

SHIRE OF DENMARK

Ordinary Council Meeting

MINUTES

30 JULY 2024

HELD IN COUNCIL CHAMBERS, 953 SOUTH COAST HIGHWAY,
DENMARK, ON TUESDAY, 30 JULY 2024.



953 South Coast Highway, Denmark WA 6333

Correspondence to:
Post Office Box 183, DENMARK WA 6333

Phone: (08) 9848 0300 | Email: enquiries@denmark.wa.gov.au
Website: www.denmark.wa.gov.au | Facebook: shireofdenmark
Your Denmark: www.yourdenmark.wa.gov.au

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DISCLAIMER

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1. DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

4.00pm – The Shire President, Cr Gibson, declared the meeting open and acknowledged the Bibbulmun and Minang people as the traditional custodians of the land on which the meeting was being held. Cr Gibson paid his respects to Elders past, present and emerging.

2. RECORD OF ATTENDANCE/APOLOGIES/APPROVED LEAVE OF ABSENCE

MEMBERS:

Cr Kingsley Gibson (Shire President)
Cr Clare Campbell
Cr Donna Carman
Cr Nathan Devenport
Cr Jackie Ormsby
Cr Aaron Wiggins
Cr Dominic Youel

STAFF:

David King (Chief Executive Officer)
Kellie Jenkins (Executive Manager Corporate Services)
Rob Westerberg (Director Infrastructure & Assets)
Claire Thompson (Governance Coordinator)
Kristie Buss (Executive Support Officer)

ON APPROVED LEAVE(S) OF ABSENCE

Cr Jan Lewis (Deputy Shire President) (in accordance with Council Resolution No. 010124)
Cr Janine Phillips (in accordance with Council Resolution No. 020624)

ABSENT WITHOUT LEAVE

Nil

VISITORS

Nil

3. DECLARATIONS OF INTEREST

Nil

4. ANNOUNCEMENTS BY THE PERSON PRESIDING

Nil

5. PUBLIC QUESTION TIME

5.1 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

5.2 PUBLIC QUESTIONS

In accordance with Section 5.24 of the Local Government Act 1995, Council conducts a public question time to enable members of the public to address Council or ask questions of Council. The procedure for public question time can be found

on the wall near the entrance to the Council Chambers or can be downloaded from our website at <http://www.denmark.wa.gov.au/council-meetings>.

Questions from the public are invited and welcomed at this point of the Agenda.

In accordance with clauses 3.2 (2) & (3) of the Shire of Denmark Standing Orders Local Law, a second Public Question Time will be held, if required, and the meeting is not concluded prior, at approximately 6.00pm.

Questions from the Public

5.2.1 Anna Ramrath – Item 9.2.3 – Rating Equity Policy

As the operator of a boarding house, Anna requested that Council reconsider the definition in the policy so that it didn't capture small businesses like hers.

The Chief Executive Officer acknowledged Anna's concerns and advised that the definitions were aligned with the Shire's Town Planning Scheme. David said that the boarding house classification was based on the number of guests, which is why Anna's business was captured in that definition. It was advised that if the proposed Rating Equity Policy was approved then Anna would need to reduce the maximum occupancy to 6 or less to avoid the Holiday Purposes rating category being applied.

5.3 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

Nil

5.4 PRESENTATIONS, DEPUTATIONS & PETITIONS

In accordance with Section 5.24 of the Local Government Act 1995, Sections 5, 6 and 7 of the Local Government (Administration) Regulations and section 3.3 and 3.13 of the Shire of Denmark Standing Orders Local Law, the procedure for persons seeking a deputation and for the Presiding Officer of a Council Meeting dealing with Presentations, Deputations and Petitions shall be as per Council Policy P040118 which can be downloaded from the Shire's website at <http://www.denmark.wa.gov.au/council-meetings>.

In summary, however, prior approval of the Presiding Person is required, and deputations should be for no longer than 15 minutes and by a maximum of two persons addressing the Council.

Nil.

6. APPLICATIONS FOR FUTURE LEAVE OF ABSENCE

A Council may, by resolution, grant leave of absence, to a member, for future meetings.

6.1 CR YOUEL

COUNCIL RESOLUTION	ITEM 6.1
MOVED: CR DEVENPORT	SECONDED: CR CARMAN
That Cr Youel be granted leave of absence from the 1 st to the 31 st of October 2024, inclusive.	
CARRIED: 7/0	Res: 010724
TOTAL VOTES FOR: 7 Cr Campbell, Cr Wiggins, Cr Youel, Cr Gibson, Cr Devenport, Cr Ormsby and Cr Carman.	
TOTAL VOTES AGAINST: 0	

7. CONFIRMATION OF MINUTES

7.1 ORDINARY COUNCIL MEETING – 25 JUNE 2024

COUNCIL RESOLUTION & OFFICER RECOMMENDATION	ITEM 7.1
MOVED: CR CARMAN	SECONDED: CR CAMPBELL
That the minutes of the Ordinary Meeting of Council held on the 25 June 2024 be CONFIRMED as a true and correct record of the proceedings.	
CARRIED: 7/0	Res: 020724
TOTAL VOTES FOR: 7 Cr Campbell, Cr Wiggins, Cr Youel, Cr Gibson, Cr Devenport, Cr Ormsby and Cr Carman.	
TOTAL VOTES AGAINST: 0	

8. ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

9. REPORTS OF OFFICERS

9.1 DEVELOPMENT SERVICES

9.1.1 DEDICATION OF PRATTS ROAD, HAY

File Ref:	A3096
Applicant / Proponent:	Department for Planning Lands and Heritage (DPLH)
Subject Land / Locality:	Reserve 23579 & Pratts Road
Disclosure of Officer Interest:	Nil
Date:	4 July 2024
Author:	Craig Pursey, Manager Development Services
Authorising Officer:	David King, Chief Executive Officer
	9.1.1a – DPLH request to dedicate the current Pratts Road alignment
Attachments:	9.1.1b – Site Plan
	9.1.1c – MOU in relation to the management of Reserve 23579

IN BRIEF

- Pratts Road runs through Reserve 23579 and provides access to the Hay River, immediately north of South Coast Highway.
- The physical gravel road runs in a different alignment than the dedicated road reserve.
- Council is requested formally dedicate the new road alignment within a new road reserve and close the unused portions of the road reserve and amalgamate it into the adjacent reserve.

VOTING REQUIREMENTS

1. Simple majority.

COUNCIL RESOLUTION & OFFICER RECOMMENDATION

ITEM 9.1.1

MOVED: CR WIGGINS

SECONDED: CR DEVENPORT

That Council; pursuant to section 58 of the Land Administration Act 1997:

1. REQUEST the Chief Executive Officer to provide public notice, seeking submissions for at least thirty-five (35) days, of Councils intent to close the portion of Pratts Road without a constructed road as shown in Attachment 9.1.1b; and
2. Dedicate the new alignment of Pratts Road in accordance with Section 56 of the Land Administration Act 1997;
3. AUTHORISE the Chief Executive Officer to consider the submissions and request that the Minister close and 'rededicate' Pratts Road as shown at Attachment 9.1.1b, subject to no objections being received during the submission period, and in accordance with section 9 of the Land Administration Regulations 1998.

CARRIED: 7/0

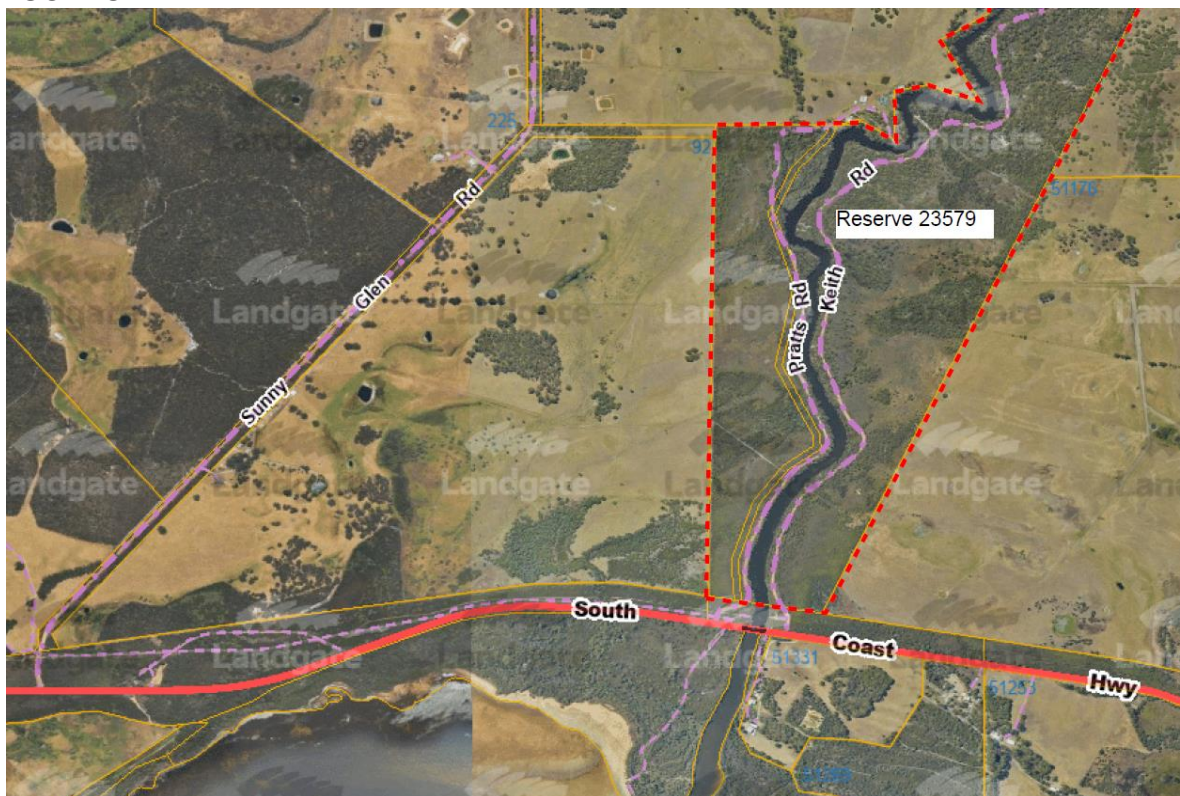
Res: 030724

TOTAL VOTES FOR: 7

Cr Campbell, Cr Wiggins, Cr Youel, Cr Gibson, Cr Devenport, Cr Ormsby and Cr Carman.

TOTAL VOTES AGAINST: 0

LOCATION



Reserve 23579 edged in red (bisected by the Hay River) & Pratts Road (Landgate 2023)

2. Reserve 23579 is located either side of the Hay River (both in the Shire of Denmark and City of Abany) with management orders to the DPLH for the purpose of camping and recreation.

BACKGROUND

3. The Shire of Denmark entered into a Memorandum of Understanding (MOU) with the Department of Biodiversity, Conservation and Attractions (DBCA) and the City of Albany (City) in October 2011 that sets out the terms of a cooperative management framework for the reserve and adjacent Unallocated Crown Land (UCL).
4. The intent of the MOU is to:
 - Support the vesting of the reserve and adjacent UCL in the DBCA.
 - Recognise the continued right to enjoy the reserve for camping and access to the river whilst respecting the scenic, cultural and biological values.
 - Clarify the ongoing role of each party in the management of the reserve.
5. A copy of the MOU is available at attachment 9.1.1c of this report.
6. At the time of signing the MOU, the Shire of Denmark stated that they did not wish to have Pratt Road gazetted (as it appeared that there was no road reserve). The DPLH now advise:

"During the investigation to rationalise Reserve 23579 it was identified that Pratts Road was gazetted on 10 October 1919 and remains a dedicated road. The omission of the road on the spatial map may have occurred when Reserve 23579 was created. The road was referred to Landgate who has confirmed that Pratts Road is a dedicated road, and the spatial data has been amended to reflect the alignment of the road shown on DP 243173."

DISCUSSION / OFFICER COMMENTS

7. The DPLH request and a site plan with aerial image of the proposed closure and rededication is at attachments 9.1.1a & 9.1.1b
8. The Shire of Denmark currently grades this road, and it is used for accessing the Hay River. It also serves as an access to an existing house at Lot 3358 Sunny Glen Road.
9. This Council report seeks a resolution from Council to advertise the proposed road closure and rededication. Following a submission period of 35 days, this recommendation also seeks authorisation for the Chief Executive Officer to follow this through with the Minister. If any objections are received during the submission period, officers propose that the Council reconsider closing the road rationalisation with a second report.

CONSULTATION AND EXTERNAL ADVICE

10. To comply with the specific requirements of section 58 of the *Land Administration Act*, the Local Government must publish its intent in a newspaper circulating in its district and consider any submissions.

STATUTORY / LEGAL IMPLICATIONS

11. Section 58 of the Land Administration Act 1997 provides the process to close a road and requires the request to close a road be made to the Minister following public advertising.

12. The dedication of a portion of Reserve 23579 must follow due process as set out in section 56 of the Land Administration Act 1997; this is a request to the Minister with suitable survey plans.

STRATEGIC / POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

13. There will be a cost to the Shire in engaging a land surveyor to prepare the necessary plans for submission to the Minister and the DPLH.

OTHER IMPLICATIONS

Environmental

14. The current proposal to ensure the constructed Pratts Road is within a dedicated road reserve is an administrative tidy up only. Once completed it will enable the issuing of management orders for the reserve to DBCA who are best placed to manage the reserves "scenic, cultural and biological values".

Economic

15. There are no known significant economic implications relating to the report or officer recommendation.

Social

16. The MOU for the future management of Reserve 23579 includes retaining access to the Hay River. This is seen as important, because if formal opportunities to access river are removed, people are likely to create their own informal opportunities which will be more difficult to manage over time.

RISK MANAGEMENT

17. A risk assessment has been undertaken per the Shire's Risk Management Governance Framework, and no risks have been identified in relation to the officer recommendation or the report.

9.2 CORPORATE SERVICES

9.2.1 FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2024

File Ref:	FIN.1
Applicant / Proponent:	Not applicable
Subject Land / Locality:	Not applicable
Disclosure of Officer Interest:	Nil
Date:	15 July 2024
Author:	Scott Sewell, Financial Accountant
Authorising Officer:	Kellie Jenkins, Executive Manager Corporate Services
Attachments:	9.2.1 – June 2024 Monthly Financial Report

IN BRIEF

- Under the Local Government Financial Management Regulations, a local government is to prepare monthly, a statement of financial activity that reports on the Shire's financial performance in relation to its adopted budget.
- The Shire of Denmark's Statement of Financial Activity for the period ending 30 June 2024 has been prepared and is attached.
- In addition, the Shire provides Council with a monthly investment register to ensure the investment portfolio complies with the Shire's Investment Policy.

VOTING REQUIREMENTS

1. Simple Majority

COUNCIL RESOLUTION & OFFICER RECOMMENDATION	ITEM 9.2.1
MOVED: CR ORMSBY	SECONDED: CR YUDEL
That Council RECEIVE the Financial Statements for the period ending 30 June 2024, incorporating the Statement of Financial Activity and other supporting documentation, as per Attachment 9.2.1.	
CARRIED: 7/0	Res: 040724
TOTAL VOTES FOR: 7 Cr Campbell, Cr Wiggins, Cr Youel, Cr Gibson, Cr Devenport, Cr Ormsby and Cr Carman.	
TOTAL VOTES AGAINST: 0	

LOCATION

2. Nil

BACKGROUND

3. To meet statutory reporting obligations, the Monthly Financial Report provides a snapshot of the Shire's year-to-date financial performance. The report includes the following:

- Statement of Financial Activity by Nature or Type;
 - Statement of Financial Activity by Program;
 - Explanation of Material Variances;
 - Net Current Funding Position;
 - Receivables;
 - Capital Acquisitions;
 - Cash Backed Reserve Balances;
 - Loan Schedule;
 - Investment Register; and
 - Cash and Investments Summary.
4. Each year a local government is required to adopt a percentage or value to be used in the Statement of Financial Activity for reporting material variances. For the 2023/2024 financial year, under Resolution 030823, Council adopted the monthly reporting variance of 10% or greater for each program area in the budget as a level that requires an explanation or report, with a minimum dollar variance of \$10,000.
 5. Pursuant to the Shire's Investment Policy, an investment report and investment register are to be provided to Council on a monthly basis, detailing the investment portfolio in terms of performance and counterparty percentage exposure of total portfolio.

DISCUSSION / OFFICER COMMENTS

6. The Statement of Financial Activity for June 2024 shows a closing funding surplus of \$1,201,040. The adopted budget for the year ended 30 June 2024 (as amended) is premised on a zero-year end closing funding position. Operating income is \$1,032,567 higher than budget. This increase is primarily attributed to the receipt of pre-release general purpose grant funding from the WA Local Government Grants Commission (WALGGC) for the 2024/2025 financial year which totals \$708,069. Additional revenue has also been received from fees & charges including Recreation Centre activities, Parry Beach camping charges, Standpipe water fees, and lime sales. Operating expenditure is \$519,873 lower than budget. This primarily relates to savings in material and contractor costs. There have been adjustments in the expected timing for undertaking capital works. (Refer to Note 4 within the attachment for further details).
7. A summary of the financial position for June 2024 is detailed in the table below:

	Amended Annual Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)
Opening Funding Surplus / (Deficit)	\$ 1,883,689	\$ 1,883,689	\$ 1,883,689	\$ 0	% 0%
Revenue					
Operating revenue	14,407,234	14,407,234	15,439,801	1,032,567	7%
Capital revenue, grants and contributions	7,970,853	7,970,853	5,610,644	-2,360,209	-30%
	22,378,087	22,378,087	21,050,445	-1,327,642	
Expenditure					
Operating Expenditure	-18,854,691	-18,854,691	-18,334,818	519,873	3%
Capital Expenditure	-10,820,504	-10,820,504	-8,840,133	1,980,371	18%
	-29,675,195	-29,675,195	-27,174,951	2,500,244	

Funding balance adjustments	5,413,419	5,413,419	5,441,857	28,438	1%
Closing Funding Surplus / (Deficit)	0	0	1,201,040	1,201,040	

OTHER INFORMATION

8. In the 2023/2024 financial year, several significant projects within the capital works program, including the Denmark Surf Club Precinct Redevelopment and the Solar Energy Project were not completed by 30 June 2024. Consequently, this has impacted the budget allocation for the intended funding sources and therefore affected the year end closing position defined in the adopted budget and the mid-year budget review. Additionally, adjustments to operating revenue and expenditure trends since the adoption of the mid-year budget review needs to be considered. The outstanding costs associated with any incomplete capital projects and their relevant funding sources will be captured during the budget adoption process for the 2024/2025 financial year.
9. The presented financial statements are the final draft reports (pre-audit) for the 2023/2024 financial year and have been used to determine the opening net current funding position as of 1 July 2024 in the preparation of the 2024/2025 budget.

INVESTMENT REPORT

10. Pursuant to the Shire's Investment Policy, an investment report and investment register are to be provided to Council monthly, detailing the investment portfolio in terms of performance and counterparty percentage exposure of total portfolio. The investment register provides details of investment income earned against budget, whilst confirming compliance of the portfolio with legislative and policy limits.
11. As of 30 June 2024, total cash funds held (including trust funds) totals \$6,972,602.
12. Summary – Cash and Investments
 - Municipal Funds total \$2,365,709
 - Shire Trust Funds total \$850
 - Reserve Funds (restricted) invested, total \$4,606,043
 - Municipal Funds (unrestricted) invested, total \$Nil.
13. The official Reserve Bank of Australia's (RBA) cash rate currently sits at 4.35% which was set at the Reserve Bank Board meeting held on 7 November 2023. No further adjustments to the official cash rate have occurred at the time of writing this report.

CONSULTATION AND EXTERNAL ADVICE

14. The Officer has considered the requirement for consultation and/or engagement with persons or organisations that may be unduly affected by the proposal and considered Council's Community Engagement Policy P040123 and the associated Framework and believes that no additional external/internal engagement or consultation is required.

STATUTORY / LEGAL IMPLICATIONS**Local Government (Financial Management) Regulations 1996**

15. Regulation 34 (1-5) of the Local Government (Financial Management) Regulations 1996, details the form and manner in which a local government is to prepare financial activity statements.

The Local Government Act 1995

16. Section 6.14.

The Trustees Act 1962

17. Part III Investments.

The Local Government (Financial Management) Regulations 1996

18. Reg. 19, 28 and 49; and The Australian Accounting Standards, sets out the statutory conditions under which Council funds may be invested.

STRATEGIC / POLICY IMPLICATIONS

19. Nil.

FINANCIAL IMPLICATIONS

20. The Shire's 2023/2024 Annual Budget provides a set of parameters that guides the Shire's financial practices.
21. Any financial implications or trends are detailed within the context of this report.

OTHER IMPLICATIONS**Environmental**

22. There are no known significant environmental implications relating to the report or officer recommendation.

Economic

23. There are no known significant economic implications relating to the report or officer recommendation.

Social

24. There are no known significant social considerations relating to the report or officer recommendation.

RISK MANAGEMENT

25. A risk assessment has been undertaken per the Shire's Risk Management Governance Framework, and no risks have been identified in relation to the officer recommendation or the report.

9.2.2 PAYMENT OF ACCOUNTS FOR THE PERIOD ENDING 30 JUNE 2024

File Ref:	FIN.1
Applicant / Proponent:	Not applicable
Subject Land / Locality:	Not applicable
Disclosure of Officer Interest:	Nil
Date:	9 July 2024
Author:	Kelly Schroeter, Senior Finance Officer
Authorising Officer:	Kellie Jenkins, Executive Manager Corporate Services
Attachments:	9.2.2 – Payment of Accounts – June 2024

IN BRIEF

- To advise Council of payments made for the period 1 June to 30 June 2024.

VOTING REQUIREMENTS

1. Simple majority.

COUNCIL RESOLUTION & OFFICER RECOMMENDATION	ITEM 9.2.2
MOVED: CR CAMPBELL	SECONDED: CR YOUEL
That Council RECEIVE the payment of accounts totalling \$2,268,590.59 for the month of June 2024, as per Attachment 9.2.2.	
CARRIED: 7/0	Res: 050724
TOTAL VOTES FOR: 7 Cr Campbell, Cr Wiggins, Cr Youel, Cr Gibson, Cr Devenport, Cr Ormsby and Cr Carman.	
TOTAL VOTES AGAINST: 0	

LOCATION

2. Not applicable.

BACKGROUND

3. Nil.

DISCUSSION / OFFICER COMMENTS

4. Nil.

CONSULTATION AND EXTERNAL ADVICE

5. The Officer has considered the requirement for consultation and/or engagement with persons or organisations that may be unduly affected by the proposal and considered Council's Community Engagement Policy P040123 and the associated Framework and believes that no additional external/internal engagement or consultation is required.

STATUTORY / LEGAL IMPLICATIONS

Local Government (Financial Management) Regulations 1996

- 6. Regulation 13

STRATEGIC / POLICY IMPLICATIONS

- 7. Nil

FINANCIAL IMPLICATIONS

- 8. Nil.

OTHER IMPLICATIONS

Environmental

- 9. There are no known significant environmental implications relating to the report or officer recommendation.

Economic

- 10. There are no known significant economic implications relating to the report or officer recommendation.

Social

- 11. There are no known significant social considerations relating to the report or officer recommendation.

RISK MANAGEMENT

- 12. A risk assessment has been undertaken per the Shire's Risk Management Governance Framework, and no risks have been identified in relation to the officer recommendation or the report.

9.2.3 RATING EQUITY POLICY

File Ref:	RTS.11
Applicant / Proponent:	Not Applicable
Subject Land / Locality:	Shire wide
Disclosure of Officer Interest:	Nil
Date:	18 June 2024
Author:	David King, Chief Executive Officer
Authorising Officer:	David King, Chief Executive Officer
Attachments:	9.2.3a – Draft Rating Equity Policy 9.2.3b – Existing Rating Equity Policy

IN BRIEF

- This report seeks to amend the Rating Equity Policy in line with the advertised objects and reasons for the differential rating category for Holiday Purposes.

VOTING REQUIREMENTS

1. Simple majority.

COUNCIL RESOLUTION & OFFICER RECOMMENDATION		ITEM 9.2.3
MOVED: CR YOUEL		SECONDED: CR WIGGINS
That Council ADOPT the Rating Equity Policy as per attachment 9.2.3a		
CARRIED: 7/0		Res: 060724
TOTAL VOTES FOR: 7		
Cr Campbell, Cr Wiggins, Cr Youel, Cr Gibson, Cr Devenport, Cr Ormsby and Cr Carman.		
TOTAL VOTES AGAINST: 0		

LOCATION

2. The Policy will applies to all property in the Local Government district.

BACKGROUND

3. The Shire of Denmark (Shire) imposes differential rates based on the purpose for which land is zoned or for which the land is held or used. In accordance with section 6.36 of the Local Government Act 1995, the Shire is required to give local public notice of its intention to impose differential general rates prior to adopting its budget.
4. This period of advertising allows ratepayers the ability to inspect the proposed Objects and Reasons and make a public submission with respect to the proposed differential rates and minimum payments prior to Council's adoption of the rates as part of the Budget.

DISCUSSION / OFFICER COMMENTS

5. In June 2021 the Shire approved a statement of objects and reasons that included a statement on the differential rate for *Holiday Purpose* across all 'improved' valuations. The statement read:

"The object of a higher rate in the dollar for this category is to raise additional revenue to fund the level of service provided to these properties and the costs that result from visitors to these properties. The rate recognises the impact of such properties on infrastructure, the environment, housing availability and affordability within the Shire.

The reason is to assist in meeting the additional costs associated with providing tourism related infrastructure and services."

6. A rating equity policy was adopted at the same meeting to provide details to officers applying rating categories across the municipality.
7. With regards to the *Holiday Purpose* differential rate, the Policy prescribed that, with reference to the Town Planning Scheme (TPS), 'holiday home' and 'holiday accommodation' would be included in the category where the property is rated on a non-commercial basis.

8. For a typical property in a residential area this includes:
 - Bed and breakfast
 - Boarding houses
 - Holiday homes
 - Ancillary accommodation 'Granny flats' (irrespective of the nature of rental for the main dwelling)

9. In June 2024 the Shire approved a statement of objects and reasons for advertising which included a statement on the differential rate for *Holiday Purpose* across all 'improved' valuations. The statement read:

"The object of a higher rate in the dollar for this category is to provide fairness and equity across different types of residential land use

The reason is to ensure that all ratepayers make a reasonable contribution towards the ongoing maintenance of public assets, infrastructure and facilities, as well as the provision of community services throughout the Shire. To reduce the significant disparity between the valuation of properties used for holiday purposes and those used as owner-occupied residents. Properties used for short term rentals generate higher gross rental income compared to properties used for long term residential purposes."

10. In this context, officers proposed that this would be applied consistently to how other commercial operations are dealt with in residential areas. That is, where the commercial use is incidental to the predominant use, then the predominant use is used for the purpose of rating. For example, a residential property operating a home business does not get rated any differently than one that does not.
11. Officers consider that the use of a granny flat for holiday accommodation and bed and breakfast (up to 6 people) are not predominant uses and should be removed from the rating category.
12. This will result in 46 properties being removed from the *Holiday Purposes* category.
13. Officers consider that the use of boarding houses (more than 6) is predominantly holiday use and should be included in the rating category.
14. To this effect, it is proposed that holiday accommodation (except boarding houses) be removed from the *Holiday Purpose* category.
15. A table of uses in the current and proposed policy for *holiday purposes* is provided below for clarity.

Zone (refer TPS)	Use (refer TPS)	Current	Proposed
Commercial, Tourist, Professional Office, Rural	Holiday Home	x	x
	Holiday Accommodation	✓ x*	x
	Holiday Home	✓	✓

Residential, Special Rural, Special Residential, Landscape Protection, Urban Development	Holiday Accommodation – (except boarding house)	✓	x
	Holiday Accommodation - Boarding house	✓	✓

Note – for full definitions, please refer to the TPS.

Note* – Discretion was applied to tourist and professional office zones based on predominant use.

Note – Holiday Accommodation includes Bed and Breakfast and use of Ancillary Accommodation (granny flats)

Note – Holiday Home only includes properties that have an approved planning application for short-stay accommodation. It does not include property owned by absentee landowners that is used exclusively for private purposes.

CONSULTATION AND EXTERNAL ADVICE

- 16. The Officer has considered the requirement for consultation and/or engagement with persons or organisations that may be unduly affected by the proposal and considered Council's Community Engagement Policy P040123 and the associated Framework and believes that no additional external/internal engagement or consultation is required.

STATUTORY / LEGAL IMPLICATIONS

Local Government Act 1995

- 17. Section 6.33 – relates to the authority to impose differential rates.

STRATEGIC / POLICY IMPLICATIONS

Rating Equity Policy

- 18. Other than the alteration described in the discussion section, there are no material alterations.
- 19. The Policy has been updated into the new format for Council Policies and edited for improved clarity and readability.

FINANCIAL IMPLICATIONS

- 20. The advertised differential rate for Holiday Purposes for 2024/2025 is a 95% premium on standard GVR valuations.
- 21. The 2024/2025 draft budget has been compiled using the assumption that this Policy, and the advertised rates will be adopted.

OTHER IMPLICATIONS

Environmental

- 22. There are no known significant environmental implications relating to the report or officer recommendation.

Economic

23. There are no known significant economic implications relating to the report or officer recommendation.

Social

24. There are no known significant social considerations relating to the report or officer recommendation.

RISK MANAGEMENT

25. A risk assessment has been undertaken per the Shire's Risk Management Governance Framework, and no risks have been identified in relation to the officer recommendation or the report.

9.2.4 ADOPTION OF THE 2024/2025 BUDGET

File Ref:	FIN.1
Applicant / Proponent:	Not applicable
Subject Land / Locality:	Not applicable
Disclosure of Officer Interest:	Nil.
Date:	18 July 2024
Author:	Kellie Jenkins, Executive Manager Corporate Services
Authorising Officer:	Kellie Jenkins, Executive Manager Corporate Services
Attachments:	9.2.4a – Proposed 2024/2025 Budget 9.2.4b – Differential Rates Submissions 2024/2025

IN BRIEF

- For Council to adopt the Budget for the 2024/2025 financial year.

VOTING REQUIREMENTS

1. Absolute majority.

COUNCIL RESOLUTION & OFFICER RECOMMENDATION	ITEM 9.2.4a
MOVED: CR ORMSBY	SECONDED: CR CARMAN
That Council;	
<ol style="list-style-type: none"> 1. ADOPTS the 2024/2025 Budget as detailed in Attachment 9.2.4a. 2. In accordance with Section 66 of the Waste Avoidance and Resource Recovery Act 2007, applies the minimum payment provision of Section 6.35 of the Local Government Act 1995, and ADOPTS a Waste Facilities Maintenance rate for 2024/2025 financial year: <ol style="list-style-type: none"> a. GRV Properties – Rate in the dollar: 0.0001 Cents, minimum \$78 b. UV Properties – Rate in the dollar: 0.0010 Cents, minimum \$78. 	

AMENDMENT

MOVED: CR WIGGINS

SECONDED: CR DEVENPORT

After the words "Attachment 9.2.4a" in part 1 add the following words:

"subject to the following amendments to Appendix C – Community Contributions:

- a) Remove from the "Contributions" Category the line item for Denmark Arts (Annual Contribution) of \$65,000; and
- b) Add to the "Service Agreements" Category a new line item for Denmark Arts (Arts and Cultural Services) for \$65,000."

CARRIED: 5/2

Res: 070724

TOTAL VOTES FOR: 5

Cr Campbell, Cr Wiggins, Cr Gibson, Cr Devenport and Cr Ormsby.

TOTAL VOTES AGAINST: 2

Cr Youel and Cr Carman.

AMENDED MOTION

That Council;

1. ADOPTS the 2024/2025 Budget as detailed in Attachment 9.2.4a, subject to the following amendments to Appendix C – Community Contributions:
 - a) Remove from the "Contributions" Category the line item for Denmark Arts (Annual Contribution) of \$65,000; and
 - b) Add to the "Service Agreements" Category a new line item for Denmark Arts (Arts and Cultural Services) for \$65,000.

2. In accordance with Section 66 of the Waste Avoidance and Resource Recovery Act 2007, applies the minimum payment provision of Section 6.35 of the Local Government Act 1995, and ADOPTS a Waste Facilities Maintenance rate for 2024/2025 financial year:
 - a. GRV Properties – Rate in the dollar: 0.0001 Cents, minimum \$78
 - b. UV Properties – Rate in the dollar: 0.0010 Cents, minimum \$78.

THE AMENDED MOTION BECAME THE SUBSTANTIVE MOTION WHICH WAS PUT AND CARRIED BY AN ABSOLUTE MAJORITY: 7/0

Res: 080724

TOTAL VOTES FOR: 7

Cr Campbell, Cr Wiggins, Cr Youel, Cr Gibson, Cr Devenport, Cr Ormsby and Cr Carman.

TOTAL VOTES AGAINST: 0

2. Simple majority

COUNCIL RESOLUTION & OFFICER RECOMMENDATION	ITEM 9.2.4b
MOVED: CR WIGGINS	SECONDED: CR CAMPBELL
That Council, in accordance with regulation 34(5) of the Local Government (Financial Management) Regulations 1996, and AASB 101 Presentation of Financial Statements, ENDORSES the application of a materiality level for the reporting of variances in the Statement of Financial Activity at Variances ≥ 10%, or ≥ \$10,000 for the 2024/2025 financial year.	
CARRIED: 7/0	Res: 090724
TOTAL VOTES FOR: 7 Cr Campbell, Cr Wiggins, Cr Youel, Cr Gibson, Cr Devenport, Cr Ormsby and Cr Carman.	
TOTAL VOTES AGAINST: 0	

LOCATION

Nil.

BACKGROUND

- The proposed 2024/2025 Budget has been developed with consideration of the Our Future 2033: Strategic Community Plan and is based on projections from the Long Term Financial Plan 2024-2033, Strategic Asset Management Plan 2024-2034, and the Corporate Business Plan 2024-2028. This was done in alignment with a series of budget workshops that took place on 12 March, 26 March, 16 April, 28 May, and 25 June 2024.

DISCUSSION / OFFICER COMMENTS

- The proposed 2024/2025 Budget includes information required by the Local Government Act 1995, Local Government (Financial Management) Regulations 1996 and the Australian Accounting Standards.
- The budget is structured in the following format:
 - Statutory Statements and Notes – including Supplementary Information
 - Capital Expenditure Budget
 - Community Contributions Budget
 - Schedule of Fees and Charges

Capital Expenditure

- The budget proposes capital expenditure totalling \$7,801,383. Of this sum, \$481,735 is proposed to be funded through rates, with the remaining \$7,319,648 funded through grants and contributions, reserves, borrowings, and sale of assets.

Employee Costs

- The budget proposes employee costs totalling \$7,827,469. This comprises of a base increase of 3.4% to cover increases for CPI, compulsory 11.5% superannuation payments and an additional 0.5FTE.

8. In the 2023/2024 budget workers compensation was classified as Insurance expenditure, in the proposed 2024/2025 budget it has been reclassified as Employee Costs totalling \$159,571, to align with statutory requirements.

Differential Rates

9. At the Special Council Meeting held on 11 June 2024, Council resolved to publish the following proposed differential rates and minimum payments for 2024/2025. The proposal to increase rates by 2% above the annual Consumer Price Index (CPI) in addition to property growth for the 2024/2025 period is to ensure that the Shire's budget remains responsive to inflationary pressures and adequately addresses the needs of the community. The CPI increase of 3.4% will maintain the current level of services and infrastructure. The additional 2% is for the renewal, maintenance, and upgrade of existing assets. This investment will sustain the community's infrastructure, protect our community's well-being, and enhance community pride.
10. The following proposed differential rates were advertised on 13 June 2024 for public comment.

Differential Rate Category	Rate in Dollar (\$)	Minimum Payment (\$)
Gross Rental Value (GRV)		
Non-Rural Improved	0.118117	1,443
Holiday Purposes	0.230328	1,732
Vacant	0.235484	1,412
Unimproved Value (UV)		
Rural	0.004042	1,658
Rural - Additional Use Holiday	0.005255	2,155
Rural - Additional Use Commercial	0.006871	3,150

11. At the close of the period for submissions (3 July 2024), 19 submissions had been received. (refer to Attachment 9.2.4b) The draft budget reflects that no change be made to the differential rates.
12. The 2024/2025 differential rates will result in an increased rate revenue of 7.3% for the 2024/2025 budget.

Rates Waiver

13. Section 6.47 of the Local Government Act 1995 allows a local government to waive a rate or service charge.
14. Previously, Council has waived the rates on Shire-owned properties leased to community and sporting groups, as outlined in Policy 110102 (Leasing of Land and/or Buildings to Community Groups). These waivers are reviewed during the budget process. The budget proposal reflects that Council waives the rates for the individual properties specified in Note 2 of the 2024/2025 Budget (refer to Attachment 9.2.4a), with the total waived amount being \$89,129.

Rates Interest – late payment and four instalment payment plan

15. In accordance with Sections 6.13 and 6.45 of the Local Government Act 1995, the Shire can charge up to 11% interest on overdue rates and 5.5% interest on instalments.

- 16. The budget proposal reflects that late penalty interest and interest on four instalment payment plans remain the same as 2023/2024 at 11% and 5.5%, respectively.

Waste Facilities Maintenance Fee

- 17. In accordance with Section 66 of the Waste Avoidance and Resources Recovery Act 2007, the budget proposal applies a minimum payment provision of Section 6.35 of the Local Government Act 1995, and adopts a Waste Facilities Maintenance Rate to provide funding for waste management into the future. All properties within the Shire pay this rate, and the money is held in the Waste Services Reserve. The Waste Facilities Maintenance rate in the dollar and minimum payment for 2024/2025 are:

	Rate in the dollar	Minimum payment
Gross Rental Valuation Properties (GRV)	0.0010	\$78
Unimproved Valuation Properties (UV)	0.0001	\$78

Materiality

- 18. Regulation 34 of the Local Government (Financial Management) Regulations 1996 requires that a Statement of Financial Activity be prepared each month reporting on the sources and application of funds as set out in the Annual Budget.
- 19. Further, the statement is to report material variances between the amended Budget and actual sources and application of funds.
- 20. Each financial year, a local government is required to adopt a percentage or value, calculated in accordance with Australian Accounting Standards, to be used for reporting material variances.
- 21. In reference to Australian Accounting Standards Board (AASB) 101 Presentation of Financial Statements, and in consideration of the special characteristics of the finances of the Shire, it appears reasonable to continue to apply a level of materiality at Variances $\geq 10\%$, or $\geq \$10,000$.

CONSULTATION AND EXTERNAL ADVICE

- 22. Differential rates were advertised on 13 June 2024 for public comment. Submission closed 3 July 2024, and 19 submissions were received. (refer to Attachment 9.2.4b).
- 23. Concerns relating to the CPI + 2% increase are discussed in the Strategic section of this report.
- 24. The other main concern from community submissions was the 95% loading on GRV Holiday Purposes differential rate. Officers consider this to be justified. Third-party platforms that strip short-stay housing site data to analyse the market suggest that in Denmark the average occupancy rate is 64% with an average daily rate of \$280, equating to \$65,000 rental value. For a residential tenancy, the annual rental value is approximately \$26,000.
- 25. The information provided on the rental value of short-stay accommodation includes the data for ancillary dwellings and bed and breakfasts that will not have the 95% loading applied in accordance with the proposed policy and draft budget. If the data was

adjusted to remove these accommodation types, the average daily rates would likely increase further due to these being the smaller type of short-stay offering. As such the short stay rental values are considered conservative for the purpose of measuring against the differential rating proposal.

26. The valuer general cannot differentiate between residential and short stay use. Therefore, the GRVs provided to the Shire of Denmark reflect a residential tenancy even if the property is used for short-stay accommodation.
27. Even with additional costs of running a short-stay accommodation, an increase of 95% is not considered unreasonable in this context given the average 150% income increase that could be expected if a property is used as short-stay accommodation.

STATUTORY / LEGAL IMPLICATIONS

Local Government Act 1995

28. Section 6.2 requires that not later than 31 August in each financial year, or such extended time as the Minister allows, each local government is to prepare and adopt, in the form and manner prescribed, a Budget for its municipal fund for the financial year ending on the following 30 June.
29. Divisions 5 and 6 of Part 6 refer to the setting of budgets and raising of rates and charges.

Local Government (Financial Management) Regulations 1996

30. Part 3 outlines the structure, content and necessary annotations for the annual budget.

STRATEGIC / POLICY IMPLICATIONS

Our Future 2023: Strategic Community Plan

31. Community Priorities are considered in the proposed 2024/2025 budget.

Long Term Financial Plan (LTFP) 2024-2033

32. Revenue from rates is structured to consider both the Consumer Price Index (CPI) and the pressing need to address the funding gap for asset renewal.
33. The LTFP prioritises tackling this renewal gap from the outset by increasing rates 2% above CPI until the gap is closed. This strategic approach ensures that rates will only need to adjust according to CPI in the future, demonstrating responsible asset management and avoiding burdening subsequent councils to resolve the issue.
34. The total rate revenue is set to grow by 8% in 2024/2025, followed by four years of total rate revenue at 2% above the LTFP forecasted CPI. After this time rate increases are proposed to be consistent with CPI.

Rating Equity Policy

35. Council aims to uphold the principles of objectivity, fairness, equity, consistency, and administrative efficiency in the application of appropriate rating categories as outlined in the Rating Equity Policy.

Municipal Budget Policy

36. To ensure the budget creation is compliant with accounting policies.

Community Grants Policy

37. The Community Grants Policy aims to provide financial support for organisations and projects that benefit the community and demonstrate sustainable enterprise and activity. It also assists community-based, not-for-profit organisations in developing and maintaining services and facilities sustainably, while minimising out-of-budget, ad hoc requests from community organisations.

FINANCIAL IMPLICATIONS

38. Specific financial implications are as outlined in the discussion section of this report and as itemised in the proposed 2024/2025 Budget attached for adoption.

39. To finance the expenditure and capital works in the draft Budget after allowing for all other sources of income such as grant, fees, and charges and interest on investments, the Shire will require \$8,680,305 from rates.

OTHER IMPLICATIONS**Environmental**

40. The proposed 2024/2025 budget includes initiatives from the Corporate Business Plan 2024-2028 that address natural disaster management, conservation and environment management, and corporate emissions reduction.

41. Additionally, it supports the implementation of actions outlined in the Sustainability Strategy 2021-2031.

Economic

42. In 2023/2024 Australia saw a continued rise in inflation, with the Consumer Price Index (CPI) reaching 3.4% by March 2024. This trend, particularly notable in Perth, has impacted the cost of living and the availability of goods and services, placing pressure on local economic resources. Both communities and local governments are contending with the financial challenges posed by these economic conditions.

43. The proposed 2024/25 budget considers the current economic factors.

Social

44. The proposed 2024/2025 budget includes initiatives from the Corporate Business Plan 2024-2028 that address youth service, disability access and community inclusivity.

45. Additionally, it supports the implementation of the Disability Access and Inclusion Plan.

RISK MANAGEMENT

46. A risk assessment has been undertaken per the Shire's Risk Management Governance Framework, and no risks have been identified in relation to the officer recommendation or the report.

9.3 GOVERNANCE

9.3.1 VISITOR SERVICE AGREEMENT AND LEASE – CHAMBER OF COMMERCE

File Ref:	PLN.55
Applicant / Proponent:	Not Applicable
Subject Land / Locality:	Not applicable
Disclosure of Officer Interest:	Nil
Date:	24 June 2024
Author:	David King, Chief Executive Officer
Authorising Officer:	David King, Chief Executive Officer
Attachments:	9.3.1a – Draft Service Agreement 9.3.1b – Draft Lease

IN BRIEF

- The Denmark Chamber of Commerce (DCC) have provided face-to-face visitor servicing under a lease and service agreement with the Shire of Denmark (Shire) that expires in November 2024.
- This report recommends that Council grant the DCC use of the Denmark Visitor Centre (DVC) and an annual cash contribution to deliver tourism services through to June 2026.

VOTING REQUIREMENTS

1. Simple majority.

COUNCIL RESOLUTION & OFFICER RECOMMENDATION	ITEM 9.3.1
MOVED: CR DEVENPORT	SECONDED: CR YOUEL
That Council:	
<ol style="list-style-type: none"> 1. ENTER into a Service Agreement with the Denmark Chamber of Commerce to provide face-to-face visitor servicing until 30 June 2026, as per Attachment 9.3.1a, and subject to the Chief Executive Officer negotiating the items to be contained within Schedule 1; and 2. AUTHORISE the Shire President and the Chief Executive Officer to sign a lease to deliver the services in (1) above, on the terms detailed in Attachment 9.3.1b. 	
CARRIED: 7/0	Res: 100724
TOTAL VOTES FOR: 7	
Cr Campbell, Cr Wiggins, Cr Youel, Cr Gibson, Cr Devenport, Cr Ormsby and Cr Carman.	
TOTAL VOTES AGAINST: 0	

LOCATION

2. Portion of Reserve 48198, portion of Lot 501 on Deposited Plan 61023.

BACKGROUND

3. In 2021 the Shire adopted a Sustainable Tourism Strategy (STS).
4. The goal of the STS is for the Shire to become a leading example of a sustainable tourism destination.
5. Achieving this vision requires a strong focus on visitor servicing to ensure that visitors receive accurate, quality, and timely information at every stage of the visitor journey and feel welcome when they visit.
6. The STS outlines two recommendations for visitor servicing:
 - Ensure the provision of face-to-face visitor servicing is cost-effective and returns benefits to visitors, tourism operators and the local community.
 - Engage industry and community in transitioning to a sustainable model of visitor servicing, using multiple channels to distribute visitor information across the Shire.
7. The 2021 visitors servicing report undertaken subsequently made a number of recommendations.
 - (1) The Shire supports the retention of a face-to-face visitor servicing model in the DVC:

The Shire provides financial support to enable face-to-face visitor servicing to be delivered in the DVC over the short term (2021-2024).
 - (2) The Shire supports the development of a sustainable, multi-channel visitor servicing model.

The model is progressively introduced, with the aim of being fully developed by 2025.

The Shire provides financial support for the development and implementation of this model.

DISCUSSION / OFFICER COMMENTS

Progress on the Strategic Direction

8. The Shire has been in a three-year service agreement with the DCC that expires in November 2024. The Shire has provided a peppercorn lease of the DVC building and an annual cash contribution of \$95,000. In this regard, recommendation (1) has been met.
9. Recommendation (2) has not been achieved, and to date, the Shires contribution has mainly delivered the face-to-face element of visitor servicing. Other multi-channel models do not exist in any real capacity.
10. Without a multi-channel model, the investment the Shire is making towards visitor servicing is delivering an ever-decreasing return in relation to visitor reach and associated economic returns for the municipality.
11. Historical door count from the report reveals a steady decline in numbers since 2015, from a peak of 88,341 to a low of 16,482 in 2023 (average over 3 year period), whilst

during the same period, the total number of overnight visitors to the Shire has grown to an overnight holiday visitor rate of over 500,000.

The Future of Visitor Servicing

12. The traditional model of face-to-face visitor servicing has been a foundation of the Shire's approach to tourism. It is predicated on the premise that personal interaction and guidance enhance the visitor experience, fostering a positive image of the region. However, recent data indicates that the cost associated with maintaining such services is escalating, inversely proportional to the reach and impact it achieves. However, the industry's acknowledgment of the value of face-to-face engagement, based on the 2021 consultation, demonstrates the need to strike a delicate balance between personal service and cost-effectiveness.
13. Parallel to the challenges in visitor servicing, there is a clear directive from the community for the Shire to pivot its focus towards developing tourism during the less popular shoulder and off-season periods. This would include the creation of a distinctive brand that resonates with potential visitors and distinguishes the Shire as a year-round destination. The current investment in visitor servicing, while beneficial to those already present, does not contribute to this branding initiative. Therefore, it is suggested that future reallocation of a portion of the funds from visitor servicing be used to develop marketing strategies and branding efforts that target these off-peak seasons.
14. In response to the above, it is recommended that the Shire undertake a phased reduction in the investment into face-to-face visitor servicing. This reduction should be carefully managed to ensure that the quality of service remains uncompromised during the transition period. The resources freed should be redirected towards establishing a strong marketing presence that emphasises the unique offerings of the Shire during the shoulder and off-seasons.

Medium Term Proposal

15. In the pursuit of enhancing the efficiency of resource allocation for face-to-face visitor servicing, the Shire has identified the need to consolidate operational business units. The library has emerged as the most suitable candidate for relocation to the DVC, presenting a unique opportunity to streamline service delivery.
16. The relocation of our library presents a strategic opportunity to enhance services and address infrastructure challenges. By moving the library to the DVC, the Shire can capitalise on synergies between library operations and visitor servicing. Additionally, the existing library building, which is showing signs of aging, will eventually require replacement. Relocating will create a modern facility that caters to both library patrons and visitors. Benefits include improved coordination, upgraded amenities, better accessibility, and potential cost savings.
17. The urgency for relocating the library is not immediate, and investigations have been driven by the opportunity to deliver face-to-face visitors servicing. The existing building still has some usable life, and the Long-Term Financial Plan (LTFP) does not foresee significant refurbishment imminent. This brings the additional benefits of being able to seek an income from the existing library facility if the library function is relocated.

18. Any move to the DVC would have to occur in winter to allow training and a transition in time for the peak season. To allow proper planning, the earliest this could occur would be July 2026, ideally requiring the DCC to extend their lease and service agreement to this date.

Transitional

19. It is proposed that the DCC be offered a revised service agreement and lease to deliver face-to-face visitor servicing until 30 June 2026.

20. A draft service agreement and lease are provided in Attachments 9.3.1a and 9.3.1b

21. Aside from the reduced term, the key changes from the existing agreement are:

- Reduction in service fee by \$20,000 per year with the agreement that the DCC will not be responsible for delivering any new multi-channel initiatives during the term.
- Termination clauses are to require the transfer of visitors servicing related documentation, intellectual property (IP), and assets (except merchandise).
- Termination clauses to require the Shire to purchase visitor servicing merchandise at the end of the term.

22. The DCC has requested that the new lease remove the requirement for any sub-let to be approved formally by the Council and, instead, to be determined administratively by the CEO.

23. Given the short-term nature of the lease and the time involved preparing reports, taking proposals to Council and, if approved, obtaining Ministerial Consent, Officers consider the request to be reasonable and have modified the draft lease accordingly. This change is reflected in a proposed amendment to clause 18(d) of the draft lease. The conditions for determining any approval, refer clause 7(c) include regard to competition, effect, and advantage or disadvantage over other local businesses, and the broader community perception.

24. The licence arrangement in accordance with Special Condition 10.2 will remain.

CONSULTATION AND EXTERNAL ADVICE

25. The CEO has briefed Council on this matter at the Concept forums on 13 February 2024 and 14 May 2024.

STATUTORY / LEGAL IMPLICATIONS

Local Government Act 1995

26. Section 3.58 – relates to the disposal of property, including to lease.

27. Section 3.58(3) and (4) – details the requirements to dispose other than by public auction or public tender.

28. Section 6.47 – Council can grant a waive a rate charge.

Local Government (Functions & General) Regulations 1996

29. Regulation 30(2)(b) – provides the exemptions for disposal provisions with regards to the proposed lease.

Land Administration Act 1997

30. Section 18 – specifies that Ministerial consent is required to lease crown land.

STRATEGIC / POLICY IMPLICATIONS**Tourism Strategy**

31. This proposal seeks to further the objectives and actions of the Sustainable Tourism Strategy.

FINANCIAL IMPLICATIONS

32. The Service Agreement commits the Council to a financial contribution of \$118,750 (ex GST) over the term the Service Agreement.
33. The Service Agreement commits the Council to consider granting a rate concession for each financial year that falls within the term of the agreement, in accordance with the Local Government Act 1995.
34. Future budget consideration will be made for the relocation of the library and the purchase of stock at the end of the Service Agreement term (cl. 5.3b).

OTHER IMPLICATIONS**Environmental**

35. There are no known significant environmental implications relating to the report or officer recommendation.

Economic

36. There are no known significant economic implications relating to the report or officer recommendation.

Social

37. There are no known significant social considerations relating to the report or officer recommendation.

RISK MANAGEMENT

38. Risk Table:

39.

Risk	Risk based on history and with existing controls			Proposed Treatment/Control
	Likelihood	Consequence	Risk Rating	
Service Interruption: That the DCC do not wish to continue the service until 30 June 2026 resulting in a 'gap' in face-to-face visitor servicing.	Possible (3)	Major (4)	High (12)	The Chief Executive Officer has held a number of informal discussions the DCC CEO and Chair with a view to negotiating an agreeable outcome.
Reputational: That the DCC do not wish to continue the service until 30 June 2026 resulting in a 'gap' in face-to-face visitor servicing and industry discontent.	Possible (3)	Moderate (3)	Medium (9)	The Chief Executive Officer has held a number of informal discussions the DCC CEO and Chair with view to negotiating an agreeable outcome.

9.4 COMMUNITY SERVICES
Nil

9.5 INFRASTRUCTURE SERVICES

9.5.1 BUSHLAND RESERVES WEEDS STRATEGY 2024-2034

File Ref: REM.38
Applicant / Proponent: Not applicable
Subject Land / Locality: Shire of Denmark Bushland Reserves
Disclosure of Officer Interest: Nil
Date: 30th July 2024
Author: Yvette Caruso, Sustainability Officer
Authorising Officer: Robert Westerberg, Director of Infrastructure and Assets
Attachments: 9.5.1a – Bushland Reserves Weeds Strategy (2024-2034)
 9.5.1b – Proposed amendments to the Pest Plants Local Law First Schedule

IN BRIEF

- The Shire of Denmark has updated its Weeds Strategy and Action Plan (2005-2010) for 40 natural peri-urban bushland Shire reserves.

- The updated Bushland Reserves Weeds Strategy 2024-2034 provides information on the Shire's bushland, foreshore, and coastal reserves, including information on values and threats, particularly regarding bushland condition and invasive weed species.
- The strategy's development involved on-ground reserve ecological assessments (including mapping) for each of the 40 identified reserves to better understand the values that may be at risk of adverse impacts from threats, with particular regard to bushland condition and invasive weed species identified within each area.
- The revised strategy provides prioritised recommendations within each reserve, taking into consideration potential threats to identified values from invasive weed species - in accordance with resource capacity whilst ensuring continued community access and environmental protection. Recommendations encompass operational requirements envisaged over a ten-year timeframe, as well as provide for opportunities for community involvement and environmental education.

VOTING REQUIREMENTS

1. Simple majority.

COUNCIL RESOLUTION & OFFICER RECOMMENDATION	ITEM 9.5.1
MOVED: CR CARMAN	SECONDED: CR CAMPBELL
That Council:	
<ol style="list-style-type: none"> 1. ADOPT the revised updated Shire of Denmark Bushland Reserves Weeds Strategy (2024-2034), with a view to implementing the associated management action recommendations in future operational budgets, as per Attachment 9.5.1a; and 2. INCORPORATE the proposed amendments to the First Schedule into the review of the Pest Plants Local Law project, as identified in the Corporate Business Plan 2024-2028. 	
CARRIED: 7/0	Res: 110724
TOTAL VOTES FOR: 7	
Cr Campbell, Cr Wiggins, Cr Youel, Cr Gibson, Cr Devenport, Cr Ormsby and Cr Carman.	
TOTAL VOTES AGAINST: 0	

LOCATION

2. The Shire of Denmark has approximately 80 reserves that require ongoing management to maintain biodiversity, environmental, and ecological values. The purpose of these reserves ranges from Conservation, Public Recreation, and Parkland Management to resource extraction (gravel and sand). Of these 80 reserves, 13 are classed as A-Class Reserves, which secures a higher level of protection of natural and/or community values.
3. The current Weed Strategy & Action Plan (2005-2010) gives an overview of weeds and weed management in the Shire of Denmark and presents action plans for 16 Reserves. The current document does not include reserves that have existing endorsed management plans such as Mt Hallowell, Wilson Inlet foreshore reserves, and Shire coastal reserves. The review and development of the Weed Strategy encompasses 40 Shire bushland peri-urban reserves.

BACKGROUND

4. Denmark is fortunate to have bushland throughout the Shire, hosting many diverse vegetation types. Shire bushland reserves are under increasing pressure from increased visitation, bringing with it the risk of the spread of invasive weed species. The State of the Environment Report (2021) states *"Invasive species are consistently identified as one of the most prevalent threats to Australian wildlife, and their management is a significant economic burden in Australia."*
5. Weeds have major economic, environmental and social impacts, causing damage to natural landscapes, agricultural land, waterways and coastal areas. A weed is defined as *"a plant considered undesirable, unattractive, or troublesome, especially one growing where it is not wanted..."*. The Australian Weeds Strategy (2017-2027) states that *"A weed is considered pragmatically as a plant that requires some form of action to reduce its negative effects on the economy, the environment as well as human health and amenity."* (p.3).
6. 65% of weeds on the South Coast have derived from ornamental garden plants. Many of these popular garden plants, including some eastern states Australian natives, are extremely invasive and can spread into adjacent native bushland areas. Due to their speed of growth and reproductive methods, they can out-compete the naturally occurring plants in areas of native bushland and subsequently deprive the native fauna species of their habitat and dietary resources.
7. The Shire of Denmark has approximately 80 reserves, which require ongoing management to maintain biodiversity, environmental and ecological values. The purpose of these 80 reserves ranges from Conservation, Public Recreation and Parkland Management to resource extraction (gravel and sand). Of these 80 reserves, 13 are classed as A-Class Reserves, which secures a higher level of protection of the natural and/or community values.
8. The Shire of Denmark undertakes an integrated weed management control program to manage invasive weeds within Shire reserves and on its road verges for the purposes of:
 - infrastructure and trails maintenance
 - fire mitigation and post-burn weed control
 - targeted invasive weed management for biodiversity conservation.
9. Integrated weed management employs a combination of techniques including manual, mechanical, chemical and biological methods to manage weeds in order to conserve and enhance bushland areas. Weed control activities including mechanical and manual weed removal, as well as chemical spraying is undertaken by both Shire staff and engaged contractors at different times of the year dependent upon species targeted, weather considerations, and works programming. The Shire of Denmark employs integrated methods to control weeds in Shire reserves, noting that physical weed removal can be an effective means with minimal disturbance to the surrounding environmental values.
10. The Shire also manages a No Spray Register, where private property owners can request verge areas adjoining their properties not be sprayed, with the understanding that they will then undertake responsibility for the weed management on the road verges surrounding their property.

11. The current Weed Strategy & Action Plan gives an overview of weeds and weed management in the Shire of Denmark and presents action plans for 16 Reserves. The current document does not include reserves that have existing endorsed management plans such as Mt Hallowell, Wilson Inlet foreshore reserves, and Shire coastal reserves.
12. To maintain the quality bushland condition of our Shire reserves, a strategic review to ensure consistent, targeted weed management is essential.
13. The Shire engaged local, not-for-profit consultant Green Skills in collaboration with South Coast Bushcare Services to deliver a review of the existing Shire of Denmark Weeds Strategy and Action Plan (2005-2010) and development of an updated Weeds Strategy ('Strategy') document.

DISCUSSION / OFFICER COMMENTS

14. The development of the Shire of Denmark Bushland Reserves Weeds Strategy (2024-2034) provides a strategic landscape approach to weed management across our reserves, as well as targeted weed management actions within each bushland reserve.
15. On-ground reserve ecological assessments of 40 Shire Reserves were undertaken with field data collection, assessment and mapping of bushland condition, locations of weed species, level of weed infestation, threats, and identified values. Additional information on each Reserve collected included:
 - Location – Reserve number, name, purpose, class
 - Vegetation type
 - Bushland condition
 - Weeds – known and target species
 - Access (and existing trails; potential vectors)
 - Environmental sensitivities (eg. threatened flora, fauna habitat)
 - Geology; terrain/slope
 - Hydrology (as a potential vector)
 - Threats (eg. dieback, ferals, illegal clearing, inappropriate fire regimes)
 - Surrounding landuse
 - History of reserve (eg. extractive industry use)
 - Recommended weed control actions; prioritised (tabulated) – operational actions envisaged over a ten year timeframe – mechanical / hand removal / chemical / biological – per weed species identified in each reserve
 - Resources required – including total estimates hrs required annually per reserve
 - Community Involvement: participatory action and opportunities for environmental education
 - Map(s) were produced for each Shire reserve including depiction of aerial imagery, with identified access tracks, contours, cadastral boundaries, road names, ecological/social values, vegetation type, bushland condition, weeds and threats identified
16. Maps of 40 reserves along with associated GIS spatial data (shapefiles) on bushland condition (Keighery), weed species identified, infestation level of weeds (density), with associated threats have been identified for each of the reserve locations.

17. The Strategy also includes the following:

- Legislation and policy relating to invasive weed management will be made reference to within the Strategy in relation to legal obligations under federal, state and local government tiers, along with general principles of weed management.
- A comprehensive invasive weed species list of regionally known invasive weeds is planned to be included as an appendix with categorisation according to whether they are considered a weed of national significance (WONS), declared agricultural weed, environmental weed, or listed locally on the Shire's Pest Plants Local Law First Schedule.
- Weed control management considering multi-modal approaches, specific to targeted weed species and environmentally sensitive areas will also be outlined in the appendices.
- Additionally, a review of the Shire's Pest Plants Local Law First Schedule has been undertaken with provision of a report providing recommendations as to amendments to invasive weed species listed in consideration of current weed status and risk.
- An extract of the Pest Plants Local Law First Schedule has been provided as an attachment, clearly indicating the additional four pest plants.

CONSULTATION AND EXTERNAL ADVICE

18. A Communications Engagement Strategy was developed and implemented as part of the project which incorporated engagement and consultation with key targeted stakeholders and the broader community through the following mechanisms:

- Community Information Forum - held Monday 28th August 2023
- Stakeholder engagement sessions
- Community Workshop on Draft Strategy – held Monday 22nd April 2024
- Public Comment via Your Denmark community engagement platform Weeds Strategy Review page via a weblink Feedback Portal
- Draft Management Plan out for public comment – 15 April – 6 May 2024

19. Multiple stakeholder groups are invested in the Shire's bushland reserves ranging from community organisations, State Government agencies, and not for profit non-government organisations. The key stakeholder groups include (but are not limited to):

- Shire of Denmark
- South Coast Bushcare Services
- Interagency Weed Management Working Group
- Wilson Inlet Catchment Committee
- Denmark Environment Centre
- Green Skills
- Denmark Bird Group
- Parry Beach Voluntary Management Group
- Peaceful Bay Progress Association
- Department of Biodiversity, Conservation & Attractions
- William Bay National Parks Progress Association
- Bibbulmun Track Foundation
- DPLH - Indigenous Heritage South Coast Region

20. The Weeds Strategy Review community consultation and engagement process has involved positive participation and attendance and valuable input and feedback provided by key community members and key affiliate community organisations.

STATUTORY / LEGAL IMPLICATIONS

Shire of Denmark Local Laws Relating to Pest Plants 2008 (Pest Plants Local Law)

21. The First Schedule has been reviewed and it is recommended that the proposed changes be incorporated into the review of the Local Law, as identified in the Corporate Business Plan 2024-2028.

STRATEGIC / POLICY IMPLICATIONS

22. Development of the Weeds Strategy for the Shire's reserves is supported in the Shire's Corporate Business Plan 2024-2028 which identifies a key action to 'deliver an updated Weeds Strategy and Action Plan for Shire bushland, foreshore and coastal reserves, to implement weed control action over the next ten years.' (p.20)
23. The Shire's Sustainability Strategy (2021-2031) supports the premise of a Weeds Strategy for Shire reserves as a key objective under the Land and Nature sustainability pillar is to "*4.2 Prioritise protection of natural bushland habitats and ecosystems...*" with a corresponding directive within the Sustainability Action Plan to "*LN7. Review and update existing reserve management plans, including Weed Strategy Action Plan...*".
24. The Corporate Business Plan 2024-2028 identifies a project to review the Shire of Denmark's Pest Plants Local Law.

FINANCIAL IMPLICATIONS

25. Implementation of the Bushland Reserves Weeds Strategy recommended actions and revision over time with ongoing commitment from Council budget to maintain our natural value assets within our bushland reserves.

OTHER IMPLICATIONS

Environmental

26. Adoption of the Bushland Reserves Weeds Strategy will ensure ongoing maintenance, protection and enhancement of the socio-cultural, economic natural capital and environmental biodiversity values in the Shire's bushland reserves.

Economic

27. Implementing a weed strategy involves costs related to planning, monitoring, and weed control efforts. These expenses may include labour, equipment, and herbicides.
28. Offsets to costs can be realised through well-maintained bushland reserves attracting visitors and contributing to the local tourism revenue.

Social

29. Effective weed control through the actions of the Bushland Reserve Weed Strategy supports native plant species, which in turn provide habitat for native fauna. Some of the actions in the strategy can be implemented through community groups which provides a sense of ownership and environmental stewardship to the community.

RISK MANAGEMENT

30. Nil

10. MATTERS BEHIND CLOSED DOORS

Nil

11. NEW BUSINESS OF AN URGENT NATURE

Nil

12. CLOSURE OF MEETING

4.42pm – The Shire President, Cr Gibson, declared the meeting closed.

The Chief Executive Officer recommends the endorsement of these minutes at the next meeting.

Signed: _____
David King – Chief Executive Officer

Date: _____

These minutes were confirmed at a meeting on the _____.

Signed: _____
(Presiding Person at the meeting at which the minutes were confirmed)