



Special Council Meeting

AGENDA

Tuesday 30 June 2020

NOTICE OF MEETING SPECIAL COUNCIL MEETING

Dear Councillors

Notice is hereby given that a Special Meeting of Council will be held in the Council Chambers, Administration Centre, 2 Railway Road, Kalamunda on **Tuesday 30 June 2020 at 6.30pm.**



Rhonda Hardy
Chief Executive Officer
25 June 2020



Our Vision

Connected Communities, Valuing Nature and Creating our Future Together

Core Values

Service We deliver excellent service by actively engaging and listening to each other.

Respect We trust and respect each other by valuing our differences, communicating openly and showing integrity in all we do.

Diversity We challenge ourselves by keeping our minds open and looking for all possibilities and opportunities.

Ethics We provide honest, open, equitable and responsive leadership by demonstrating high standards of ethical behaviour.

Aspirational Values

Creativity We create and innovate to improve all we do.

Courage We make brave decisions and take calculated risks to lead us to a bold and bright future.

Prosperity We will ensure our District has a robust economy through a mixture of industrial, commercial, service and home based enterprises.

Harmony We will retain our natural assets in balance with our built environment.

Our simple guiding principle will be to ensure everything we do will make Kalamunda socially, environmentally and economically sustainable

kalamunda.wa.gov.au

City of Kalamunda

INFORMATION FOR THE PUBLIC ATTENDING COUNCIL MEETINGS

Welcome to this evening's meeting. The following information is provided on the meeting and matters which may affect members of the public.

If you have any queries related to procedural matters, please contact a member of staff.

Special Council Meetings – Procedures

1. Council Meetings are open to the public, except for Confidential Items listed on the Agenda.
2. Members of the public who are unfamiliar with meeting proceedings are invited to seek advice prior to the meeting from a City Staff Member.
3. Members of the public are able to ask questions at a Special Council Meeting during Public Question Time on matters relating to the functions of this meeting.
4. To facilitate the smooth running of the meeting, silence is to be observed in the public gallery at all times except for Public Question Time.
5. All other arrangements are in general accordance with Council's Standing Orders, the Policies and decision of the City or Council.

Acknowledgement of Traditional Owners

We wish to acknowledge the traditional custodians of the land we are meeting on, the Whadjuk Noongar people. We wish to acknowledge their Elders' past, present and future and respect their continuing culture and the contribution they make to the life of this City and this Region.

Emergency Procedures

Please view the position of the Exits, Fire Extinguishers and Outdoor Assembly Area as displayed on the wall of Council Chambers.

In case of an emergency follow the instructions given by City Personnel.

We ask that you do not move your vehicle as this could potentially block access for emergency services vehicles.

Please remain at the assembly point until advised it is safe to leave.

INDEX

1. Official Opening.....	5
2. Attendance, Apologies and Leave of Absence Previously Approved.....	5
3. Public Question Time	5
4. Petitions/Deputations	5
5. Announcements by the Member Presiding Without Discussion	5
6. Matters for Which the Meeting may be Closed.....	5
7. Disclosure of Interest.....	5
8. Reports to Council.....	6
8.1. Chief Executive Officer Reports.....	6
8.1.1. Differential Rating 2020/2021 Submissions.....	6
8.1.2. Adoption of Budget 2020/2021	13
8.1.3. Kalamunda Achieving 2020 to 2024.....	37
8.1.4. Adoption of COVID 19 Crisis Relief Fund - Policy, Guidelines and Local Recovery Plan	43
9. Meeting Closed to the Public.....	49
10. Closure	49

1. **Official Opening**
2. **Attendance, Apologies and Leave of Absence Previously Approved**
3. **Public Question Time**
4. **Petitions/Deputations**
5. **Announcements by the Member Presiding Without Discussion**
6. **Matters for Which the Meeting may be Closed**
7. **Disclosure of Interest**
 - 7.1. **Disclosure of Financial and Proximity Interests**
 - a. Members must disclose the nature of their interest in matter to be discussed at the meeting. (Section 5.56 of the *Local Government Act 1995*.)
 - b. Employees must disclose the nature of their interest in reports or advice when giving the report or advice to the meeting. (Section 5.70 of the *Local Government Act 1995*.)
 - 7.2. **Disclosure of Interest Affecting Impartiality**
 - a. Members and staff must disclose their interest in matters to be discussed at the meeting in respect of which the member or employee had given or will give advice.

8. Reports to Council

8.1. Chief Executive Officer Reports

8.1.1. Differential Rating 2020/2021 Submissions

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.

Previous
Items

Directorate Corporate Services

Business Unit Finance & Risk Services

File Reference

Applicant City of Kalamunda

Owner City of Kalamunda

Attachments 1. Submission Table - Differential Rates 20-21 [8.1.1.1 - 2 pages]

TYPE OF REPORT

- Advocacy When Council is advocating on behalf of the community to another level of government/body/agency
- Executive When Council is undertaking is substantive role of direction setting and oversight (e.g. accepting tenders, adopting plans and budgets)
- Information For Council to note
- Legislative Includes adopting Local Laws, Town Planning Schemes and Policies. When Council determines a matter that directly impacts a person's rights and interests where the principles of natural justice apply. Examples include town planning applications, building licences, other permits or licences issued under other Legislation or matters that could be subject to appeal to the State Administrative Tribunal

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2027

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

EXECUTIVE SUMMARY

1. The purpose of this report is to present submissions with regards to the advertising of the Differential Rates for Budget 2020/2021.
2. A total of five (5) submissions were received during the advertising period details of which are contained in (Attachment 1).
3. It is recommended that Council receive and note the information contained in the submissions.

BACKGROUND

4. The *Local Government Act 1995* (the Act), section 6.33 allows Councils to adopt differential rates. The intent behind adopting differential rates is to take into account the levels of services provided to different types of properties, to reflect the cost of provision of services to those categories of properties as well as the need to encourage the specific types of activities within the City.
5. At the Ordinary Council Meeting of 26 May 2020, Council signified its intention to adopt differential rates for 2020/21. The proposed differential rates for 2020/2021 and the corresponding "Objects and Reasons", in accordance with section 6.36 of the Act, were advertised inviting submissions by electors and ratepayers.
6. Advertisements were placed in The Echo newspaper on 29 May 2020 and in community newspapers (various dates). Copies of the documents were made available for public inspection at six public libraries within the City, the City's Administration Building, on the City's website and engagement portal.
7. Submissions closed on 22 June 2020.

DETAILS AND ANALYSIS

8. The City received five (5) submissions in response to the advertising of its proposed intention to levy differential rates for the 2020/2021 Financial Year. The content of the submissions can be found in attachment 1.
9. In summary the submissions expressed the view that the:
 - a) The City provide greater transparency to allow ratepayers to see that the level of rateable income is maintained at a zero or close to zero level
 - b) The City should ensure that there is no increase in rates
 - c) The City should consider a drop in overall rates

d) The manner in which rates are calculated is not understood

10. **No Increase in Total Rate Revenue**

In accordance with Council resolution of the 7th April 2020, the City has adjusted its rate in the dollar to ensure the same amount of total rate revenue levied remains the same as was levied in 2019/20. However, this does not mean every individual property owner(s) will receive the same rate charge as they received in 2019/20. The reason being for this is the result of the triennial revaluation of properties within the City.

11. **Triennial Valuation**

In May 2020 the State's Valuer General advised the City it had undertaken its triennial valuation of all City properties. The result will see fluctuations in individual properties rate charge for the 2020/21 year. Whilst the City will raise approximately the same amount of total rate revenue as it did in 2019/20, there may be notable differences in individual rate notices given that property values have changed.

12. The Triennial valuation of properties resulted in an average devaluation of 13% for the Perth Metropolitan area. In terms of the City of Kalamunda, the following average changes in valuation occurred:

- a) General GRV reduced (13.1%)
- b) Industrial/Commercial GRV reduced (8.1%)
- c) Vacant GRV reduced (1.0%)
- d) General UV reduced (0.3%)
- e) Commercial UV reduced (0.7%)

13. **Differential Rate in-the-Dollar**

The differential rate in-the-dollar is levied on all rateable land within the City according to the predominant purpose for which that land is being held or used, and whether or not the land has any improvements. Specifically, properties are categorised as either: 'General', covering all properties used for singular and multi-dwellings; 'Commercial', covering all properties used for business and commercial purposes; or 'Industrial', covering all properties engaged in light industrial and manufacturing activities. Properties are then further categorised as either "Unimproved or Vacant".

14. In Western Australia, the rating process is prescribed in Division 6 of the Local Government Act 1995 and the local Government (Financial Management) Regulations 1996. Rates Charges for properties are calculated by the following formula:

$$\text{VALUATION} \times \text{RATE-IN-THE-DOLLAR} = \text{RATE PAYABLE}$$

If any of the variables are changed this will change the rate levied on a property.

15. The valuation for all land and property is determined independently by the Valuer General. The functions of the Valuer General are prescribed within the Valuation of Land Act 1978 and the Valuation of Land Regulations 1979. Property valuations are calculated using either an Unimproved Value (UV) or a Gross Rental Value (GRV).

16. The UV is generally used only in rural and fringe urban areas and is calculated annually. It is determined on the basis that the land contains no improvements and is established by reference to the land market at the date of valuation.

Alternatively, the GRV refers to the gross annual rental that the land might reasonably be expected to earn if let on a tenancy from year to year.

The GRV is determined triennially on the basis that the rental includes all outgoings, such as rates, taxes and insurance.

For example, if a property is reasonably expected to raise \$300.00 per week, the GRV is calculated at \$15,600.00, (i.e.: \$300.00 x 52 weeks).

17. **Rate-in-the-Dollar Explained**

The rate-in-the-dollar is set by individual local governments and is determined by the level of annual budget deficit. This deficit is established by subtracting all other predicted revenue sources from the total expenses required to operate the local government in the budget year.

This is formulated for example, if the total predicted revenue, (such as revenue from yearly fees, grants, subsidies, contributions), is \$1,000,000.00, and the total expenditure, (such as salary, materials, contracts and capital expenses), is \$5,000,000.00, then the budget deficit will be \$4,000,000.00.

Therefore, the total rates to be levied on all properties must equate to \$4million.

The rate-in-the-dollar is then established by dividing the budget deficit by the sum total of all property valuations provided by the Valuer General.

For example, if all property valuations for a local government total \$40,000,000.00, and the budget deficit is \$4,000,000.00, then the rate-in-the-dollar will be \$0.10, (i.e.: \$4,000,000.00 ÷ \$40,000,000.00). Therefore, a property that has a GRV of \$15,600.000, (i.e. the property is reasonably expected to raise \$300.00 rent per week), will receive a Rates Charge of \$1,560.00, (i.e.: \$15,600.00 x \$0.10).

18. **Changes in Valuation:**

In general, property values in the Perth Metropolitan Area closely follow market fluctuations and triennial property valuations reflect this.

The Rate in the Dollar is adjusted based on the average movement of a Rate category. What that means for an individual property owner is that the way their property value performed compared to the average for the rate category, will directly impact on their rates and determine if it will increase or decrease compared to prior years.

Over a three-year period, there are generally areas that rise in value significantly more than others. This can be due to various factors, such as improved infrastructure, improved transport networks, gentrification, improved landscaping, and/or the establishment of new housing developments.

It should be noted properties that have increased in value more than the average or have decreased less than the average (if the market has experienced a downturn), will likely encounter an increase in their Rates Charge. However, properties that have increased in value less than the average, or have decreased more than the average, will likely experience a decrease. Specifically, properties with a higher value will pay a greater proportion of the rates burden than properties with a lower value.

Increasing (or decreasing) property values therefore creates a redistribution of rates paid between individual properties – some ratepayers will pay more, and some will pay less.

In the City of Kalamunda, properties will be subject to this triennial valuation in 2020/21 which is the reason why the 2020/21 rates levied on individual properties will differ on most properties from the previous year.

APPLICABLE LAW

19. Section 6.36(4) of the Act states that a local government is to consider any submissions received before imposing the proposed rate in the dollar or minimum payment.

APPLICABLE POLICY

20. Nil.

STAKEHOLDER ENGAGEMENT

21. The Advertising of Differential Rates was undertaken following a series of budget workshops with Council.
22. Advertising as required by Act seeking submissions on the proposed differential rates was undertaken between 28 May and 22 June 2020.
23. The City lodged a submission with the State Government requesting that the triennial valuation be deferred until the 2021/22 financial year. This request was not supported.

FINANCIAL CONSIDERATIONS

24. Council has signalled its intention to impose a general rate revenue freeze by advertising the proposed differential rates for 2020/21. Changes in valuations and the revaluation of unimproved value properties may see variations to this general increase for some properties.
25. The City has estimated the negative financial impact of adopting no increase in rates revenue and fees and charges equates to around \$1 million.

SUSTAINABILITY

Social Implications

26. Nil.

Economic Implications

27. Nil.

Environmental Implications

28. Nil.

RISK MANAGEMENT

29.

Risk: Not adjusting the Rate in the Dollar for the 2020/21 financial year would create a significant budget deficit.		
Consequence	Likelihood	Rating
Significant	Possible	High
Action/Strategy		

Ensure the concepts and reasons for changing the rate in the dollar caused by changing valuations of properties is clearly explained.

Risk: The Community will find it difficult to understand why their rate charge may differ from the previous year.

Consequence	Likelihood	Rating
Significant	Likely	High

Action/Strategy

Ensure the concepts and reasons for changing the rate in the dollar caused by changing valuations of properties is clearly explained.
Develop clear communications explaining the causes and how the rating system in WA operates.

CONCLUSION

- 30. The City undertakes an extensive budget review process before arriving at the advertisement of the Rate in the Dollar.
- 31. The feedback in submissions regarding the advertising of differential rates will be considered as part of the budget deliberation process.
- 32. Regarding the five submissions received during the public advertising period, it is to be noted the City will be providing written responses to each of the submitters addressing the matters they have raised following adoption of the 2020/21 Municipal Budget.

Voting Requirements: Simple Majority

RECOMMENDATION

That Council RECEIVE and NOTE the information contained in the submissions.

Moved:

Seconded:

Vote:

8.1.2. Adoption of Budget 2020/2021

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.

Previous Items	
Directorate	Corporate Services
Business Unit	Financial Services
File Reference	
Applicant	N/A
Owner	N/A
Attachments	1. Original Budget 2020-2021 [8.1.2.1 - 72 pages]

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STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2027

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

EXECUTIVE SUMMARY

1. The purpose of this report is to adopt the Municipal Fund Budget for the year ended 30 June 2021, representing the Financial Year 2020/2021, together with supporting schedules including striking of the Municipal

Fund Rates, adoption of fees and charges and other consequential items arising from the Budget papers (Attachment 1).

2. The adoption of the Budget will enable the City to continue to deliver upon its strategic objectives as well as delivering stimulus projects to support the economic recovery following the immediate COVID-19 crisis and to ensure the City is financially sustainable with capacity to recover through these unprecedented times.
3. It is recommended Council adopts the Municipal Budget together with supporting schedules for the 2020/21 Financial Year.

BACKGROUND

4. The Annual Budget is an important part of the City's Integrated Planning Framework, being the annual financial plan that facilitates the delivery of services and infrastructure to the community as envisaged by the strategies set out in the City of Kalamunda Strategic Community Plan
5. The budget process commenced early in 2020 with various workshops held with Elected Members, the City's Administration.
6. The 2020/2021 Budget was substantially impacted by the COVID -19 pandemic. Therefore, at a Special Council Meeting held on 7 April 2020, Council endorsed:
 - a) budget setting parameters and principles informing the 2020/2021 annual budget; and
 - b) a series of financial assistance principles proposed by the City to mitigate the financial hardship of the community as a result of COVID-19 and
 - c) changes to the 2019/2020 budget.
7. On 26 May 2020 Council resolved to advertise the Differential Rates for 2020/2021, with submissions closing on the 22nd of June 2020. The submissions received have been incorporated in a separate report for the June Special Council Meeting.

DETAILS AND ANALYSIS

8. The COVID-19 Pandemic (COVID-19) and associated recovery will have significant public health and economic implications. As such the City is strongly focused on developing an annual budget that provides a balanced combination of financial restraint, funding to reinstate services as required and economic stimulus measures that will generate economic development and employment opportunities.

9. The implications of COVID-19 on the City's operations will be impacted by several factors, including but not limited to:
- a) The duration of COVID-19.
 - b) The effectiveness of the federal and state government's stimulus packages.
 - c) The ability of local businesses to resume operations following COVID-19
 - d) The overall economic conditions.
 - e) The financial impact on the community and the related cash flow impact on the City
 - f) How the City returns to the 'new normal' in terms of services suspended during various Phases initiated by the State Government
10. It is expected that as the economic impacts of COVID-19 are more clearly understood, that regular Budget Reviews will be brought back to Council so the City can continue to respond in a responsible and sustainable manner.
11. At the SCM on 7 April 2020, the City's response to COVID-19 was focused around initiatives that will provide:
- a) Support to businesses whilst they transition to new service/product delivery models.
 - b) Provide financial relief to businesses to improve cash-flow.
 - c) Provide financial relief to those members of the community experiencing financial hardship.
 - d) Expenditure savings.
 - e) Stimulate spending that will create new jobs.
12. With regards to the 2020/2021 annual Budget, the following measures were developed to inform the budget:
- a) Adopt no increase in total rate revenue.
 - b) Adopt no increase in fees and charges, including waste fees for 2020/21.
 - c) Waive 2020/21 food and health inspection fees for targeted small businesses adversely affected by COVID-19.
 - d) Identify cost savings initiatives across capital and operational expenditure that can be redirected to core functions.
 - e) Identify priority capital works projects predominantly funded from reserves and/or borrowings that can assist with economic stimulus.

- f) Negotiate with tenants of City owned properties to assess the impact of COVID-19 on their capacity to meet rental payments during the 2020/21 year.

13. **Adopt no increase in total rate revenue.**

In 2019/20 the City's Total Rates Received was \$37,742,344

For 2020/21 the City has budgeted Total Rates Revenue at \$37,731,300.

14. The City has estimated the impact of adopting no increase in total rates and fees and charges as compared to a CPI increase would result in a reduction in revenue of around \$1 million. In response, the City has incorporated several cost reduction initiatives to offset the lower than expected revenues. Importantly, cash flow will be closely monitored throughout the year to match the spending to income as it is received by the City.

15. **Reserves**

The City has established two new reserves for the 2020/21 Budget. These reserves are:

- a) a \$1.0M Crisis Relief Fund to support households, community groups and small businesses experiencing serious financial hardship as a result of COVID-19. Funding applications will be assessed against eligibility criteria.
- b) a Service Reinstatement Reserve of \$1.0M for the purpose of assisting the City in the reinstatement of programs or services as and if required or as restrictions are lifted and to support recovery.

16. **Stimulus Projects Brought Forward**

In addition to the cost saving measures identified in the City's 2020/2021 Budget, several stimulus projects have been proposed to support economic recovery. The projects will:

- a) Be largely funded from reserves, borrowings, State and Federal Grants and cash- in-Lieu
- b) Provide visible and/or tangible outcomes for the community; and
- c) Provide potential for local firms to become involved in projects as suppliers of goods or services.

17. The stimulus projects identified by the City for inclusion in the 2020/2021 Budget (including overheads) are:

- a) Haynes Street (\$2.4M) and/or Central Mall streetscape improvements to stimulate local businesses.
- b) Walliston Transfer Station – hard stand drainage and tip shop (\$1.1M).

- c) Commence LED Street Light roll out program (\$1.1M).
- d) Enhanced inspection and clean out of drainage systems in peri urban and rural areas (\$0.22M).
- e) Roll out new female sport changerooms at Kostera, Oval, Ray Owen Reserve, Scott Reserve and Maida Vale Reserve, cognisant of master plans for each reserve (\$2.3M).
- f) Improvements to selected parks, carparking expansion and improvement to Reserves in High Wycombe, (\$978,000), Maida Vale (\$266,000). Forrestfield (\$320,000), Gooseberry Hill (\$22,000), to be funded from public open space cash-in-lieu reserves and other funding sources. These improvements are subject to Ministerial approval of Cash-in-Lieu funding.
- g) City Park and Reserve Signage (\$0.22M).
- h) Ray Owen Carpark, Lesmurdie (\$0.9M), partially funded through cash-in-lieu subject to Ministerial approval.
- i) Woodlupine Brook Restoration project (\$0.8M) partially funded through cash-in-lieu.

18. Throughout the 2020/2021 Budget year, the City will continue to closely monitor the implications of COVID-19 and the associated health and economic impacts to the City's residents and businesses.

19. The 2020/21 Budget contains the triennial Gross Rental Valuation (GRV) review which means all rateable GRV properties have been subject to a gross rental revaluation. Properties not on a GRV will be rated on an Unimproved Value (UV) which are updated annually by Landgate.

20. Rates are calculated as GRV or UV valuations multiplied by the rate in the dollar. The rate in the dollar outlined in this report for each rate category is as follows:

General GRV	0.069352
Industrial/Commercial GRV	0.073350
Vacant GRV	0.086309
General UV	0.003459
Commercial UV	0.004093

21. The City requested the State Government defer the triennial GRV revaluation so the City would be able to ensure all properties were rated the same as in the previous year. This request was unsuccessful.

22. The triennial GRV resulted in an average devaluation in property rental values of 13% for the Perth Metropolitan Area. In terms of the City of Kalamunda, the following average changes in valuations occurred:

Rate category	Valuation change
General GRV	(13.1%)
Industrial/Commercial GRV	(8.1%)
Vacant GRV	(1.0%)
General UV	(0.3%)
Commercial UV	(0.7%)
Average devaluation in values	(8.7%)

23. Not every individual property in a rate category will perform the same as the averages indicated above. Due to the GRV valuation process the resultant rates calculation for 2020/2021 would not, in all cases, be the same as the rates calculated for 2019/2020.
24. The impacts of the variability in property valuations is described as follows:
- A ratepayer whose property devalued at the same rate as the rate category (13.1% in the General GRV) will pay the same rates in 2020/2021 as compared to 2019/2020.
 - A ratepayer whose property devalued at a rate less than the rate category (less than 13.1% in the General GRV) will pay more rates in 2020/2021 as compared to 2019/2020.
 - A ratepayer whose property devalued at a rate greater than the rate category (more than 13.1% in the General GRV) will pay less rates in 2020/2021 compared to 2019/2020
25. Notwithstanding the changes in GRV, all minimum rates remain unchanged.
26. The Budget has been prepared to include information required by the *Local Government Act 1995*, [as amended by the Local Government (COVID-19 Response) Order 2020] *Local Government (Financial Management) Regulations 1996* and Australian Accounting Standards. The main features of the Budget include:
- The suspension of lease rental payments from Community based and not for profit tenants of City owned properties from 1 July 2020 until 3 months after they are able to reopen their operations.
 - Adoption of a zero percent increase in Rate revenue.
 - Adoption of a zero percent increase in fees and charges.
 - Adoption of a zero percent increase in Councillor remuneration.
- Also, it should be noted the annual ICT allowance has been reduced from \$3,500 to \$2,300 per elected member to reflect the

- provision of an electronic device by the City to all elected Members.
- e) Identification of priority Capital Works and other Stimulus Projects to assist economic recovery.
 - f) Reserves as per note 8 of Attachment 1 including the creation of two new reserves:
 - i. Crisis Relief Fund, the purpose of which is to support individuals, community groups, small businesses and the tourism community facing serious financial hardship as a result of COVID-19.
 - ii. Service Reinstatement Reserve, the purpose of which is to bring programs or services back into the Budget in line with the lifting of restrictions to support recovery
 - g) Adoption of Percentage for Reporting Material Variances – each financial year, a local government is to adopt a percentage or value, calculated in accordance with Australian Accounting Standard, to be used in statements of financial activity for reporting of material variances. The level proposed for 2020/21 is 10% or \$50,000 whichever is the greater.
27. In terms of financial trends within the 2020/21 Budget, when compared to the Original Budget 2019/2020:
- a) Overall Operating Income has decreased by \$2.3M
 - i. The City maintained the overall freeze on Rate revenue. The Budget increase of \$150K is a result of interim rates raised during the 2019/2020 financial year.
 - ii. Operating grants, subsidies and contributions reduced by \$0.5M, predominately due to the early payment of 2020/21 Federal grants paid during the 2019/2020 financial year.
 - iii. Fees and Charges have decreased by \$1.2M, mainly due to the reductions in the lease revenue related to the COVID-19 pandemic.
 - iv. Interest earnings reduced significantly by \$0.7M. Due to the adopted financial hardship policy, those greatly affected by the pandemic would have zero interest added to their outstanding rates, resulting in this reduction in revenue for the City.
 - b) Overall Operating Expenditure has decreased by \$7.7M
 - i. Employee costs have reduced by \$1.6M. A critical review of existing employment vacancies during the pandemic and a reduction in casual employee hours are the main contributors to this saving.
 - ii. Materials and contracts have decreased by \$4.3M. In order to fund the stimulus projects and the creation of two new reserves, significant saving measures implemented to arrive at this 19.6% reduction in materials and contract costs.

- c) The Capital Works program totals \$38.3M per Attachment 1 (noting that \$9.6m is for stimulus projects)
 - d) Loans as per note 6 include \$3.053 M in new loans:
 - i. Major Plant Replacement \$0.719M
 - ii. Minor Plan Replacement Program \$0.434M
 - iii. Kalamunda Town Centre Upgrade Stage 1 - Haynes Street \$1.0M
 - iv. Additional Female change rooms \$0.9M.
28. *Section 6.2 of the Local Government Act 1995* requires a local government to adopt its budget prior to 31 August each year.
29. The early adoption of the budget will enable the City to commence its extensive Capital Works programme. It will also assist the City in effectively managing its cash-flow during a time of Budget uncertainty resulting from COVID-19.
30. The estimated unaudited year end (2019/2020) position, as per the Rate Setting Statement, is a surplus of \$3,470,822. The proposed closing position for 2020/21 is a surplus of \$133,918, demonstrating that the City is operating in a financially sustainable manner and responding to the COVID-19 crisis.

APPLICABLE LAW

31. Section 6.2 of the *Local Government Act 1995* requires a local government to adopt its budget prior to 31 August each year.
32. The Department of Local Government, Sport and Cultural Industries recently issued an amendment to the Local Government Act.
- It has been modified such that in preparing the budget for 2020/21 a local government is to have regard to the consequences of the COVID-19 pandemic (rather than the Plan for the Future) although this can also be considered by the local government).
33. Divisions 5 and 6 of Part 6 of the *Local Government Act 1995* refers to the setting of budgets and the raising of rates and fees and charges. The 2020/21 Budget as presented is considered to meet these statutory obligations.

APPLICABLE POLICY

34. In a Special Council Meeting (7 April 2020) Council endorsed:
- a) Budget setting parameters and principles informing the 2020/21 annual Budget;
 - b) Financial assistance principles to mitigate the financial hardship of the community because of COVID-19 and
 - c) Stimulus projects to support economic recovery.

STAKEHOLDER ENGAGEMENT

35. The City has worked closely with elected members to develop and prepare the Annual Budget 2020/21.
36. The City held a Strategic Service Review meeting with elected members in March 2020 which was subsequently followed by a series of Budget workshops during March to May discussing all aspects of the budget formulation.
37. The City has met its statutory obligations with respect to community consultation whereby a Notice of Intention to Levy Differential Rates was advertised in the local newspapers.
38. The Objects and Reasons for raising differential rates have been made available for inspection at the Administration Centre, City Libraries and the City's Website.
39. A period of 21 days was provided for public comment concluding on 22 June 2020. The feedback received from the Public Advertising period is the subject of a separate Council report.

FINANCIAL CONSIDERATIONS

40. The Budget is formulated on the basis of delivering a sustainable financial position while delivering the services and infrastructure needs of the community.
41. The Budget has been formulated on a balanced combination of financial restraint and economic stimulus measures and projects that will assist in generating economic development and employment opportunities.
42. In addition, the City is working hard to introduce a mix of innovations, cost saving measures and new agile technology for efficient and effective management of its operations.

SUSTAINABILITY

Social Implications

43. The Budget delivers social outcomes identified in various planning and community supporting strategies that have previously been adopted by the Council.
44. The City has introduced the on-line Kalamunda Connected Register in order to identify residents in hardship and volunteers who are willing and able to assist others in the community.
45. The City has developed a Crisis Relief Fund to support members of the Community who can demonstrate direct financial impact from COVID-19.

Economic Implications

46. The Budget has been developed based on sound financial management and accountability principals and is considered to deliver a sustainable economic outcome for the Council and community.

Environmental Implications

47. The Budget has been developed to support key environmental strategies and initiatives adopted by the Council.

RISK MANAGEMENT

48.	Risk: Declining economy adversely impacts capacity of Ratepayers to pay rates.		
	Consequence	Likelihood	Rating
	Possible	Significant	High
	Action/Strategy		
	Monthly management reports are reviewed by the City assessing collection of Rates. Instalment options are in place to assist ratepayers manage their debts to the City. Cash flow forecasting is done regularly to match outgoings and investments Implement the COVIS-19 Crisis Relief Fund.		

49.

Risk: Understatement of capital works program		
Consequence	Likelihood	Rating
Possible	Significant	High
Action/Strategy		
Improved Project Management procedures to ensure that project designs are well costed prior to implementation.		

50.

Risk: Non-compliance with Financial Regulations		
Consequence	Likelihood	Rating
Unlikely	Significant	Medium
Action/Strategy		
The Budget report is scrutinized by the City's Governance department to ensure that all statutory requirements are met.		

51.

Risk: COVID-19 has a more significant impact on the City and its community than is currently anticipated.		
Consequence	Likelihood	Rating
Possible	Major	High
Action/Strategy		
Bank Overdraft is activated to supplement cash flows. Call Budget Review meeting with Councilors to approve adjustments to the Budget.		

Risk: Budget Adoption is delayed		
Consequence	Likelihood	Rating
Unlikely	Critical	High
Action/Strategy		
Emergency spending is approved by Council until Budget is adopted. All project and non-discretionary work is delayed until Budget is adopted. Staff affected by the delays in projects are sent on forced annual leave. Bank Overdraft facility is activated to supplement cash flows. Payments to suppliers may need to be re-negotiated.		

CONCLUSION

52. The 2020/21 Budget provides a framework to deliver on the strategies adopted by the Council. It will maintain a high level of service across most programs, ensuring staff are retained to deliver services. Funding reallocated to the Crisis Relief Fund have largely been diverted from non-discretionary projects such as events and other savings to ensure the City can support those most in need who have been directly impacted by COVID-19.
53. The 2020/21 budget has an increased focus on road and associated infrastructure as well as on renewing assets at sustainable levels. This focus is to support the economic recovery after the deleterious effect COVID-19 has caused.
54. Throughout the 2020/21 Budget year, the City will continue to closely monitor the implications of the COVID-19 and the associated health and economic impacts to the City's residents and businesses. Cashflow management will be crucial in ensuring that the City is able to deliver its programs in a sustainable manner.
55. In support of this, the City will focus its advocacy efforts on securing grant funding for key infrastructure projects. In particular, the City will target the following key projects:
- a) Stirk Park Playground and Skatepark Development
 - b) Ray Owen Reserve Master Plan
 - c) Maida Vale Reserve Master Plan
 - d) Scott Reserve Master Plan
 - e) Kalamunda Cycle Plan implementation
 - f) Forrestfield North Transit Oriented Development
 - g) Water Harvesting Expansion Project (establishing an additional Managed Aquifer Recharge system as well as water supply for the escarpment reserves)
 - h) Woodlupine Community Hub

2020/2021 BUDGET RECOMMENDATIONS

Voting Requirements: Absolute Majority

Part 1 – Elected Members’ Fees and Allowances for 2020/2021

That Council:

1. ADOPT, pursuant to Section 5.99 of the *Local Government Act 1995* and Regulation 34 of the *Local Government (Administration) Regulations 1996* the following annual fees for the payment of Elected Members in lieu of individual meeting attendance fees:-

City Mayor	\$31,149
Elected Members	\$23,230

2. ADOPT, pursuant to Section 5.99A (b) of the *Local Government Act 1995* and Regulations 34A and 34AA of the *Local Government [Administration] Regulations 1996*, the following annual allowances:-

Telecommunications, Communication, and Technology Allowance	\$2,300
Travel Allowance	\$50

3. ADOPT, pursuant to Section 5.98 (5) (b) of the *Local Government Act 1995* and Regulation 33 of the *Local Government [Administration] Regulations 1996*, the following annual local government allowance to be paid in addition to the annual meeting allowance:-

City Mayor	\$63,354
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4. ADOPT, pursuant to Section 5.98 (A) of the *Local Government Act 1995* and Regulation 33A of the *Local Government [Administration] Regulations 1996*, the following annual local government allowance to be paid in addition to the annual meeting allowance:-

City Deputy Mayor	\$15,682
-------------------	----------

Moved:

Seconded:

Vote:

Voting Requirements: Absolute Majority

Part 2 – Schedule of General Fees and Charges for 2020/2021

That Council:

1. ADOPT pursuant to Section 6.16 of the *Local Government Act 1995*, the Fees and Charges as per (Attachment 1).
2. OFFER pursuant to Section 6.12 of the *Local Government Act 1995*, the suspension of lease rental payments from community based not – for – profit tenants of City owned properties from 1 July 2020 until 3 months after they are able to reopen their operations.
3. ADOPT pursuant to Section 6.12 of the *Local Government Act 1995*, the suspension of food and health inspection fees for targeted small businesses adversely affected by COVID-19.
4. Endorse the Rules applying to the Schedule of Charges For Community Facilities 2020/21.
5. ADOPT, pursuant to Regulation 53 of the *Building Regulations 2012*, a swimming pool inspection fee of \$44.80.
6. ADOPT, pursuant to Section 67 of the *Waste Avoidance and Resources Recovery Act 2007*, the following charges:-
 - a) Walliston Transfer Station
The deposit of rubbish at Walliston Transfer Station and Collection of specific items will be charged as follows:-

Walliston Transfer Station - (Non-commercial resident only)		
Collection of Whitegoods or Mattresses (resident)	Per two items	33.00
Collection of Whitegoods or Mattresses (pensioner)	Per two items	16.50
Car & Motor Cycle Tyre (max 5/entry)	Per tyre	11.50
Four Wheel Drive (max 5/entry)	Per tyre	20.70
Truck Tyres (max 2/entry)	Per tyre	31.30
Compost Bin (Inc. Delivery)	Each	54.00

Worm Farm (Inc. Delivery)	Each	149.50
Additional Resident Entry Pass	Per Entry	50.00

Walliston Transfer Station - (Commercial Resident only)		
Clean Green waste	Per tonne	44.00
Mattress disposal fee (max 5/entry)	Each	21.00
Car & Motor Cycle Tyre (max 5/entry)	Per tyre	12.85
Four Wheel Drive (max 5/entry)	Per tyre	25.00
Truck Tyres (max 2/entry)	Per tyre	37.20

The City charges commercial fees for any of the following situations:		
Commercial/Trade Waste		
- Your vehicle or trailer is commercially signed or budged (unless you have a valid permit)		
- Your waste is from a work site		
- You are transporting waste for a fee or reward		
Charges that apply are		
Cars/ Station Wagons	Per Vehicle	35.00
Small Vans/Utes	Per Vehicle	59.00
Trailer (6X4)	Per Trailer	60.00
Trailer (7X5) with High Sides	Per Trailer	76.00
Small trucks up to 3.5 tonnes GVM	Per Vehicle	178.50

b) Waste Avoidance and Resources Recovery Levy

Adopt a levy of \$0.0004180 against the Property's GRV valuation as provided by Landgate, with a minimum charge of \$20 on all properties.

Moved:

Seconded:

Vote:

Voting Requirements: Absolute Majority

Part 3 – Other Statutory Fees for 2020/2021

That Council:

- ADOPT, pursuant to Section 67 of the *Waste Avoidance and Resources Recovery Act 2007*, the following charges for the removal and deposit of domestic and commercial waste: -

Bin		
Community Event Bin Hire - 240L General	Bin	188.00
Community Event Bin Hire - 240L Recycling	Bin	104.50
Community Event Bin - additional Fee for disposal of contaminated Recycling Bin	Bin	108.50

Waste Services

Residential Full Service	Property	550.00
Residential Full Service Pensioner*	Property	320.00
Residential Others (excludes MGB)	Dwelling	255.00
Residential Multi Unit (excludes MGB)	Dwelling	255.00
Residential Multi Unit Pensioner (excludes MGB)	Dwelling	220.00
No Access to Skip Bins Reduced Charge	Property	500.00
Commercial & Industrial (general and recycling only)	Property	995.00
Additional General Bin Residential (all properties)*	Bin	680.00
Additional General Bin Residential (all properties)Pensioners	Bin	680.00
Additional Recycling Bin Residential (all properties)*	Bin	165.00
Additional General or Recycling Bin Commercial / Industrial (all properties)*	Bin	1,210.00
Additional extra Skip Bin (General Waste)	Bin	108.00
Community & Sporting Clubs (120L general only)	Per litre	1.43
Community & Sporting Clubs (240L recycling only)	Per litre	0.29
Additional Extra Skip Bin (Green Waste)	Bin	67.00

* Pensioner Discount applies to the Primary Owner Occupied Residential property only (excluding restricted sites) and must be valid Pensioner from 1 July of each financial year. No discount is applicable for additional services, commercial or industrial properties.

Moved:

Seconded:

Vote:

Voting Requirements: Absolute Majority

Part 4 – Municipal Fund - Capital Budget 2020/21 – Stimulus Projects

That Council:

1. ENDORSE for inclusion in the Municipal Fund Budget 2020/21 the following stimulus projects:
 - a) Haynes Street and/or Central Mall Streetscape Construction (\$2.4m)
 - b) Haynes Street and/or Central Mall construction to commence as one project in 2020/21 and be completed in 2021/22
 - c) NOTE that funding for works continuing into in 2021/22 will be determined as part of the 2021/2022 Budget deliberations

Moved:

Seconded:

Vote:

- d) Walliston Transfer Station – hard stand drainage and tip shop (\$1.1M).

Moved:

Seconded:

Vote:

- e) Commence LED Street Light roll out program (\$1.1M).

Moved:

Seconded:

Vote:

- f) Enhanced inspection and clean out of drainage systems in peri urban and rural areas (\$0.22M).

Moved:

Seconded:

Vote:

- g) Installation of new female sport changerooms at Kostera Oval, Ray Owen Reserve, Scott Reserve and Maida Vale Reserve, cognisant of master plans for each reserve (\$2.3M).

Moved:

Seconded:

Vote:

- h) Improvements to selected parks, carparking expansion and improvement to Reserves in High Wycombe, (\$978,000), Maida Vale (\$266,000), Forrestfield (\$320,000), Gooseberry Hill (\$22,000), to be funded from public open space cash-in-lieu reserve and other funding sources. Subject to Ministerial approval of cash-in lieu funds.

Moved:

Seconded:

Vote:

- i) City Park and Reserve Signage (\$0.22M).

Moved:

Seconded:

Vote:

- j) Ray Owen Carpark (\$0.9M), partially funded through public open space cash-in-lieu reserve Subject to Ministerial approval of cash-in lieu funds.

Moved:

Seconded:

Vote:

- k) Woodlupine Brook Restoration project (\$ 0.8M) partially funded through cash-in-lieu. Subject to Ministerial approval of cash-in lieu funds.

Moved:

Seconded:

Vote:

Voting Requirements: Absolute Majority

Part 5 – Reserve Funds – New Reserves Established and Change In Use

That Council:

1. ADOPT, pursuant to Section 6.11 of the *Local Government Act 1995* and establish the following new reserves:-
 - a) Crisis Relief Fund to support households, community groups and small businesses experiencing serious financial hardship as a result of COVID-19. Funding applications will be assessed against eligibility criteria.
 - b) Service Reinstatement Fund for the purpose of assisting the City in the reinstatement of programs or services as and if required or as restrictions are lifted and to support recovery.

2. AUTHORISE, pursuant to Section 6.11 (2) (b) of the *Local Government Act 1995* the following changes in the use of Reserve monies:-
- a) Land and Property Enhancement and Maintenance Reserve:
Transfer funds to the Asset Enhancement Reserve.
 - b) EDP IT Equipment Reserve:
Transfer funds to the Asset Enhancement Reserve.
 - c) Insurance Contingency Reserve:
Transfer funds to the Asset Enhancement Reserve.
 - d) Revaluation Reserve:
Transfer funds to the Asset Enhancement Reserve

Moved:

Seconded:

Vote:

Voting Requirements: Absolute Majority

Part 6 – New Loans

That Council AUTHORISE the inclusion of the following new loans in the Municipal Fund Budget:

- a) Fleet – Major Plant replacement program of \$719,200
- b) Fleet – Minor Plant replacement program of \$295,900
- c) Fleet – Light Plant replacement program of \$138,000
- d) Kalamunda Town Centre Upgrade stage 1 of \$1,000,000
- e) Female Change Rooms of \$900,000

Moved:

Seconded:

Vote:

Voting Requirements: Absolute Majority

Part 7– Municipal Fund Budget for 2020/2021

That Council:

1. ADOPTS, pursuant to the provisions of Section 6.2 of the *Local Government Act 1995* and *Part 3 of the Local Government (Administration) Regulations 1996*, the City of Kalamunda Municipal Fund Budget for the 2020/21 financial year as contained in Attachment 1, which includes the following:-
 - a) Statement of Comprehensive Income by Nature and Type showing a net result for the year of \$ 17,834,114
 - b) Statement of Comprehensive Income by Program showing a net result for the year of \$ 17,834,114
 - c) Statement of Cash Flow
 - d) Rate Setting Statement showing and the amount required to be raised from rates of \$ 37,574,617 and a net surplus current asset at the end of the financial year of \$ 133,918
 - e) Notes to and forming part of the Budget
 - f) Transfers to/from Reserve accounts
 - g) Capital Budget.

Moved:

Seconded:

Vote:

Voting Requirements: Absolute Majority

Part 8 – General and Minimum Rates, Instalment Payment Arrangements and Incentives for Early Payments for 2020/2021

That Council:

1. IMPOSE, pursuant to Sections 6.32, 6.33, 6.34 and 6.35 of the *Local Government Act 1995* the following differential general and minimum rates on Gross Rental and Unimproved Values adopted for the purpose of yielding the deficiency disclosed by the Municipal Fund Budget adopted at Part 7 above.
 - a) General Rates

i. General - Gross Rental Values (GRV)	6.9352 cents in the dollar
ii. Industrial/Commercial – GRV	7.3350 cents in the dollar
iii. Vacant Land – GRV	8.6309 cents in the dollar
iv. General - Unimproved Values (UV)	0.3459 cents in the dollar
v. Commercial – UV	0.4093 cents in the dollar
 - b) Minimum Rates

i. General - Gross Rental Values (GRV)	\$882
ii. Industrial/Commercial – GRV	\$1102
iii. Vacant Land – GRV	\$767
iv. General - Unimproved Values (UV)	\$882
v. Commercial – UV	\$1102
 - c) Instalment Arrangements
 - i. NOMINATE, pursuant to Section 6.45 of the *Local Government Act 1995* and Regulation 64(2) of the *Local Government (Financial Management) Regulations 1996*, the following due dates for the payment of rates in full and by instalments:-

A. Full payment	17 August 2020
B. Two Payment Option	
i. First Payment	17 August 2020
ii. Second Payment	22 December 2020
C. Four Payment Option	
i. First Payment	17 August 2020
ii. Second Payment	19 October 2020
iii. Third Payment	22 December 2020
iv. Fourth (Final) Payment	23 February 2021
 - d) OFFER, pursuant to Section 6.46 of the *Local Government Act 1995*, offers incentive prizes for the early payment of rates to the value of \$10,000.

Eligibility for inclusion in the rates incentive prize draw.
That ratepayers who make rates payment in full before the due date, will be eligible for inclusion in the rates incentive prize draws.

- e) IMPOSE, Pursuant to Section 6.45(3) of the *Local Government Act 1995* and Regulation 67 of the *Local Government (Financial Management) Regulations 1996*, Council adopts an instalment administration charge where the owner has elected to pay rates (and service charges) through and instalment option of \$8 for each instalment after the initial instalment paid.
- f) IMPOSE, Pursuant to modified Section 6.45(3) of the *Local Government Act 1995* and Regulation 67 of the *Local Government (Financial Management) Regulations 1996*, Council adopts a \$0 (zero) instalment administration charge for those with demonstrated financial hardship.
- g) IMPOSE, Pursuant to Section 6.45 of the *Local Government Act 1995* and Regulation 68 of the *Local Government (Financial Management) Regulations 1996*, Council adopts an interest rate of 5.5% where the owner has elected to pay rates and services charges through an instalment option.
- h) IMPOSE, Pursuant to Section 6.51(1) and subject to Section 6.51(4) of the *Local Government Act 1995* and Regulation 70 of the *Local Government (Financial Management) Regulations 1996*, Council adopts an interest rate of 8% for rates (and service charges) and costs of proceedings to recover such charges that remains unpaid after becoming due and payable.
- i) IMPOSE, Pursuant to modified Section 6.51(1) of the *Local Government Act 1995* and Regulation 68 of the *Local Government (Financial Management) Regulations 1996*, Council adopts an interest rate of 0% for those with demonstrated financial hardship.

Moved:

Seconded:

Vote:

Voting Requirements: Simple Majority

Part 9 – Material Variance Reporting for 2020/2021

That Council:

1. SET the material variance level to be used in statements of financial activity in the year 2020/2021 for reporting variances at 10% or \$50,000, whichever is the greater. In accordance with Regulation 34(5) of the *Local Government (Financial Management) Regulations 1996*, and AAS 5.

Moved:

Seconded:

Vote:

8.1.3. Kalamunda Achieving 2020 to 2024

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.

Previous
Items

Directorate Office of CEO
Business Unit Chief Executive Officer

File Reference
Applicant
Owner

Attachments 1. KALAMUNDA ACHIEVING 2020-24 [8.1.3.1 - 70 pages]

TYPE OF REPORT

- Advocacy When Council is advocating on behalf of the community to another level of government/body/agency
- Executive When Council is undertaking its substantive role of direction setting and oversight (eg accepting tenders, adopting plans and budgets)
- Information For Council to note
- Legislative Includes adopting Local Laws, Town Planning Schemes and Policies. When Council determines a matter that directly impacts a person's rights and interests where the principles of natural justice apply. Examples include town planning applications, building licences, other permits or licences issued under other Legislation or matters that could be subject to appeal to the State Administrative Tribunal

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2027

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

Strategy 4.1.2 - Build an effective and efficient service-based organisation.

EXECUTIVE SUMMARY

1. The purpose of this report is to for Council to present the Kalamunda Achieving Corporate Business Plan 2020/24.

2. The Corporate Business Plan (CBP) is a statutory requirement under the Department of Local Government and Cultural Industries Integrated Planning framework.
3. It is recommended that Council adopts Kalamunda Achieving: Corporate Business Plan 2020-24.

BACKGROUND

4. Kalamunda Achieving: Corporate Business Plan 2019-23 was endorsed by Council on 25 June 2019.
5. The CBP outlines the major projects, including capital works and operational recurrent services for the City. It then links those projects and services to the Asset Plans, Long Term Financial Plan and Workforce Plan.
6. The CBP is a component of the City of Kalamunda's integrated planning and reporting framework.
7. The Chief Executive Officer, Directors and Managers have individual performance objectives that are directly linked to their achievement of the CBP in the current financial year.

DETAILS AND ANALYSIS

8. The CBP is comprised of 4 priority areas, referred to as 'goals' in this report, being:
 1. Kalamunda Cares and Interacts
 2. Kalamunda Clean and Green
 3. Kalamunda Develops
 4. Kalamunda Leads
9. There are 124 individual initiatives set out within the CBP.
10. The CBP progress is reported to Council quarterly throughout the financial year highlighting progress against the action plan for each of the individual initiatives.
11. Due to the impact of COVID-19, the CBP has been refined to incorporate the stimulus projects proposed through the Budget 2020/21. It should be noted the CBP may be subject to variations due to unforeseen circumstances which may arise as a result of COVID-19.

12. The City has identified stimulus projects, these projects are at a very high-level of cost estimates and are in the conceptual phase. They are subject to the following criteria:

- a) could be largely funded from reserves, borrowings or (if available), State and Federal grants;
- b) relatively simple to add into the 2020/21 works program from a resourcing perspective;
- c) provide visible and / or tangible outcomes for the community; and
- d) have the potential for local firms to become involved in the projects as suppliers of goods and services.

The stimulus projects are aimed at providing the community with additional confidence the City will continue to function and operate.

13. Stimulus Projects include:

		Amount Allocated (ex overheads)
1.	Walliston Transfer Station – Hard stand, drainage & Tip Shop (\$1.1m)	\$1,100,000
2.	LED Street Light roll out program to commence (\$1.1m)	\$1,100,000
3.	Enhanced inspection and cleans of drainage systems in peri urban and rural areas (\$220,000)	\$ 220,000
4.	Program to roll out new female in sport change rooms at Kostera Oval, Ray Owen Reserve, Scott Reserve and Maida Vale Reserve cognisant of master plans for each reserve (\$2.3m)	\$2,300,000
5.	Improvements to selected parks, car parking expansion & improvement to reserves in <ul style="list-style-type: none"> • High Wycombe (\$978,000) • Maida Vale (\$266,000) • Forrestfield (\$320,000) • Gooseberry Hill (\$22,000) • 	\$1,586,000
6.	Haynes Street (\$2.4m) and/or Central Mall streetscape improvements to stimulate local businesses when this crisis is over	\$2,400,000 for Haynes Street, indicative \$2,600,000 for Central Mall

7.	City Park & Reserve Signage (\$220,000)	\$220,000
8.	Ray Owen Carpark (\$950,000), partly funded through cash-in-lieu	\$950,000
9.	Woodlupine Brook Restoration project (\$810,000), partly funded through cash-in-lieu	\$810,000
	Total	\$10,686,000 (including Haynes Street) \$13,286,000 (including Haynes Street and Central Mall)

14. **Crisis Relief Fund**

A new initiative will be introduced in the 2020/21 Financial year to support community members who have been directly impacted by COVID-19. The Crisis Relief Fund has been established, supported with Policy and Guidelines, in order to offer direct financial support to those members within the City of Kalamunda community who require additional financial assistance with paying City's fees and charges.

APPLICABLE LAW

15. *Local Government Act 1995*

16. *The Local Government (Administration) Regulations 1996*

APPLICABLE POLICY

17. Governance & Policy Framework outlined requirements for how the City undertakes integrated planning.

STAKEHOLDER ENGAGEMENT

18. This CBP reflects input from Directors and Managers throughout the City.

19. Various external stakeholders and community members will be involved in the ongoing implementation of the CBP.

FINANCIAL CONSIDERATIONS

20. This CBP is delivered within the City's approved Annual Budget and Long-Term Financial Plan.

SUSTAINABILITY

21. The CBP outlines social, cultural, economic, development and environmental initiatives the City will be undertaking.

RISK MANAGEMENT

22.

Risk: The City lacks transparency and compliance in its achievement of the statutory requirements of the Corporate Business Plan		
Consequence	Likelihood	Rating
Moderate	Unlikely	Low
Action/Strategy		
The CBP is reviewed and adopted annually with updates and Quarterly reports are provided to Council on the progress of the CBP.		

23.

Risk: Unforeseen impacts resulting from COVID-19 prevent the delivery of Actions as set out in the CBP.		
Consequence	Likelihood	Rating
Moderate	Possible	Medium
Action/Strategy		
Monitor impacts and seek approval to adjust the CBP accordingly.		

CONCLUSION

24. The CBP is a critical document for aligning the strategic direction of Council to the delivery and operational imperatives of the City.
25. The City has developed its Integrated Planning Framework in line with the State legislation, which is structured to ensure operational activities are being driven by the strategic priorities of the organisation and are linked to the City's financial and workforce resourcing plans. The Corporate Business Plan is a key component of this planning framework and is derived through analysis of the Strategic Plan and the City's associated informing strategies.

Voting Requirements: Simple Majority

RECOMMENDATION

That Council ADOPT the Kalamunda Achieving: Corporate Business Plan 2020 to 2024.

8.1.4. Adoption of COVID 19 Crisis Relief Fund - Policy, Guidelines and Local Recovery Plan

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.

Previous Items	
Directorate	Chief Executives Office
Business Unit	Governance and Legal
File Reference	
Applicant	
Owner	
Attachments	<ol style="list-style-type: none"> 1. Draft Policy - COVID 19 Crisis Relief Fund [8.1.4.1 - 5 pages] 2. COVID-19 Crisis Relief Fund - Individual Eligibility Criteria & Application Form [8.1.4.2 - 9 pages] 3. COVID-19 Crisis Relief Fund - Small Business Rates Relief Edibility & Application Form [8.1.4.3 - 13 pages] 4. COVID-19 Crisis Relief Fund - Community Innovation Grants Eligibility & Application Form [8.1.4.4 - 8 pages] 5. Local Operational Recovery Plan [8.1.4.5 - 24 pages]

TYPE OF REPORT

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- Legislative Includes adopting Local Laws, Town Planning Schemes and Policies. When Council determines a matter that directly impacts a person’s rights and interests where the principles of natural justice apply. Examples include town planning applications, building licences, other permits or licences issued under other Legislation or matters that could be subject to appeal to the State Administrative Tribunal

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2027

Priority 3: Kalamunda Develops

Objective 3.3 - To develop and enhance the City's economy.

Strategy 3.3.1 - Facilitate and support the success and growth of industry and businesses.

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

EXECUTIVE SUMMARY

1. The purpose of this report is to outline the City's approach to recovery from the COVID-19 Pandemic crisis and for Council to:
 - a) Adopt the COVID-19 Crisis Relief Fund Policy (Attachment 1).
 - b) Note the Guidelines that support the Policy (Attachment 2).
 - c) Note the Local Operation Recovery Plan (LORP) and Pandemic Recovery Action Plan (PRAP) (Attachments 3 and 4).
2. These documents are key elements of the City of Kalamunda's (City) response to the COVID-19 pandemic and will assist in informing the community, business, government and other functional areas within the City of the financial assistance available.
3. It is recommended that Council:
 - a) Adopt the COVID-19 Crisis Relief Fund Policy
 - b) Note the Guidelines that support the Policy
 - c) Note the Local Operation Recovery Plan and Pandemic Recovery Action Plan

BACKGROUND

4. The Local COVID-19 Pandemic Preparedness Plan (LCPPP) was adopted by Council at the 7 April Special Council Meeting.
5. One of the key rapid response priorities of the LCPPP was to develop a local recovery plan.

Recovery is a legislative responsibility for Local Government under the *Emergency Management Act 2005*.

DETAILS AND ANALYSIS

6. COVID-19 Crisis Relief Fund Policy and Guidelines

The policy has been developed to give effect to the City's commitment to support the community to meet the unprecedented challenges arising from the COVID-19 pandemic.

The City recognises that these challenges will result in financial hardship for many of its ratepayers, both individual and small business and community groups.

The Crisis Relief Fund of \$1mil, has been established to enable the City to provide a range of financial assistance to the community, including small business and community groups.

The proposed support to be provided includes:

(1) *Category 1 – Individuals, Families or Households*

- a) Local Government Rates
- b) City fees or charges
- c) Infringements issued by the City

(2) *Category 2 – Small Local Business*

- a) Local Government Rates
- b) City fees or charges
- c) Infringements issued by the City

(3) *Category 3 – Community Groups*

COVID-19 Innovation Grants

The Guidelines have been developed to support the Policy and operational details for the Crisis Relief Fund. Input into the development of the Guidelines was provided by the Office of the Auditor General and the City's Internal Auditors to ensure probity matters are addressed and that there are strong procedures for making, receiving and processing applications for assistance.

7. **Local Operation Recovery Plan and Pandemic Recovery Action Plan**

Recovery is defined by the *Emergency Management Act 2005* as the support of emergency affected communities in the reconstruction and restoration of physical infrastructure, the environment and community, psychosocial and economic wellbeing.

The *Emergency Management Act 2005* requires local governments to appoint a Local Recovery Coordinator (LRC). The City's LRC is the Director Development Services.

The LRC has formed a Recovery Management Team (RMT) to guide the recovery process with support from several sub-committees.

An operational recovery plan is designed to enable collation of impact information in a format that can be utilised by the RMT to better understand the known impacts and damages requiring recovery activities.

The LORP is COVID-19 specific and will assist in informing the community, business, government and other functional areas within the City of Kalamunda.

The PRAP which is an appendix to the LORP and provides a set of actions that have been developed in line with State and Federal Government direction and requirements.

APPLICABLE LAW

8. *Local Government Act 1995 and Local Government (Financial Management) Regulations 1996.*
Emergency Management Act 2005

APPLICABLE POLICY

9. Nil

STAKEHOLDER ENGAGEMENT

10. The documents have been developed with the input and support of all business units of the City.
11. Community consultation is not considered to be necessary in the development of the policy, guidelines and plans associated with the City's COVID-19 repose. Given the nature is an emergency and the State has declared a "state of emergency".

FINANCIAL CONSIDERATIONS

12. There are no financial considerations with the LORP however the supporting plans such as the Local Economic Recovery Plan and Crisis Relief Fund Policy will have financial considerations for the both the City and in financial support for the community.

SUSTAINABILITY

Social Implications

13. Recovery is about the community rebuilding and the Community sub-committee will identify action which will support this.

Economic Implications

14. Recovery is also about economic wellbeing and the Economic sub-committee and local economic recovery plan will identify actions to support the local economy.

Environmental Implications

15. Nil

RISK MANAGEMENT

- 16.
- | | | |
|--|-------------------|---------------|
| Risk: The City fails to develop and adopt adequate policy direction and guidelines to support its financial assistance to the community. | | |
| Consequence | Likelihood | Rating |
| Major | Unlikely | Medium |
| Action/Strategy | | |
| Ensure Council is aware of the need for an effective strategic direction and guidance to enable the efficient provision of the proposed financial assistance to the community. | | |
-
- | | | |
|---|-------------------|---------------|
| Risk: The City fails to adequately manage recovery following an emergency affecting the community in its district. | | |
| Consequence | Likelihood | Rating |
| Significant | Possible | High |
| Action/Strategy | | |
| The City has an appointed Local Recovery Coordinator, who has formed the Recovery Management Team, and sub-committees who are preparing plans and actions to manage the recovery from COVID-19. | | |

CONCLUSION

17. The State Government Recovery Plan is proposed to be released by 30 June 2020 and should there be any significant deviations from the City's Plan the City will make the required adjustments.
18. These documents are key elements of the City response to the COVID-19 pandemic and will assist in informing the community, business, government and other functional areas within the City of the financial assistance available and recovery plans and actions.

Voting Requirements: Simple Majority

RECOMMENDATION

That Council:

1. ADOPT the COVID 19 Crisis Relief Fund Policy (Attachment 1).
2. NOTE the Guidelines that support the Policy (Attachment 2, 3, 4).
3. NOTE the Local Operation Recovery Plan and Pandemic Recovery Action Plan (Attachments 5 and 6).

Moved:

Seconded:

Vote:

9. **Meeting Closed to the Public**

10. **Closure**