment or cancelation \$295.
- Deleting a charge for late book returns in the library.

Depreciation

Depreciation is a non-cash item and is an internal cost allocation.

Significant Adjustments from 2020/21 budget.

The main areas of movement, other than normal operational costs, between the 20/21 budget and the 21/22 are as follows;

ACCOUNT NUMBER	DESCRIPTION	INCLUSION/ ADJUSTMENT
14140	Other Roads Grant/ Subsidies	Inclusion of the LRCI grants of \$177,000 (CAPEX offset).
27165	IT Security/ System Review	\$25,0000 - Review IT security, software & hardware support
27530	Community Consultation	\$12,000 - Catalyse community satisfaction survey.
27790	Other Consultants	\$10,000 - Sustainability system review (mainly air conditioning).
28310	Election Expenses	\$14,000 - Election expenses
31230	Salary Continuance	Delete senior staff salary continuance \$5000.
38250	Donation/Community Grant	\$10,000 - Grant to Peppermint Grove Tennis Club for lights
27560	Engineering Consultants	\$10,000 - Assess the foreshore cliff.
27560	Engineering Consultants	\$12,500 - Design work on The Esplanade
27620	Tree Consultant	\$14,000 - Develop the tree/urban canopy strategy.
27790	Other Consultants	\$10,000 - Design work on laneway concepts
28650	Town Planning Scheme Expenses	\$80,000 - Local Planning strategy review
38260	Heritage Grants	\$50,000 - Heritage grants scheme.
20180	Community Centre Hire-Concession	Community Centre hire fees reduced by \$4500 for WCC.

Closing balance (Surplus) 30 June 2022

Based on the draft as presented, the 30 June 2022 closing balance (surplus) is anticipated to be \$4,617

OFFICER RECOMMENDATION/COUNCIL DECISION 9.1

Moved: Cr Farley

Seconded: Cr Horrex

That Council adopts the following:

PART A – MUNICIPAL FUND BUDGET FOR 2020/21

1. Pursuant to the provisions of Section 6.2 of the Local Government Act 199 and Part 3 of the Local Government (Financial Management) Regulations 1996, Council adopts the 2021/22 Shire of Peppermint Grove Budget as contained in Attachment One.

PART B – GENERAL AND MINIMUM RATES, INSTALMENT PAYMENT ARRANGEMENTS

2. For the purpose of yielding the deficiency disclosed by the Municipal Fund Budget adopted at Part A above, Council, pursuant to Sections 6.32, 6.33, 6.34 and 6.35 of the *Local Government Act 1995* impose the following general rates and minimum payments on Gross Rental Values:

1.1 General Rates

- Residential (GRV) 8.745 cents in the dollar
- Commercial (GRV) 8.745 cents in the dollar
- Clubs (GRV) 8.745 cents in the dollar

1.2 Minimum Payments

- Residential (GRV) \$1,424
- Commercial (GRV) \$1,424

3. Pursuant to Section 6.45 of the Local Government Act 1995 and Regulation 64 (2) of the Local Government (Financial Management) Regulations 1996, Council nominates the following due dates for the payment of rates and charges in full by instalments (assuming date of issue is 15th July 2020):

- Payment in full or first instalments 2 September 2021
- Second of four instalments 4 November 2021
- Third of four instalments 6 January 2022
- Last of four instalments 10 March 2022

4. Pursuant to Section 6.45 of the Local Government Act 1995 and Regulation 67 of the Local Government (Financial Management) Regulations 1996, Council adopts an instalment administration charge of \$15.00.

5. Pursuant to Section 6.45 of the Local Government Act 1995 and Regulation 68 of the Local Government (Financial Management) Regulations 1996, Council adopts an interest charge where ratepayer elects to pay rates and charges by instalments of 4%

- 6. Pursuant to Section 6.45 of the Local Government Act 1995 and Regulation 68 of the Local Government (Financial Management) Regulations 1996, Council does adopt a 4% interest charge where payment of rates and charges is in arrears including overdue instalment payments.**
- 7. Pursuant to Section 6.45 of the Local Government Act 1995 and Regulation 67 of the Local Government (Financial Management) Regulations 1996, Council adopts a special arrangements administration fee of \$45 with respect to outstanding rates and charges and authorises the Chief Executive Officer to enter into such special arrangements.**
- 8. Pursuant to Section 6.45 of the Local Government Act 1995 Council adopts the Schedule of Fees and Charges inclusive of the 2020/21 budget included as attachment one.**
- 9. Pursuant to Regulation 34 (5) of the Local Government (Financial Management) Regulations 1996 the level for reporting material variances in monthly statements of financial activity shall be 10% or \$10,000, whichever is the greater.**
- 10. Waives the 6 months MOU fee of \$4,500 for the period 1 July 2021 to 31 December 2021 for the West Coast Community Centre.**
- 11. Allocate the Local Road and Community Infrastructure Program (LRCI) grant Phase 2 of \$78,350 to the parking improvement project at Manners Hill Park and that the Phase three grant of \$99,284 has \$36,904 allocated to the parking project and the balance of \$62,380 allocated to the completion of the Stirling Hwy footpath upgrade from the Irvine Street corner south along Stirling hwy.**
- 12. Undertakes community consultation on the proposed parking upgrade at Manners Hill Park before the project is commenced.**

CARRIED 7/0

10 MOTIONS ON NOTICE

(Automatically sent back to Administration for consideration at the next Council Meeting)

11 CONFIDENTIAL ITEMS OF BUSINESS

As per subsection (1)(b), the council or committee may Local Government Act 1995 Administration Part 5 Council meetings, committees and their meetings and electors' meetings Division 2 s. 5.23 close to members of the public the meeting, or part of the meeting, if the meeting or the part of the meeting deals with any of the following

—(2) (a) a matter affecting an employee or employees

OFFICER RECOMMENDATION/COUNCIL DECISION

Moved: Cr Farley

Seconded: Cr Hohnen

That Council in accordance with Section 5.23 (2) (a) of the LG Act close to members of the public the meeting, as this report deals with a matter affecting an employee.

CARRIED 7/0

The Meeting was closed to the public (none in attendance) and the Managers left the Chambers at 5.55pm and the CEO left at 5.58pm.

11.1 CEO Performance Review 2021

OFFICER RECOMMENDATION/COUNCIL DECISION

Moved: Cr Macintosh

Seconded: Cr Hohnen

That Council:

- 1. Note that the CEO's performance has been deemed very good.**
- 2. Adopts the Key Performance targets for 2021/22 as contained in this report.**
- 3. Authorises the Shire President to finalise the leave and superannuation arrangements as requested by the CEO and contained within the CEO's submission.**

CARRIED 7/0

OFFICER RECOMMENDATION/COUNCIL DECISION**Moved: Cr Farley****Seconded: Cr Dawkins****That Council move out from behind closed doors.****CARRIED 7/0****The CEO returned to the Chambers at 6.04pm.****12 CLOSURE****At 6.05pm, there being no further business the meeting closed.**