

SHIRE OF KOJONUP  
**Kojonup**



**AGENDA**

**Ordinary Council Meeting**

**18 October 2022**

**TO: THE SHIRE PRESIDENT AND COUNCILLORS**

NOTICE is hereby given that a meeting of the Council will be held in the Council Chambers, Administration Building, 93 Albany Highway, Kojonup on Tuesday, 18 October 2022 commencing at 3:00pm.

I certify that with respect to all advice, information or recommendation provided to the Council in or with this Agenda:

- i. The advice, information or recommendation is given by a person who has the qualifications or experience necessary to give such advice, information or recommendation; and
- ii. Where any advice is directly given by a person who does not have the required qualifications or experience, that person has obtained and taken into account in that person's general advice the advice from an appropriately qualified or experienced person.

**GRANT THOMPSON**  
**CHIEF EXECUTIVE OFFICER**

14 October 2022

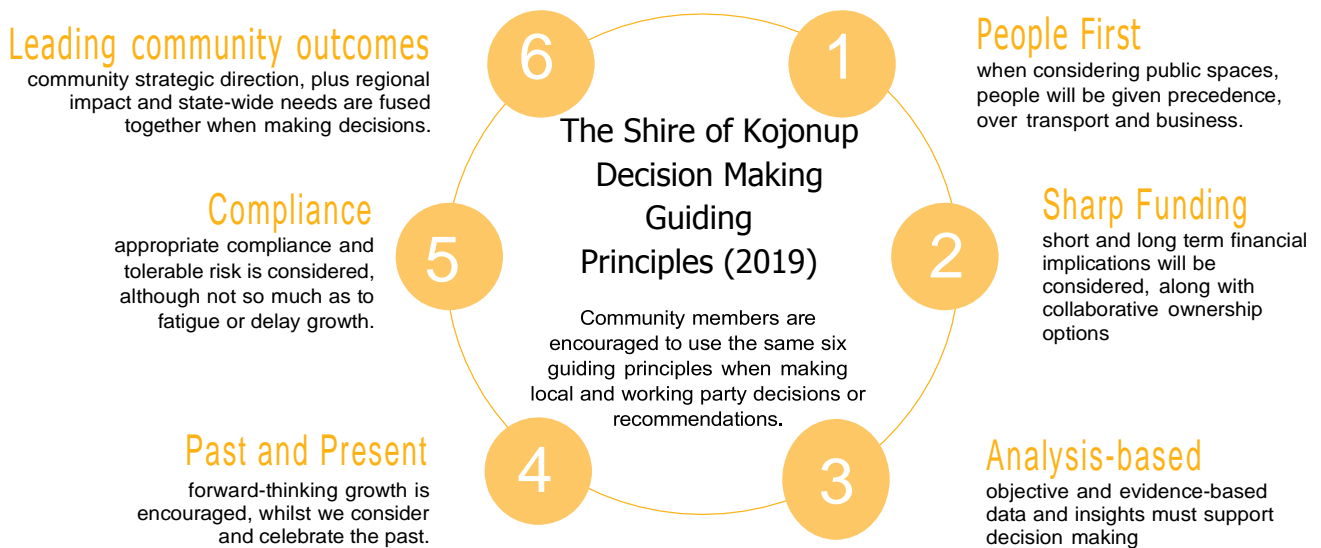
**AGENDA FOR THE COUNCIL MEETING TO BE HELD ON 18 OCTOBER 2022**

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The Shire of Kojonup has a set of six guiding principles it uses when making decisions. These principles are checked and enhanced every two years in line with the Strategic Community Plan review schedule.



## AGENDA

### 1 DECLARATION OF OPENING AND ANNOUNCEMENT OF GUESTS

The Shire President shall declare the meeting open at\_\_\_\_\_ and draw the meeting's attention to the disclaimer below:

#### *Disclaimer*

*No person should rely on or act on the basis of any advice or information provided by a Member or Officer, or on the content of any discussion occurring, during the course of the meeting.*

*The Shire of Kojonup expressly disclaims liability for any loss or damage suffered by any person as a result of relying on or acting on the basis of any advice or information provided by a member or officer, or the content of any discussion occurring, during the course of the meeting.*

*Where an application for an approval, a license or the like is discussed or determined during the meeting, the Shire warns that neither the applicant, nor any other person or body, should rely upon that discussion or determination until written notice of either an approval and the conditions which relate to it, or the refusal of the application has been issued by the Shire.*

#### **Acknowledgement of Country**

*The Shire of Kojonup acknowledges the first nations people of Australia as the Traditional custodians of this land and in particular the Keneang people of the Noongar nation upon whose land we meet.*

*We pay our respect to their Elders past, present and emerging.*

#### **Prayer – Cr Gale**

*Almighty God, we pray for wisdom for our reigning monarch King Charles.*

*We ask for guidance in our decision making and pray for the welfare of all the people of Kojonup.*

*Grant us grace to listen and work together as a Council to nurture the bonds of one community.*

*Amen*

2 **ANNOUNCEMENTS FROM THE PRESIDING MEMBER**

3 **ATTENDANCE**

**COUNCILLORS**

Cr N Radford

Shire President

Cr P Webb

Deputy Shire President

Cr F Webb

Cr Wieringa

Cr Gale

Cr Singh

Cr R Bilney

Cr A Egerton-Warburton

**STAFF**

Grant Thompson

Chief Executive Officer

Robert Jehu

Manager Regulatory Services

Judy Stewart

Senior Administration Officer

3.1 APOLOGIES

Nil

3.2 APPROVED LEAVE OF ABSENCE

Nil

4 **DECLARATION OF INTEREST**

5 **PUBLIC QUESTION TIME**

Questions may be submitted using the special email address for Council Meeting Public Question Time being [cmpqt@kojonup.wa.gov.au](mailto:cmpqt@kojonup.wa.gov.au)

The Chief Executive Officer will table all correspondence received.

5.1 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

5.1.1 THE GCCMC INC – GENERAL PRACTITIONER HOUSING  
(Ordinary Meeting 20 September 2022)

Robert Sexton presented a statement to Council which was noted. The Chief Executive Officer advised that an item would be presented to Council's 18 October 2022 Ordinary Meeting – the item is presented in this agenda as Item 9.2.2.

5.2 PUBLIC QUESTION TIME

**6 CONFIRMATION OF MINUTES**

6.1 COUNCIL MEETING 20 SEPTEMBER 2022

Minutes of the Council Meeting held on 20 September 2022 are at [Attachment 6.1.1](#).

**OFFICER RECOMMENDATION**

That the Minutes of the Council Meeting held on 20 September 2022 be confirmed as a true record.

**7 PRESENTATIONS**

- 7.1 PETITIONS
- 7.2 PRESENTATIONS
- 7.3 DEPUTATIONS
- 7.4 DELEGATES' REPORTS

**8 METHOD OF DEALING WITH AGENDA BUSINESS**

**9 REPORTS**

- 9.1 KEY PILLAR 1 – 'PLACE' REPORTS  
Nil

9.2 KEY PILLAR 2 – ‘CONNECTED’ REPORTS

9.2.1 SOUTH WEST NATIVE TITLE SETTLEMENT – PROPOSED TRANSFER OF LAND

<b>AUTHOR</b>	Steve Thompson - Consultant Planner, Edge Planning & Property
<b>DATE</b>	Friday, 7 October 2022
<b>FILE NO</b>	CP.MTC.7
<b>ATTACHMENT(S)</b>	<p>9.2.1.1 - Correspondence from the Department of Planning, Lands and Heritage</p> <p>9.2.1.2 - Location map</p> <p>9.2.1.3 - Unallocated Crown Land and local government boundary</p>

STRATEGIC/CORPORATE IMPLICATIONS		
“Smart Possibilities – Kojonup 2027+”		“Smart Implementation – Kojonup 2018-2022”
<b>Key Pillar</b>	<b>Community Outcomes</b>	<b>Corporate Actions</b>
KP2 - Connected	2.2 - Be providing for a safe and secure environment by working with State and Federal authorities.	Foster a strong relationship with Kojonup’s Aboriginal community to further recognise and grow the recognition of Aboriginal culture and leadership in the Shire.

**DECLARATION OF INTEREST**

Nil

**SUMMARY**

To consider the proposed transfer of Unallocated Crown Land (UCL) to the Noongar Land Estate as part of the South West Native Title Settlement.

**BACKGROUND**

The Department of Planning, Lands and Heritage (DPLH) seeks comments by 31 October 2022 regarding the proposed transfer of UCL on Woodenbillup Road, Scotts Brook under the South West Native Title Settlement. Background details on the Settlement and the UCL, provided by the DPLH, are set out in Attachment 9.2.1.1.

The UCL is located approximately 50km south-west of Kojonup (Attachment 9.2.1.2). The property is 343.176 hectares in area. The vast majority of the UCL is within the Shire of Boyup Brook with only a very small area in the Shire of Kojonup (Attachment 9.2.1.3).

The UCL is vegetated and zoned ‘Rural’ in the *Shire of Kojonup Town Planning Scheme No. 3*. The surrounding and nearby lots are zoned ‘Rural’ and are used for farming purposes including cereal cropping and livestock production.



**COMMENT**

No objections are raised with the proposed transfer of the UCL (PIN 514652) to the Noongar Land Estate. The below table responds to the DPLH request:

No.	DPLH request	Shire (referee) comments
1	Is the Shire supportive of the transfer of this land to the Noongar People under the Settlement?	Yes
2	Does the Shire have any interest in the land?	No
3	Does the Shire have existing or planned infrastructure within the land parcel that requires protection? If yes, please provide details and advise if access to this infrastructure will need to be maintained.	No
4	Is the land parcel subject to any mandatory connection to services?	No
5	Are any future proposals for the land identified? Please provide detail of what is proposed and in what timeframe?	No
6	Are there any future proposals for adjoining land that may affect the land identified in the spreadsheet? If so, in what timeframe?	No
7	Please advise of any proposed planning scheme amendments that may affect the zoning of this land at a State or Local government level. If a scheme amendment is to occur, what is the change proposed and when will it come into effect?	Nil
8	Please advise of any known land management issues such as site contamination, hazards, debris or rubbish dumping, unauthorised land use and environmental considerations (such as inundation or similar site constraints).	Conserving environmental assets. The site forms part of a sizeable area of native vegetation in the locality. In-turn, the native vegetation forms part of a larger environmental corridor linking parts of the Great Southern region with the South West region. There are also associated high bushfire risks if development was proposed.
9	Please provide any additional comments on the proposed transfer of this land as part of the Settlement.	Nil

### CONSULTATION

The DPLH is undertaking consultation with the Shire and other stakeholders. The Shire has not undertaken separate consultation.

### STATUTORY REQUIREMENTS

*Noongar (Koorah, Nitja, Boordahwan) (Past, Present, Future) Recognition Act 2016*

### POLICY IMPLICATIONS

Nil

### FINANCIAL IMPLICATIONS

Nil

### RISK MANAGEMENT IMPLICATIONS

RISK MANAGEMENT FRAMEWORK			
Risk Profile	Risk Description/Cause	Key Control	Current Action
3 – Compliance	Impulsive decision making  Ineffective monitoring of changes to legislation	Professional accreditation/certification maintained	Nil
6 – Engagement	Inadequate documentation or procedures	Public notices/local papers/website communication	Nil
7 – Environment	Inadequate local laws/planning schemes	Environmental management compliance	Nil
8 – Errors, Omissions and Delays	Complex legislation  Incorrect information	Development Approval performance report	Nil
Risk rating: Adequate			
IMPLICATIONS			
Notwithstanding the possible change of tenure and transfer of ownership, all current Scheme and policy provisions will continue to apply to the property. A change in tenure and ownership does not infer any additional development rights or exemptions from having to obtain land use and development approvals.			

**ASSET MANAGEMENT IMPLICATIONS**

Nil

**SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS)  
IMPLICATIONS**

Nil

**VOTING REQUIREMENTS**

Simple Majority

**OFFICER RECOMMENDATION**

That Council endorses the comments provided in this report and agrees to the transfer of Unallocated Crown Land (PIN 514652) on Woodenbillup Road, Scotts Brook (as attached) to the Noongar Land Estate (Noongar Boodja Trust) under the South West Native Title Settlement.

9.2.2 ALLOCATING GENERAL PRACTITIONER HOUSING – 39 VANZUILECOM STREET, KOJONUP

<b>AUTHOR</b>	Grant Thompson – Chief Executive Officer
<b>DATE</b>	Friday, 7 October 2022
<b>FILE NO</b>	CP.ACD.7/8
<b>ATTACHMENT(S)</b>	<p>9.2.2.1 – Government Regional Officer Housing (GROH) - Functional Brief 4 Bedroom Specifications</p> <p>9.2.2.2 – The George Church Community Medical Centre Inc. (GCCMC) – Housing for Doctor proposition</p> <p>9.2.2.3 – GCCMC Inc. Statement – Housing</p>

<b>STRATEGIC/CORPORATE IMPLICATIONS</b>		
“Smart Possibilities – Kojonup 2027+”		“Smart Implementation – Kojonup 2018-2022”
<b>Key Pillar</b>	<b>Community Outcomes</b>	<b>Corporate Actions</b>
KP 2 – Connected	2.2 Have enhanced our aged-care and health provisions by progressing our connections with regional and state-wide groups.	<p>2.2.1 Work with regional, state and national health providers to develop innovative health services.</p> <p>2.2.2 Enhance alliances with state and local health providers to grow a sustainable and modern health system.</p> <p>2.2.3 Establish formal networks between all health service providers within Kojonup.</p>
KP3 - 3 Performance	3.3 – Use a Building Assessment Framework and control our investment in building maintenance.	3.3.4 – Undertake an asset management planning process to review and rationalise buildings to maximise their use and value to the community.

**DECLARATION OF INTEREST**

Nil

**SUMMARY**

Council to consider allocating, on a long term basis, 39 Vanzuilecom Street, Kojonup, to be fully utilised as a General Practitioner’s (GP) house.

The asset would be allocated the sole purpose of a GP’s housing and leased on a long term basis with the objective of recruiting and retaining a General Practitioner to Kojonup.

The basis of the lease would be conditional on a third party investing funds to renovate the house to an agreed standard based on the GROH standards.

## **BACKGROUND**

Council, at a meeting held 28 July 2020 resolved as follows:

92/20

*“That Council receives the Chief Executive Officers report and advise the George Church Community Medical Centre Inc., that:*

*1. The request for a cash contribution of \$250,000 or any amount for Housing is not supported as the Shire of Kojonup’s intent and that of the late Mr George Church has always been the construction of a new Medical Centre;*

*2. Council does have vacant land available as per the attached plan which it would consider transferring one lot to the George Church Community Medical Centre Inc. for \$1, however the issue is what type of dwelling, unit or lifestyle property will be negotiated with prospective tenants, noting that this is a matter specifically for the George Church Community Medical Centre Inc., to progress ‘Commercial in Confidence’ via the Expression of Interest process the Committee is undertaking not the Shire of Kojonup; and*

*3. If the lots referred in point 2. above are unsuitable, Council is willing to explore with the George Church Community Medical Centre Inc., other lots on Shire of Kojonup owned land that may become available as part of future residential subdivision.*

*Reason for change: The Council would like to keep options open with the GCCMC Inc., regarding lots that may become available as Council progresses residential subdivisions on land it owns in the future.”*

Previous requests from the community and community groups to specifically allocate housing to a General Practitioner have been received and considered by the Council. However, to date no formal decision has been made by the Council to allocate housing to a General Practitioner.

In accordance with s. 3.58 of the *Local Government Act 1995* (see *statutory requirements*), a sworn rental valuation for 39 Vanzuilecom Street, Kojonup is required and approval is sought as a part of this recommendation.

## **COMMENT**

At the Council briefing session on 1 March 2022 the GCCMC presented and requested the Council to provide a housing option for the attraction and retention of a General Practitioner to Kojonup.

This conversation has been ongoing in the community for some time and requires resolution.

The value proposition is clear - to attract a General Practitioner, a good standard of housing is required.

There are a number of factors required to grow the population in Kojonup that should be taken into consideration in this decision. The community return on capital will exceed expectations if a GP is secured in Kojonup on a long term basis.

People will not have to travel out of town to seek medical services and, therefore, don't look to move away, and further attraction of people to town is a lot easier when you have critical infrastructure supporting the move.

One of the key services people seek when considering moving to a rural and regional town is medical services.

Kojonup has the essential infrastructure to support medical services - medical centre, hospital, and aged care facilities, but operating and maintaining infrastructure requires the attraction of skilled and qualified people.

There are four key platforms in attracting a General Practitioner to Kojonup:

1. having access to a high standard house is a top priority;
2. having a good place to operate from;
3. having good peer support (holidays, community involvement); and
4. satisfactory remuneration.

Three of the key platforms for attracting the right General Practitioner to Kojonup have been resolved by the GCCMC. The GCCMC has in place the location (Korrinup House Medical Centre), the remuneration package, and support from the community to create certainty and belonging in the town.

The last platform, housing, is outstanding and it is clear from the discussions and requests that unless the Shire considers intervening and supporting this platform, securing housing will be a difficult proposition for the community.

A long term lease, rather than outright sale, of the asset at 39 Vanzuilecom Street, Kojonup is better suited to meeting the objectives of the Council's housing needs, managing the risk of third party management, and retaining Shire ownership of the asset over the long term for continuity.

A long term lease will be based on the successful third party proponent investing to renovate the asset to a standard for a four bedroom home based on GROH specifications at least as much as can be accomplished within a renovation and not a new build.

Obviously, a renovation versus a new build is constrained by structural walls and engineering specifications. An example of a GROH specification document is attached, at attachment 9.2.2.1 - *GROH Functional Brief 4 Bedroom Specifications*, for a new build. This would be used as a guide only.

The Shire will be required to meet s. 3.58 (Disposing of property) of the *Local Government Act 1995* if it resolves to lease 39 Vanzuilecom Street, Kojonup. This involves the Council advertising its intent to lease long term to the GCCMC and allocating the housing to attract a General Practitioner.

A fourteen (14) day period of public consultation is required after which time any feedback will come back to Council for further consideration.

The GCCMC is a Kojonup community based organisation, established and operated by volunteers from within the Kojonup community.

It is expected the asset can be made available for lease by April 2023.

## **CONSULTATION**

Councillor Briefing Sessions  
The GCCMC

## **STATUTORY REQUIREMENTS**

*Section 3.58. Disposing of property Local Government Act 1995*

- (2) Except as stated in this section, a local government can only dispose of property to —
- (a) the highest bidder at public auction; or
  - (b) the person who at public tender called by the local government makes what is, in the opinion of the local government, the most acceptable tender, whether or not it is the highest tender.
- (3) A local government can dispose of property other than under subsection (2) if, before agreeing to dispose of the property —
- (a) it gives local public notice of the proposed disposition —
    - (i) describing the property concerned; and
    - (ii) giving details of the proposed disposition; and
    - (iii) inviting submissions to be made to the local government before a date to be specified in the notice, being a date not less than 2 weeks after the notice is first given; and
  - (b) it considers any submissions made to it before the date specified in the notice and, if its decision is made by the council or a committee, the decision and the reasons for it are recorded in the minutes of the meeting at which the decision was made.

**POLICY IMPLICATIONS**

Staff Housing Policy 2.2.7 - Remove the aspect of 39 Vanzuilecom Street from staff housing and insert to GP status.

**FINANCIAL IMPLICATIONS**

Capital investment offsets the reduction in rent from staff housing. Staff housing is subsidised.

**RISK MANAGEMENT IMPLICATIONS**

RISK MANAGEMENT FRAMEWORK			
Risk Profile	Risk Description/Cause	Key Control	Current Action
1 - Asset Sustainability	Buildings not being used to potential	Asset Replacement Schedule	NA
Risk Rating: Adequate			
IMPLICATIONS			
Risk of asset not being fully utilised - this is minimised with a long term lease and investment from a third party to enhance the asset.			
This will have a positive effect on the budget.			

**ASSET MANAGEMENT IMPLICATIONS**

The asset will not be available for other functions such as staff housing; however, this value is minimal compared to the community advantage of having a GP in the Shire and the renovation of the asset at nil cost to Council.

**SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS**

Nil

**VOTING REQUIREMENTS**

Simple Majority



**OFFICER RECOMMENDATION**

That Council:

1. Seeks a sworn rental valuation for 39 Vanzuilecom Street, Kojonup.
2. Advertises, under Section 3.58 of the *Local Government Act 1995* - Disposing of property:
  - a) its intent to lease 39 Vanzuilecom Street, Kojonup, to The George Church Community Medical Centre Inc. (GCCMC) on a 10 year lease with an extension of a further 10 (ten) years, on the provision that the GCCMC renovates the house to an agreed suitable standard using the GROH (Government Regional Officers Housing) functional specifications as its renovation guide; and
  - b) that the lease amount will be negotiated on the basis that renovation costs, up to \$200,000, are wholly provided by the GCCMC, as well as a minimal rent amount covering the Shire of Kojonup's (Shire) costs associated with water and other utility costs.
3. Delegates authority to the Chief Executive Officer and Shire President to negotiate the lease and renovation specifications with the GCCMC if no public submissions are received.
4. Reallocates 39 Vanzuilecom Street, Kojonup, from staff housing to housing for the attraction and retention of a General Practitioner to the Shire and updates Council Policy 2.2.7 accordingly.

9.3 KEY PILLAR 3 – ‘PERFORMANCE’ REPORTS

9.3.1 FINANCIAL MANAGEMENT – MONTHLY STATEMENT OF FINANCIAL ACTIVITY  
(SEPTEMBER 2022)

<b>AUTHOR</b>	Grant Thompson – Chief Executive Officer
<b>DATE</b>	Friday, 7 October 2022
<b>FILE NO</b>	FM.FNR.2
<b>ATTACHMENT(S)</b>	9.3.1.1 – September 2022 Monthly Financial Statements

STRATEGIC/CORPORATE IMPLICATIONS		
“Smart Possibilities – Kojonup 2027+”		“Smart Implementation – Kojonup 2021 +”
Key Pillar	Community Outcomes	Corporate Actions
KP – 3 Performance	3.4 – Be organised and transparent with our financial management.	3.4.1 - Increase regularity of readable financial reporting to the community. 3.4.2 – Act with sound long-term and transparent financial management and deliver residents considered value for money.

**DECLARATION OF INTEREST**

Nil

**SUMMARY**

The purpose of this report is to note the Monthly Financial Statements for the period ending 30 September 2022.

**BACKGROUND**

In addition to good governance, the presentation to the Council of monthly financial reports is a statutory requirement, with these to be presented at an ordinary meeting of the Council within two (2) months after the end of the period to which the statements relate.

**COMMENT**

The attached Statement of Financial Activity for the period 1 July 2022 to 30 September 2022 represents three (3) months, or 25% of the year.

The following items are worthy of noting:

- Closing surplus position of \$3.38m;
- Capital expenditure achieved 12.7% of budgeted projects;

- Cash holdings of \$7.183m of which \$4.025 is held in cash backed reserve accounts and \$3.158 is unrestricted cash;
- Rates debtors outstanding equate to 27% of total rates raised for 2022/2023 with the second instalment payment being due on 10 November 2022; and
- Page 11 of the statements detail major variations comparing year to date (amended) budgets to year to date actuals in accordance with Council Policy 2.1.6.

#### **CONSULTATION**

Nil

#### **STATUTORY REQUIREMENTS**

Regulation 34 of the *Local Government (Financial Management) Regulations 1996* sets out the basic information which must be included in the monthly reports to Council.

#### **POLICY IMPLICATIONS**

Council Policy 2.1.6 defines the content of the financial reports.

#### **FINANCIAL IMPLICATIONS**

This item reports on the current financial position of the Shire. The recommendation does not in itself have a financial implication.

#### **RISK MANAGEMENT IMPLICATIONS**

Nil

#### **ASSET MANAGEMENT IMPLICATIONS**

Nil

#### **SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS**

Nil

#### **VOTING REQUIREMENTS**

Simple Majority

#### **OFFICER RECOMMENDATION**

That the monthly financial statements for the period ending 30 September 2022, as attached, be noted.

9.3.2 MONTHLY PAYMENTS LISTING – SEPTEMBER 2022

<b>AUTHOR</b>	Vivicka Kahn - Finance and Payroll Officer
<b>DATE</b>	Monday, 10 October 2022
<b>FILE NO</b>	FM.AUT.1
<b>ATTACHMENT</b>	<a href="#">9.3.2.1 – Monthly Payments Listing 1 to 30 September 2022</a>

<b>STRATEGIC/CORPORATE IMPLICATIONS</b>		
“Smart Possibilities – Kojonup 2027+”		“Smart Implementation – Kojonup 2019-2023”
<b>Key Pillar</b>	<b>Community Outcomes</b>	<b>Corporate Actions</b>
KP3 - Performance	3.4 – Be organised and transparent with our financial management.	3.4.1 - Increase regularity of readable financial reporting to the community. 3.4.2 – Act with sound long-term and transparent financial management and deliver residents considered value for money.

**DECLARATION OF INTEREST**

Nil

**SUMMARY**

To receive the list of payments covering the month of September 2022.

**BACKGROUND**

Not applicable

**COMMENT**

The attached list of payments is submitted for receipt by the Council.

Any comments or queries regarding the list of payments are to be directed to the Chief Executive Officer prior to the meeting.

**CONSULTATION**

Nil

**STATUTORY REQUIREMENTS**

Regulation 12(1)(a) of the *Local Government (Financial Management) Regulations 1996* provides that payment may only be made from the municipal fund or trust fund if the Local Government has delegated the function to the Chief Executive Officer.

The Chief Executive Officer has delegated authority to authorise payments. Relevant staff have also been issued with delegated authority to issue orders for the supply of goods and services subject to budget limitations.

Regulation 13 of the *Local Government (Financial Management) Regulations 1996* provides that if the function of authorising payments is delegated to the Chief Executive Officer then a list of payments is to be presented to the Council at the next ordinary meeting and recorded in the minutes.

**POLICY IMPLICATIONS**

Council's Policy 2.1.2 provides authorisations and restrictions relative to purchasing commitments.

**FINANCIAL IMPLICATIONS**

All payments made in line with Council Policy.

**STRATEGIC/CORPORATE IMPLICATIONS**

There are no strategic/corporate implications involved with presentation of the list of payments.

**RISK MANAGEMENT IMPLICATIONS**

A control measure to ensure transparency of financial systems and controls regarding creditor payments.

**ASSET MANAGEMENT PLAN IMPLICATIONS**

There are no asset management implications for this report.

**SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS)  
IMPLICATIONS**

Nil

**VOTING REQUIREMENTS**

Simple Majority

**OFFICER RECOMMENDATION**

That, in accordance with Regulation 13(1) of the *Local Government (Financial Management) Regulations 1996*, the list of payments as attached made under delegated authority:

FROM – 1 September 2022		TO – 30 September 2022
Municipal Cheques	14346 - 14346	\$ 16,529.46
EFTs	30739 - 30897	\$ 986,738.36
Direct Debits		\$ 511,677.50
Total		\$ 1,514,945.32

be received.

9.3.3 DELEGATION REGISTER – ANNUAL REVIEW

<b>AUTHOR</b>	Judy Stewart – Senior Administration Officer
<b>DATE</b>	Thursday, 6 October 2022
<b>FILE NO</b>	PE.AUT.2
<b>ATTACHMENT(S)</b>	9.3.3.1 Delegation Register – October 2022 – Draft (nil changes)

STRATEGIC/CORPORATE IMPLICATIONS		
“Smart Possibilities – Kojonup 2027+”		“Smart Implementation – Kojonup 2021 +”
Key Pillar	Community Outcomes	Corporate Actions
KP3 - 3 Performance (part thereof)	3.4 - Be organised and transparent with our financial management. (part thereof)	3.4.2 – Act with sound long-term and transparent financial management and deliver residents considered value for money. 3.4.3 - Commit to future state-wide measurement systems testing local government performance.

**DECLARATION OF INTEREST**

Nil

**SUMMARY**

The purpose of this report is to conduct an annual review of Council’s Delegation Register (Register).

**BACKGROUND**

Section 5.46 (2) of the *Local Government Act 1995* requires that delegations be reviewed at least once every financial year. Council’s Delegation Register was last reviewed by the Council in September 2021.

Council has resolved to adopt and delegate the functions referred to within the attached Delegations Register to the Chief Executive Officer (CEO). Under the *Local Government Act 1995*, the Council is only able to delegate to the CEO and the CEO may then on-delegate to other Officers. When a decision is made under delegation, it is as if that decision has been made by the Council.

Any changes made by Council between its annual reviews of the Register are amended in the Register immediately following the Council meeting wherein the change was resolved.

#### **COMMENT**

A review of the Delegation Register has been undertaken in accordance with the *Local Government Act 1995* to ensure that it contains the requirements for the Shire of Kojonup to function efficiently and to ensure good governance.

All managers and other relevant staff were given the opportunity to participate in the Register review. Nil changes have been suggested.

#### **CONSULTATION**

Chief Executive Officer  
Manager Works and Services  
Manager Springhaven  
Manager Regulatory Services  
Senior Finance Officer  
Administration/Domestic Coordinator, Springhaven  
Regulatory Services Administration Officer

#### **STATUTORY REQUIREMENTS**

The *Local Government Act 1995*, sections 5.42 to 5.46 and Regulation 19 of the *Local Government (Administration) Regulations 1996* relate to delegations.

Specifically, section 5.42 of the *Local Government Act 1995* allows for the delegation of some powers and duties from the Council to the CEO. Section 5.42 states:

(1) *A local government may delegate\* to the CEO the exercise of any of its powers or the discharge of any of its duties under this Act other than those referred to in section 5.43. \*Absolute majority required.*

*A delegation under this section is to be in writing and may be general or as otherwise provided in the instrument of delegation.*

#### **POLICY IMPLICATIONS**

There are no policy implications for this report.

#### **FINANCIAL IMPLICATIONS**

This report or its recommendation does not in itself have a financial implication.



**RISK MANAGEMENT IMPLICATIONS**

RISK MANAGEMENT FRAMEWORK			
Risk Profile	Risk Description/Cause	Key Control	Current Action
3 - Compliance	Failure to correctly identify, interpret, assess, respond and communicate laws and regulations as a result of an inadequate compliance framework.	Ineffective policies & processes; Ineffective monitoring of changes to legislation.	Nil
Risk rating: Adequate			
IMPLICATIONS			
This report ensures legislative compliance and continues a framework of delegations to ensure that the Council and staff are aware of and are undertaking their respective roles and responsibilities.			

**ASSET MANAGEMENT IMPLICATIONS**

There are no asset management implications for this report.

**SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS**

Nil

**VOTING REQUIREMENTS**

Absolute Majority

**OFFICER RECOMMENDATION**

That the Delegation Register dated October 2022, as attached and with nil amendments, be adopted in accordance with section 5.42 of the *Local Government Act 1995*.

9.3.4 LOCAL GOVERNMENT REFORM – ELECTION TRANSITION ARRANGEMENTS

<b>AUTHOR</b>	Judy Stewart – Senior Administration Officer
<b>DATE</b>	Friday, 14 October 2022
<b>FILE NO</b>	GO.ELE.12
<b>ATTACHMENT(S)</b>	<p>9.3.4.1 - Correspondence – Hon John Carey MLA - Minister for Housing, Lands, Homelessness, and Local Government (Minister)</p> <p>9.3.4.2 – Election Transition Arrangements - Plan</p> <p>9.3.4.3 – Representation Review Public Notice</p> <p>9.3.4.4 – Representative Review Information Sheet</p>

<b>STRATEGIC/CORPORATE IMPLICATIONS</b>		
“Smart Possibilities – Kojonup 2027+”		“Smart Implementation – Kojonup 2018-2022”
<b>Key Pillar</b>	<b>Community Outcomes</b>	<b>Corporate Actions</b>
<b>KP – 3</b>	3.1 – Be a continually engaged and strategic community which leads and organises throughout the entire stakeholder group.	3.1.4 – Implement strategies to improve Councillors role as community leaders and asset custodians.

**DECLARATION OF INTEREST**

Nil

**SUMMARY**

The purpose of this report is for Council to consider whether to follow a Voluntary Pathway or a Reform Election Pathway to reduce its number of Council members, as required by proposed local government reforms.

**BACKGROUND**

On 3 July 2022 the Department of Local Government, Sport and Cultural Industries (DLGSC) announced a final package of proposed local government reforms following a review of public submissions.

New requirements will provide for:

- The introduction of optional preferential voting;
- Directly elected Mayors and Presidents for band 1 and 2 local governments;
- Councillor numbers based on population; and
- The removal of wards for band 3 and 4 local governments.

It is anticipated that the Bill to amend the *Local Government Act (1995) (Act)* will be introduced into Parliament in early 2023.

## COMMENT

The DLGSC has identified that the Shire of Kojonup (Shire) will need to reduce its number of Council members under the proposed reforms; the allowable number of Councillors for local governments with a population of under 5,000 will be 5, 6 or 7.

As a band 3 local government, the Shire is not affected by reforms to the method of election of Mayors and Presidents and is not affected by the requirements to remove wards, the latter (removal of wards) being an action effected in 2003 when Council membership also reduced from ten to eight members.

In addition to the requirement to reduce Council membership to between 5 and 7, the Shire will also be required to provide optional preferential voting.

As per the Minister's correspondence, Council must choose between the Voluntary Pathway or the Reform Election Pathway to reduce its membership:

### **Voluntary Pathway**

*The Shire may formulate a plan to implement these changes on a voluntary basis. This pathway will require the Shire to make the steps outlined below, and could involve staging any larger changes in the numbers of councillors over two ordinary elections. This pathway provides the Shire with the greatest possible lead time to plan for next year's ordinary elections.*

*If the Shire's council wish to undertake this process, the Shire should, by 28 October 2022:*

- *Advise the DLGSC of the Shire's intention to undertake a voluntary process. This advice should include a high-level plan outlining the potential changes to be implemented for the ordinary elections to be held in 2023 (and in 2025, if applicable); and*
- *Initiate a Ward and Representation Review to determine the specific changes to the structure of the council for the 2023 and 2025 ordinary elections, to be completed by 14 February 2023.*

*The Ward and Representation Review would need to be initiated ahead of the 28 October 2022 date, and finalised by 14 February 2023, to ensure that timeframes set out in the Act can be practically met. While the Ward and Representation Review can consider the size of the Shire's council, and any wards, any changes should not diverge from the proposed reforms.*

### **Reform Election Pathway**

*Alternatively, it is intended that the Amendment Act will provide for all changes to be implemented through reform elections in 2023. This pathway would provide that all of the Shire's council offices can be declared vacant, any existing wards can be abolished, and the number of council offices would be set based on the reform proposals.*

*Elections would then be held to fill all council offices, with a split between two and four year terms as might be necessary to re-establish an ordinary election cycle.*

*It is also intended that the Amendment Act will contain provisions for the Reform Election Pathway to apply if the Shire:*

- *Does not advise of an intention to follow the Voluntary Pathway, or*
- *Decides to follow the Voluntary Pathway, but does not suitably complete a Ward and Representation Review by the dates outlined in this letter.*

Although a Ward Review is not applicable for the Shire, a Representation Review will need to be completed via community consultation.

There would normally be four vacancies at each Ordinary Election for the Shire of Kojonup; however, this must now reduce by between one and three vacancies as a result of the Election Transition Requirements, either in readiness for the October 2023 and/or October 2025 Ordinary Elections.

The Voluntary Pathway is recommended given that the Reform Election Pathway could result in a totally inexperienced Council being elected. The Voluntary Pathway also allows members to fulfil the timeframe they were elected to serve within.

If a local government does not advise of its intention to follow the Voluntary Pathway or does not suitably complete a Ward and Representation Review by the date required, the Reform Election Pathway will apply.

#### **CONSULTATION**

Nil

#### **STATUTORY REQUIREMENTS**

*Local Government Act (1995)*

Proposed Amendment Act

#### **POLICY IMPLICATIONS**

Nil

#### **FINANCIAL IMPLICATIONS**

Expense will be incurred as part of the required public consultation. This expense will be dealt with as part of Chart of Account 1612 Misc Expenses – Members of Council.

**RISK MANAGEMENT IMPLICATIONS**

RISK MANAGEMENT FRAMEWORK			
Risk Profile	Risk Description/Cause	Key Control	Current Action
3 – Compliance	Failure to correctly identify, interpret, assess, respond and communicate laws and regulations as a result of an inadequate compliance framework. This includes new or proposed regulatory and legislative changes.	Staff training	Nil
Risk rating – Adequate			
IMPLICATIONS			
Choice of the pathway to be taken, and advice to the DLGSC of the chosen pathway by 28 October 2022, ensures Council is meeting DLGSC requirements and mitigates non-compliance risk.			

**ASSET MANAGEMENT IMPLICATIONS**

Nil

**SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS**

Nil

**VOTING REQUIREMENTS**

Absolute Majority

**OFFICER RECOMMENDATION**

That Council advises the Department of Local Government, Sports and Cultural Industries that:

1. its preferred pathway for Election Transition Arrangements is the Voluntary Pathway; and
2. it will undertake a Representation Review and prepare, consider and adopt a Review Report for submission to the Local Government Advisory Board by 14 February 2023.

9.3.5 KOJONUP HISTORICAL SOCIETY (KHS) – FORESHADOWED TRANSFERRAL OF ASSET OWNERSHIP

<b>AUTHOR</b>	Judy Stewart – Senior Administration Officer
<b>DATE</b>	Wednesday, 5 October 2022
<b>FILE NO</b>	CS.SRP.1
<b>ATTACHMENT(S)</b>	9.3.5.1 – Kojonup Historical Society – Briefing Session Presentation Notes 20 September 2022 9.3.5.2 – Kojonup Historical Society – By-Law

<b>STRATEGIC/CORPORATE IMPLICATIONS</b>		
“Smart Possibilities – Kojonup 2027+”		“Smart Implementation – Kojonup 2018-2022”
<b>Key Pillar</b>	<b>Community Outcomes</b>	<b>Corporate Actions</b>
KP3 - Performance	3.1 – Be a continually engaged and strategic community which leads and organises throughout the entire stakeholder group.	3.4.1 – Implement strategies to improve Councillors role as community leaders and asset custodians.

**DECLARATION OF INTEREST**

Nil

**SUMMARY**

The purpose of this report is to consider foreshadowed transferral of asset ownership from the Kojonup Historical Society (KHS) to the Shire of Kojonup (Shire) in the event that the KHS becomes unable to continue to operate.

**BACKGROUND**

On 20 September 2022 Susanne Bilney and Andy Chandler, KHS representatives, addressed councillors at a Briefing Session and advised Councillors that the KHS finds itself unable to fill office holder positions going forward.

S Bilney advised that the KHS’s original constitution, prior to the *Associations Incorporation Act 2015 (Act)* coming into effect, specified that its collection would be handed over to the Shire upon any winding up of the KHS.

The current constitution, in line with the new model rules contained within the *Associations Incorporation Act 2015*, is silent on who specifically the KHS’s assets would be transferred to in the event of the KHS winding up. KHS has, therefore, passed a by-law at a recent meeting proposing that the constitution be updated to specify the Shire of Kojonup as the recipient of its collection in the event that the KHS winds up. This by-law

requires the approval of the Minister for Consumer Protection before it can come into effect.

**COMMENT**

The KHS has requested that Council formally agrees to the takeover of the KHS assets in the event that the KHS winds up. This report does not discuss any takeover detail; the Officer Recommendation only serves to give assurance to the KHS that it has Council’s support of the transferral of its assets to the Shire should the KHS windup in the future.

**CONSULTATION**

Briefing Session 20 September 2022  
Chief Executive Officer

**STATUTORY REQUIREMENTS**

Nil

**POLICY IMPLICATIONS**

2.3.4 Asset Management  
2.3.8 Volunteer Management

**FINANCIAL IMPLICATIONS**

It is anticipated that any takeover of the KHS collections would require a degree of human resource management expense; however, it is also anticipated that volunteers would be encouraged to continue providing support for the management of the collections.

**RISK MANAGEMENT IMPLICATIONS**

RISK MANAGEMENT FRAMEWORK			
Risk Profile	Risk Description/Cause	Key Control	Current Action
2 – Engagement	Inadequate involvement with or support of community groups	Support local community Volunteer groups	
Risk rating – Adequate			
IMPLICATIONS			
Agreeing to take ownership of Kojonup Historical Society collections in the future, should the Kojonup Historical Society wind up, ensures that Kojonup’s historical collections will remain available for viewing by the general public and demonstrates a commitment to maintaining the history of Kojonup.			



**ASSET MANAGEMENT IMPLICATIONS**

Council is the owner of the buildings used by the Kojonup Historical Society that house the historic collections currently managed by this incorporated body; these buildings are historically significant to Kojonup and fall under the Shire’s Asset Management Plan.

**SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS**

Nil

**VOTING REQUIREMENTS**

Simple Majority

**OFFICER RECOMMENDATION**

That Council agrees to the transferral of asset ownership of the Kojonup Historical Society Inc. (KHS) to the Shire of Kojonup in the event the KHS winds up.

9.3.6 RESERVE ACCOUNT FINANCIAL REVIEW – 2021/2022

<b>AUTHOR</b>	Grant Thompson – Chief Executive Officer
<b>DATE</b>	Thursday, 13 October 2022
<b>FILE NO</b>	FM.FNR.2
<b>ATTACHMENT(S)</b>	<a href="#">9.3.6.1 - Council Policy 2.1.8 – Financial Governance</a>

<b>STRATEGIC/CORPORATE IMPLICATIONS</b>		
“Smart Possibilities – Kojonup 2027+”		“Smart Implementation – Kojonup 2021 +”
Key Pillar	Community Outcomes	Corporate Actions
KP 3 - Performance	3.4 – Be organised and transparent with our financial management.	3.4.1 - Increase regularity of readable financial reporting to the community. 3.4.2 – Act with sound long-term and transparent financial management and deliver residents considered value for money.

**DECLARATION OF INTEREST**

Nil

**SUMMARY**

The purpose of this report is to detail the transfers both in and out of the Reserve accounts for the previous financial year.

**BACKGROUND**

At its September 2022 Ordinary Meeting the Council resolved as follows:

108/22

1) That the CEO present to the October 2022 Ordinary Council meeting a detailed review of the transfers both in and out of the Reserve accounts for the previous financial year.

2) That the CEO present to the November 2022 Ordinary Council meeting a report on how the reserve accounts operation could be enhanced in respect to the following, but not to the exclusion of other issues that appear during the process:

- Council motions regarding contributions.
- Timing of cash movements.
- Monthly reporting of account balances.
- Detail provided in budgeting of reserve account transfers.
- The concept of saving for plant and equipment purchases versus borrowing the capital required at the time of purchase.

Council Policy 2.1.8 – ‘Financial Governance’ has a section relating to reserve accounts, which states as follows:

*‘In addition to grant funding, the Shire’s reserve accounts are one of the primary funding sources for major projects and will be prioritised in the annual budget.*

*Cash reserves are to be established and maintained to accumulate funds for the following purposes:*

- 1. To smooth funding allocations over future years;*
- 2. To offset liabilities in respect of previously earned employee entitlements to the extent they require an outflow of funds not allocated in the annual budget;*
- 3. To meet statutory obligations;*
- 4. To fund renewal of existing physical/built assets;*
- 5. To fund future strategic initiatives and the provision of new services and facilities to future residents;*
- 6. To buffer against unpredictable events;*
- 7. To hold unspent grants and contributions; and*
- 8. Other purposes as determined by the Council from time to time.*

*When preparing the annual budget each year, consideration will be given to establishing reserve accounts for major projects as contained within the Community Strategic Plan.*

*The Manager of Corporate and Community Services will conduct an annual review for the Council addressing the appropriateness of each reserve account purpose, suitability of current balances, and deficiencies for the funding of future projects as identified in adopted forward plans.*

*Specifically, the following goals are set for individual reserve account balances:*

- *Employee Leave – As a minimum, the level of this reserve should meet both:*
  - *The EBA sick leave liability (clause 29); and*
  - *The current portion of the long service leave liability for staff with seven (7) years or more service.*

*This funding goal is to be implemented over several financial years up to 2021/2022 to manage the financial impact.*

- *Day Care Building Maintenance – 100% of annual rent paid by the tenant is deposited into this account;*
- *Springhaven Building Upgrade & Renewal - This reserve receives 100% of interest earned from the ‘Springhaven Lodge’ (bonds paid by residents) reserve account;*
- *Low Income Housing - All operating profit/(loss) is to be transferred to/(from) this reserve in accordance with the joint venture agreement with the Department of Housing;*

- *Independent Living Units - Operating profits from Loton Close & Soldier Road units are transferred to this reserve;*
- *Landfill Waste Management - 10% of total rubbish & recycle bin charges are to be allocated to this reserve annually;*
- *Energy Efficiency - 50% of any savings resulting from expenditure of this reserve account is to be transferred back into the reserve;*
- *Saleyards - The profit or loss from annual operations of the Saleyards to be transferred to this account.'*

This agenda item only addresses the first component of motion 108/22: that the Chief Executive Officer present to the October 2022 Ordinary Council Meeting a detailed review of the transfers both in and out of the reserve accounts for the previous financial year.

#### **COMMENT**

Section 6.11 of the *Local Government Act 1995* states that when 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. The Council policy detailed above outlines eight (8) such reasons why a local government may establish a reserve account.

The existing reserve accounts established now enable both building renewal to be funded and major projects prioritised, to ensure that reserve accounts exist for each building and project.

This specific analysis only reviewed the budgeted financial year 2021/2022 and the specific decisions around the flow of the funds moving in and out of the reserve accounts allocated to certain expenditure types based on the budget decision of 2021.

This report is not an analysis of the appropriateness of current reserve accounts and does not give consideration to any new areas of major future expenditure whereby a reserve account currently does not exist; that is being reviewed separately and will be undertaken over the next period with a separate report to Council.

Figures used have been rounded to nearest dollar for ease of readability.

The total actual opening balance of the reserves as at 1 July 2021 was \$3,539,179.  
The total budgeted closing balance of the reserves as at 30 June 2022 was \$3,280,091.  
The total actual closing balance of the reserves as at 30 June 2022 was \$4,019,916.  
This created a budget to actual discrepancy of positive \$739,825 of cash in reserve.  
This review found that accounting practices in the Shire mean that all approved budgeted cash inflows to reserve accounts are transacted in the financial year; however, cash outflows don't occur until the expenditure has taken place. In the event that expenditure does not occur in the actual financial year, those funds are not removed from the reserves and, therefore, the reserves actually appreciate with the funds that are transferred in.

The main issue highlighted is that timing of transferring funds into the reserves and expenditure and funds outflow from the reserves can be wholly misaligned. The issue that materialises is that cashflow transferred into reserves is locked up in reserve funds that could otherwise be utilised elsewhere.

An example that explains this is the Plant Replacement Reserve. The opening balance in the table below was \$489,415 and the budgeted end of year balance was estimated to be \$311,364, with \$583,024 being transferred into and (\$761,075) being transferred out to be used for capital expenditure.

	<b>2021/22 Budget Opening Balance</b>	<b>2021/22 Budget Transfer to</b>	<b>2021/22 Budget Transfer (from)</b>	<b>2021/22 Budget Closing Balance</b>
Plant Replacement	\$ 489,415	\$ 583,024	\$ (761,075)	\$ 311,364

Table 1.0 Plant Replacement Reserve Budget 2021/22

The actuals demonstrate an evolving story. Due to supply chain issues the actual expenditure for purchase orders, mainly related to vehicle purchases, were not executed in the budgeted year. The funds were, however, committed via purchase order. This resulted in \$271,084 being transferred into reserves prior to actual expenditure lifting the closing balance to \$582,448. The committed expenditure will roll over to the next budget year as per normal accounting standards.

	<b>2021/22 Actual Opening Balance</b>	<b>2021/22 Actual Transfer to</b>	<b>2021/22 Actual Transfer (from)</b>	<b>2021/22 Actual Closing Balance</b>	<b>Difference</b>	<b>Reason</b>
Plant Replacement	\$ 489,415	\$ 583,594	\$ (490,534)	\$ 582,448	271,084	Outstanding Purchase Orders for vehicles ordered but not received in 2021/2022

Table 2.0 Reason for variance in budget for Plant Replacement reserve fund

The issue is a timing problem and an alignment of actual expenditure versus actual transfers into the reserve funds.

**Table 3.0 Detailed transactions of cash inflows and outflows of reserve funds – Financial Year 2021/22**

<b>1004B0 - RESERVE FUNDS CASH AT BANK MUN (21/22)</b>							
Date	Mth	Description	Debit	Credit	Balance	Year	
					<b>\$ 3,539,179</b>		
31/07/2021	01	Reserve Interest Received July 2021	\$ 291		\$ 3,539,470	21/22	
31/08/2021	02	Reserve Split August 2021	\$ 310		\$ 3,539,780	21/22	
30/09/2021	03	Reserve Interest Split September 2021	\$ 291		\$ 3,540,071	21/22	
29/10/2021	04	Reserve Interest Split October 2021	\$ 281		\$ 3,540,352	21/22	
01/11/2021	05	Reserve Transfers as per 2021/2022 Budget	\$ 10,000		\$ 3,550,352	21/22	Employee Leave
01/11/2021	05	Reserve Transfers as per 2021/2022 Budget	\$ 10,000		\$ 3,560,352	21/22	Playground and Parks
01/11/2021	05	Reserve Transfers as per 2021/2022 Budget	\$ 15,000		\$ 3,575,352	21/22	The Spring
01/11/2021	05	Reserve Transfers as per 2021/2022 Budget	\$ 5,000		\$ 3,580,352	21/22	Trails Network Construction
01/11/2021	05	Reserve Transfers as per 2021/2022 Budget	\$ 20,000		\$ 3,600,352	21/22	Swimming Pool
01/11/2021	05	Reserve Transfers as per 2021/2022 Budget	\$ 10,000		\$ 3,610,352	21/22	Kodja Place Building Upgrade
01/11/2021	05	Reserve Transfers as per 2021/2022 Budget	\$ 10,000		\$ 3,620,352	21/22	Kodja Place Master Plan
01/11/2021	05	Reserve Transfers as per 2021/2022 Budget	\$ 20,000		\$ 3,640,352	21/22	Spencer St Youth
01/11/2021	05	Reserve Transfers as per 2021/2022 Budget	\$ 10,000		\$ 3,650,352	21/22	Springhaven Equipment
01/11/2021	05	Reserve Transfers as per 2021/2022 Budget	\$ 30,000		\$ 3,680,352	21/22	Townscape

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01/11/2021	05	Reserve Transfers as per 2021/2022 Budget	\$ 25,664		\$ 3,706,016	21/22	Landfill Waste Management
01/11/2021	05	Reserve Transfers as per 2021/2022 Budget	\$ 60,000		\$ 3,766,016	21/22	Natural Resource Management
01/11/2021	05	Reserve Transfers as per 2021/2022 Budget	\$ 2,700		\$ 3,768,716	21/22	Day Care Building Mtc
01/11/2021	05	Reserve Transfers as per 2021/2022 Budget	\$ 30,000		\$ 3,798,716	21/22	Memorial & Lesser Hall Upgrade
01/11/2021	05	Reserve Transfers as per 2021/2022 Budget	\$ 20,000		\$ 3,818,716	21/22	Sporting Facility
15/11/2021	05	Transfer payout of Springhaven resident's bond		-\$ 300,000	\$ 3,518,716	21/22	
30/11/2021	05	Reserve Interest Split November 2021	\$ 319		\$ 3,519,036	21/22	
31/12/2021	06	Reserve Interest December 2021	\$ 299		\$ 3,519,334	21/22	
31/01/2022	07	Reserve Interest Split January 2022	\$ 299		\$ 3,519,633	21/22	
01/02/2022	08	Transfer payment of Springhaven resident's bond from Reserve to Muni so that it can be refunded.		-\$ 147,145	\$ 3,372,488	21/22	
28/02/2022	08	Reserve Interest Split February 2022	\$ 259		\$ 3,372,747	21/22	
31/03/2022	09	Reserve Interest Split March 2022	\$ 286		\$ 3,373,034	21/22	
30/04/2022	10	April 2022 Reserve Interest Split	\$ 277		\$ 3,373,310	21/22	
04/05/2022	11	Transfer from Reserve as per 21/22 budget		-\$ 20,264	\$ 3,353,046	21/22	Bushfire Communication
04/05/2022	11	Transfer from Reserve as per 21/22 budget		-\$ 4,134	\$ 3,348,913	21/22	Energy Efficiency

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04/05/2022	11	Transfer from Reserve as per 21/22 budget		-\$ 35,000	\$ 3,313,913	21/22	Memorial & Lesser Hall Upgrade
04/05/2022	11	Transfer from Reserve as per 21/22 budget		-\$ 35,450	\$ 3,278,463	21/22	Sporting Facility
04/05/2022	11	Transfer from Reserve as per 21/22 budget		-\$ 2,000	\$ 3,276,463	21/22	Kodja Place Upgrade
31/05/2022	11	Reserve Interest Split 31 May 2022	\$ 344		\$ 3,276,806	21/22	
31/05/2022	11	Springhaven resident –bonds from Reserve Account.		-\$ 165,000	\$ 3,111,806	21/22	
31/05/2022	11	Transfer Springhaven bonds from Reserve accounts – Springhaven resident.		-\$ 170,000	\$ 2,941,806	21/22	
31/05/2022	11	Transfer Springhaven bonds to Reserve accounts Springhaven resident.	\$ 300,000		\$ 3,241,806	21/22	
31/05/2022	11	Transfer Springhaven bonds to Reserve accounts.	\$ 160,000		\$ 3,401,806	21/22	
31/05/2022	11	Transfer Springhaven bonds to Reserve accounts – Springhaven resident.	\$ 350,000		\$ 3,751,806	21/22	
31/05/2022	11	Transfer Springhaven bonds to Reserve accounts – Springhaven resident.	\$ 120,000		\$ 3,871,806	21/22	
30/06/2022	12	Reserve Interest Split June 2022	\$ 711		\$ 3,872,517	21/22	
30/06/2022	12	Transfer from Reserve as per 21/22 Budget		-\$ 490,534	\$ 3,381,983	21/22	Plant Replacement
30/06/2022	12	Transfer from Reserve as per 21/22 Budget		-\$ 1,000	\$ 3,380,983	21/22	Landfill Waste Management



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30/06/2022	12	Transfer from Reserve as per 21/22 Budget		-\$ 5,200	\$ 3,375,783	21/22	Independent Living Units
30/06/2022	12	Transfer from Reserve as per 21/22 Budget		-\$ 74,313	\$ 3,301,470	21/22	Natural Resource Management
30/06/2022	12	Transfer from Reserve as per 21/22 Budget		-\$ 5,580	\$ 3,295,890	21/22	Townscape
30/06/2022	12	Transfer to Muni as per 21/22 Budget	\$ 583,024		\$ 3,878,914	21/22	Plant Replacement
30/06/2022	12	Transfer to Reserve as per 21/22 budget	\$ 16,000		\$ 3,894,914	21/22	Low Income Housing
30/06/2022	12	Transfer to Reserve as per 21/22 budget	\$ 125,000		\$ 4,019,914	21/22	Independent Living Units
30/06/2022		Closing Balance			<b>\$ 4,019,914</b>		

**Table 3.0 Cash Backed Reserves – Reasons for variances in budget versus actual movements of cash inflows and outflows.**

	2021/22 Budget Opening Balance	2021/22 Budget Transfer to	2021/22 Budget Transfer (from)	2021/22 Budget Closing Balance	2021/22 Actual Opening Balance	2021/22 Actual Transfer to	2021/22 Actual Transfer (from)	2021/22 Actual Closing Balance	Difference	Reason
Plant Replacement	489,415	583,024	(761,075)	311,364	489,415	583,594	(490,534)	582,448	271,084	Outstanding Purchase Orders for vehicles ordered but not received in 2021/2022
Economic Development	88,409	221	(30,000)	58,630	88,409	98		88,507	29,877	C054 - Promotional Signage at Airport was not undertaken
Employee Leave	225,393	10,563	0	235,956	225,393	10,257		235,650	(306)	
Springhaven Lodge (Bonds)	2,047,145	0	0	2,047,145	2,047,145	930,000	(782,145)	2,195,000	147,855	Increase in bonded residents
Low Income Housing	67,409	16,869	(10,000)	74,278	67,409	16,075		83,483	9,205	C313 Purchase order for pergolas still outstanding
Sporting Facility	78,163	20,195	(80,000)	18,358	78,163	20,014	(35,450)	62,737	44,379	C409 - New fence was not constructed
Springhaven Building Upgrade & Renewal	18	5,118	(5,000)	136	18	2,147		2,165	2,029	
Bushfire Communications	109,493	274	(109,767)	0	109,493	117	(20,264)	89,346	89,346	C138 -Bushfire tower was not built C407 - Refuse site development was not undertaken
Landfill Waste Management	55,304	25,801	(30,521)	50,585	55,304	25,742	(1,000)	80,047	29,462	
Energy Efficiency	4,131	10	(4,141)	0	4,131	3	(4,134)	0	(0)	
Land Acquisition and Development	37,248	93	(30,000)	7,341	37,248	41		37,289	29,948	C310 full budget of \$616,832 amount spent \$431,157 so reserves were not drawn on
Community Grant Scheme	9,735	24	0	9,759	9,735	10		9,745	(14)	
Independent Living Units	38,325	127,896	(12,000)	154,221	38,325	125,043	(5,200)	158,168	3,947	C145 - only \$5,200 of the budgeted \$12,000 was spent
Spencer St Youth Precinct	11,245	20,028	0	31,273	11,245	20,016		31,270	(3)	
Natural Resource Management	111,578	60,279	(101,700)	70,157	111,578	60,165	(74,313)	97,430	27,273	Budgeted to Spend \$209,241 spent \$178,449 difference was deducted from transfer to.
Day Care Building Maintenance	12,052	2,730	0	14,782	12,052	2,713		14,766	(16)	
Swimming Pool	20,432	20,051	0	40,483	20,432	20,037		40,469	(14)	
Springhaven Equipment	6,488	10,016	0	16,504	6,488	10,015		16,503	(1)	
Saleyards	39,511	(38,301)	0	1,210	39,511	44		39,555	38,345	Transfer didn't happen as it was in transfers to not from column
RSL Hall Building Renewal	10,289	26	0	10,315	10,289	11		10,301	(14)	
Benn Parade Multi-Facility	14,289	36	0	14,325	14,289	12		14,301	(24)	
Townscape	25,332	30,063	(20,000)	35,395	25,332	30,049	(5,580)	49,801	14,406	C355 had a budget of \$40,000 only \$25,580 was spent so only \$5580 was used from reserve
Playgrounds & Parks	10,009	10,025	0	20,034	10,009	10,017		20,027	(7)	
Memorial & Lesser Hall Upgrade & Renewal	12,118	30,030	(35,000)	7,148	12,118	30,028	(35,000)	7,146	(2)	
The Kodja Place Building Upgrade & Renewal	9,611	10,024	(5,000)	14,635	9,611	10,016	(2,000)	17,628	2,993	C177 budget of \$6,000 only \$2500 was utilised
Shire Office/Library Building Upgrade & Renewal	1,007	3	0	1,010	1,007	0		1,007	(3)	
Sporting Complex Building Upgrade & Renewal	1,007	3	0	1,010	1,007	72		1,080	70	

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Netball Court Resurfacing	1,007	3	0	1,010	1,007	0	1,007	(3)	
The Spring	1,007	15,003	0	16,010	1,007	15,010	16,018	8	
Trails Network Construction	1,007	5,003	0	6,010	1,007	5,002	6,009	(1)	
Works Depot Building Upgrade & Renewal	1,006	3	0	1,009	1,006	0	1,006	(3)	
The Kodja Place Master Plan Implementation	0	10,000	0	10,000	0	10,007	10,007	7	
	3,539,183	975,111	(1,234,203)	3,280,091	3,539,183	1,936,355	(1,455,620)	4,019,916	739,825

### **Total Reserve Account Balances - Financial year 21/22:**

The tables 2.0 and 3.0 above highlight the following evolving issue related to the Shire's reserve accounts funding in the financial year 2021/22:

The balance increase above the budget of \$761,075 was a result of expenditure not occurring during the financial year, those reserve funds not being transferred out of the corresponding reserve account, and the decision to transfer all inbound funds throughout the year regardless of corresponding expenditure.

Further recommendations to improve the reserves management will be a part of the reserve funds review in the second component of the motion being presented to the Council at a future Ordinary Meeting.

### **CONSULTATION**

Briefing Sessions

Ordinary Meeting September 2022

### **STATUTORY REQUIREMENTS**

Section 6.11 of the *Local Government Act 1995* legislates reserve accounts and states:

- (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.*
- (3) *A local government is not required to give local public notice under subsection (2) —*
  - (a) *where the change of purpose or of proposed use of money has been disclosed in the annual budget of the local government for that financial year; or*
  - (b) *in such other circumstances as are prescribed.*
- (4) *A change of purpose of, or use of money in, a reserve account is to be disclosed in the annual financial report for the year in which the change occurs.*

### **POLICY IMPLICATIONS**

This report has been completed in accordance with Council Policy 2.1.8 – 'Financial Governance'.

### **FINANCIAL IMPLICATIONS**

The movement of monies into and out of the reserve accounts has a cashflow impact (whether negative or positive dependent on situation).

Cash reserves are established in accordance with the *Local Government Act 1995* and maintained to accumulate funds for the following purposes:

- To smooth funding allocations over future years.
- To offset liabilities in respect of previously earned employee entitlements to the extent they require an outflow of funds not allocated in the annual budget.
- To meet statutory obligations.
- To fund renewal of existing physical/built assets.

- To fund future strategic initiatives and the provision of new services and facilities to future residents.
- To buffer against unpredictable events.
- To hold unspent grants and contributions.
- Other purposes as determined by the Council from time to time.

**RISK MANAGEMENT IMPLICATIONS**

Nil

**ASSET MANAGEMENT IMPLICATIONS**

Reserve accounts are one of the major funding sources for major projects and a very important financial tool in managing the finances of the Shire day-to-day. Therefore, this review to ensure they remain focussed and appropriate is essential. As such, this item is central to good asset management and the ability to fund identified major upgrades and renewal and replacement of assets as identified in the asset management plan.

**SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS**

Nil

**VOTING REQUIREMENTS**

Simple Majority

**OFFICER RECOMMENDATION**

That Council receives the Officer's report and notes the debits and credits in reserve accounts for the 2021/2022 financial year and the timing of expenditure as the reason for the increase in closing balance as of 30 June 2022.

9.4 KEY PILLAR 4 – ‘PROSPERITY’ REPORTS

9.4.1 RESERVE 14215 (LOT 109 KOJONUP) – MANAGEMENT ORDER

<b>AUTHOR</b>	Robert Jehu – Manager Regulatory Services
<b>DATE</b>	Friday, 7 October 2022
<b>FILE NO</b>	CP.MTC.7
<b>ATTACHMENT(S)</b>	<p>9.4.1.1 – Reserve 14215 – Land Enquiry Services</p> <p>9.4.1.2 – Reserve 14215 – Vesting and Map</p> <p>9.4.1.3 – Reserve 14215 – Christine Norris - request to lease</p> <p>9.4.1.4 – Reserve 14215 – Recommendation from NRM Officer</p>

STRATEGIC/CORPORATE IMPLICATIONS		
“Smart Possibilities – Kojonup 2027+”		“Smart Implementation – Kojonup 2019-2023”
Key Pillar	Community Outcomes	Corporate Actions
KP4 – Prosperity	Planning for the use of land in such a way that promotes and enhances social and economic wellbeing while balancing environmental preservation.	Nil

**DECLARATION OF INTEREST**

Nil

**SUMMARY**

The purpose of this report is for the Council to consider the continuing use of Reserve 14215 (Reserve) containing Lot 209 Kojonup.

**BACKGROUND**

Sir Charles Henry Gairdner vested the Reserve 14215 to be held by the Kojonup Road Board in trust for the following objects and purposes for Camping.

A letter has been received by the adjoining land owner requesting a lease of the reserve for the purpose of grazing at a nominal fee or free of charge. The family previously had a lease of the reserve in the early 2000’s but this lease was not renewed. There is no boundary fence between the reserve and the adjoining farm and it appears that stock have continued grazing on the reserve since the lease was not renewed.

**COMMENT**

If the Shire require that the Reserve be allowed to be used for grazing purposes then the Shire will need to apply for the Minister to amend the management order to allow for the use for grazing. A boundary fence will need to be constructed between the reserve and the adjoining land. Council would be required to consider changes to the formal acknowledgement of its Management of Reserve 14215 containing Lot 209 Kojonup. The *Land Act* (1933 – 1960) classified the land use for Camping (since replaced with a management order).

Council's Natural Resource Management/Landcare Officer has advised that it would not be beneficial to the Shire to rehabilitate this Reserve back to its native state (see Attachment 9.4.1.4).

### CONSULTATION

Judy Stewart – Senior Administration Officer  
Adele Scarfone – NRM/Landcare officer

### STATUTORY REQUIREMENTS

*Local Government Act 1995:*

3.54. *Reserves under control of local government*

- (1) *If land reserved under the Land Administration Act 1997 is vested in or placed under the control and management of a local government, the local government may do anything for the purpose of controlling and managing that land that it could do under section 5 of the Parks and Reserves Act 1895 if it were a Board appointed under that Act to manage and control the land and for that purpose a reference in that section to a by-law is to be read as a reference to a local law.*
- (2) *Subsection (1) is subject to any express provision to the contrary made by an order under the Land Administration Act 1997 in respect of the land.*

*[Section 3.54 amended: No. 49 of 2004 s. 74(4).]*

*Land Administration Act 1997:*

12. *Powers and duties of Minister restricted in relation to managed reserves and mall reserves*

*The Minister must not exercise a power (other than a power conferred by section 50(1) or (2)) or perform a duty under section 10(1) in respect of the care, control or management of Crown land in a managed reserve or mall reserve without the consent of the relevant management body.*

46. *Care, control and management of reserves*

- (1) *The Minister may by order place with any one person or jointly with any 2 or more persons the care, control and management of a reserve for the same purpose as that for which the relevant Crown land is reserved under section 41 and for purposes ancillary or beneficial to that purpose and may in that order subject that care, control and management to such conditions as the Minister specifies.*
- (2) *The Minister may, with the consent of the management body of a reserve and of the holders of any interests within the reserve, by order vary any condition to which the care, control and management of the reserve is subject.*

### POLICY IMPLICATIONS

Nil

### FINANCIAL IMPLICATIONS

The cost of construction of a boundary fence between the reserve and the adjoining farm land.

**RISK MANAGEMENT IMPLICATIONS**

RISK MANAGEMENT FRAMEWORK			
Risk Profile	Risk Description/Cause	Key Control	Current Action
10 – Management of Facilities, Venues and Events	Lack of Lease/ Contract/ Agreement/MOU /Licence documentation	Lease agreement for Shire facilities	Addition of lease arrangements to the lease register
Risk rating - Adequate			
IMPLICATIONS			
Correcting the formal record of management of Reserve 14215 properly reflects the Shire’s responsibilities regarding this land and effectively mitigates the risk associated with grazing on land managed by other parties.			

**ASSET MANAGEMENT IMPLICATIONS**

Leasing of this land has historically included maintenance of the land including fire risk reduction.

**SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS**

Nil

**VOTING REQUIREMENTS**

Simple Majority

**OFFICER RECOMMENDATION**

That Council

1. Declines the request to lease out Reserve 14215 (Reserve) for grazing;
2. Keeps the Reserve 14215 management order as is for camping so the Reserve can be considered in the future for recreational use in line with the development of the Corporate Business Plan that the Council is currently working on; and
3. Considers funding the fencing of the Reserve in the 2023/24 budget.



- 9.5 KEY PILLAR 5 – ‘DIGITAL’ REPORTS  
Nil

10 APPLICATIONS FOR LEAVE OF ABSENCE

11 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

12 QUESTIONS FROM MEMBERS WITHOUT NOTICE

13 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF THE MEETING

14 MEETING CLOSED TO THE PUBLIC

14.1 MATTERS FOR WHICH THE MEETING MAY BE CLOSED

14.2 PUBLIC READING OF RESOLUTIONS THAT MAY BE MADE PUBLIC

15 CLOSURE

There being no further business to discuss, the President thanked the members for their attendance and declared the meeting closed at \_\_\_\_\_ pm.

16 ATTACHMENTS (SEPARATE)

Item 6.1	6.1.1	Minutes of the Council Meeting held on 20 September 2022
Item 9.2.1	9.2.1.1	Correspondence from the Department of Planning, Lands and Heritage
	9.2.1.2	Location map
	9.2.1.3	Unallocated Crown Land and local government Boundary
Item 9.2.2	9.2.2.1	Government Regional Officer Housing GROH) – Functional Brief 4 Bedroom Specifications
	9.2.2.2	The George Church Community Medical Centre Inc. (GCCMC) – Housing for Doctor Proposition
	9.2.2.3	GCCMC Inc. Statement – Housing
Item 9.3.1	9.3.1.1	September 2022 Monthly Financial Statements
Item 9.3.2	9.3.2.1	Monthly Payments Listing 1 to 30 September 2022
Item 9.3.3	9.3.3.1	Delegation Register – October 2022 – Draft (nil changes)
Item 9.3.4	9.3.4.1	Correspondence – Hon John Carey MLA - Minister for Housing, Lands, Homelessness, and Local Government (Minister)
	9.3.4.2	Election Transition Arrangements - Plan
	9.3.4.3	Representation Review Public Notice
	9.3.4.4	Representative Review Information Sheet
Item 9.3.5	9.3.5.1	Kojonup Historical Society – Briefing Session Presentation Notes 20 September 2022
	9.3.5.2	Kojonup Historical Society – By-Law
Item 9.3.6	9.3.6.1	Council Policy 2.1.8 – Financial Governance
Item 9.4.1	9.4.1.1	Reserve 14215 – Land Enquiry Services
	9.4.1.2	Reserve 14215 – Vesting and Map
	9.4.1.3	Reserve 14215 – Christine Norris - request to lease
	9.4.1.4	Reserve 14215 – Recommendation from NRM Officer