



Notice of Special Council Meeting

To be held on 18 September 2024 and commence at 5:00pm
To be held at the Council Chambers in Donnybrook
(1 Bentley Street, Donnybrook)

The purpose of this Special Council Meeting is for Council to consider the:

1. Adoption of 2024/25 Annual Budget
 2. Proposed Variation to Opening Hours – Donnybrook and Balingup Waste Management Sites
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Authorised:



Tim Clynych, Chief Executive Officer (Temporary)

Prepared:

12 September 2024

MEASURES OF CONSEQUENCE

LEVEL	RATING	HEALTH & SAFETY	FINANCIAL	SERVICE INTERRUPTION	COMPLIANCE	REPUTATION	PROPERTY	ENVIRONMENT
1	Insignificant	Negligible injuries	Less than \$5,000	No material service interruption	No noticeable regulatory or statutory impact	Unsubstantiated, localised low impact on community trust, low profile or no media item	Inconsequential or no damage.	Contained, reversible impact managed by on site response
2	Minor	First aid injuries	\$5,000 - \$20,000 Or < 5% variance in cost of project	Temporary interruption to an activity – backlog cleared with existing resources	Some temporary non compliances	Substantiated, localised impact on community trust or low media item	Localised damage rectified by routine internal procedures	Contained, reversible impact managed by internal response
3	Moderate	Medical type injuries	\$20,001 - \$100,000 Or > 5% variance in cost of project	Interruption to Service Unit(s) deliverables – backlog cleared by additional resources	Short term non-compliance but with significant regulatory requirements imposed	Substantiated, public embarrassment, moderate impact on community trust or moderate media profile	Localised damage requiring external resources to rectify	Contained, reversible impact managed by external agencies
4	Major	Lost time injury	\$100,001 - \$1M	Prolonged interruption of Service Unit core service deliverables – additional resources; performance affected	Non-compliance results in termination of services or imposed penalties	Substantiated, public embarrassment, widespread high impact on community trust, high media profile, third party actions	Significant damage requiring internal & external resources to rectify	Uncontained, reversible impact managed by a coordinated response from external agencies
5	Catastrophic	Fatality, permanent disability	More than \$1M	Indeterminate prolonged interruption of Service Unit core service deliverables	Non-compliance results in criminal charges or significant damages or penalties	Substantiated, public embarrassment, widespread loss of community trust, high widespread multiple media profile, third party actions	Extensive damage requiring prolonged period of restitution Complete loss of plant, equipment & building	Uncontained, irreversible impact

MEASURES OF LIKELIHOOD

LEVEL	RATING	DESCRIPTION	FREQUENCY
5	Almost Certain	The event is expected to occur in most circumstances	More than once per year
4	Likely	The event will probably occur in most circumstances	At least once per year
3	Possible	The event should occur at some time	At least once in 3 years
2	Unlikely	The event could occur at some time	At least once in 10 years
1	Rare	The event may only occur in exceptional circumstances	Less than once in 15 years

RISK MATRIX

Consequence Likelihood		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	5	MODERATE (5)	HIGH (10)	HIGH (15)	EXTREME (20)	EXTREME (25)
Likely	4	LOW (4)	MODERATE (8)	HIGH (12)	HIGH (16)	EXTREME (20)
Possible	3	LOW (3)	MODERATE (6)	MODERATE (9)	HIGH (12)	HIGH (15)
Unlikely	2	LOW (2)	LOW (4)	MODERATE (6)	MODERATE (8)	HIGH (10)
Rare	1	LOW (1)	LOW (2)	LOW (3)	LOW (4)	MODERATE (5)

RISK ACCEPTANCE CRITERIA

RISK RANK	DESCRIPTION	CRITERIA FOR RISK ACCEPTANCE	RESPONSIBILITY
LOW	Acceptable	Risk acceptable with adequate controls, managed by routine procedures and subject to annual monitoring	Operational Manager
MODERATE	Monitor	Risk acceptable with adequate controls, managed by specific procedures and subject to semi-annual monitoring	Operational Manager
HIGH	Urgent Attention Required	Risk acceptable with excellent controls, managed by senior management / executive and subject to monthly monitoring	Director / CEO
EXTREME	Unacceptable	Risk only acceptable with excellent controls and all treatment plans to be explored and implemented where possible, managed by highest level of authority and subject to continuous monitoring	CEO / Council

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1. Declaration of Opening / Announcement of Visitors

Acknowledgement of Country:

The Shire President to acknowledge the continuing connection of Aboriginal people to Country, culture and community, including traditional custodians of this land, the Wardandi and Kaneang People of the Noongar Nation, paying respects to Elders, past and present.

The Shire President to declare the meeting open welcome the public gallery.

The Shire President to advise that the meeting is being live streamed and recorded in accordance with Council Policy EM/CP-2. The President further stated the following:

“This meeting is being livestreamed and digitally recorded in accordance with Council Policy.

Members of the public are reminded that no other visual or audio recording of this meeting by any other means is allowed without the permission of the chairperson.

Whilst every endeavour has been made to only record those who are actively participating in the meeting, loud comments or noises from the gallery may be picked up on the recording.”

2. Attendance

Councillors Present:

- | | | |
|--|---|---|
| <input type="checkbox"/> Cr Vivienne MacCarthy | <input type="checkbox"/> Cr Lisa Glover | <input type="checkbox"/> Cr John Bailey |
| <input type="checkbox"/> Cr Alexis Davy | <input type="checkbox"/> Cr Peter Gubler | <input type="checkbox"/> Cr Anita Lindemann |
| <input type="checkbox"/> Cr Anne Mitchell | <input type="checkbox"/> Cr Grant Patrick | <input type="checkbox"/> Cr Deanna Shand |

Staff Present:

Tim Clynych, Chief Executive Officer (Temporary)	Maurice Battilana, Acting Director Finance and Corporate
Ross Marshall, Director Operations	Loren Clifford, Manager Corporate Services
Stuart Eaton, Manager Finance and Projects	Samantha Farquhar, Administration Officer Corporate Services

Public Gallery:

2.1. Apologies

Nil.

2.2. Approved Leave of Absence

Nil.

2.3. Application for Leave of Absence

Nil.

3. Announcements from the Presiding Member

Nil.

4. Declarations of Interest

Division 6: Sub-Division 1 of the *Local Government Act 1995*. Care should be taken by all Councillors to ensure that a financial/impartiality interest is declared and that they refrain from voting on any matter, which is considered to come within the ambit of the Act.

Nil.

5. Public Question Time

5.1. Responses to previous public questions that were taken on notice

Nil.

5.2. Public Question Time

In accordance with the Clause 7(3) of the Local Government (Administration) Regulations, public questions must relate to the stated purpose of the Special Meeting of Council.

6. Presentations

6.1. Petitions

Nil.

6.2. Presentations

Nil.

6.3. Deputations

Nil.

6.4. Delegates' Reports

Nil.

7. Reports of Committees

Nil.

8. Reports of Officers

8.1.1. Change to waste facility operating hours

Report Details:

Prepared by: Manager Development Services

Manager: Ross Marshall, Director Operations

File Reference: HLT 08/1

Voting Requirement: Simple Majority

Attachment(s):

Nil.

Executive Recommendation

That Council determines the following waste management facility operating hours take effect from 7 October 2024:

1. Donnybrook Waste Management Facility

Monday: 1:00 pm to 5:00 pm

Tuesday: 12:00 pm to 4:00 pm

Wednesday: Closed

Thursday: Closed

Friday: 8:00 am to 12:00 pm

Saturday: 7:00 am to 2:00 pm

Sunday: 10:00 am to 5:00 pm

2. Balingup Transfer Station

Monday: Closed

Tuesday: Closed

Wednesday: 9:00 am to 12:00 pm

Thursday: 2:00 pm to 5:00 pm

Friday: Closed

Saturday: 7:00 am to 1:00 pm

Sunday: 11:00 am to 5:00 pm

Strategic Alignment

The following outcomes from the Council Plan relate to this proposal:

Outcome: 12 - A well respected, professionally run organisation.

Objective: 12.1 - Deliver effective and efficient operations and service provision.

Executive Summary

Shire Officers are currently considering draft conditions from the Department of Water and Environmental Regulation for renewal of the Donnybrook Waste Management Facility operating licence. Proposed conditions strengthen requirements to cover waste daily and collect windblown litter daily from the landfill area and weekly from the greater premises area. The municipal waste collection (i.e. kerbside collection) is currently disposed of outside of the site operating times. Council is requested to determine a change to the opening hours to facilitate compliance with these licence conditions.

Background

At its Ordinary Council Meeting held April 2021 Council confidentially considered a future options paper with respect to the Donnybrook Waste Management Facility and resolved the following:

"COUNCIL RESOLUTION 67/21 (in part)

That Council determines that it is the Shire's intent to prolong the life of the existing landfill facility for as long as possible and directs the Chief Executive Officer to instruct ASK Waste Management to prepare the Landfill Closure Management Plan on this basis"

The Landfill Closure Management Plan was presented to Council at its Ordinary December 2021 meeting where Council resolved the following:

"COUNCIL RESOLUTION 205/21 (in part)

That Council:

- 1. Receives and endorses the Landfill Closure Management Plan (November 2021) (Attachment 9.1.1(1)) prepared by ASK Waste Management Pty Ltd to provide direction for future operations and progressive closure of the landfill at the Donnybrook Waste Management Facility;*
- 3. Instructs the Chief Executive Officer to make a formal application to the Department of Water and Environmental Regulation (DWER) to amend the facility licence to align with the endorsed Landfill Closure Management Plan and Transfer Station Concept Design."*

The Shire has applied for a renewal of the Donnybrook Waste Management Facility licence for a further 10 years i.e. until 2034 in line with the adopted Landfill Closure Management Plan. Both internal and external audits of the facility have identified windblown waste as a compliance challenge. Some of this is contributed to the delay in covering the municipal waste collection, which is often deposited on site outside of the facility operating hours.

The site is currently managed for the Shire by a private contractor. It is considered that a cost effective way to more effectively manage windblown waste is to change the operating hours of the site to ensure that there are personnel available to attend to the material on the day it is deposited.

Historically the Shire has ensured that there is always one of its two facilities open. In changing the Donnybrook Waste Management Facility hours it is also proposed to change two of the days at the Balingup Transfer Station.

Waste facility operating hours are broadly advertised via the Shire’s rates notice information which contains tip pass information. There is an opportunity to make this change effective from when the rates notices are received i.e. the second week in October.

Risk Management

Risk:	Likelihood:	Consequence:	Risk Rating:
Compliance	Almost Certain	Moderate	High (15)
Risk Description:	Noncompliance with operating licence.		
Mitigation:	By changing the operating hours to correlate to the kerbside waste delivery, it is considered that the risk likelihood will be reduced to “Likely” with a “Minor” consequence; leaving a residual risk rating of Moderate (8).		

Financial Implications

As there are no changes to the total number of hours that the facilities are operating, there are minimal financial implications to this proposed change. Advertising of the change can be undertaken via the Shire’s existing communication methods at minimal cost with the opportunity to include the updated hours on the information supplied with the tips passes which are issued with the annual rates notices.

Alternative to amending opening hours additional expenditure will be incurred for the contractor to carry out compliance activities when the site isn’t open. The draft budget does not contemplate additional operating expenses at either waste management site.

Policy Compliance

Nil.

Statutory Compliance

The licence renewal for the Donnybrook Waste Management Facility is considered by the Department of Water and Environmental Regulation under the Part V Division 3 of the *Environmental Protection Act 1986*. The Shire and, by contract, the site operator have obligations to comply with the licence conditions.

In relation to windblown waste draft conditions require:

- that general waste is covered “as soon as practicable and no later than the end of the working day”; and;
- “the licence holder must ensure windblown waste is collected from the landfill area on a daily basis and from the greater premises (including perimeter fencing, roads and vegetated areas) on at least a weekly basis and returned to the tipping area or appropriately contained”.

In relation to operating hours, there is a draft condition that reads “the licence holder must ensure that operations at the premises only occur between the hours of 7:00 and 19:00 and on the days of Monday through to Sunday”.

Part 4.2 of the *Shire of Donnybrook-Balingup Waste Local Law 2017* states:

The local government may from time to time determine the hours of operation of a waste facility.

Consultation

The site contractor has had an opportunity to comment on the proposed licence conditions and has worked collaboratively with Shire staff to offer a practical solution at minimal cost to both parties.

Officer Comment

The Donnybrook Waste Management Facility was first licenced in 1997 but has been in operation since the 1950s. The current landfill area is on top of the historical waste trenches with new waste compacted to form a constructed mound. As the height above ground level increases, there is an increased potential for windblown litter.

The current kerbside collections for Donnybrook occur on a Monday and for Balingup a Tuesday, resulting in the waste being deposited close to or outside of current operating hours. By changing the opening hours, waste can be managed more effectively by the onsite contractor, improving compliance outcomes.

The current hours are illustrated in Table 1 and the proposed hours in Table 2.

Table 1 : Current waste facility opening hours

	Donnybrook Waste Management Facility	Balingup Transfer Station
Monday	8:00 am – 12:00 pm	Closed
Tuesday	Closed	9:00 am – 12:00 pm
Wednesday	1:00 pm – 5:00 pm	Closed
Thursday	Closed	2:00 pm – 5:00 pm
Friday	8:00 am – 12:00 pm	Closed
Saturday	7:00 am – 2:00 pm	7:00 am – 1:00 pm
Sunday	10:00 am – 5:00 pm	11:00 am – 5:00 pm

Table 2: Proposed waste facility opening hours

	Donnybrook Waste Management Facility	Balingup Transfer Station
Monday	1:00 pm – 5:00 pm	Closed
Tuesday	12:00 pm – 4:00 pm	Closed
Wednesday	Closed	9:00 am – 12:00 pm
Thursday	Closed	2:00 pm – 5:00 pm
Friday	8:00 am – 12:00 pm	Closed
Saturday	7:00 am – 2:00 pm	7:00 am – 1:00 pm
Sunday	10:00 am – 5:00 pm	11:00 am – 5:00 pm

There are no changes proposed to the weekend opening hours. Endorsement, by determination, of the proposed hours is recommended.

8.2.1. Adoption of 2024/25 Annual Budget

Report Details:

Prepared by: Stuart Eaton, Manager Finance Projects

Manager: Maurice Battilana, Acting Director Finance and Corporate

File Reference: FNC 04/1

Voting Requirement: Absolute Majority

Attachment(s):

8.2.1(1) 2024/25 Annual Budget

8.2.1(2) Budget Paper No.1 – 2024/25 Management Budget

8.2.1(3) Budget Paper No.2 – 2024/25 Budget Overview

Executive Recommendation

That Council:

- Pursuant to the provisions of section 6.2 of the *Local Government Act 1995* and Part 3 of the *Local Government (Financial Management) Regulations 1996*, adopts the 2024/25 Annual Budget.
- For the purpose of yielding rates revenue in the 2024/25 Annual Budget pursuant to sections 6.32, 6.34 and 6.35 of the *Local Government Act 1995*, impose the following general and minimum rates on ratable properties valued on Gross Rental Value and Unimproved Value.

Description	Rate in the \$	Minimum Payment \$
Gross Rental Value (GRV)	\$0.092018	\$1,667.00
Unimproved Value (UV)	\$0.005013	\$1,667.00

- Adopt the rate instalment options in accordance regulation 64(2) of the *Local Government (Financial Management) Regulations 1996* and instalment charge in accordance with section 6.45(3) of the *Local Government Act 1995*, as follows:

Instalment Options	Date due	Instalment Plan Charge \$
Option one		
Single payment in full	11 November 2024	Nil
Option two		
First instalment	11 November 2024	Nil
Second instalment	10 January 2025	\$13.00 / Instalment
Option three		
First instalment	11 November 2024	Nil
Second instalment	10 January 2025	\$13.00 / Instalment
Third instalment	11 March 2025	\$13.00 / Instalment
Fourth instalment	12 May 2025	\$13.00 / Instalment

4. Adopts a per annum interest rate of 5.50% on rates paid by instalments in accordance with section 6.45 (3) of the *Local Government Act 1995*.
5. Adopts a per annum interest rate of 11.00% on all outstanding rate balances in accordance with section 6.51 (1) of the *Local Government Act 1995*.
6. Adopts the following Elected Member allowances:
 - 6.1 Annual Attendance Fee for Council Members – \$10,668
 - 6.2 Annual Attendance Fee for Shire President - \$13,096
 - 6.3 Annual President’s Allowance - \$10,832
 - 6.4 Annual Deputy President’s Allowance (25% of President’s Allowance) - \$2,708
 - 6.5 Annual Information and Communications Technology Allowance – Shire President \$2,750
 - 6.6 Annual Information and Communications Technology Allowance – Council Members \$1,010
7. Note that pursuant to section 6.16 (3) of the *Local Government Act 1995*, it adopted at its ordinary meeting held on 24 July 2024 the 2024/25 Schedule of Fees and Charges. Notwithstanding that resolution, Council reaffirms its 2024/25 Schedule of Fees and Charges incorporating some minor variations, as appended to the 2024/25 Annual Budget document.
8. Pursuant to regulation 34 (5) of the Local Government (Financial Management) Regulations, adopts a material variance reporting threshold of \$10,000.
9. Establishes the following new reserve accounts

New Reserve Account	Reserve Purpose
Langley Villas 1-9 Surplus Reserve	To accumulate surplus income of units 1-9 for purposes prescribed in the Joint Venture Agreement
Langley Villas 1-9 Long Term Maintenance Reserve	To accumulate funds for units 1-9 prescribed under the Joint Venture Agreement for the purposes of property maintenance
Minninup Cottages 5-12 Surplus Reserve	To accumulate surplus income of units 5-12 for purposes prescribed in the Joint Venture Agreement
Minninup Cottages 5-12 Long Term Maintenance Reserve	To accumulate funds for units 5-12 prescribed under the Joint Venture Agreement for the purposes of property maintenance

10. Closes the following reserve accounts when existing funds are depleted

New Reserve Account	Reserve Purpose
Minninup Cottages 5-8 Surplus Reserve	To accumulate surplus income of units 5-8 for purposes prescribed in the Joint Venture Agreement
Minninup Cottages 9-12 Surplus Reserve	To accumulate surplus income of units 9-12 for purposes prescribed in the Joint Venture Agreement
Minninup Cottages 5-8 Long Term Maintenance Reserve	To accumulate funds for units 5-8 prescribed under the Joint Venture Agreement for the purposes of property maintenance
Minninup Cottages 9-12 Long Term Maintenance Reserve	To accumulate funds for units 9-12 prescribed under the Joint Venture Agreement for the purposes of property maintenance
Langley Villas 1-6 Surplus Reserve	To accumulate surplus income of units 1-6 for purposes prescribed in the Joint Venture Agreement
Langley Villas 7-9 Surplus Reserve	To accumulate surplus income of units 7-9 for purposes prescribed in the Joint Venture Agreement
Langley Villas 1-6 Long Term Maintenance Reserve	To accumulate funds for units 1-6 prescribed under the Joint Venture Agreement for the purposes of property maintenance
Langley Villas 7-9 Long Term Maintenance Reserve	To accumulate funds for units 7-9 prescribed under the Joint Venture Agreement for the purposes of property maintenance

Strategic Alignment

The following outcomes from the Council Plan relate to this proposal:

Outcome: 11 - Strong, visionary leadership.

Objective: 11.1 - Provide strategically focused, open and accountable governance.

Executive Summary

This report requests Council to formally consider the attached budget papers to adopt the 2024/25 Annual Budget.

Local Governments must prepare annual budgets in the format as prescribed in the *Local Government Act 1995* and the *Local Government (Financial Management) Regulations 1996*. This report is for Council to consider:

- Adopting the 2024/25 Annual Budget.
- Setting due dates for payment of rates and service charges, either in full or by instalments.

- Setting interest rates for outstanding rates after the due date and for rates paid by instalments and the administrative fee for setting up an instalment plan.
- Setting Council Member attendance fees and allowances for 2024/25.
- Setting a level of reporting material variances so as to satisfy Council that the annual budget is being implemented satisfactorily.
- Establish new reserve accounts and make arrangements for closure of other reserve accounts.

Background

Pursuant to section 6.2 of the *Local Government Act 1995 (the Act)*, a local government is to prepare and adopt an annual budget between 1 June and 31 August each year, or such extended time as the Minister allows. Due to staff vacancies in key financial management positions, the Shire has obtained formal ministerial extension of time to adopt the 2024/25 Annual Budget and is therefore compliant with the Act.

The executive recommendation will formally adopt the 2024/25 Annual Budget.

Risk Management

Risk:	Likelihood:	Consequence:	Risk Rating:
Financial Impact	Almost Certain	Moderate	High (15)
Risk Description:	Deferring adoption of the Annual Budget will further delay raising of rates and will adversely affect cash flow, project delivery and interest revenue estimates.		
Mitigation:	Adoption of the 2024/25 Annual Budget		

Financial Implications

Adoption of the 2024/25 Annual Budget will approve the financial operations of the Shire for the 2024/25 financial year.

Policy Compliance

Nil

Statutory Compliance

Pursuant to section 6.2 of the *Local Government Act 1995 (the Act)*, a local government is to prepare and adopt an annual budget between 1 June and 31 August each year, or such extended time as the Minister allows. Due to staff vacancies in key financial management positions, the Shire has obtained formal ministerial extension of time to adopt the 2024/25 Annual Budget and is therefore compliant with the Act.

Other applicable sections of *Local Government Act 1995 and Regulations*:

- Section 5.63(1)(b) excludes the need for councillors or staff to declare a financial interest for the imposition of a rate, charge or fee.

- 6.47 Local Government Act - Concessions.
- Clauses 64 of the *Local Government (Financial Management) Regulations 1996* – Set the due date(s) for the payment of rates.
- Section 6.45(3) of the *Local Government Act 1995* and Clauses 67 and 68 of the *Local Government (Financial Management) Regulations 1996* – Setting instalment plan administration charges and an interest rate for outstanding rates and charges.
- Section 6.51(1) of the *Local Government Act 1995* and Clause 70 of the *Local Government (Financial Management) Regulations 1996* – Setting an interest rate for the late payment of rates and charges.
- Section 6.11 of the *Local Government Act 1995* – Create Reserve Funds.

- Sections 6.16 to 6.19 of the *Local Government Act 1995* – Setting of fees and charges. Fees imposed as part of the budget adoption process do not require public notice to be given.
- Section 6.20 of the *Local Government Act* – Power to Borrow.
- Regulation 34(5) of the *Local Government (Financial Management) Regulations* requires a local government, each financial year, to adopt a percentage or value, calculated in accordance with the Australian Accounting Standards, to be used in statements of financial activity for reporting material variances.

Consultation

The 2024/25 Annual Budget has been informed by several workshop discussions with elected members and direction from strategic documents such as the Council Plan, Long-Term Financial Plan and Asset Management Plan. Workshop discussions on budget matters were:

- Workshop 4, 6 March 2024 – high level summary and discussion about State economy, capital expenditure and relationship of Long-Term Financial Plan to the annual budget.
- Workshop 5, 13 March 2024 – update on Long-Term Financial Plan, core assets and alignment of expenditure to the Council Plan, forecast operating revenue and discussion on operational financial challenges.
- Workshop 6, 10 April 2024 - Asset Planning & Financial Informing Plans.
- Workshop 7, 1 May 2024 – capital works plan and asset management plan implications for budget.
- Workshop 8, 8 May 2024 – discussion on budget parameters.
- Workshop 9, 5 June 2024 – rating issues.
- Workshop 10, 26 June 2024 – various budget matters.
- Workshop 11, 3 July 2024 – addressed high-level budget assumptions and included a briefing on content and recommendations of the Long-Term Financial Plan, the proposed management approach and principles to be followed in the budget preparation process, discussion on fees & charges, elected member allowances, V C Mitchell Park Project, reserve account status and principles, cost escalation assumptions and preliminary discussion on the possible rate increase.
- Workshop 12, 10 July 2024 – discussed the proposed works construction program, proposed capital program for buildings (as per Asset Management Plan), councillor

requests, donations/contributions and councillor related expenditure.

- Workshop 13, 31 July 2024 – discussed the framework of the proposed budget and sought feedback from councillors on possible changes to the community grants scheme.
- Workshop 15 – discussed recommendations for revised community grants and donations scheme.
- Workshop 16, 28 August 2024 – Review draft management budget.

The 2024/25 Annual Budget reflects the agreed outcomes from those workshops.

Officer Comment

The 2024/25 Annual Budget document is provided under a separate cover. It meets the statutory budget reporting requirements under the Act and *Local Government (Financial Management) Regulation 1996*.

Significant additional interpretive information is provided under further separate covers:

Budget Paper No.1 – 2024/25 Management Budget

Budget Paper No.2 – 2024/25 Budget Overview

The draft budget incorporates an average 10% rate increase noting that some additional natural growth in rates will occur from revaluations associated with creation of new properties (subdivisions) and development of properties.

The 10% increase has been determined in consultation with elected members, as follows:

- +4.5% general cost escalations (generally equivalent to the Local Government Cost Index which is the local government version of CPI).
- +4% V C Mitchell Park Costs (loan repayments, insurances, management costs)
- +4.5% increased transfers to reserve accounts
- Less 3% cost efficiencies (to be identified by Executive but must be recurring expenditure)

Detailed information on the key features of the draft budget are contained in the 2024/25 Budget Overview document ([refer Attachment 8.2.1\(3\)](#))

The draft budget has been prepared with a focus on pivoting the organisation towards improved financial sustainability. In July Council adopted a new Long-Term Financial Plan (LTFP) which is a modelling tool to project the Shire's financial commitments over the next ten years as a means of ensuring financial sustainability. It analyses financial trends on a range of assumptions and provides information to assess the impacts of current decisions and budgets on future financial sustainability. The LTFP identified that the Shire's existing revenue is approximately 25% below the level required to meet the long-term objectives and responsibilities of the Shire. The 25% funding gap equates to an amount of approximately \$1.8 million.

The 10% rate increase is only one means of lessening the funding gap. Other means are:

- Continuing to review recurrent expenditure – such as the \$265,131 savings discussed earlier.
- Increasing own source revenue from fees and charges (user-pays philosophy)
- Rationalising assets, particularly those that have high servicing costs but minimal use.

Funds have been included in the budget to engage independent consultants to assess a selection of property assets for potential disposal.

Fees & Charges

Council, at its meeting held on 24 July 2024 adopted the 2024/25 Schedule of Fees and Charges. These came into effect earlier this month. Since then, some minor variations have been identified, being:

Description		Fee Adopted July 2024 (GST Incl)	Recommended New Fee (GST Incl)	Reason	
3.1	Rates & Debtors				
	3.1.1	Instalment Admin Fee – Per Instalment	\$12.90	\$13.00	Rounding Up
	3.1.5	Rate Notice Reprint	\$12.90	\$15.00	Officer time reviewed and costed
	3.2.1	Settlement Agent Rating Account Enquiry – Rates Only	\$96.50	\$100.00	Rounding Up
	3.2.2	Settlement Agent Rating Account Enquiry – Rates, Orders & Requisitions	\$182.00	\$200.00	Officer time reviewed and costed
	3.2.3	Complex Rating Enquiry (per hour)	\$96.50	\$100.00	Rounding Up
8.2	Preston Village	Preston Village 2 Bedroom Unit	\$232.71	\$221.76	Reduction in accordance with Residents AGM budget
10.2	Event Bin Hire				
	10.2.1	Donnybrook – for the hire, delivery, collection and disposal of waste for up to 10 bins	At cost + 10%	\$250.00	The “cost + 10%” fee made it difficult for event organisers as the fee couldn’t be determined to after the work was done. The revised fee has been determined using estimates of staff time, plant hire and disposal charges
	10.2.2	Donnybrook – for the hire, delivery, collection and disposal of waste for between 10 to 20 bins	At cost + 10%	\$400.00	As above
	10.2.3	Balingup – for the hire, delivery, collection and disposal of waste for up to 10 bins	At cost + 10%	\$300.00	As above
	10.2.4	Balingup – for the hire, delivery, collection and disposal of waste for between 10 to 20 bins	At cost + 10%	\$450.00	As above

11.4	Donnybrook Recreation Centre				
	11.4.6	Gym			
		Swipe Card – 24 Hour Gym Access (One-Off Fee Members Only)		\$25.00	Cost recovery for purchase of cards
		Kindy Gym – Per Session	\$8.80	\$0	Kindy Gym sessions discontinued
	11.4.7	Stadium - Homeschool Sport	-	\$10.00	New Fee. The homeschool sport program was overlooked from the fees and charges that were last submitted.
		Casual Entry per Session	-	\$76.00	As Above
		9 Week Term Upfront			
11.1	Donnybrook Hall				
		Donnybrook Meeting Room Community (per hour)	-	\$15.00	New Fee. Hire of this room hasn't been listed in previous years
		Donnybrook Meeting Room Commercial (per hour)	-	\$23.00	New Fee. Hire of this room hasn't been listed in previous years
11.2	Balingup Hall				
		Balingup Consultation Room Community (per hour)	-	\$15.00	New Fee. Hire of this room hasn't been listed in previous years
		Balingup Consultation Room Commercial (per hour)	-	\$23.00	New Fee. Hire of this room hasn't been listed in previous years

The 2024/25 Schedule of Fees & charges is appended at the end of the 2024/25 Annual Budget document.

Council Member Allowances

Part 5, Division 8 (Sections 5.98, 5.98A, 5.99 and 5.99A) of the *Local Government Act 1995* provides for council members (councillors) to receive certain payments

The Salaries and Allowances Tribunal (the Tribunal) conducts an annual review of fees, allowances and expenses for elected council members of Local Governments throughout Western Australia. The annual determination establishes a scale of payments and provisions for reimbursement of expenses in accordance with the *Local Government Act 1995* and the *Local Government (Administration) Regulations 1996*.

The Tribunal has divided all local governments into four bands based on a number of factors such as population, size of budget, complexity of issues, etc. The Shire of Donnybrook Balingup has been classified as a Band 3 local government (same as for 2023/24).

In its 2024 determination the Tribunal increased the amounts within the bands by 4%. The Tribunal notes each local government is able to set remuneration within its band to which it is allocated. Each local government must conduct its own assessment to determine whether any increase, within the bands, is justified. At a budget workshop councillors proposed an increase of 4% to all allowances.

New Reserve Accounts

The 2024/25 Annual Budget includes four new aged housing reserve accounts.

The Shire has a joint venture agreement with Department of Communities for provision of low-income aged housing at the following facilities:

1. Langley Villas (units 1-9)
2. Minninup Cottages (units 5-12) *(Note: The Shire owns units 1-4 outright)*

The agreement requires certain funds to be set aside into reserve. Historic practice has been to separate each constructed block of units within each complex. There is no requirement under the agreement to account by separate joint venture unit blocks and the practice is administratively cumbersome and unnecessary.

The new reserve accounts will align with the operational budgets in 2024/25 for these facilities where the joint venture units will be accounted for jointly at each facility, rather than by each individually constructed block.

New Reserve Account	Existing Reserve Accounts (to be closed when held funds are depleted)
Langley Villas 1-9 Surplus Reserve	<ul style="list-style-type: none"> • Langley Villas 1-6 Surplus Reserve • Langley Villas 7-9 Surplus Reserve
Langley Villas 1-9 Long Term Maintenance Reserve	<ul style="list-style-type: none"> • Langley Villas 1-6 Long Term Maintenance Reserve • Langley Villas 7-9 Long Term Maintenance Reserve
Minninup Cottages 5-12 Surplus Reserve	<ul style="list-style-type: none"> • Minninup Cottages 5-8 Surplus Reserve • Minninup Cottages 9-12 Surplus Reserve
Minninup Cottages 5-12 Long Term Maintenance Reserve	<ul style="list-style-type: none"> • Minninup Cottages 5-8 Long Term Maintenance Reserve • Minninup Cottages 9-12 Long Term Maintenance Reserve

This a housekeeping matter to align the reserve accounts to the operating budgets in the 2024/25 Management Budget for the joint venture housing facilities.

When funds in the existing reserve accounts are depleted, the existing reserve accounts will be closed.

9. Elected Member Motions of which previous notice has been given

Nil.

10. New Business of an urgent nature introduced by Decision of the Meeting

Nil.

11. Meetings Closed to the Public

11.1. Matters for which the Meeting may be closed

Nil.

11.2. Public reading of Resolutions that may be made public

Nil.

12. Closure

The Shire President advised that the next Agenda Briefing Session will be held on 18 September 2024, and will commence straight after this Special Council Meeting, in the Shire of Donnybrook Balingup Council Chamber.