



# Minutes

## ORDINARY MEETING OF COUNCIL

HELD IN THE COUNCIL CHAMBERS,  
953 SOUTH COAST HIGHWAY, DENMARK ON  
TUESDAY, 25 SEPTEMBER 2012.

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# Ordinary Council Meeting

25 September 2012

## DISCLAIMER

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**1. DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS**

4.00pm – *The Shire President declared the meeting open.*

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

MEMBERS:

- Cr Ross Thornton (Shire President)
- Cr John Sampson (Deputy Shire President)
- Cr Jan Lewis
- Cr Barbara Marshall (*from 4.06pm*)
- Cr Ian Osborne
- Cr Dawn Pedro
- Cr Roger Seeney
- Cr Belinda Rowland
- Cr Alex Syme

STAFF:

- Mr Dale Stewart (Chief Executive Officer)
- Mrs Annette Harbron (Director of Planning & Sustainability)
- Mr Gregg Harwood (Director of Community & Regulatory Services)
- Ms Claire Thompson (Executive Assistant)

APOLOGIES:

- Cr Kelli Gillies
- Mr Garry Bird (Director of Finance & Administration)
- Mr Rob Whooley (Director of Infrastructure Services)

ON LEAVE OF ABSENCE:

- Cr Adrian Hinds
- Cr David Morrell

ABSENT:

Nil

VISITORS:

- Members of the public in attendance at the commencement of the meeting: 29
- Members of the press in attendance at the commencement of the meeting: 1

DECLARATIONS OF INTEREST:

Name	Item No	Interest	Nature
Cr Rowland	8.2.1	Impartiality	Cr Rowland is a social member of the Denmark Dragon Boat Club Inc. and is Council's Delegate on the Riverside Project Team.
Cr Osborne	8.2.1	Impartiality	Cr Osborne is a member and Committee member of the Denmark Dragon Boat Club Inc.
Cr Osborne	9.1	Impartiality	Cr Osborne is a member and Secretary of the Carmarthen Volunteer Bush Fire Brigade.
Mr Stewart	8.4.3	Impartiality	Mr Stewart is an employee to whom the decision relates.
Mrs Harbron	8.4.3	Impartiality	Mrs Harbron is a staff member who would be affected by Council's decision on the matter.
Mr Harwood	8.4.3	Impartiality	Mr Harwood is an employee who would benefit.

### 3. ANNOUNCEMENTS BY THE PERSON PRESIDING

#### 3.1 GWN7 Top Tourism Town 2012 – Denmark (population under 5,000)

*The Shire President announced that Denmark had recently been awarded the title of GWN7 Top Tourism Town 2012 in the categories of “population of under 5,000” and “Environment”. Cr Thornton congratulated the Denmark Tourism Inc. on their successful nomination for the award.*

### 4. PUBLIC QUESTION TIME

#### 4.1 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

#### 4.2 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 back of the front cover of this Agenda.

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

In accordance with clause 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

##### 4.2.1 Mr Geoff Bowley & Mr Alan Davis – Item 8.2.1 (Denmark Bowling Club (Riverside Clubs) CSRFF Application)

Mr Bowley thanked Council for its encouragement and support to go through the CSRFF application process and a number of people in the public gallery stood to indicate their support for the project.

Mr Bowley & Mr Davis provided Council with an overview of the process including the benefits to the community as a whole and its financial ability and member commitment to see the project through to fruition should their application be successful.

*4.06pm – Cr Marshall entered the room.*

##### 4.2.2 Mr Lez Baines – Item 9.1 (Bush Fire Advisory Committee – Construction Assistance Carmarthen and Owingup Fire Sheds)

Mr Baines spoke as the Fire Control Officer for the Carmarthen Volunteer Bush Fire Brigade (CVBFB) stating that their new fire unit was too large to fit in their existing shed. Mr Baines advised that the CVBFB had 17 active firefighters and they attended 17 incidences in the past 12 months. Mr Baines requested Council support to assist with the cost of the pad for them to erect a new shed.

#### 4.3 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

Nil

#### 4.4 PRESENTATIONS, DEPUTATIONS & PETITIONS

##### 4.4.1 Dawn Barrington – Great Southern Institute of Technology (GSIT) Budget Cuts to Music and Arts Programs

*Ms Barrington spoke as a part-time student of the GSIT and advised that they had already sent the first portion of a petition to the parliament in*

*relation to the government's decision to no longer use public funds to run the music and arts programs in the Great Southern region.*

*Ms Barrington introduced three fellow students from the GSIT's music program and together they performed a song to express their concern if the music and arts programs were to cease in Denmark.*

**5. APPLICATIONS FOR LEAVE OF ABSENCE**

Nil

**6. CONFIRMATION OF MINUTES**

**6.1 ORDINARY COUNCIL MEETING**

<b>COUNCIL RESOLUTION &amp; OFFICER RECOMMENDATION</b>	<b>ITEM 6.1</b>
MOVED: CR SAMPSON	SECONDED: CR SEENEY
That the minutes of the Ordinary Meeting of Council held on the 4 September 2012 be confirmed as a true and correct record of the proceedings.	
CARRIED: 9/0	Res: 090912

**7. ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

Nil

**8. REPORTS OF OFFICERS**

**8.1 Director of Planning & Sustainability**

Nil

## 8.2 Director of Community & Regulatory Services

Prior to consideration of Item 8.2.1 the Chief Executive Officer, through the Presiding Person, brought to the attention of the meeting the following disclosure(s) of interest:

Cr Osborne is a member & Committee member of the Denmark Dragon Boat Club Inc. and Cr Rowland is a social member of the Denmark Dragon Boat Club Inc. and is also council's Delegate on the Riverside Project Team. As a consequence there may be a perception that their impartiality on this matter may be affected. Both Cr Osborne & Cr Rowland declared that they will consider this matter on its merits and vote accordingly.

### 8.2.1 DENMARK BOWLING CLUB (RIVERSIDE CLUBS) CSRFF APPLICATION

<b>File Ref:</b>	A3035
<b>Applicant / Proponent:</b>	Denmark Bowling Club (Riverside Clubs)
<b>Subject Land / Locality:</b>	Denmark Bowling Club
<b>Disclosure of Officer Interest:</b>	Nil
<b>Date:</b>	27 August 2012
<b>Author:</b>	Damian Schwarzbach, Manager of Recreation Services
<b>Authorising Officer:</b>	Gregg Harwood, Director of Community & Regulatory Services
<b>Attachments:</b>	Attachment 8.2.1 - CSRFF Forward Planning Grant Application 2012

#### Summary:

The Denmark Riverside Club under the auspice of the Denmark Bowling Club is seeking Council support for their Department of Sport & Recreation (DSR) CSRFF application to establish a multi user riverside club facility on the A Class reserve 20403 currently occupied by the Bowling Club and Dragon Boat Club.

The Club requests Council to:

1. Assess and recommend approval of their CSRFF application to the Department of Sport & Recreation;
2. Contribute a 34% contribution of \$773,833 towards the total project cost of \$2,211,500 subject to a successful CSRFF application – the request is slightly greater than one third due to the Riverside Club requesting a two thirds contribution from Council for the relocation of the existing club house which is a heritage listed building and Council has resolved that it should not be demolished.
3. Provide a self supporting loan to the Club for \$160,000 as part of the Club's one third contribution, subject to a successful CSRFF application.
4. Act as a sponsor for a Riverside application for Regional Development Australia (RDA) (Fund Round 4) bid for 2013/14 funding to progress stage 2 and related work.

The report recommends that Council support the application and notify DSR in writing, allow for the provision of the one third contribution of \$773,833 in the 2013/14 budget, agree to providing the Club with a self supporting loan for \$160,000 and agree in principle to act as the sponsor for the RDA application for 2013/14.

#### Background:

CSRFF grants are made on the basis of (generally) one third DSR grant and two thirds group/local government/other funding sources and local applications compete with others from, not just the Great Southern region, but the whole of the state of Western Australia.

Prior to the consideration of applications for funding assistance, the Department of Sport and Recreation (DSR) requires Local Governments to consider all of the funding applications from community groups within their area and to place a funding priority on each application. The Denmark Bowling Club application is the only application for Council to consider for this current round of funding.

In order to qualify for the current round of grant applications must be assessed for priority and supported by the Local Government and submitted to the DSR by the 30<sup>th</sup> September 2012.

The grant applied for is termed a Forward Planning Grant and if successful can be utilised over a three year period. The Club would be notified in February/March 2013 of the outcome and is entitled to start the project from July 1<sup>st</sup> 2013.

The Denmark Bowling Club developed and adopted a strategic plan in 2007 to meet the club's future growth and development.

In the same year Council established a Golf, Bowls and Tennis Club Working Group to investigate the needs of the clubs and the feasibility of amalgamating the Bowling club with the Country Club (Golf & Tennis).

This progressed to Council contracting a consultant (Jill Powell & Associates) to produce a report examining the long-term sustainability of the 3 clubs. The report was adopted by Council in September 2008.

During this process, the Bowling Club has made a decision to replace one of the greens with a synthetic surface. Council at its October 2007 meeting authorised unbudgeted expenditure of up to \$80,000 and a self supporting loan of up to \$85,000 over 20 years, as a contribution.

This was seen as an interim measure that would guarantee the viability of the Club whilst the longer term assessment was undertaken. In reality this ensured the Bowling Club would remain at the current site.

One of the recommendations from the consultant's report was for extensions to the club house.

In addition, the formation of the Denmark Dragon Boat Club adjacent to the Bowling Club and their efforts to find common interests with other like minded clubs has highlighted the potential for a multi-purpose club facility which meets the needs of several clubs, in particular the bowling club, dragon boat club, classic boat club and potentially a canoe/kayaking club. This fits within Council's Policy P110304 on Sustainability & Collocation (Sport and Recreation Facilities) which is mentioned under Policy Implications in this report.

The establishment of a river sports precinct and river trail has merit and would give exposure to the respective clubs and increase the probability of attracting members.

Council considered an initial proposal at the Ordinary Meeting of Council on 22 March 2011 and resolved as follows (Resolution No. 200311);

*"That with respect to the request of the Denmark Bowling Club that Council support both the principle of demolition of their existing Clubhouse, being the former Denmark Railway Station Building, and also a one third cash contribution to a new Clubhouse at the location, Council respond as follows;*

- 1. That Council does not support the proposed demolition of the current building;*
- 2. That Council is prepared to consider supporting applications for grants for a new Clubhouse at the current site to a maximum cash and or in-kind value of one-third, plus additional self supporting loans, only if the Club can demonstrate to Council's satisfaction that it can meet its projected long term debt and ongoing commitments and has undertaken all necessary planning for the project.*
- 3. That Council staff inspect the building with a view to helping Council and the Club determine its structural integrity and suitability for relocation and or modification.*
- 4. If the Club wishes to proceed with planning for a new building on the site, that prior to part 2 being determined or considered, Council staff prepare for Council's consideration a draft concept plan for the Railway Heritage Precinct accommodating a relocated Railway Station Building for the purposes of undertaking community consultation."*

Therefore the request for one third contribution to the project cost subject to a successful CSRFF application from Council has been supported from the March 2011 meeting on the proviso of part 2 and part 4.

The draft concept plan for the Railway Heritage Precinct is the subject of a separate report to Council in this agenda at item 8.5.4. The cost of this relocation (\$110,000) has been included in the attached application however research undertaken by Council staff indicates that DSR may only fund part of this cost. The CSRFF guidelines allow for funding of site works to enable building to commence. For example, to demolish a building, provide works and services so that the site is ready for construction of the new building. DSR have indicated that the relocation of an existing heritage listed building may be considered in a similar way given that it cannot be demolished and the only way to make the site ready for a replacement building is to relocate it to somewhere like a historic precinct. It is assumed that such a proposal would be funded by CSRFF to the equivalent cost demolishing the same building. If this part of the relocation is not supported by CSRFF, Council may be able to be fund it out of the Regional Development Australia Grant proposed.

On 20 December 2011, Council resolution 061211 passed the following points.

*“That with respect to the Denmark Bowling Club’s Riverside Project Committee’s 15 November 2011 request for financial and organisational support Council respond as follows;*

1. *Council appoint Councillor Rowland and the Manager Recreation Services as the Council’s representatives on the Denmark Bowling Club’s Riverside Project Committee noting that they are there in an advisory and non-voting capacity only;*
2. *That Council approves a \$1,000 donation to undertake the concept planning for the project from its Members Donation Account Number 1410082;*
3. *Subject to Council’s annual budget deliberations and the timing of the request in the context of Council’s Long Term Financial Plan (draft), it is prepared to support the principle of a request for a maximum one third contribution (indicatively being up to \$533,000) to the project cost of stage 1 of the development subject to a successful CSRFF or similar grant application(s) (consistent with Council’s resolution of 22 March 2011 numbered 200311);*
4. *That Council does not support the request for an additional allocation of funding from the Shire’s Royalties for Regions funding towards Stage 1 of the project as the determination of the funding source of Council’s contribution is the prerogative of Council and access to funding in future years from the Country Local Government Fund is not guaranteed; and*
5. *Council’s consideration of support for stage 2 of the development relating to development of the John Clark Memorial Band Stand and associated foreshore area will be subject to consideration of the Project Committee’s Concept Plan / Indigenous Heritage consultation, the Denmark Boating & Facilities Study and confirmation of indicative costings.”*

The Project Committee engaged Pixel Trix Design Studio to prepare a project brief and subsequently to prepare preliminary costed concept plans. Site survey and quantity surveying work was also completed at this stage.

The Denmark Bowling Club is the host club for this application due to the Denmark Riverside Clubs (DRC) applying for incorporation during the application process. The DRC has recently received notification that the club has become incorporated (13<sup>th</sup> August 2012).

The Denmark Riverside Club is comprised currently of the Denmark Bowling Club Inc, Denmark Dragon Boat Club Inc, Denmark Classic Boat Club Inc, and Denmark Canoe Club.

**Comment:**

The CSRFF application received from the Denmark Bowling Club is well researched, contains the elements requested by DSR and demonstrates a need for this facility.

The proposal from the club is in 2 stages:

Stage 1 (Current application) – construction of a pavilion on the bowling club house site, to provide spectator viewing areas, toilet/shower facilities, boat/equipment storage, club



house facilities and reception area. The existing building is proposed to be relocated to the planned Heritage precinct at Crellin Street.

Stage 2 – a boat launch area incorporating the existing band stand building designed to provide safe river access for water craft. No costings have been completed for this stage.

The existing clubhouse is not able to adequately accommodate existing bowling club members (cannot cater for more than 75% of current membership) and requires air-conditioning. The bar facilities are sub-standard and the kitchen is poorly ventilated and needs exhaust fans.

The Dragon Boat Club is currently operating from makeshift bandstand facilities which are not suitable for the long term. During the winter months the area is underwater and unable to be used for a gathering/warm up/cool down area. This is essential for a club to attract and even retain member, thus ensuring the long term sustainability.

The Canoe Club is using the dragon boat area minus any purpose built racking which members could use to store their equipment.

The Classic Boat Club mooring area is currently located north of the Denmark Bridge and has some history of conflict with the adjoining indigenous heritage sites. The potential new location would aid in security and also enhance the ambience of the river precinct with these classic boats on display for the community and visitors to view.

The Indigenous cultural heritage of the site (being the 30m immediately adjacent the River) is recognised conceptually in the design after consultation with local elders and the Department of Indigenous Affairs. No Section 18 approval is required for Stage One works and will need to be obtained prior to Stage Two commencing.

The proposed Riverside facility will provide flexible, multi use facilities for club members (currently close to 300), and the community. The location of this facility is at the entrance to the town of Denmark, travelling from the Albany direction and is highly visible to all visitors. This has been taken into account by the project committee as they strive to provide a building that the Shire can be proud of and attract visitors.

Denmark attracts many visitors per year. Some of these visitors might wish to play bowls, paddle in their canoe/kayak, sail their yacht or join in with a dragon boat regatta. The improved quality of the facilities in Denmark – the bowling greens, the Club house, and launching area - may encourage these visitors to stay longer. Other visitors, who are currently not attracted to come to Denmark because they are aware facilities here are not up to expectations, might also, be attracted to come if they were to be aware of such improvement.

These extra visitors to Denmark, if attracted by the “appropriateness” of the facilities here, bring economic benefit in three ways:

- (a) Increased revenue (playing fees) for the recipient club. This extra revenue helps to justify the investment in the physical facilities, its maintenance and improvement.
- (b) Derivative opportunity for the clubs to gain sponsorship for organised events
- (c) Growth in the local economy.

The shared areas of the building are designed to be simultaneously accessible to different groups through the use of internal partitions. This will allow for multiple functions operating at the one time, or catering for a large function.

The Bowling and Classic Boat clubs have been servicing the community of Denmark for considerable time. The exciting, new development in the past few years is the formation of the Denmark Dragon Boat and more recently, Denmark Canoe Club. The Canoe Club is showing the potential of being the largest group of these members.

The facility will provide good accessibility for these members and encourages the maximum use of the adjoining playing surfaces and water entry points. There is also interest from other community groups to become a part of the riverside group; these include Denmark Cantare Choral Group, Denmark Croquet Group and Denmark Petanque Group (Bocce). These are not large groups, but have active membership and require a suitable facility, which currently they don't have.

The application shows a strong financial base that appears to demonstrate a sustainable, financial club. The multi use facility will be more cost efficient, housing numerous clubs under one roof, resulting in a more efficient use of public funds.

The Bowling Club have demonstrated since 2009 a capability to service loans through Council and establish a replacement fund for the synthetic greens which by 2011 had reached \$100,000.

The Bowling club Annual report for 2012 showed an operating net profit of \$64,870.78 and in 2011 \$50,702.31. The Club as at 31<sup>st</sup> March 2012 had \$156,125.45 in cash reserves. The club appears to be in a strong financial position generating sound year to year income with predicted membership growth due to the ageing population and increased retirees moving to Denmark.

The project budget in the application itemises each area and the cost associated. This is a requirement of DSR and may lead to them funding some components of the application and not others. DSR have provided feedback to the Riverside Club that some areas of the project are a low priority, for example the bar area.

The three year income and expenditure projections show a net cash profit ranging from \$79,579 in year 1 to \$62,455 in year 3. The fall in profit is due to employing a manager in year 2 and allowing \$40,000 pa for salary. The budget includes an allowance of \$28,000.00 in Year one, increasing to \$34,000.00 in Year two and three, for asset replacement and after loan repayments shows a profit of \$7,559.00 in year 3. From these projections the proposed Riverside club appears financially sustainable.

The loan repayments include a self supporting loan for Riverside to assist with funding this project. The Club has requested \$160,000.00 from Council as a self supporting loan based at 4.2% over 20 years for repayments. These repayments are factored into the budget projections supplied by the Club.

A point to consider is the impact on the occupying clubs during construction. They are proposing to use a combination of temporary on site and off site facilities. This may lead to some dissatisfaction and may lead to a reduction in revenue through declining membership and associated takings. The author does not believe this will have significant impact over the short term.

While the Riverside Clubs project represents a well considered development that will serve a wide sector of the community for many years without the need for ongoing funding assistance it does contain two additional project cost/ funding increases over and above the estimates that were presented to Council in November 2011 that. These increases should be noted and considered by Councillors and are as follows:

- 1) The stage 1 funding request has jumped by \$240,833 from the "indicative" \$533,000 in November 2011 to \$773,833 in September 2012.
- 2) The stage 1 funding now also contains a request \$160,000.00 from Council as a self supporting loan based at 4.2% over 20 years for repayments which factored into the budget projections supplied by the Club.

The Club's justification for the increased Council contribution and loan request is that the scope and resultant cost of the project has increased since it was presented to Council on 6 December 2011. The reason for this is that the project was just an "indicative" concept when it was presented to Council and since then it has grown from 160 to 300

persons in seating capacity, taken on an iconic facade and the full cost of relocating the entire club room building has been included in the proposal.

Discussion of the loan is the most straight forward of the two requests and will be dealt with first.

The attractiveness of offering self supporting loans for these types of projects is that even though Council's loan liability is rising it does not affect its annual operating costs as the various Riverside clubs themselves will be the ones paying off the loan. Council's risk in extending the loan is fairly low as the loan is spread over several clubs and there should be no ongoing Council contributions as club run facilities generally only require a refurbishment contribution once every 20-30 years. In addition to this if one of the clubs does fail there is a high likelihood that another club will join the Riverside Club group and takes its place.

Council's current loan commitments are detailed in the attached summary titled "information on borrowing" which indicates that the majority of Council's loans are self supporting loans to community groups that do not have an impact on Council's financial resources and therefore do not decrease its borrowing capacity. This characteristic of Council's loan mean that its Debt Ratio, Debt Service Ratio, and Gross Debt Ratio are all within acceptable limits and that the extension of a \$160,000 self supporting loan to this project will negligible effect on it borrowing capacity.

The discussion of Council's increased cash contribution is slightly more complex and is dealt with below.

While the requested \$773,833 (\$533,000 + \$240,883) or 34% contribution will bring about the development of an iconic \$2.2 million, multi club, 300 seat, water front facility, town entry statement and a community facility Council needs to consider the following factors in making that decision to offer the requested \$240,883 in increased funding.

- 1) The requested \$240,883 represents an increase over the "indicative" \$533,000 that was requested in November 2011. While in fairness to the proponents the concept has grown in its scope and still represents very good bang for Council's recreational buck it does send a signal to the proponents of other projects that it is ok if costs blow out from original concepts as long as the end result is worthwhile.

If Council does not want send such a signal to its sporting clubs and lobby groups it should at least debate limiting its contribution to the original "indicative" \$533,000 that was requested.

In considering such a debate Councillors should note that limiting its contribution to the "indicative" \$533,000 or 24% of the \$2.2 million dollar project cost as opposed to its normal 33.3% will not affect the CSRFF eligibility of this project as the CSRFF funding is based on 1/3 of the funding coming from CSRFF and other 2/3 coming from other funding sources that may or may not include Council contributions.

- 2) On the 27 January 2010 in ITEM 9.2.1 Council granted a similar request to the McLean Oval Foot Ball Club Rooms project when it added \$67,821 (42%) to its original \$158,179 contribution and self supporting Loan of \$60,000 to a project with a total cost of \$425,000 which represents a 53, 28 & 19% ratio as opposed to a 34, 33.3 & 32.6% ratio being sought by the River Side Clubs.

At the time Council made what has in hindsight proven to be a very wise decision to support the Foot Ball Club's request as they were the only Mclean Oval user with the resources to take on the project. The end result of the additional support is that the clubrooms project and the follow on upgrades have transformed Mclean Oval's appearance and functionality and have ushered in a spirit of cooperation between the clubs using the complex.

The Riverside Clubs project offers the same benefits and their increased funding request should be supported for the same reasons.

- 3) As previously stated the additional \$240,833 represents a one-off payment that will achieve iconic, multi club, 300 seat, water front facility that is unlikely to require further Council funding until it is due for a minor refurbishment in 20-30 years time as the facility will be managed, maintained and paid off by the Riverside Clubs.

This scenario compares very favourably with Council's own managed recreational assets such as its Recreation Centre, Youth Centre and possible future indoor heated pool.

The Recreation Centre currently runs at an annual operational deficit excluding depreciation of \$248,087.98 and a possible future 25m indoor heated pool based on industry experience may run at an annual operational deficit of \$350,000 - \$750,000. In short the \$773,833 one-off council contribution that has been requested is the equivalent of 3 years of running the Recreation Centre or 1 to 2 years of running an indoor pool based on industry trends.

In summary the Riverside Clubs project represents excellent opportunity to facilitate a quality community facility without incurring ongoing costs. It is recommended that the club's request for a \$773,833 Council contribution and a \$160,000.00 self-supporting loan be supported.

**Consultation:**

The Riverside Clubs have consulted extensively with Department of Sport & Recreation, Department of Indigenous Affairs, Regional Development Australia, State Sporting Associations representing the respective activities and the community.

**Statutory Obligations:**

Local Government Act 1995

**Policy Implications:**

Policy P110304 SUSTAINABILITY & COLLOCATION (SPORT & RECREATION FACILITIES) relates as follows;

*"Council will give priority support to facility development or redevelopment that shows capacity for collocating or the sharing of resources.*

*Applicants must be community based organisations and incorporated under the WA Association Incorporations Act 1997.*

*Council will require community based organisations seeking public funds of greater than \$10,000 for developing new or refurbished current facilities to have a business plan appropriate to the size of their organisation.*

*Council will contribute to a maximum of one-third (1/3) only of major facility development / redevelopment with a project cost greater than \$50,000 to demonstrate the need for such development and their strategies to ensure that the development will be viable for at least the next 10 years or such period requested by Council."*

The Riverside Clubs request is in accordance with this Policy.

**Budget / Financial Implications:**

There are potential large financial considerations for the Council in future budgets.

The Denmark Bowling Club currently has two self-supporting loans with Council with principal at 29 August 2012 totalling:

- Loan 140 \$57,893.89, with annual repayments of \$11,919.48 and maturing in 2017/18.
- Loan 141 \$56,487.80 with annual repayments of \$10,215.99 and maturing in 2018/19.

The cost to Council of this project requested to be included in the 2013/14 Council Expenditure Budget is \$773,833.

The Shire of Denmark Forward Capital Works Plan (FCWP), which is the basis for Royalties for Regions funding applications, does not currently include this project, however this plan can be reviewed at any time.

Council's current draft Ten Year Long Term Financial Plan includes a provisional sum of \$533,000 funded from Royalties for Regions in 2013/14.

There has been discussion on this project compared to the proposed indoor heated aquatic facility. In the officer's opinion these projects are different and need to be considered on their own merits and not "in competition". This proposal will require initial construction assistance from Council, via the one third contribution. Once constructed, Council's financial contribution will be minimal and the ongoing operating costs will be the Riverside Clubs responsibility.

The application allows in the project budget for \$237,000 in donated materials and community donations. This is an allocation based on informal discussions with local contractors and previous history displayed during the raising of funds for the synthetic greens. Council may need to consider if these amounts are not obtained then the Riverside Club may require a self supporting loan for any shortfall. The financials received for the currently operating Bowling Club and projected for the Riverside club indicate a capability to service such loan.

**Strategic Implications:**

The Denmark Bowling Club's lease expires on the 30 October 2029, which was a new 21 year lease approved by Council on the 28 October 2008.

**Sustainability Implications:**

➤ **Environmental:**

There is a 30 metre exclusion zone from the banks of the Denmark River marked as an Aboriginal Heritage area.

➤ **Economic:**

There are significant economic implications relating to the project as identified in the body of the report including the benefits to the financial health and sustainability of the four Clubs involved.

➤ **Social:**

Council has recognised the significant community value of organised competitive sport and less formal passive and active recreational activities.

The positive social interaction between members, as well as the health benefits derived from the physical exercise of active participation in the sport result in a sense of personal wellbeing/good health in each member and, collectively, within the community.

**Voting Requirements:**

Simple majority.

**COUNCIL RESOLUTION & OFFICER RECOMMENDATION**

ITEM 8.2.1

MOVED: CR ROWLAND

SECONDED: CR OSBORNE

That with respect to the CSRFF application submitted by the Riverside Clubs of Denmark, Council;

1. Recommend approval of their CSRFF application to the Department of Sport & Recreation.
2. Contribute a maximum of 34% contribution of \$773,833 towards the total project cost of \$2,211,500 (all plus GST) subject to a successful CSRFF application.
3. Agree to a self supporting loan for the Riverside Clubs of \$160,000.
4. Agree to act as a sponsor for a Riverside application for Regional Development Australia (RDA) (Fund Round 4) bid for 2013/14 funding to progress stage 2 and related work subject to the application and associated information being substantially prepared by the Clubs.
5. Agree to funding the full cost of relocating and restumping the heritage portions of the former Railway Station at a site to be determined on the Denmark Railway Station No. 3 Reserve Heritage Precinct, estimated at a total cost of \$110,000 (plus GST), if it cannot be funded via other grants including through CSRFF and the RDA grant mentioned in part 3.
6. Consider the funding of the agreed one third contribution of \$773,833 in the adoption of the 2013/14 Municipal Budget, should the application be supported by government.

**AMENDMENT**

MOVED: CR SEENEY

SECONDED: CR OSBORNE

That part 6 be replaced with the following words;

“Consider the funding of the agreed one third contribution of \$533,000 in the adoption of the 2013/14 Municipal Budget, subject to the project being supported by the Country Local Government Fund (CLGF) and a further \$240,833 in the 2014/15 Municipal Budget, subject to the project being supported by the CLGF in that year.”

5.17pm – *The Director of Planning & Sustainability left the room.*

CARRIED: 8/1

Res: 100912

**AMENDED MOTION**

That with respect to the CSRFF application submitted by the Riverside Clubs of Denmark, Council;

1. Recommend approval of their CSRFF application to the Department of Sport & Recreation.
2. Contribute a maximum of 34% contribution of \$773,833 towards the total project cost of \$2,211,500 (all plus GST) subject to a successful CSRFF application.
3. Agree to a self-supporting loan for the Riverside Clubs of \$160,000.
4. Agree to act as a sponsor for a Riverside application for Regional Development Australia (RDA) (Fund Round 4) bid for 2013/14 funding to progress stage 2 and related work subject to the application and associated information being substantially prepared by the Clubs.
5. Agree to funding the full cost of relocating and restumping the heritage portions of the former Railway Station at a site to be determined on the Denmark Railway Station No. 3 Reserve Heritage Precinct, estimated at a total cost of \$110,000 (plus GST), if it cannot be funded via other grants including through CSRFF and the RDA grant mentioned in part 3.
6. Consider the funding of the agreed one third contribution of \$533,000 in the adoption of the 2013/14 Municipal Budget, subject to the project being supported by the Country Local Government Fund (CLGF) and a further \$240,833 in the 2014/15 Municipal Budget, subject to the project being supported by the CLGF in that year.

5.22pm – *The Director of Planning & Sustainability returned to the room.*

THE AMENDED MOTION BECAME THE SUBSTANTIVE MOTION WHICH WAS PUT & LOST: 4/5

Res: 110912

*Cr Marshall requested that all Councillors' votes on the above resolution be recorded:*

*FOR: Cr Seeney, Cr Thornton, Cr Osborne & Cr Rowland*

*AGAINST: Cr Pedro, Cr Sampson, Cr Marshall, Cr Lewis & Cr Syme.*

*5.33pm – The Director of Community & Regulatory Services left the room.*

### 8.3 Director of Infrastructure Services

#### 8.3.1 SEVERE STORM EVENT FLOOD DAMAGE – BUDGET AMENDMENT REQUEST

<b>File Ref:</b>	GOV.21
<b>Applicant / Proponent:</b>	Not applicable
<b>Subject Land / Locality:</b>	Western areas of the Shire
<b>Disclosure of Officer Interest:</b>	Nil
<b>Date:</b>	13 September 2012
<b>Author:</b>	Rob Whooley, Director of Infrastructure Services
<b>Authorising Officer:</b>	Rob Whooley, Director of Infrastructure Services
<b>Attachments:</b>	No

#### Summary:

This item is to:

- Advise Council of the outcome from the storm event, caused by a weak cold front combining with a trough, which affected the Shire on the 31<sup>st</sup> May 2012 and
- Recommend budget changes to accommodate reinstatement work.

#### Background:

During the storm event of May 2012 a great deal of damage was caused to the western road network in the Shire. Though most of the roads did remain open there was severe damage to pavements, the road shoulders, floodway's and table drains. Considerable debris has washed downstream impacting on drains and culverts.

Where storm damage occurs and the estimated quantum of damage for any one event exceeds \$250,000, the Western Australia Natural Disaster Relief and Recovery Arrangements (WANDRRA) come into play for eligible events.

WANDRRA is jointly funded by the Federal and Western Australian governments and administered by FESA through State Government agencies. The State agency we will deal with is Mainroads WA.

On the 10th July 2012 the Emergency Services Minister, Mr Troy Buswell, announced, "This event has been proclaimed an eligible disaster under the Western Australia Natural Disaster Relief and Recovery Arrangements (WANDRRA). This funding assistance will help affected councils and communities recover from this damage as quickly as possible."

WANDRRA exists to provide assistance for the recovery of communities. This assistance is delivered through a range of eligible measures that are offered on a needs basis. The arrangements provide for assistance to:

- individuals and families
- small business
- primary producers and
- local governments and state government agencies.

The WANDRRA do not cover things that would otherwise be insurable. As our roads cannot be insured, they are able to be claimed in an eligible event.

The event of 31<sup>st</sup> May 2012 is eligible and has been issued the number AGRN500.

"Opening up" works were required to make our roads safe and last financial year \$110,709 was spent so that the affected roads could be used in a reasonably safe manner.

"Opening up" costs are 100% recoverable. Following opening up of the roads, a program of reinstatement is usually undertaken. The timeframe for completing all works associated with any event is 24 months.



The reinstatement works are those required to bring the asset back to the same condition it was in before the event. In this case reinstatement works are funded on a ratio of one quarter Local Government to three quarters Mainroads WA acting for the State and Federal Governments.

There is a limit to our Shire’s contribution of \$133,100.

There is also a category of “betterment”. This covers improvements to the asset during the reinstatement process. Where “betterment” is proposed by the Local Government a separate approval process is generated.

A preliminary “reinstatement” program and cost estimate totalling just over \$1 million (including management and supervision) has been provided to Main Roads WA. Indicative costs on individual roads are as follows:

Opening up costs of the Roads named below 2011/12	\$110,709.00
Valley of the Giants Road	\$78,600.00
Vigus Road	\$4,660.00
Hazelvale Road	\$51,600.00
Tingledale East Road	\$103,120.00
Settlers Boundary Road	\$12,460.00
Hazelvale North Road	\$14,060.00
Dingo Flats Road	\$158,840.00
Vermeulen Road	\$9,200.00
Tindale Road	\$34,150.00
Parker Road	\$40,300.00
Board Road	\$41,085.00
Scotsdale Road	\$75,580.00
Hovea Road	\$11,050.00
Mount Shadforth	\$25,300.00
McNabb Road	\$7,720.00
Turner Road	\$10,700.00
Walter Road	\$1,500.00
McLeod Road	\$31,160.00
Panorama Road	\$13,770.00
Eaglemont Place	\$6,200.00
Happy Valley Road	\$75,600.00
Limbourne Road	\$38,200.00
Sunrise Road	\$28,800.00
Wentworth Road	\$44,510.00
Richardson Road	\$14,160.00
Privett Road	\$13,120.00
Byleveld Close	\$2,800.00
Lights Road	\$6,400.00
<b>TOTAL</b>	<b>\$1,065,354.00</b>

**Comment:**

A condition of funding for these works is that they cannot be carried out by Council’s work crew during normal operating hours. The philosophy behind this is that the funding cannot substitute for Councils normal works program.

In keeping with those requirements it is intended to use contractors to undertake the work and engage a suitably experienced manager to supervise the work. The manager will also undertake the supportive administrative tasks of liaising with the appropriate authorities, keeping records to substantiate claims, authenticating payment claims, finalising submissions and signing off internally on completed work.

The cost associated with this support is claimable under the WANDRRA.

The list of roads is indicative and can be added to or subtracted from as required.

**Consultation:**

Mainroads WA.

**Statutory Obligations:**

- Local Government Act 1995.
- Main Roads Act 1930.
- FESA WA Act 1998.
- Emergency Management Act 2005

**Policy Implications:**

There are no known policy implications.

**Budget / Financial Implications:**

Council has not budgeted for these flood damage repairs.

For local government, WANDRRA may provide a minimum of 75 per cent of the cost of restoration or replacement including approved betterment works of essential public assets, subject to a contribution cap which limits the total expenditure by individual local governments on eligible measures for each event. The limit of each local government's contribution is the greater of:

- 1 per cent of Total Rates Levied; or
- 0.25 per cent of the state's first Threshold under the Australian Government's NDRRA agreements with the states and territories. (This is the amount beyond which the Australian Government is prepared to meet 50 per cent of the state or territory costs for eligible measures in respect of a declared event. The first threshold for WA for 2012/2013 is \$53,253,000 – with 0.25 per cent of that figure being \$133,132, which has been rounded down to \$133,100).

For damage in the region of \$1 million, the limit to Council's contribution is \$133,100. More information on this and both the general or specific arrangements can be found at:

<http://www.fesa.wa.gov.au/stateemergencymanagement/grantsandrecovery/wandrra/pages/localgovandstategovagencies.aspx>

[www.mainroads.wa.gov.au/building\\_roads/projects/local\\_government/pages/local\\_government.aspx](http://www.mainroads.wa.gov.au/building_roads/projects/local_government/pages/local_government.aspx)

The current budget shows indicative income of \$90,000 against general ledger (GL) account number 1228443 on page 78 of the adopted budget. The corresponding expenditure account for \$90,000 is GL 1220104 (Job 50723) on page 80 of the adopted budget.

The indicative expenditure of \$90,000 occurred in the 2011/12 financial year (actual expenditure was \$110,709 as mentioned in the above table) which means the \$110,709 shown as expenditure can be used against the required contribution of \$133,100. This still leaves a shortfall of \$22,391.

Depending upon Council’s priorities this shortfall could be taken from the Roadworks Maintenance account.

**Strategic Implications:**

If the reinstatement work is not carried out under this funding arrangement, the temporary works to open up the roads will deteriorate quite rapidly over the next few years and Council will have to pick up the costs under general maintenance.

**Sustainability Implications:**

➤ **Environmental:**

There are no obvious long-term negative environmental considerations relating to reinstating the affected roads and drains.

A short term negative impact to vegetation on the backslopes of and in areas adjacent to some drains is likely.

Positive considerations relate to improved hydraulic ability for the drains to accept and discharge greater volumes of water.

➤ **Economic:**

There are obvious long term economic considerations if matching funds cannot be found and the opportunity to access WANDRRA funds is lost.

The administrative claim process requires Council to spend the \$1 million before claiming it. The reason for this is that MRWA has a significant number of claims to deal with and does not want to be processing numerous “small” claims. They indicate payments will be made in \$1 million “blocks”.

If this proves to be a considerable hardship, in terms of cash-flow for small Council’s, \$500,000 claims may be considered.

➤ **Social:**

The safe functioning of roads and drainage are integral to the social fabric of most communities.

**Voting Requirements:**

Absolute majority.

5.40pm – Cr Lewis left the room.

5.40pm – The Director of Community & Regulatory Services returned to the room.

5.41pm – Cr Lewis returned to the room.

<b>COUNCIL RESOLUTION &amp; OFFICER RECOMMENDATION</b>	ITEM 8.3.1
MOVED: CR MARSHALL	SECONDED: CR SEENEY
That with respect to the flood damage repairs caused by the declared event AGRN500 that occurred on the 31 May 2012, Council;	
1. Amend the 2012/13 budget as follows:	
a) Increase general ledger income account MRWA Flood Damage (1228443) from \$90,000 to \$932,254 (an increase of \$842,254);	
b) Decrease general ledger expenditure account Road Maintenance (1228002) from \$964,151 to \$941,760 (a decrease of \$22,391); and	
c) Increase general ledger expenditure account MRWA Flood Damage (1220104) from \$90,000 to \$954,645 (an increase of \$864,645), noting that the adopted surplus brought forward position will remain at \$0;	
2. Request the Director of Infrastructure Services to ensure that all roads proposed for remediation are eligible pursuant to the grant guidelines, so as to minimise any risk or exposure to the Council in the event that Main Roads WA subsequently seeks to disallow the reimbursement of the cost of any of the works undertaken.	
CARRIED BY AN ABSOLUTE MAJORITY: 9/0	Res: 120912

## 8.4 Director of Finance & Administration

### 8.4.1 FINANCIAL STATEMENT FOR THE MONTH ENDING 31 JULY 2012

<b>File Ref:</b>	FIN.1
<b>Applicant / Proponent:</b>	Not applicable
<b>Subject Land / Locality:</b>	Denmark
<b>Disclosure of Officer Interest:</b>	Nil
<b>Date:</b>	12 September 2012
<b>Author:</b>	Garry Bird, Director of Finance and Administration
<b>Authorising Officer:</b>	Garry Bird, Director of Finance And Administration
<b>Attachments:</b>	8.4.1 - Monthly Financial Report

#### Summary:

It is a requirement of the Local Government Act 1995 that monthly and quarterly financial statements are presented to Council, in order to allow for proper control of the Shire's finances. In addition, Council is required to review the Municipal Budget on a six monthly basis to ensure that income and expenditure is in keeping with budget forecasts. It should be noted that the budget is monitored on a monthly basis in addition to the requirement for a six monthly review.

The attached financial statements and supporting information are presented for the consideration of Elected Members. Council staff welcome enquiries in regard to the information contained within these reports.

#### Background:

In order to prepare the attached financial statements, the following reconciliations and financial procedures have been completed and verified;

- Reconciliation of all bank accounts.
- Reconciliation of the Rates Book, including outstanding debtors and the raising of interim rates.
- Reconciliation of all assets and liabilities, including payroll, taxation and postal services.
- Reconciliation of the Sundry Debtors and Creditors Ledger.
- Reconciliation of the Stock Ledger.
- Completion of all Works Costing transactions, including allocation of costs from the Ledger to the various works chart of accounts.

#### Comment:

Shire Trust Funds have been invested for 90 days with the National Bank, maturing 27 October 2012 at the quoted rate of 5.00%.

Reserve Funds have been invested for 90 days with the National Bank, maturing 27 October 2012 at the quoted rate of 5.00%.

No municipal funds have been placed on investment, being required for short term cash flow requirements until 2012/13 rating income is received.

#### Key Financial Indicators at a Glance

As the 2012/13 Municipal Budget was not adopted by 31 July 2012 (the period the subject of this Report) no budget figures are available for comparison purposes.

#### Consultation:

Nil

#### Statutory Obligations:

Local Government Act 1995 Section 5.25 (1)

Local Government (Financial Management) Regulations 1996

The attached statements are prepared in accordance with the requirements of the Local Government Act 1995.

**Policy Implications:**

Policy P040222 - Material Variances in Budget and Actual Expenditure, relates

*For the purposes of Local Government (Financial Management) Regulation 34 regarding levels of variances for financial reporting, Council adopt a variance of 10% or greater of the annual budget for each program area in the budget, as a level that requires an explanation or report, with a minimum dollar variance of \$5,000.*

*The material variance is calculated by comparing budget estimates to the end of month actual amounts of expenditure, revenue and income to the end of the month to which the financial statement relates.*

*This same figure is also to be used in the Annual Budget Review to be undertaken after the first six months of the financial year to assess how the budget has progressed and to estimate the end of the financial year position.*

**Budget / Financial Implications:**

There are no significant trends or issues to be reported.

**Strategic Implications:**

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

**Sustainability Implications:**

➤ **Environmental:**

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

➤ **Economic:**

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

➤ **Social:**

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

**Voting Requirements:**

Simple Majority.

<b>COUNCIL RESOLUTION &amp; OFFICER RECOMMENDATION</b>	<b>ITEM 8.4.1</b>
MOVED: CR SAMPSON	SECONDED: CR PEDRO
That with respect to Financial Statements for the month ending 31 July 2012, Council;	
1. Receive the Financial Report, incorporating the Statement of Financial Activity and other supporting documentation.	
2. Endorse the Accounts for Payment as listed.	
CARRIED: 9/0	Res: 130912

<b>8.4.2 FINANCIAL STATEMENT FOR THE MONTH ENDING 30 AUGUST 2012</b>
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<b>File Ref:</b>	FIN.1
<b>Applicant / Proponent:</b>	Not applicable
<b>Subject Land / Locality:</b>	Denmark
<b>Disclosure of Officer Interest:</b>	Nil
<b>Date:</b>	12 September 2012
<b>Author:</b>	Garry Bird, Director of Finance and Administration
<b>Authorising Officer:</b>	Garry Bird, Director of Finance And Administration
<b>Attachments:</b>	8.4.1 - Monthly Financial Report

**Summary:**

It is a requirement of the Local Government Act 1995 that monthly and quarterly financial statements are presented to Council, in order to allow for proper control of the Shire's finances. In addition, Council is required to review the Municipal Budget on a six monthly basis to ensure that income and expenditure is in keeping with budget forecasts. It should be noted that the budget is monitored on a monthly basis in addition to the requirement for a six monthly review.

The attached financial statements and supporting information are presented for the consideration of Elected Members. Council staff welcome enquiries in regard to the information contained within these reports.

**Background:**

In order to prepare the attached financial statements, the following reconciliations and financial procedures have been completed and verified;

- Reconciliation of all bank accounts.
- Reconciliation of the Rates Book, including outstanding debtors and the raising of interim rates.
- Reconciliation of all assets and liabilities, including payroll, taxation and postal services.
- Reconciliation of the Sundry Debtors and Creditors Ledger.
- Reconciliation of the Stock Ledger.
- Completion of all Works Costing transactions, including allocation of costs from the Ledger to the various works chart of accounts.

**Comment:**

Shire Trust Funds have been invested for 90 days with the National Bank, maturing 27 October 2012 at the quoted rate of 5.00%.

Reserve Funds have been invested for 90 days with the National Bank, maturing 27 October 2012 at the quoted rate of 5.00%.

No municipal funds have been placed on investment, being required for short term cash flow requirements until 2012/13 rating income is received.

**Key Financial Indicators at a Glance**

The following comments and/or statements provide a brief summary of major financial/budget indicators and are included to assist in the interpretation and understanding of the attached Financial Statement.

- Taking into consideration the adopted Municipal Budget and subsequent amendments identified, the estimated 30 June 2012 end of year position is estimated to be \$0, as per budget projections (Note 5).
- Operating revenue is higher and operating expenditure lower than that predicted for 30 August 2012 (Statement of Financial Activity).

- The 2012/13 Capital Works Program is 3.02% complete as at 30 August 2012 (Note 10).
- Rates Collection percentage of 8.79% is in keeping with historical collection rates (Note 6).
- Various transfers to and from Reserve Funds have not yet been made for 2012/13 and are generally undertaken in the second half of the financial year, depending on specific projects to which these transfers relate.
- Salaries and Wages expenditure is in keeping with budget estimates (not reported specifically in Financial Statement).

**Budget Amendments and Variances (Note 5 and 5a)**

Nil

**Consultation:**

Nil

**Statutory Obligations:**

Local Government Act 1995 Section 5.25 (1)

Local Government (Financial Management) Regulations 1996

The attached statements are prepared in accordance with the requirements of the Local Government Act 1995.

**Policy Implications:**

Policy P040222 - Material Variances in Budget and Actual Expenditure, relates

*For the purposes of Local Government (Financial Management) Regulation 34 regarding levels of variances for financial reporting, Council adopt a variance of 10% or greater of the annual budget for each program area in the budget, as a level that requires an explanation or report, with a minimum dollar variance of \$5,000.*

*The material variance is calculated by comparing budget estimates to the end of month actual amounts of expenditure, revenue and income to the end of the month to which the financial statement relates.*

*This same figure is also to be used in the Annual Budget Review to be undertaken after the first six months of the financial year to assess how the budget has progressed and to estimate the end of the financial year position.*

**Budget / Financial Implications:**

There are no significant trends or issues to be reported.

**Strategic Implications:**

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

**Sustainability Implications:****➤ Environmental:**

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

**➤ Economic:**

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

**➤ Social:**

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

**Voting Requirements:**

Simple Majority.

<b>COUNCIL RESOLUTION &amp; OFFICER RECOMMENDATION</b>	ITEM 8.4.2
MOVED: CR SAMPSON	SECONDED: CR ROWLAND

That with respect to Financial Statements for the month ending 30 August 2012, Council;

1. Receive the Financial Report, incorporating the Statement of Financial Activity and other supporting documentation.
2. Endorse the Accounts for Payment as listed.

CARRIED: 9/0

Res: 140912



*Prior to consideration of Item 8.4.3 the Chief Executive Officer, through the Presiding Person, advised that he was an employee to whom the decision relates and as a consequence there could be a perception that his impartiality on the matter could be affected. Mr Stewart declared that he would consider the matter on its merits and advise Council accordingly.*

*In addition, through the Presiding Person, the Chief Executive Officer advised that the Director of Planning & Sustainability together with the Director of Community & Regulatory Services were also employees who would be affected by Council's decision on Item 8.4.3 and that there could be a perception that their impartiality could be affected. Mrs Harbron and Mr Harwood both declare that they will consider the matter on its merits and advise Council accordingly.*

**8.4.3 SHIRE OF DENMARK CHRISTMAS SHUTDOWN**

<b>File Ref:</b>	A.3032
<b>Applicant / Proponent:</b>	Shire of Denmark
<b>Subject Land / Locality:</b>	Not applicable
<b>Disclosure of Officer Interest:</b>	Mrs Chamberlain & Mr Bird declare impartiality interests as they are employees to whom this report relates.
<b>Date:</b>	6 September 2012
<b>Author:</b>	Marcia Chamberlain, Human Resources/Risk Management Officer
<b>Authorising Officer:</b>	Garry Bird, Director of Finance and Administration
<b>Attachments:</b>	No

**Summary:**

All local government staff are entitled to two extra public holidays per year over the New Year and Easter periods which was a condition of previous industrial awards and has been adopted by the CEO as a condition of employment at the Shire. Traditionally this leave has been taken by office staff on different days so as not to unduly affect customer service at the front counter by closing the office for that day, with other operations such as the depot (excluding waste management), generally taking the extra days on the day they fall due or over the Christmas/Easter period.

This year, office staff will be required for one day's work on Monday, 24 December following the weekend and have Tuesday, 25 December and Wednesday, 26 December off work as they are Public Holidays. It has always been the practice at the Denmark Shire that the Depot (excluding waste management), Recreation Centre and Youth Centre close over the Christmas/New Year break and that the Administration and Library employees continue working, albeit with a skeleton staff. On further investigation with Shires in the South West, the Great Southern and Central Wheatbelt, the following Shires close for the Christmas period:

- City of Albany..... Closed 24<sup>th</sup> December to 1<sup>st</sup> January.
- Shire of Plantagenet ..... Closed 24<sup>th</sup> December to 1<sup>st</sup> January.
- Shire of Cranbrook..... Closed Christmas break 1 week to 10 days (varies).
- Shire of Kojonup ..... Closed 24<sup>th</sup> December to 3<sup>rd</sup> January.
- Shire of Manjimup ..... Closed 24<sup>th</sup> December to 1<sup>st</sup> January.
- Shire of Broomehill-Tambellup..... Closed 24<sup>th</sup> December to 1<sup>st</sup> January.
- Shire of Augusta/Margaret River ..... Closed 25<sup>th</sup> December to 1<sup>st</sup> January.
- Shire of Esperance ..... Closed 25<sup>th</sup> December to 1<sup>st</sup> January.
- Shire of Jerramungup ..... Closed for 1-2 weeks over Christmas break.
- Shire of Wongan-Ballidu ..... Closed 24<sup>th</sup> December to 1<sup>st</sup> January.
- Shire of Dardanup..... Closed 24<sup>th</sup> December to 1<sup>st</sup> January.

Given the Shire of Denmark is a substantial distance from most other towns and cities and employees usually travel to visit families at Christmas time, it is proposed that the office and other operations of the Shire close from Monday, 24 December until Tuesday, 1 January (inclusive). All employees will be required to take one day as a public holiday entitlement and the balance as annual leave or Rostered Days Off (RDOs).

**Background:**

This public holiday entitlement is not specified for any day and is able to be taken at the discretion of the employer and employee.

Days to be taken as follows	
Monday, 24 December	Annual/Lve, RDO, Time in Lieu
Tuesday, 25 & Wednesday, 26 December	Public Holidays
Thursday, 27 & Friday, 28 December	Annual/Lve, RDO, Time in Lieu
Monday, 31 December	Public Holiday TOIL day
Tuesday, 1 January	Public Holiday

**Comment:**

The closure of the office for four extra days is not considered to be significant in terms of the services provided by the Shire, given that many members of the public will also be on leave at this time and there is sufficient time to warn residents of the proposed closure.

**Consultation:**

All Shire Staff.

**Statutory Obligations:**

Local Government Act 1995.

Various awards relevant to Local Government employees.

**Policy Implications:**

Nil.

**Budget / Financial Implications:**

There are no known financial implications upon the Councils current Budget or Plan for the Future.

**Strategic Implications:**

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

**Sustainability Implications:**

➤ **Environmental:**

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

➤ **Economic:**

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

➤ **Social:**

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

**Voting Requirements:**

Simple majority.

<b>COUNCIL RESOLUTION &amp; OFFICER RECOMMENDATION</b>	ITEM 8.4.3
MOVED: CR SYME	SECONDED: CR PEDRO
That Council, in addition to the traditional closure of the Recreation Centre, Youth Centre and Depot operations (excluding waste management) authorise the closure of the Shire Office (excluding Law Enforcement Officers) & Library from Monday, 24 December 2012 until Tuesday, 1 January 2013 (inclusive) with staff on leave required to use their leave entitlements and that this closure be publicised well prior to this date.	
CARRIED: 9/0	Res: 150912

## 8.5 Chief Executive Officer

### 8.5.1 SPIRIT OF PLAY – REQUEST TO LEASE PORTION OF RESERVE 30277, 952 CRELLIN STREET, DENMARK

<b>File Ref:</b>	A3140
<b>Applicant / Proponent:</b>	Wilgie View Learning Centre Inc. (Spirit of Play Community School)
<b>Subject Land / Locality:</b>	Portion of Reserve No. 30277, 952 Crellin Street, Denmark
<b>Disclosure of Officer Interest:</b>	Nil
<b>Date:</b>	11 September 2012
<b>Author:</b>	Dale Stewart, Chief Executive Officer
<b>Authorising Officer:</b>	Dale Stewart, Chief Executive Officer
<b>Attachments:</b>	Yes

#### Summary:

The Spirit of Play have written to Council seeking an extension of their lease area which surrounds the Old Post Office on portion of Reserve 30277, 952 Crellin Street, Denmark. The extension will incorporate the storage building (subject of Council Resolution No. 110210 / 23 February 2010), septic tanks (already in place) and will allow adequate area for sufficient soft fall sand under the swing set.

#### Background:

The Old Post Office was relocated from Strickland Street to the Crellin Street Reserve to make way for the new Post Office (late 1970s to early 1980s) and was originally used by the Department of Education for a 2<sup>nd</sup> Kindergarten prior to the Kindergarten / Pre-Primary being built on the current Primary School site (corner of Brazier and Thornton Street).

In July 2003, Wilgie View Learning Centre began leasing the building for their Community School (called the Spirit of Play) and their current lease expires on 30 November 2013 when they have an option to renew the lease for a further five (5) years (pursuant to clause 4.6, Further Term in their current lease).

In 2010 Wilgie View Learning Centre Inc. made an application to Council to relocate a 2.7m wide by 4.45m long outbuilding to the site for storage purposes. On the 23 February 2010 Council resolved as follows (Resolution No. 110210);

*“That with respect to the development application lodged for the relocated outbuilding on Reserve 30277 (Lot 953), Inlet Drive, Denmark, Council resolve to give permission as a landowner for the planning application to be submitted for assessment and grant Planning Approval subject to the following conditions:*

- 1. The development to be in accordance with the attached stamped approved plans and where marked in red dated 3 February 2010.*
- 2. The outbuilding colours to match the existing “Old Post Office” building on site to the satisfaction of the Director of Planning and Sustainability.*
- 3. The outbuilding to be used for storage purposes only.*
- 4. Upon the expiry of the current lease held by Wilgie View Learning Centre Inc. (Spirit of Play), the outbuilding shall be removed and the land restored to its original condition at the applicants cost. (See Advice Note i)*
- 5. If in the opinion of Council, the approved use is not completed to a satisfactory standard, Council may withdraw or amend this approval.*

#### Advice Note:

*If a new lease-holder requires the use of the relocated outbuilding, a new planning application will be required for Council to consider.”*

**Comment:**

Whilst the location was approved at the time the lease, in hindsight, wasn't extended to include the area. The building has subsequently been erected on site in accordance with the Council approval.

The size of the proposed extended area would be approximately 8.5m x 20m and is shown on the attached diagram (Attachment 8.5.1).

The applicant has advised that the regulations for play equipment stipulate that there needs to be two metres or more of sand placed in the fall zone of swings and other play equipment. The extension of the lease area to incorporate the existing shed and septic tanks will also allow the School to comply with these regulations as their existing play equipment is too close to the fence.

Should Council agree to extending the lease area the applicant has advised that they will move the boundary fence at their own expense.

It was noted during the writing of this report that the valuation performed in 2008 was done by the valuer on an incorrect land area of 2,500sqm however given that the majority of annual rental pertains to the building and outbuilding area (and not the land) it is believed that the extension of the leased area (being 170sqm including an outbuilding) would essentially cancel each other out. This anomaly has been noted in the lease file and it is believed that this can be corrected during the next rent review due in 2013.

**Consultation:**

Nil

**Statutory Obligations:**

There are no statutory obligations.

**Policy Implications:**

Policy P110102 - Leasing of Land and/or Buildings to Community Groups relates and reads as follows;

*“With respect to community groups exclusively occupying, or seeking to exclusively occupy, Council property or buildings;*

- a. There be a signed lease based on Council's standard 'not for profit' lease prior to occupation or upon renewal;*
- b. Council desires lessees to be incorporated (with the exception of Volunteer Bush Fire brigades which are covered under the Bush Fires Act);*
- c. Contribution by Council towards legal costs (if required) by Council 100%;*
- d. Have differing rentals discounted to market valuation depending upon the following factors;*
  - i. To what degree the property is utilised for charitable, not for profit or sporting purposes;*
  - ii. The ability of the lessee to derive income from use of the property including sub-leases, rental hire and the presence of a liquor license;*
  - iii. The strategic value of the land in the short term to Council;*
  - iv. To what degree if any that the use is competing with commercial enterprise;*
- e. Where the applied rental is lower than a valuation or real estate rental appraisal, Council indicate that contra difference in its annual budget, for that property;*
- f. Offer local authority rate exemption rebate donation (rather than exemption contra);*
- g. Offer Council insurance of the buildings and Council owned property / contents without recoup of the annual premium and to encourage repairs and reinstatement through insurance claims, Council will meet all bar the first \$500 of any insurance excess on claims;*
- h. All outgoings and consumable costs to be met by the lessee including but not limited to water, sewer, gas, telephone, ESL, refuse charges, etc;*

- i. Lessees to meet all ongoing internal and external building and grounds maintenance other than structural building repairs;
- j. Leases require endorsement of Council prior to signing;
- k. Have differing tenure and renewal rights and terms depending upon the strategic future requirements for that land and or building(s) but based on a maximum of 21 years including any right of renewal (subject to the prevailing management order if applicable);
- l. The use of the property is consistent with the zoning and/or management order and power to lease exists (if required).
- m. Reflecting the non 'exclusive club' usage and fact that they perform a valuable Council service for wide community benefit Council annually (subject to annual budget deliberation) contributes to the maintenance of the following leased Halls;
  - i. Parryville Hall \$2,000;
  - ii. Tingle Dale Hall \$2,000;
  - iii. Scotsdale Hall \$2,000 (nb: Hall is owned by Scotsdale Progress Association on Association vested land);
  - iv. Kentdale Hall \$2,000;
  - v. RSL Hall \$3,000;
  - vi. Museum Building maintenance is 100% Council responsibility;
  - vii. Nornalup Hall \$2,000;
  - viii. Peaceful Bay Hall (& Les Carpenter Shed) \$2,000; and
  - ix. Denmark Occasional Day Care Centre \$2,000.
- n. Councils Principal Building Surveyor at least on an annual basis inspect all leased buildings and land to ascertain their state of maintenance pursuant to the lease and priority for future and long term maintenance in conjunction with the lessee.
- o. The definition of 'exclusive occupation' does not include reference to yearly licenses to occupy storage space within a building such as at the Denmark Recreation Centre."

#### **Budget / Financial Implications:**

There are no known financial implications upon the Council's current Budget or Plan for the Future. Council receives an annual lease amount of \$8,200 per annum.

#### **Strategic Implications:**

The purpose of the reserve is 'Historical Precinct, Recreation and Community Purposes'. The Railway Precinct is listed on Council's Municipal Heritage Inventory (MHI) as being of Exceptional Significance which states it is "*Essential to the heritage of the locality. Rare or outstanding example. The place should be retained and conserved unless there is no feasible and prudent alternative to doing otherwise. Any alterations or extensions should reinforce the significance of the place and be in accordance with a Conservation Plan (if one exists for the place).*"

There is no Conservation Plan for the Railway Precinct however a concept plan depicting potential future use for the site has been completed and is the subject of another report within this Agenda.

#### **Sustainability Implications:**

##### ➤ **Environmental:**

The existing fence is plastic coated mesh (green) and does not intrude on the natural amenity of the reserve. It is the author's belief that relocating the fence will not have any negative impact but will only define the area (with the shed and septic) which is currently leased and utilised by the Spirit of Play Community School.

##### ➤ **Economic:**

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

➤ **Social:**

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

**Voting Requirements:**

Simple majority.

**OFFICER RECOMMENDATION**

**ITEM 8.5.1**

That with respect to Wilgie View Learning Centre Inc.'s (Spirit of Play Community School) request to extend their lease area of a portion of Reserve 30277, 952 Crellin Street, Denmark, Council advise the applicant that;

1. Approval is granted to amend the lease area to include the existing storage shed (erected pursuant to Council Resolution No. 110210) and the septic tanks (approximately 170sqm), which will allow them to provide sufficient soft fall area around the existing playground equipment; and
2. Council accepts the offer for the applicant to relocate the boundary fence at their expense, at no cost to Council, however advises that prior to the applicant undertaking these works, the applicant must obtain agreement from the Council's Chief Executive Officer as to the final position of the fence so as to coincide with their extended new lease area.

**COUNCIL RESOLUTION**

**ITEM 8.5.1**

**MOVED: CR LEWIS**

**SECONDED: CR PEDRO**

That with respect to Wilgie View Learning Centre Inc.'s (Spirit of Play Community School) request to extend their lease area of a portion of Reserve 30277, 952 Crellin Street, Denmark, Council advise the applicant that;

1. Approval is granted to amend the lease area to include the existing storage shed (erected pursuant to Council Resolution No. 110210) and the septic tanks (approximately 170sqm), which will allow them to provide sufficient soft fall area around the existing playground equipment; and
2. Council accepts the offer for the applicant to relocate the boundary fence at their expense, at no cost to Council, however advises that prior to the applicant undertaking these works, the applicant must obtain agreement from the Council's Chief Executive Officer as to the type of fence and its final position so as to coincide with their extended new lease area.

**CARRIED: 9/0**

**Res: 160912**

**REASONS FOR CHANGE**

Council amended part 2 of the Officer's Recommendation to ensure that the Chief Executive Officer would also agree to the type of fence erected.

<b>8.5.2 DENMARK MACHINERY RESTORATION GROUP INC. - REQUEST TO RELOCATE FORMER SALEYARD SHED</b>
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<b>File Ref:</b>	A3140 & ORG.61 & A3123
<b>Applicant / Proponent:</b>	Denmark Machinery Restoration Group Inc. (DMRG)
<b>Subject Land / Locality:</b>	Shed on Lot 300, Cnr South Coast Highway and Denmark – Mt Barker Road, Denmark & Portion of Reserve No. 30277, 952 Crellin Street, Denmark
<b>Disclosure of Officer Interest:</b>	Nil
<b>Date:</b>	11 September 2012
<b>Author:</b>	Dale Stewart, Chief Executive Officer
<b>Authorising Officer:</b>	Dale Stewart, Chief Executive Officer
<b>Attachments:</b>	Yes

**Summary:**

The Denmark Machinery Restoration Group Inc. (DMRG) have written to Council seeking permission to relocate the shed which is currently located on Council owned Lot 300, cnr South Coast Highway and Denmark-Mt Barker Road to Council managed Reserve 30277 (Railway Heritage Precinct), 952 Crellin Street, Denmark.

**Background:**

The DMRG have a five (5) year lease with Council for a portion of Reserve 30277 (952 Crellin Street) which expires on 26 February 2015 with a further five (5) year option. Council approved the lease of the area at its meeting held on the 23 June 2009 (Resolution No. 160609).

Subsequently the group have erected a shed on the site and are actively occupying and enjoying the site.

**Comment:**

The DMRG's letter states;

*"The Denmark Machinery Restoration Group are very interested in relocating the shed back to the reserve where it was originally sited. We would use it for an extra storage and display area. The cost of relocation would be met by funding arranged by our Club.*

*The building would be left as an open shed but should have security mesh as walls and this would allow viewing when the Trackside Museum is not open. We would also look at replacing the steel poles with wood to return it to its original appearance.*

*If relocation reaches fruition, extension of the existing lease may have to take place."*

**THE SHED – BACKGROUND & CURRENT LOCATION**

The shed is approximately 35m by 12m and originally came from the Railway Precinct (Reserve 30277). It was moved to Lot 300 when the Saleyards on Mt Barker Road were established.

Lot 300 was the subject of a report to Council in December 2010 where it was resolved (Resolution No. 171210) to purchase the Reserve from the State Government, Council previously leased the land. The report included a Business Plan for the site. The resolution reads as follows;

*"That Council agree to the acquisition of Reserve 27101, to be funded by an unbudgeted loan, subject to the following conditions;*

- a) A valuation from State Land Services confirming their estimated valuation of approximately \$475,000.*
- b) The total loan amount not to exceed \$500,000.*

- c) *Public advertising of the unbudgeted loan in accordance with the Local Government Act 1995 and no adverse comment being received at the close of the specified advertising period.*

The Shire of Denmark's adopted Local Planning Strategy (2011) refers to the site as a "Service Park" and the Summary of Strategy Recommendations states that;

11. *Council prepare an amendment to the Scheme to zone the 'Service Park' wite with an appropriate zoning together with a set of provisions and structure plan to guide subdivision and development.*
12. *Council enter into discussions with the Water Corporation and Western Power to agree to a timing program for the extension of adequate water, sewerage and power to the 'Service Park' site.*

There are two current lessees of portions of the reserve being;

- Avalon Enterprises (WA) Pty Ltd t/as Denmark Haulage – lease expires on 30 June 2014; and
- Ace Coast Enterprises Pty Ltd t/as Denmark Earthmoving – lease expires on 31 December 2015.

Should Council wish to utilise the site for commercial purposes (Service Park) in the future there is a strong possibility that the shed would need to be demolished or relocated off site, albeit this would not be occurring until, at least, after the expiration of the current leases.

DMRG have requested that, once they have relocated and restored it at their cost, they be allowed to utilise the shed, for their own purposes (storage and display). The shed would fit within the area already leased by the DMRG or, indeed, they may seek an expansion of their current lease to accommodate the shed to the immediate west of the existing shed.

The author has had one offer to purchase and remove the shed from the site by a private individual who owns land at Young Siding. The indicative offer was \$4,000 to which the CEO rejected the offer on the basis that the shed had more value to the Community and or the Council in situ (in terms of rental opportunity). It should be noted that Council has not advertised the shed for sale but has actively been advertising the property for lease for the past three years with the shed being part of the proposed leased property.

Should Council agree to allow the DMRG to relocate and restore the shed, at their cost, it would be unfair to then not allow them to use or enjoy the shed for their purposes.

#### **Consultation:**

A letter has been sent to the Denmark Historical Society (11 September 2012) seeking their comment on the proposal, however it is envisaged that they would support the principle of returning the shed from whence it came, particularly if the building is proposed to be utilised by a group that will use it for restoring old machinery.

It could be argued that the Council should, prior to acceding to a request by one particular group, advertise for expressions of interest (EOI) from groups that may have alternate possible uses. It could be for example that the Denmark Village Theatre Inc. (DVT) might put their hand up to relocate the premises or utilise the shed for storage purposes. This scenario is less likely noting the short term needs of that organisation contrasted to the principle espoused in this report that the shed should not be allowed to be relocated prior to the conclusion of the current leases (31 December 2015).

There is the distinct possibility that there are other groups, which Council is not aware of, that could respond to an EOI process. The Author is of the view, however, that the



probability of a suitable community group responding with a beneficial outcome to the community is unlikely, when one considers, in particular, that the DMRG wishes to relocate the shed from whence it came to complement the principles of the heritage (railway) precinct. Perhaps an example of a known community group that might be a competing suitor for the shed would be the Peaceful Bay RSL who are indeed looking to develop a Men's Shed in the Peaceful Bay locality and have been granted approval to relocate one of the sheds from the Morgan Richards Community Centre.

The size of the shed is such that it is a big task for the average community group and one that needs to fit within the intended surroundings. On balance it is the Author's view that there would be nothing to be gained from seeking either an EOI from community groups nor going to "the market" to test whether there may be value in disposing of the shed to "the highest bidder". The Author is of the view that the Council would, notwithstanding likely offers that might be "put on the table", accept the current offer from the DMRG.

#### **Statutory Obligations:**

There are no statutory obligations.

#### **Policy Implications:**

Policy P110102 - Leasing of Land and/or Buildings to Community Groups relates and reads as follows;

*"With respect to community groups exclusively occupying, or seeking to exclusively occupy, Council property or buildings;*

- n. There be a signed lease based on Council's standard 'not for profit' lease prior to occupation or upon renewal;*
- o. Council desires lessees to be incorporated (with the exception of Volunteer Bush Fire brigades which are covered under the Bush Fires Act);*
- p. Contribution by Council towards legal costs (if required) by Council 100%;*
- q. Have differing rentals discounted to market valuation depending upon the following factors;*
  - v. To what degree the property is utilised for charitable, not for profit or sporting purposes;*
  - vi. The ability of the lessee to derive income from use of the property including sub-leases, rental hire and the presence of a liquor license;*
  - vii. The strategic value of the land in the short term to Council;*
  - viii. To what degree if any that the use is competing with commercial enterprise;*
- r. Where the applied rental is lower than a valuation or real estate rental appraisal, Council indicate that contra difference in its annual budget, for that property;*
- s. Offer local authority rate exemption rebate donation (rather than exemption contra);*
- t. Offer Council insurance of the buildings and Council owned property / contents without recoup of the annual premium and to encourage repairs and reinstatement through insurance claims, Council will meet all bar the first \$500 of any insurance excess on claims;*
- u. All outgoing and consumable costs to be met by the lessee including but not limited to water, sewer, gas, telephone, ESL, refuse charges, etc;*
- v. Lessees to meet all ongoing internal and external building and grounds maintenance other than structural building repairs;*
- w. Leases require endorsement of Council prior to signing;*
- x. Have differing tenure and renewal rights and terms depending upon the strategic future requirements for that land and or building(s) but based on a maximum of 21 years including any right of renewal (subject to the prevailing management order if applicable);*
- y. The use of the property is consistent with the zoning and/or management order and power to lease exists (if required).*
- z. Reflecting the non 'exclusive club' usage and fact that they perform a valuable Council service for wide community benefit Council annually (subject to annual budget deliberation) contributes to the maintenance of the following leased Halls;*
  - x. Parryville Hall \$2,000;*

- xi. *Tingledale Hall \$2,000;*
  - xii. *Scotsdale Hall \$2,000 (nb: Hall is owned by Scotsdale Progress Association on Association vested land);*
  - xiii. *Kentdale Hall \$2,000;*
  - xiv. *RSL Hall \$3,000;*
  - xv. *Museum Building maintenance is 100% Council responsibility;*
  - xvi. *Nornalup Hall \$2,000;*
  - xvii. *Peaceful Bay Hall (& Les Carpenter Shed) \$2,000; and*
  - xviii. *Denmark Occasional Day Care Centre \$2,000.*
- p. *Councils Principal Building Surveyor at least on an annual basis inspect all leased buildings and land to ascertain their state of maintenance pursuant to the lease and priority for future and long term maintenance in conjunction with the lessee.*
- q. *The definition of 'exclusive occupation' does not include reference to yearly licenses to occupy storage space within a building such as at the Denmark Recreation Centre."*

### **Budget / Financial Implications:**

There are no known financial implications upon the Council's current Budget or Plan for the Future.

### **Strategic Implications:**

The purpose of the reserve is 'Historical Precinct, Recreation and Community Purposes'. The Railway Precinct is listed on Council's Municipal Heritage Inventory (MHI) as being of Exceptional Significance which states it is *"Essential to the heritage of the locality. Rare or outstanding example. The place should be retained and conserved unless there is no feasible and prudent alternative to doing otherwise. Any alterations or extensions should reinforce the significance of the place and be in accordance with a Conservation Plan (if one exists for the place)."*

There is no Conservation Plan for the Railway Precinct however a concept plan depicting potential future use for the site has been completed and is the subject of another report within this Agenda.

At its current location, the shed is not used as the site has not yet been leased. Without the shed, the 'value' of the site to a potential tenant could be reduced substantially and could be the difference between Council leasing it or not. At this point in time it is recommended that, even if Council agree to the relocation of the shed, that the shed remain at its current location at least until the expiry of the current leases for that reserve.

The Railway Heritage Precinct is already home to the Old Post Office, the former Station Masters House (& former Kindergarten relocated from the Denmark Visitor Centre site), two disused railway carriages and a 60 foot Turntable which was used to turn locomotives (the oldest remaining example of its type in WA). For this reason alone, if the 'saleyard' shed was to be relocated at all then 'bringing it home' to or near its original site would make sense and would be in keeping with this Heritage Precinct.

A concept plan for the Railway Precinct has also been concluded and is the subject of another report within this Agenda.

The Author is of the view that the offer of DMRG to relocate the shed to its original location (in general) is achieving Council's strategic intentions proposed with the Railway Heritage Precinct and is most beneficial and in keeping with the purposes of an active and vibrant "men's shed" group.

### **Sustainability Implications:**

#### ➤ **Environmental:**

Should the shed be re-erected on site by the DMRG then it is proposed, by them, to keep the walls 'open' with only a covering of mesh. It is believed that this would not

negatively impede on the natural amenity of the reserve. In addition the final location of the shed could be in agreement with the Chief Executive Officer to ensure that the shed was erected in a position which still maintained a natural, vegetative buffer between the reserve and Inlet Drive.

➤ **Economic:**

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

➤ **Social:**

The DMRG is an organisation whose objectives include the collection, preservation and restoration of devices and machinery and assisting and encouraging members with restoration projects. This includes the sharing of knowledge and skills and encouraging youth to take an interest in machinery and equipment from a past era.

The group provides an important social outlet for many people (men) within the Shire of Denmark and their activities are in keeping with the heritage intentions of reserve 30277.

**Voting Requirements:**

Simple majority.

<b>COUNCIL RESOLUTION &amp; OFFICER RECOMMENDATION</b>	ITEM 8.5.2
MOVED: CR PEDRO	SECONDED: CR SEENEY
<p>That with respect to the Denmark Machinery Restoration Group Inc.'s (DMRG) request to relocate the shed from the former saleyards on 13 (Lot 300) (cnr South Coast Highway and Denmark-Mt Barker Road), to the Heritage Precinct on Reserve 30277 (952 Crellin Street, Denmark), Council;</p> <ol style="list-style-type: none"> <li>1. Approve in principle the removal, relocation and restoration of the shed upon the expiry of the current leases for Lot 300, the last one being 31 December 2015, subject to there being no concerns received from the Denmark Historical Society and the works being carried out at the cost of the DMRG; and</li> <li>2. Approve in principle to the re-erection of the shed on Reserve 30277, subject to it being placed within the lease area of the DMRG and subject to the group obtaining demolition, planning and building approvals (prior to removing the shed from Lot 300);</li> <li>3. Advise that it is prepared to consider a reasonable extension of the area leased by the DMRG to accommodate the relocation of the shed, if required.</li> </ol>	
CARRIED: 9/0	Res: 170912

<b>8.5.3 DENMARK VILLAGE THEATRE – REQUEST TO LEASE PORTION OF RESERVE 30277, 952 CRELLIN STREET, DENMARK</b>
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<b>File Ref:</b>	A3140
<b>Applicant / Proponent:</b>	Denmark Village Theatre
<b>Subject Land / Locality:</b>	Portion of Reserve No. 30277, 952 Crellin Street, Denmark
<b>Disclosure of Officer Interest:</b>	Nil
<b>Date:</b>	6 September 2012
<b>Author:</b>	Dale Stewart, Chief Executive Officer
<b>Authorising Officer:</b>	Dale Stewart, Chief Executive Officer
<b>Attachments:</b>	Yes

**Summary:**

The Denmark Village Theatre (DVT) has written to Council requesting to lease a portion of Reserve No. 30277, 952 Crellin Street and to erect a suitable shed/building on that portion for the purpose of storing scenery and 'props' used in their productions held at the Denmark Civic Centre.

**Background:**

The Denmark Village Theatre currently uses the Denmark Civic Centre (Green Projection Rooms predominately), two rooms of the former Council Administration Offices (northern end of the building which is adjacent to the Denmark Library) and some storage area at the old Whitakers Mill on South Coast Highway.

Council does not have a current lease, agreement or Memorandum of Understanding in place for their current occupancy of Council building(s), noting Council did authorise the storage activity pursuant to part 3 of resolution numbered 240709, mentioned under the comment section of this report. This use is on the understanding of it ceasing in the event that Council requires access to these rooms for the expansion of the Library and/or this portion of the Library is demolished as part of the proposed redevelopment of the Civic Centre.

DVT have been advised that they will lose their tenancy of the storage area at the old Whitakers Mill in around six months or so when subdivision development on this site proceeds.

**Comment:**

DVT initially wrote to the Council in February 2012 with this request however the author replied suggesting that they may be able to temporarily utilise a shed at the former Hospital site. It was also indicated that should the former Hospital be refurbished then there was a high likelihood that the Denmark Community Resource Centre would relocate and hence free up some space adjacent to the Civic Centre which could potentially be used temporarily by their organisation, pending the proposed redevelopment of the Civic Centre.

A meeting was held between the CEO, Council's Director of Community & Regulatory Services and DVT representatives on the 21 March 2012 and DVT indicated that their request for additional / alternative space was pressing especially given that loss of their storage space at the old Whitakers Mill was imminent (and still is).

The potential for Council to assist, in the interim, at the McLean Park Recreation Centre was discussed as well as possible access to a shed or two at the old hospital site which may be able to be used. It was noted however that, from the CEO's perspective, it was preferable if their organisation could await the outcome of the design, and hopeful, refurbishment of the Denmark Civic Centre.

In July 2009, Council resolved as follows (Resolution No. 240709);

*“That with respect to the Denmark Civic Centre and the Denmark Library, Council;*

- 1. Endorse the Chief Executive Officer's actions in utilising the office vacated (due to the conclusion of funding of the Denmark Safe Community Project) as additional storage and office facilities for the Denmark Public Library, and to accommodate additional space required for the 'Toy Library', 'Smart Start' and 'Better Beginnings' services provided by the Library.*
- 2. Advise the Telecentre and Community Resource Network that their requests for competing use of premises at the Civic Centre could not be accommodated but their needs may be able to be accommodated in the 'Old Hospital Buildings'.*
- 3. Note the continued occupation of two rooms of the Library section of the Civic Centre by the Denmark Village Theatre for storage of 'props'.*
- 4. Consider in the Councils 2010/11 Budget the funding of development of a concept plan, developed through community consultation, for redevelopment of the Denmark Civic Centre into a Cultural Centre, incorporating an entrance foyer off of Strickland St, expanded Library facilities and Lesser Hall.*
- 5. Authorise the CEO to develop a brief for quotation from Architects to undertake part 4, noting previous designs and work of the Council former Civic Centre Working Group.*

The group has indicated that should they be granted lease of a portion of Council's reserve and building approval that the building would be funded totally by them from their own resources. They acknowledge that the area is proposed to be an historic precinct and that the shed would need to be in keeping with its surrounding environment.

The organisation was incorporated as the Denmark Village Theatre Inc. in 1985.

The shed proposed is as per Attachment 8.5.3 and comprises approximately 15m long by 4.5m wide and some 3 metres high to roof line. They note that the roof and wall cladding would be to Shire Heritage requirements.

Council's Director of Community & Regulatory Services notes that if the usage of the shed is purely for storage requirements then he would have no concerns about it not being connected to power, water or septic and there being no ablution facility. The DVT has not indicated the land area required for the shed however the footprint of the building would require a minimum of 90sqm of lease area. There are a number of possible locations on the reserve that could accommodate the shed.

#### **Consultation:**

A Meeting was held on the 21 March 2012 between the Council's Director of Community & Regulatory Services, the CEO and representatives from DVT. The CEO met with the President of the DVT again on the 6 August 2012.

#### **Statutory Obligations:**

The proposed lease of land to a not for profit community group is exempted from advertising and valuation pursuant to Section 3.58 of the Local Government Act 1995.

#### **Policy Implications:**

Policy P110102 - Leasing of Land and/or Buildings to Community Groups relates and reads as follows;

*“With respect to community groups exclusively occupying, or seeking to exclusively occupy, Council property or buildings;*

- aa. There be a signed lease based on Councils standard 'not for profit' lease prior to occupation or upon renewal;*
- bb. Council desires lessees to be incorporated (with the exception of Volunteer Bush Fire brigades which are covered under the Bush Fires Act);*
- cc. Contribution by Council towards legal costs (if required) by Council 100%;*
- dd. Have differing rentals discounted to market valuation depending upon the following factors;*

- ix. *To what degree the property is utilised for charitable, not for profit or sporting purposes;*
- x. *The ability of the lessee to derive income from use of the property including sub-leases, rental hire and the presence of a liquor license;*
- xi. *The strategic value of the land in the short term to Council;*
- xii. *To what degree if any that the use is competing with commercial enterprise;*
- ee. *Where the applied rental is lower than a valuation or real estate rental appraisal, Council indicate that contra difference in its annual budget, for that property;*
- ff. *Offer local authority rate exemption rebate donation (rather than exemption contra);*
- gg. *Offer Council insurance of the buildings and Council owned property / contents without recoup of the annual premium and to encourage repairs and reinstatement through insurance claims, Council will meet all bar the first \$500 of any insurance excess on claims;*
- hh. *All outgoing and consumable costs to be met by the lessee including but not limited to water, sewer, gas, telephone, ESL, refuse charges, etc;*
- ii. *Lessees to meet all ongoing internal and external building and grounds maintenance other than structural building repairs;*
- jj. *Leases require endorsement of Council prior to signing;*
- kk. *Have differing tenure and renewal rights and terms depending upon the strategic future requirements for that land and or building(s) but based on a maximum of 21 years including any right of renewal (subject to the prevailing management order if applicable);*
- ll. *The use of the property is consistent with the zoning and/or management order and power to lease exists (if required).*
- mm. *Reflecting the non 'exclusive club' usage and fact that they perform a valuable Council service for wide community benefit Council annually (subject to annual budget deliberation) contributes to the maintenance of the following leased Halls;*
  - xix. *Parryville Hall \$2,000;*
  - xx. *Tingledale Hall \$2,000;*
  - xxi. *Scotsdale Hall \$2,000 (nb: Hall is owned by Scotsdale Progress Association on Association vested land);*
  - xxii. *Kentdale Hall \$2,000;*
  - xxiii. *RSL Hall \$3,000;*
  - xxiv. *Museum Building maintenance is 100% Council responsibility;*
  - xxv. *Normalup Hall \$2,000;*
  - xxvi. *Peaceful Bay Hall (& Les Carpenter Shed) \$2,000; and*
  - xxvii. *Denmark Occasional Day Care Centre \$2,000.*
- r. *Councils Principal Building Surveyor at least on an annual basis inspect all leased buildings and land to ascertain their state of maintenance pursuant to the lease and priority for future and long term maintenance in conjunction with the lessee.*
- s. *The definition of 'exclusive occupation' does not include reference to yearly licenses to occupy storage space within a building such as at the Denmark Recreation Centre."*

Policy P100606 - Payment of Planning & Building Fees by Not for Profit Community Organisations relates and reads as follows;

*"When assessing planning and building applications received from not for profit community organisations on land not owned by or vested in Council, a reduction of 50% in the application fees payable to the Shire of Denmark shall be granted.*

*Where such an application relates to land owned by or vested in Council, a reduction of 100% fees payable to the Shire of Denmark shall apply.*

Notes:

1. *All statutory charges levied by the State Government are to be paid in full by the applicant and are not subject to the provisions of this Policy.*

2. *The Shire of Denmark is unable to issue certificates of design compliance on land it owns and those fees will need to be payable by the applicant to a suitably registered Building Surveyor.*
3. *Organisation Wide Procedure Manual topic titled "Council Approved Discounts, Donations, Waivers or Reduced Fees" is to be implemented when applying this policy."*

**Budget / Financial Implications:**

The financial consideration for Council is in offering or encouraging the group to 'collocate' its storage activity at the Civic Centre. It is probable that allowing (or requiring) the DVT to store their props at the Civic Centre will be at greater initial and ongoing cost to the Council (in terms of construction cost of a Civic Centre as opposed to the group erecting a shed at their cost). On pure economic grounds of the Council's finances the best outcome would be to accede to their request. Is this best holistically and strategically however?

If the answer to these latter observations was to allow the Group to construct a standalone shed on Council land then the recommendation would be along the following lines;

*"That with respect to the Denmark Village Theatre's (DVT) request to lease a portion of Reserve 30277 (952 Crellin Street, Denmark) and erect a shed for storage purposes, Council authorise the Chief Executive Officer to negotiate the lease of an area of land on that Reserve based on the following;*

- i. Councils standard community group lease and relevant adopted policies;*
- ii. The land area being no greater than 200sqm.*
- iii. The identified site being acceptable to the existing lessees of that Reserve.*
- iv. In the opinion of the Chief Executive Officer, the Shed being designed and built in a location and manner sympathetic and consistent with the principles of the proposed Heritage Precinct.*
- v. There being no clearing of remnant vegetation required."*

**Strategic Implications:**

The purpose of the reserve is 'Historical Precinct, Recreation and Community Purposes' and it is listed on Council's Municipal Heritage Inventory as being of Exceptional Significance which states it is *"Essential to the heritage of the locality. Rare or outstanding example. The place should be retained and conserved unless there is no feasible and prudent alternative to doing otherwise. Any alterations or extensions should reinforce the significance of the place and be in accordance with a Conservation Plan (if one exists for the place)."*

There is no Conservation Plan for the Railway Precinct however a concept plan depicting potential future use for the site has been completed and is the subject of another report within this Agenda.

Strategically it would be beneficial for the DVT to await the outcome of the Concept Plan for the Civic Centre redevelopment (which would include consultation with them) to gauge whether the redesign would be capable of meeting their current and future needs. It makes sense to provide them with storage areas which are within close proximity to where they (mostly) operate. Unfortunately however this does not solve their immediate problem of having to move their equipment from the Old Mill site within the next six months.

The storage area within the Recreation Centre was raised as a possible location however upon investigation by DVT they deemed the storage area unsuitable without modification.

The Morgan Richards Community Centre is another option however this would only provide for a short term solution. Two of the three sheds on site are used for storage by the Denmark Chamber of Commerce and Denmark Arts and one may be relocated by

the Peaceful Bay RSL for use as a Men's Shed (pursuant to Council's previous approval). There is a possibility that DVT could utilise one of these sheds on a temporary basis however it is highly likely that the sheds will need to be used to store building materials and the like once redevelopment commences within the next few months. In the longer term (post redevelopment in say December 2013) the current storage sheds are apparently too small and or are already likely to be well utilised by other groups. The location of another shed for their purposes at this site, as opposed to at the former Railway Station Site, is probably 'much of a muchness'. Either way transport of props is required.

To some extent the questions that need to be asked are;

- Whether storage space (indicatively 67.50 sqm) for the intended purpose is the best use of land at the Civic Centre? (and whether it can be built for reasonable price and or even accommodated at this site?);
- Whether Council is comfortable with the principle of standalone 'storage sheds' being built on its land by not for profit groups?
- Where such storage sheds might be best put (grouped)?
- Whether we will get similar requests from other groups? What is the likelihood of this into the future?
- Should they be placed in proposed heritage locations (Railway Precinct and or the Morgan Richards Community Centre) when those sheds have no relativity / connectivity to the site?
- Should Council identify a suitable civic reserve / Council owned location that might be able to accommodate this and subsequent potential requests and have the following general attributes;
  - Accessible to the user / use
  - Secure
  - Visible (or not?)
  - Proximity
  - Connectedness to the reserve
  - Low land value (no known alternate / competing uses in the long term)
  - etc?
- Which of the Railway Station Reserve, MRCC Reserve and or Mclean Park, for example, best offer these attributes? As the author of the report and CEO, I am of the view that there are no other viable reserves that fit these attributes (as well) in the current or long term.

In summary, DVT is faced with the immediacy of a need to relocate 'props', that are regularly used at the Denmark Civic Centre, from their current leased storage shed at the old Whitakers Mill. The author has been advised that the organisation do not currently pay any lease fee for this use. The organisation is seeking a more permanent home for storage of their 'props' and are looking to invest an estimated \$20 – 25,000 of their own funds into a proposed shed at a location remote from the Denmark Civic Centre.

The Civic Centre Redevelopment Concept Plan architects contract, that has recently been let, has a requirement to engage with all users of the facility including specific reference to the DVT. That organisation will have the ability to present their case with the redevelopment as to their current and long term desires for use of the facility including areas required for storage of costumes, props and the like. This project is scheduled for completion by no later than the end of February 2013.

It is proposed that the northern wing of the former Shire Office (adjacent to the Denmark Library) will be relocated or demolished as part of the redevelopment project. The building lends itself to being relocated (noting that the author believes it is not considered to be of any heritage value) however it is noted that the cost to relocate such a building would be more costly than erecting a new shed on another site.



The Denmark Community Resource Centre will be relocating to the refurbished Morgan Richards Community Centre, indicatively in December 2013. The relocation of this organisation will 'free up' a significant area suitable to be utilised for temporary storage or 'props' and such like, immediately adjacent to the facility where those props are used. The constraint is the approximate six months of time between the likely cessation of their use of their current 'props' storage shed and the Denmark Community Resource Centre's relocation. If one could negotiate an extension of time from the owner of the current storage shed then this option appears to be one that would be more beneficial to DVT (than perhaps expending up to \$20,000 on a standalone shed remote from their theatrical activity).

This option also leaves open the possibility of leveraging the investment that the organisation is apparently prepared to make in their future by better utilising the indicative \$20,000 in ensuring that the redevelopment of the Civic Centre can accommodate their storage needs on an ongoing basis at a much preferred location, in terms of logistics, but possibly not from a 'highest and best use' argument. The monies otherwise proposed to be invested at a remote location could be a contribution towards the Civic Centre redevelopment that would help achieve grants from organisations such as Lotterywest. On a worst case scenario, if the Council is unable to facilitate a storage outcome in the proposed refurbishment of the Civic Centre to the satisfaction of the DVT then that organisation could reserve the right to, at that time, continue with their desire to lease a portion of land at the Denmark Railway Station No. 3 Reserve and invest their funds at that location (with Council approval).

The biggest risk of what the Officer suggests as the preferred scenario is the ability to negotiate an extension of lease for six months until approximately December 2013. It is the Officer's view that this should not be insurmountable particularly given the current investment climate for land development. If unable to be negotiated then there may be spare (and relatively cheap) industrial storage space available within the existing Business Park (Denmark Industrial Area) or other private sheds in a similar manner as they negotiated at their current site.

**Sustainability Implications:**

➤ **Environmental:**

There are no known significant environmental considerations relating to the report or officer recommendation unless the proposed storage shed location was requested to be on uncleared land.

➤ **Economic:**

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

➤ **Social:**

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

**Voting Requirements:**

Simple majority.

OFFICER RECOMMENDATION

ITEM 8.5.3

That with respect to the Denmark Village Theatre's (DVT) request to lease a portion of Reserve 30277 (952 Crellin Street, Denmark) and erect a shed for storage purposes Council;

1. Suggests that the organisation await the outcome of the Civic Centre Redevelopment Concept Plan to ascertain, in the first instance, whether the proposed redevelopment will be capable of meeting their storage requirements;

2. Requests the organisation to consider investing the funds that it had proposed to invest in a standalone storage facility into the capital improvements proposed at the Civic Centre, in exchange for Council providing storage, should the concept design adequately meet the DVT's and Council's joint expectations and requirements;
3. Offer portion of the area of the Civic Centre currently utilised by the Denmark Community Resource Centre (DCRC) and not required by the Denmark Library, as a temporary storage solution for that organisation, post the vacation of that building by the DCRC (in approximately December 2013) and preceding the anticipated redevelopment of the Civic Centre (not expected prior to financial year 2013/14); and
4. Authorise the Chief Executive Officer to negotiate the lease of an area of land on the Railway Station Reserve No. 3 site, being Reserve No. 30277, 952 Crellin Street, in the event that the applicant does not support the suggestions referred to in parts 1 to 3 above, based on the following;
  - i. Council's standard community group lease and relevant adopted policies;
  - ii. The land area being no greater than 200sqm.
  - iii. The identified site being acceptable to the existing lessees of that Reserve.
  - iv. In the opinion of the Chief Executive Officer, the Shed being designed and built in a location and manner sympathetic and consistent with the principles of the proposed Heritage Precinct.
  - v. There being no clearing of remnant vegetation required.

<b>COUNCIL RESOLUTION</b>	ITEM 8.5.3
MOVED: CR SYME	SECONDED: CR LEWIS
<p>That with respect to the Denmark Village Theatre's (DVT) request to lease a portion of Reserve 30277 (952 Crellin Street, Denmark) and erect a shed for storage purposes Council;</p> <ol style="list-style-type: none"> <li>1. Suggests that the organisation await the outcome of the Civic Centre Redevelopment Concept Plan to ascertain, in the first instance, whether the proposed redevelopment will be capable of meeting their storage requirements;</li> <li>2. Requests the organisation to consider investing the funds that it had proposed to invest in a standalone storage facility into the capital improvements proposed at the Civic Centre, in exchange for Council providing storage, should the concept design adequately meet the DVT's and Council's joint expectations and requirements; and</li> <li>3. Offer portion of the area of the Civic Centre currently utilised by the Denmark Community Resource Centre (DCRC) and not required by the Denmark Library, as a temporary storage solution for that organisation, post the vacation of that building by the DCRC (in approximately December 2013) and preceding the anticipated redevelopment of the Civic Centre (not expected prior to financial year 2013/14).</li> </ol>	
CARRIED: 9/0	Res: 180912

**REASONS FOR CHANGE**

Council did not wish to negotiate a lease for portion of Reserve 30277 but rather suggest that the organisation await the outcome of the Civic Centre Redevelopment Concept Plan.

**6.12pm - Public Question Time**

*The Shire President stated that the second public question time would begin & called for questions from members of the public.*

**Mr Shane Smith – Jetty at Poison Point**

Mr Smith advised Council of his concern about the condition of the Jetty at Poison Point, particularly given that it will be school holidays soon and he often saw children playing at that location. Mr Smith offered to assist with the removal of the jetty.

*The CEO suggested that Council accept Mr Smith's offer to assist with the removal of the jetty. It was agreed that the CEO would investigate and liaise with Mr Smith on the matter however it was also noted that the vegetation of the area needed to be a consideration.*

**8.5.4 DENMARK RAILWAY STATION HERITAGE PRECINCT CONCEPT PLAN**

<b>File Ref:</b>	A3140
<b>Applicant / Proponent:</b>	Not applicable
<b>Subject Land / Locality:</b>	Reserve No. 30277, 952 Crellin Street, Denmark
<b>Disclosure of Officer Interest:</b>	Nil
<b>Date:</b>	11 September 2012
<b>Author:</b>	Dale Stewart, Chief Executive Officer
<b>Authorising Officer:</b>	Dale Stewart, Chief Executive Officer
<b>Attachments:</b>	8.5.4 a) – Draft Denmark Railway Heritage Concept Plan 8.5.4 b) – 1944 Plan of site 8.5.4 c) – Letter from Spirit of Play re Heritage Precinct 8.5.4 d) – Letter to R Plant re Railway Carriages 8.5.4 e) – Extracts from Council's Municipal Heritage Inventory

**Summary:**

Council is asked to consider approving, for the purposes of advertising, the draft Denmark Railway Heritage Precinct Concept Plan (Attachment 8.5.4 a)) with respect to Council managed Reserve No. 30277, bounded by Inlet Drive, Crellin Street and Hollings Road. The Plan has been developed based on the principle of establishing a heritage precinct and taking into consideration the expressed desires and visions of the current three lessees with the addition of the need to satisfy Council's resolution with respect to accommodating the (proposed to be) relocated Railway Station Building.

**Background:**

The following is an extract from the Council Meeting of 22 March 2011 which dealt with the possible demolition of the former Railway Station Building currently utilised as the Denmark Bowling Club;

*"The Building is listed in the Council's current and recently reviewed Municipal Heritage Inventory (currently out for public comment) with the title 'Old Railway Station' and is listed as having a level of significance category of 'considerable', which would warrant its retention on the appendix of Heritage Places in the Council's Town Planning Scheme. This of itself places no greater protection on the building other than ensuring that the owner (Council in this instance) is aware of its importance to the community and that there must be an advertising process in any development application to change its structure, appearance or indeed to demolish it.*

*A copy of the listing 'place record form' is attached as an appendix.*

*It notes that the building was originally constructed adjacent to the Denmark – Nornalup Railway Line in 1929 and relocated by the Denmark Bowling Club to the present site in 1964. The original location of the building was on the corner of Crellin St and Hollings Rd on Lot 1085 (refer below map), being Reserve 46242 (vested in the Shire for the purposes of 'Community Centre'), opposite the existing Spirit of Play School (old Post Office Building) on Reserve 30277. This later reserve (lot 952) is the location of a new*

*Heritage Railway Precinct Place as proposed by the Place Record Form in the recently reviewed Municipal Heritage Inventory.”*

Subsequently the resolution of that meeting was as follows (Resolution No. 200311);

*“That with respect to the request of the Denmark Bowling Club that Council support both the principle of demolition of their existing Clubhouse, being the former Denmark Railway Station Building, and also a one third cash contribution to a new Clubhouse at the location, Council respond as follows;*

- 1. That Council does not support the proposed demolition of the current building;*
- 2. That Council is prepared to consider supporting applications for grants for a new Clubhouse at the current site to a maximum cash and or in-kind value of one-third, plus additional self supporting loans, only if the Club can demonstrate to Council's satisfaction that it can meet its projected long term debt and ongoing commitments and has undertaken all necessary planning for the project.*
- 3. That Council staff inspect the building with a view to helping Council and the Club determine its structural integrity and suitability for relocation and or modification.*
- 4. If the Club wishes to proceed with planning for a new building on the site, that prior to part 2 being determined or considered, **Council staff prepare for Council's consideration a draft concept plan for the Railway Heritage Precinct accommodating a relocated Railway Station Building for the purposes of undertaking community consultation.**”*

The purpose of the Reserve (numbered 30277) is 'Historical Precinct, Recreation and Community Purposes'. The Railway Precinct is listed on Council's Municipal Heritage Inventory (MHI) as being of Exceptional Significance which states it is *“Essential to the heritage of the locality. Rare or outstanding example. The place should be retained and conserved unless there is no feasible and prudent alternative to doing otherwise. Any alterations or extensions should reinforce the significance of the place and be in accordance with a Conservation Plan (if one exists for the place).”*

There is no Conservation Plan for the Railway Precinct however a concept plan depicting potential future use for the site has been completed and is the subject of this report.

Additionally the Book 'Elleker Denmark Nornalup', specifically pages 73, 74, 237 to 248 relates as historical background and further reading if required in order to support the historical significance of the precinct.

**Comment:**

One of the principle purposes of the development of a concept plan is for the purpose of encouraging community input into the vision and future planning and development of the Denmark Railway Station No. 3 Reserve.

The Reserve comprises 3.7206 ha, abuts Crellin Street and is bounded by Inlet Drive and Hollings Road. The existing Bibbulmun Track, Denmark Nornalup Heritage Rail Trail, Karri Walk and Munda Bididi Trail pass through the Reserve, with the Mokare Walk Trail and Historic Railway Bridge immediately adjacent to it. The well frequented and Council vested Denmark Rivermouth Foreshore, Caravan Park and Tidy Towns Park are also immediately adjacent and are strategic community assets.



Figure 1 - 952 Crellin Street (showing Lot 1085 also)



Figure 2 – 952 Crellin Street, Reserve 30277

The purpose of the Concept Plan, was to define, discuss and / or explore the following aspects;

- The name of the Reserve which has been officially named by Council as the ‘Denmark Railway Station No. 3 Reserve’.
- A draft ‘Vision’ for the reserve to guide Shire of Denmark and Community usage of the reserve in keeping with Heritage Railway precinct (its railway and timber heritage).

- Acknowledgement of the existing uses (and leased areas) including the Lions Lair, Denmark Yacht Club Shed, Denmark Machinery & Restoration Group, Spirit of Play School (Old Post Office) and heritage artefacts.
- Exploring additional, indicative only, long term / future complementary uses and potential building sites and uses such as a 'Men's Shed', possibly in the relocated former Railway Station.
- Exploring the potential for signage and interpretation elements.
- Plotting (not surveying) existing assets on the reserve including, for context and connectivity, the adjoining footpath on Inlet Drive and reference to Inlet Drive, Hollings Rd and Crellin St.
- Refurbishing the old rail 'turntable', ash pits and railway carriages as safe 'play' and interpretative elements (and noting the possibility of grants to achieve this).
- Concept perspectives of the (to be) relocated and (to be) restored 'Railway Station' building (much of the *present Denmark Bowling Clubhouse*).
- Commentary on the 'borders' of the plan exploring opportunities to create design guides, planting, landscaping, features and parameters to include future constructions in keeping with the theme and vision of the reserve (railway and timber heritage).
- Conceptual usage of different aspects of the reserve, both now and into the future, and how they interconnect with roads, car parking, seating, trails and paths.
- The potential for a Trails Hub facility exciting users to explore the various trails of the Shire including specifically the trails that are immediately accessible adjacent or within the reserve, those being;
  - Munda Bididi Trail
  - Bibbulmun Track
  - Denmark Nornalup Heritage Rail Trail
  - Karri Walk Trail
  - Heritage Walk Trail
  - Mokare Walk Trail.

### Consultation:

The CEO initially met with the consultant that prepared the Concept Plan onsite to confirm the methodology, timing and themes and thereafter on a further three occasions, one of which was with the President of the Denmark Historical Society, who assisted draft the brief, prior to final presentation of the Concept Plan.

The CEO took on the task of seeking the views and desires of the following specifically identified primary 'users' of the reserve and forwarded the information to the consultant;

- Denmark Yacht Club (rented from Lions Club through their lease)
- Denmark Machinery Restoration Group
- Spirit of Play School
- Denmark Lions Club
- Denmark Historical Society.

The results of that consultation include the following commentary;

Spirit of Play - 18 Jan 2012

- meeting with Jeff Atkinson (Committee Secretary) & 2 Committee Members

- Existing licensed venue for up to 28 children although they like less than 20 (class size);
- They have estimate 14 children aged 3 – 7 in 2012;
- They would love to have another class, but haven't needed another class in their 20 or so years of operation (they would love to grow but are realistic about that happening);
- Would love to have the Railway Station Building as an additional classroom (if they had the need);



- Love the idea of the turntable being used as a nature play, picnic area;
- Would love some cultural heritage indigenous interpretation on the site;
- Noted that their lease area is that which includes the building and the fenced playground, not the turntable, carriages etc. (Therefore the liability of the carriages and ash pit rests with Council!);
- Use the forest and areas as 'natural' play.

#### Denmark Machinery Restoration Group - 19 Jan 2012

– meeting with Arley Egerton-Warburton & Rob Plant

- Aim to relocate the standalone rail carriage to their leased area abutting the road for a refurbishment project with about 10m of rail underneath (static display);
- They do not wish to have fencing;
- They plan to erect a small windmill on their site between them and the yacht club shed;
- They believe they will need to grow into the future (on their reserve and also maybe southwest direction);
- Like the idea of open / parkland setting and no fences but 'mow' their area';
- Agree that access via the northern most opening is dangerous and should be closed;
- Wouldn't mind the railway station building as an office / clubhouse / expanding their catalogues and library facility (old manuals, books about restoring etc.);
- Comfortable with early childhood activities around them;
- Love the idea of the turntable being used as a picnic area;
- Are going to replace the crane (railway) to the concrete plinth on the ground still in front of their building;
- 3 phase to site..yes;
- Would love to have a recreation / BBQ seating area around their oak tree in front of them;
- Like the idea of intergenerational activities (sharing of knowledge);
- Like the idea in time of a museum element to their restorations (interpretation) school outings, workshops etc.

#### Denmark Lions Club – 19 Jan 2012

- meeting with Vice President (Brian McCrow)

- They do not wish to have fencing;
- They own the shed and have an agreement (not a lease) with Denmark Yacht Club re sharing the shed...they use half for storing mowers and chainsaws and equipment, and there is a powered rescue boat in there too;
- They have no plans to grow;
- Lions have an office and meeting room and meet 2 x per month for evening meetings and 1 x per week for work bees (at the site);
- They rent (free of charge) the facility for meetings / activities to the following groups as a community service (2 hours per time);
  - Over 50's for Bridge 1 x pw;
  - Weightwatchers 1 x pw;
  - Spinners 2 x pm;
  - Stamp club 1 x pm; and
  - Yoga Group 1 x pw.
- Have no concerns about early childhood activities on the reserve;
- Like the idea of open / parkland setting and no fences but 'mow' their area';
- Agree that access via the northern most opening is dangerous;
- Suggest site of relocated railway carriage as being opposite them (south of the creek though);
- See no Lions Club need for the railway station building;
- Love the idea of the turntable being used as a picnic area.

**Statutory Obligations:**

The subject land is listed in the Heritage Schedule of the Council's Town Planning Scheme and Council should consider all proposals for development in accordance with any Heritage Policies that it has in place from time to time.

The 'problem' created by Council's resolution to 'retain' the Railway Station Building and for it to be relocated back to the Reserve, from whence it commenced its life, presents not just a 'cost' but also an 'opportunity'.

The opportunity to create a Heritage Precinct has significant merit, is supported by the adopted Municipal Heritage Inventory and the Reserve has a number of existing 'artefacts' and heritage buildings that relate to the site and/or era. The return of the Railway Station Building would compliment this. The original location of the Railway Station Building could still be achieved if the Council so desired (refer appendix). It is noted that the current Concept Plan shows the Building being relocated to the North East of the Reserve (some 100m east of its original location) and this possibly should be addressed in the next version of the plan.

In an earlier report to Council in this agenda the subject of relocating the original Pig Shed from Lot 300 South Coast Highway back to this Reserve (from whence it came) is also discussed.

The opportunity also exists for Council to enter into discussions with the Denmark Woodturners about them potentially relocating (from the Denmark Visitor Centre site) to the Reserve, in time, to further create a hub of vibrant 'Mens Shed' activities around the timber and rail heritage theme. Whether that Group would be interested in relocating has not currently been canvassed. Whether the Railway Station Building would be suitable for them is also another matter however, the Officer sees great synergy in complementing the activities of the Machinery Restoration Group with the Woodturners in a single men's shed 'precinct' complementing the heritage aspects.

If Council were to advertise the opportunity to assist with the relocation of the building to the Railway Precinct, the Officer is of the view that not many groups would 'put their hand up' however the following Groups *may* indicate such an interest if canvassed / asked;

- Wilgie View Learning Centre Inc. (Spirit of Play) for a potential second community school building;
- Denmark Machinery Restoration Group (office, library, Kitchen); and possibly,
- Denmark Woodturners.

Such an outcome would serve both the Ratepayers (and also the benefiting community group) and would, in the opinion of the Officer, be well received by potential grant providers looking to assist with community activities and particularly those involving the preservation / restoration of heritage assets.

Whilst the principle of seeking 'expression of interest' from potential community groups, who could benefit from the Railway Station Building, might be premature given the Riverside Club Project is only just applying for a grant, (assuming Council supports the project), if they are successful in March 2013, the Council may well be looking to relocate the building in the latter half of 2013. It is the Officer's view that potential suitors should be explored now, which might also open up avenues for additional complementary grant funding.

**Policy Implications:**

The Council's adopted Municipal Heritage Inventory records place record forms for several sites / buildings involved on or with the precinct are attached under Attachment 8.5.4 b).



These include place record forms;

- Old Railway Station (current Bowling Club on Reserve 20403);
- Railway Precinct;
- Former Post Office (current Sprit of Play Community School);
- Station Master House (current Lions Lair); and
- Denmark River Railway Bridge (subject to a current restoration grant project scheduled for completion in calendar year 2013).

Council's Consultation Policy P040123 also relates and has been considered in developing the proposed consultation referred to in the Officer Recommendation.

#### **Budget / Financial Implications:**

If the concept is adopted there may be assistance required to support the aspirations of community groups occupying (at present or into the future) the Reserve to achieve the visions ascribed in the Plan. Such assistance would generally be in the way of assisting leverage government grants that fulfil the collective aims of both the group(s) and the Plan. The development of the Reserve can then occur as and when Council and Community or Government funds become available.

The key is the development of a Concept Plan that guides development into the future. There are currently no indications on the plan of 'when' the ultimate development is proposed to be completed as the actions would generally be to support the community or community groups as opportunities arise.

#### **Strategic Implications:**

The confluence of important resident and visitor servicing; trails combined with the heritage elements of the precinct together with its location, at the Rivermouth, makes the Reserve an extremely important long term asset that deserves appropriate planning and 'guidance' which helps achieve the over 'vision' for the reserve and avoids adhoc decision making.

With a number of heritage buildings and community 'space' the Reserve could also develop into a long term opportunity for a community market space.

#### **Sustainability Implications:**

##### ➤ **Environmental:**

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

##### ➤ **Economic:**

The development of a heritage precinct at the Reserve has the potential to further the Shire's tourism 'product' through the celebration and recognition of the role that timber and rail served in the development of the district and Denmark townsite specifically.

##### ➤ **Social:**

The development of a heritage precinct at the Reserve has the potential to provide a cohesive and coordinated outlet for the celebration and recognition of the role that timber and rail served in the development of the district, the Denmark townsite specifically together with the imperative connectivity it enabled during the early Group Settlement days.

The opportunity exists to further consolidate the Reserve as a vibrant community space through the connection of people of all ages by utilising the heritage assets that presently exist and well as those that might be 'refurbished' or restored on the Reserve in the future.

The draft Concept Plan attempts to encourage intergenerational connectivity through utilising the heritage assets as 'heritage and nature play' elements.

**Voting Requirements:**

Simple majority.

**OFFICER RECOMMENDATION**

ITEM 8.5.4

That the draft Concept Plan for the Denmark Railway Station Heritage Precinct be advertised for public comment in the Administration Office, Denmark Library and Denmark Bulletin for a period of 60 days and specifically forwarded to the following identified organisations / businesses seeking written comment on the plan in general as well as on the opportunity to submit an expression of interest in relation to utilising the proposed relocated Railway Station Building;

1. Denmark Historical Society Inc.
2. Denmark Lions Cub Inc.
3. Wilgie View Learning Centre Inc. (Spirit of Play)
4. Denmark Machinery Restoration Group Inc.
5. Denmark Tourism Inc.
6. Denmark Chamber of Commerce Inc.
7. Denmark Weed Action Group Inc.
8. Denmark Yacht Club Inc.
9. Denmark Woodturners Inc.
10. The lessees of the Denmark Rivermouth Caravan Park.

**COUNCIL RESOLUTION**

ITEM 8.5.4

MOVED: CR ROWLAND

SECONDED: CR OSBORNE

That the draft Concept Plan, comprising Reserve 30277 (Lot 952), portion of Reserve 14376 (Lot 1083) and the unconstructed portion of the adjoining Hollings Road Reserve, for the Denmark Railway Station Heritage Precinct be advertised for public comment in the Administration Office, Denmark Library and Denmark Bulletin for a period of 60 days and specifically forwarded to the following identified organisations / businesses seeking written comment on the plan in general as well as on the opportunity to submit an expression of interest in relation to utilising the proposed relocated Railway Station Building (Community Groups only);

1. Denmark Historical Society Inc.
2. Denmark Lions Cub Inc.
3. Wilgie View Learning Centre Inc. (Spirit of Play)
4. Denmark Machinery Restoration Group Inc.
5. Denmark Tourism Inc.
6. Denmark Chamber of Commerce Inc.
7. Denmark Weed Action Group Inc.
8. Denmark Yacht Club Inc.
9. Denmark Woodturners Inc.
10. The lessees of the Denmark Rivermouth Caravan Park.

CARRIED: 9/0

Res: 190912

**REASONS FOR CHANGE**

Council included a more comprehensive description of the subject land and included the words "(Community Groups only)".

<b>8.5.5 POLICY MANUAL REVIEW</b>
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<b>File Ref:</b>	ADMIN.2
<b>Applicant / Proponent:</b>	Not applicable
<b>Subject Land / Locality:</b>	Not applicable
<b>Disclosure of Officer Interest:</b>	Nil
<b>Date:</b>	13 September 2012
<b>Author:</b>	Claire Thompson, Executive Assistant
<b>Authorising Officer:</b>	Dale Stewart, Chief Executive Officer
<b>Attachments:</b>	Yes – Attachment 8.5.5

**Summary:**

This report recommends that Council review its Policy Manual and the Policies therein. Suggested changes to the Policy Manual are shown in the attached document with major changes (not spelling, format or grammatical) detailed in the table in the comment section.

**Background:**

In October 2009, Resolution No. 291009 amended the Policy Manual review process from once annually to one twelfth of the Manual every month. This process was completed in April 2011. Prior to this Council Policy stated that *“The Council is to carry out a total review of all policies in September of each odd year, i.e. biennially”*.

In light of the Council Elections in October 2011 and pursuant to advice from Councillors that they would prefer to not undertake a ‘one twelfth a month’ review process, the Manual is now presented to Council for review in its entirety. This does not exclude any Policy from being reviewed at any time by Council at any other time of the year.

The purpose of policy documents is to enable the effective and efficient management of Council resources and to assist staff and Council achieve an equitable decision making process. Written policies also enable the community to be aware of the reasoning behind administrative and Council decisions and to be familiar with the philosophy behind individual decisions.

Policy statements enable much of the day-to-day business of Council to be handled by the Administration, freeing up the time of the Elected Members in determining major policy and strategic direction.

The Manual contains the policy statement of the Council and does not contain procedural matters.

A current policy manual of any organisation proves to be a valuable tool in improving the decision making process and the policies contained within this manual are those that project a corporate image and are not controlled by individual directorates. The development of the policies involves input from staff across the organisation and elected members.

A policy statement is not binding on Council but provides a guideline for Elected Members and staff in determining individual applications or requests. Generally, policies evolve as issues come before Council and should continue to evolve through a process of review and refinement. For this reason, it is important that a review process is in place. It is also possible for members of the community to seek an early review of a specific policy.

Councils Policy Manual forms part of Shire’s public documentation.

**Comment:**

The Policy Manual has been reviewed by the CEO, Directors and the Executive Assistant and recommended changes are detailed in Attachment 8.5.5. Major changes (not spelling, format or grammatical) are highlighted in the table below together with an explanation of why the change is recommended.

P100506 WILSON INLET FORESHORE

Council views any damage to any Council property or reserve vested in it, including unauthorised removal of vegetation, as an offence and will initiate action under the Shire of Denmark Local Laws and other relevant legislation and encourage other relevant authorities to take action with respect to their land or jurisdiction if Council becomes aware of it.

With respect to the above Policy the CEO is aware that Cr Syme, during a recent briefing session, raised the question whether Council should be developing a policy that provides an overt and substantial disincentive to landowners who clear remnant vegetation at the foreshore frontage of their property. The example given by Cr Syme was that a Council over in the eastern states erected a large billboard in place of vegetation that was illegally removed by a landowner. The effect of the billboard was twofold, firstly to reinstate the barrier of the view that was created by the removal of the vegetation and secondly to place appropriate words on the billboard advising that the sign was erected by the Council to penalize the landowner and to serve as a warning to others.

Policy Number	Policy Name	Recommended Change	Reason for Recommended Change
P040101	Ordinary Council Meetings	Amend beginning time from 1.00pm to 10.00am.	To reflect current practice.
P040103	Locality (Ward) Meetings	Amend title to include the words "Kent/Nornalup".	For clarity.
P040109	Codes of Conduct & Required Plans	As shown on the attachment.	Updated some dates.
P040110	Policy Manual	Amend part 5.	To change Council's review process from a one twelfth per month review to a biennial review cycle.
P040111	Public Relations – Media Releases	Amend part 2 and 3 and add part 5.	To validate the current circumstances that the CEO responds to various media requests for comment and authorises, prepares and distributes written media releases on behalf of the organisation on a regular basis.
P040113	Citizens & Sportspeople of the Year	PART A <ul style="list-style-type: none"> <li>• Add the word "or event" after the words "community group".</li> <li>• Add the words "A person may only be nominated for one category on a Nomination Form. A person may be</li> </ul>	<ul style="list-style-type: none"> <li>• To remain consistent with the categories of the Premier's Active Day Citizenship Awards;</li> <li>• For administrative purposes so that Council can determine the successful applicant for each category</li> </ul>

		nominated more than once on separate Nomination Forms".	separately without duplicated nominations.
P040114	Naturalisation Ceremonies	Amend part 4 to include the "Deputy Shire President and the Chief Executive Officer"	Pursuant to the Instrument of Authorisation – amended 2012.
P040116	Council Photographs	Add the words "framed and hung in the vicinity of the Council Chambers".	Provides clear direction for Staff.
P040117	Shire Crest	Add a part 3 which reads "When approvals are given for on off publications, productions or advertising the CEO shall ensure that the organisation utilising Council's crest is to ensure that the message, content and accuracy of the material is in keeping with Council's expectations."	To ensure that the Shire Crest is only approved for use on material which is in keeping with Council's expectations.
P040129	Reimbursement of Elected Members Travel Expenses Policy	Add "briefing forums" to the list of approved meeting types.	To reflect the current practice.
P040204	Enrolment of Non-Resident Owners & Occupiers	Add the words "(last prepared 2010)".	To provide guidance to Staff as to when the next survey is due.
P080201	Denmark Agricultural College Scholarship	Amend part i).	This year it was apparent that the last Friday in October would not suit the scheduled meeting date to ensure that the Scholarship was awarded by Council in time for the school's graduation ceremony. This could change each year and therefore it is suggested that the closing date be determined by the CEO each year.
P080202	Leadership Award	Amend part j)	This year it was apparent that the last Friday in October would not suit the scheduled meeting date to ensure that the Scholarship was awarded by Council in time for the school's graduation ceremony. This could change each year and therefore it is suggested that the

			closing date be determined by the CEO each year.
P100101	Rubbish Removal Service	Repeal	Should have been repealed when P100104 was adopted – they are contradictory.
P110706	Aboriginal Heritage	<ul style="list-style-type: none"> <li>• Add date of NAIDOC week;</li> <li>• Add date of the High Court decision in the Eddie Mabo land rights case.</li> </ul>	Include dates for clarity.
P120101	Street Trees	Remove the words “who is to have regard to Town Planning Policy No. 33”.	Town Planning Policy No. 33 is now redundant.

**Consultation:**

CEO, Directors and Executive Assistant.

**Statutory Obligations:**

There are no statutory obligations.

**Policy Implications:**

Should Council agree to amend the policies as recommended then Council’s Policy Manual will be updated accordingly to reflect those changes.

**Budget / Financial Implications:**

There are no known financial implications upon the Council’s current Budget or Plan for the Future.

**Strategic Implications:**

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

**Sustainability Implications:**

➤ **Environmental:**

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

➤ **Economic:**

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

➤ **Social:**

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

**Voting Requirements:**

Simple majority.

OFFICER RECOMMENDATION

ITEM 8.5.5

That with respect to the review of Council’s Policy Manual, Council;

1. Amend the document as per Attachment 8.5.5; and
2. Request the Chief Executive Officer to prepare an amendment (addition) to Policy P100506 (Wilson Inlet Foreshore) with respect to the installation of signs, by Council, in any areas where illegal clearing of vegetation has taken place adjacent to Wilson Inlet, for Council’s consideration.

6.46pm – Cr Rowland left the meeting  
 6.47pm – Cr Rowland returned to the meeting.

**COUNCIL RESOLUTION**

ITEM 8.5.5

MOVED: CR ROWLAND

SECONDED: CR SEENEY

That with respect to the review of Council’s Policy Manual, Council;

1. Amend the document as per Attachment 8.5.5;
2. Request the Chief Executive Officer to prepare an amendment (addition) to Policy P100506 (Wilson Inlet Foreshore) with respect to the installation of signs, by Council, in any areas where unauthorised clearing of vegetation has taken place adjacent to Wilson Inlet, for Council’s consideration; and
3. Include a notation on Policy P100606 as follows; “This policy does not relate to building applications to any residential dwellings nor any application totalling greater than \$1,000,000.”

CARRIED: 9/0

Res: 200912

REASONS FOR CHANGE

Council added and additional amendment to the Policy Manual as part 3 and amended the word “illegal” to “unauthorised” in part 2.

## 9. COMMITTEE REPORTS & RECOMMENDATIONS

Prior to consideration of Item 9.1 the Chief Executive Officer, through the Presiding Person, brought to the attention of the meeting the following disclosure(s) of interest:

Cr Osborne is a member & Secretary of the Carmarthen Volunteer Bush Fire Brigade and as a consequence there may be a perception that his impartiality on this matter may be affected.

Cr Osborne declares that he will consider this matter on its merits and vote accordingly.

<b>9.1 BUSH FIRE ADVISORY COMMITTEE - CONSTRUCTION ASSISTANCE CARMARTHEN AND OWINGUP FIRE SHEDS</b>
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<b>File Ref:</b>	A3099, A3219
<b>Applicant / Proponent:</b>	Chief Fire Control Officer and the Carmarthen and Kordabup / Owingup Volunteer Bush Fire Brigades
<b>Subject Land / Locality:</b>	Reserve 50339 South Coast Highway & 4 Nekel Rd
<b>Disclosure of Officer Interest:</b>	Nil
<b>Date:</b>	12 August 2012
<b>Author:</b>	Gregg Harwood, Director of Community & Regulatory Services
<b>Authorising Officer:</b>	Gregg Harwood, Director of Community & Regulatory Services
<b>Attachments:</b>	9.1 – Appendix to Lease

### Summary:

This report considers a request from the Chief Fire Control Officer (CFCO) and the Carmarthen and Kordabup / Owingup Volunteer Bush Fire Brigades (via the Bush Fire Advisory Committee (BFAC)) for an \$8,000 contribution to pay for site works and concrete pads for their fire sheds.

The officer report supports this request and the BFAC recommendation to Council has been amended to include a source for the of budget expenditure.

### Background:

At its meeting on the 6 September 2012, the BFAC made the following recommendation to Council.

*“That the Bush Fire Advisory Committee recommends to Council that;*

*An out of budget allocation of \$6,200 be made in the 2012-2013 budget year for the site works and construction of a 6 x 3m concrete foundation slab at the Carmarthen fire shed site and a 6 x 6m foundation slab at the Owingup fire shed site and these works be funded by a reallocation off \$6,200 from the control program.”*

### Comment:

Carmarthen and Kordabup / Owingup Volunteer Bush Fire Brigades are in need of fire sheds that are suitable for housing their vehicles.

Carmarthen have a fire shed but it is too small for its new 1.4 unit and as a result they are storing it in the shed of a recently retired FCO's property at McLeod Road. The Owingup branch of the Kordabup / Owingup brigade does not currently have a fire shed and Sam Blythe the FCO stores their Light Tanker (Fast Attack) in her shed in Board Rd.

The CFCO is keen to house the Owingup Light Tanker in a location which provides easy access to South Coast Highway, is not far from the Kenton Estate and Bow Bridge as this area contains a number of vulnerable properties and is some distance from existing fire sheds.

The CFCO is proposing to relocate the disused Central Zone shed (6 x 9m) from Kordabup Rd to the current Carmarthen shed site which is located on Telstra owned land (exchange) at the corner of Roberts and Nekel Roads. The existing Carmarthen



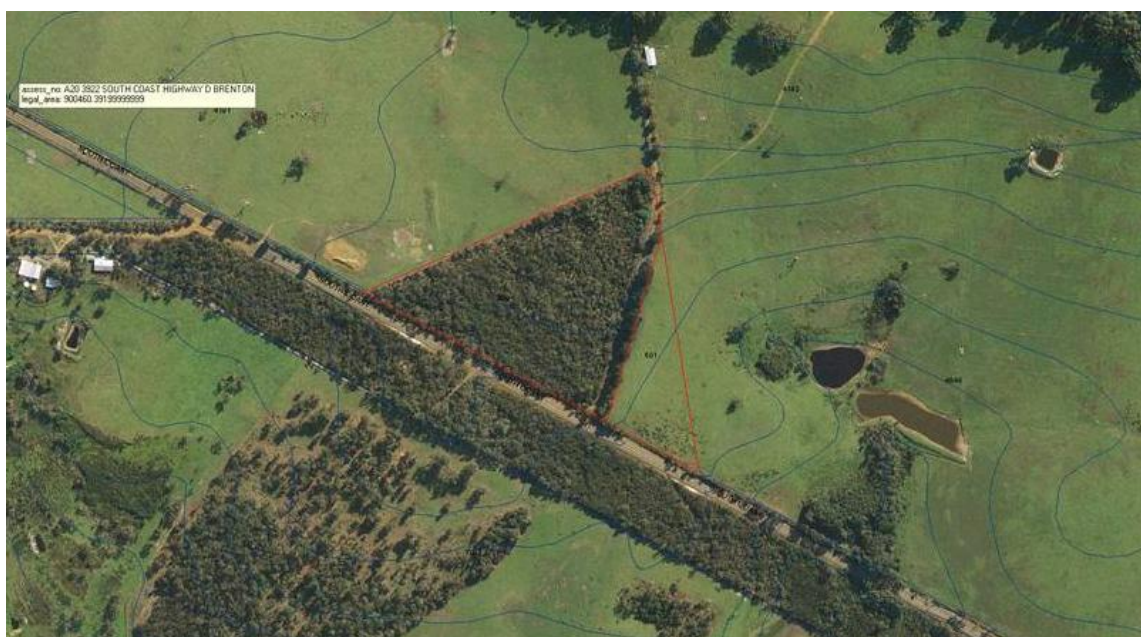
shed would then be relocated to a new site Reserve 50339 South Coast Highway which is a 6.124 hectare reserve that is under Shire management for the purposes of Bush Fire Brigade Activities.

Both brigades have offered volunteer support to handle the dismantling and re-erection of the sheds, but the cost for the concrete pads will need to be found. The Carmarthen will require a 3 x 6m extension of the existing concrete slab and the Owingup shed will require a new 6 x 6m concrete slab.

It is estimated that Carmarthen slab will cost \$3,500 including site works and that the Owingup pad will cost \$3,700 including site works.

The reason why these funds are being sought from Council rather than FESA's Emergency Service Levy (ESL) grants is because the Carmarthen shed is ineligible for these funds because it does not own the land where the Carmarthen shed is located and the Owingup shed has been the subject of three unsuccessful ESL grant applications. The Officer is of the view that the grant funding for the Owingup Shed is unlikely to be successful in the future given that the Shire of Denmark has numerous sheds and many Wheat Belt Brigades do not have any facilities.

While from a local government perspective it is considered good governance to avoid spending general revenue on facilities that could be eventually funded by grants, the pragmatic perspective is that amounts being requested are small when compared to the long term benefits that these facilities will bring to their local communities and to the morale of these brigades. In addition the amounts requested are relatively small compared to the significant labour and material contributions which will be made by both brigades.



**Figure 3 - The proposed site for the Owingup Shed on the cleared portion**



Figure 4 - The proposed site for the Carmarthen Shed

**Consultation:**

The CFCO has consulted extensively with the Carmarthen and Owingup FCOs and the Director of Community & Regulatory Services has had discussed the construction of the Owingup Shed with the adjoining property owner.

**Statutory Obligations:**

Shire of Denmark is the hazard management agency charged with responsibility for fighting and preventing fires on land within its municipal district. As a hazard management agency for fire it has a responsibility (within its means) to ensure that its brigades have adequate housing for its vehicles.

**Policy Implications:**

There are no known policy implications.

**Budget / Financial Implications:**

The proposal represents an \$8,000 out of budget allocation request that will need to be funded by reallocating resources from elsewhere, such as from the Directorate of Community & Regulatory Services program area.

The Officer has recommended the sum of \$8,000, as opposed to the \$6,200 recommended by the BFAC, to allow for contingencies.

It is suggested that this amount be taken from the 1515002 Reserve Fire Management & Prevention Plan (Controlled Burn Program) allocation as the full expenditure of this account is dependent on climatic conditions being suitable for safe (controlled) burning and this is difficult to achieve in most fire seasons.

**Strategic Implications:**

Whilst Council has the management order with respect to reserve number 50339, the proposed site for the Carmarthen Shed (4 Nekel Road) is owned by the Telstra Corporation. Council does however have an existing lease for a portion of approximately half of the land (being approximately half of 987.50sqm) for the purposes of a Bush Fire Brigade Shed. The lease was for a term of 21 years, expiring on 2 December 2020 for annual rent of \$100. Given the relatively small investment, the length of term is not particularly of concern and whilst there is no right of renewal it is anticipated that this could be negotiated.

Officers have discovered in investigating the issue of relocating the sheds that the shed was built in 1999/2000 on or about the same time that the lease was signed between Council and Telstra.

Unfortunately the existing pad and shed was erected on what was proposed to be the leased area and the final signed lease reflects a slightly different situation. The result is that the existing shed and pad are some 4 metres north of where they should have been erected and as a result Council staff will need to liaise with Telstra regarding this anomaly and either seek approval to amend the lease's 'hachured map' (Attachment 9.1) to reflect the additional land area required or to ensure that the new shed is in the correct location (resulting in a slightly extended concrete pad).

The lease payable by Council is currently \$100 per annum. The lessor (Telstra) can give Council nine (9) months notice to vacate the site if it requires it for its own purposes. This is considered unlikely in the short to medium term (certainly not for the life of the remaining lease). Beyond that term, the Council and Brigade should be looking at alternate locations to provide greater security of tenure for development of its assets.

**Sustainability Implications:**

➤ **Environmental:**

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

➤ **Economic:**

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

➤ **Social:**

The relocation of emergency management vehicles has the potential to become a point of social conflict in both the local and Bushfire Brigade community and needs to be carefully considered.

**Voting Requirements:**

Absolute majority.

COMMITTEE RECOMMENDATION

ITEM 9.1

That the Bush Fire Advisory Committee recommends to Council that;  
An out of budget allocation of \$6,200 be made in the 2012-2013 budget year for the site works and construction of a 6 x 3m concrete foundation slab at the Carmarthen fire shed site and a 6x 6m foundation slab at the Owingup fire shed site and these works be funded by a reallocation of \$6,200 from the control burn program.

Reason for revised Officer Recommendation:

The officer recommendation includes a source of funding from within Directorate of Community and Regulatory Services budget allocations.

<b>COUNCIL RESOLUTION &amp; OFFICER RECOMMENDATION</b>	<b>ITEM 9.1</b>
MOVED: CR SEENEY	SECONDED: CR MARSHALL
<p>That with respect to the proposed construction of Bush Fire Vehicle Sheds for the Carmarthen and Owingup Brigades Council resolve that;</p>	
<p>1. The 2012/13 Budget be amended as follows;</p>	
<p style="padding-left: 20px;">a) Decrease general ledger expenditure account Reserve Fire Management and Prevention Plan (Controlled Burn Program) (1515002) from \$107,238 to \$99,238 (a decrease of \$8,000); and</p>	
<p style="padding-left: 20px;">b) Create a new general ledger expenditure account Carmarthen &amp; Owingup Fire Sheds from \$0 to \$8,000 (an increase of \$8,000), noting that the adopted surplus brought forward position will remain at \$0.</p>	
<p>2. The works in relation to the Carmarthen Shed comply with the terms of the lease.</p>	
<p>CARRIED BY AN ABSOLUTE MAJORITY: 9/0 <span style="float: right;">Res: 210912</span></p>	

**10. MATTERS BEHIND CLOSED DOORS**  
Nil

**11. NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF THE MEETING**  
Nil

**12. CLOSURE OF MEETING**

*6.58pm - There being no further business to discuss the Shire President declared the meeting closed.*

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

Signed: \_\_\_\_\_  
*Dale Stewart – Chief Executive Officer*

Date: \_\_\_\_\_

These minutes were confirmed at the meeting of the \_\_\_\_\_

Signed: \_\_\_\_\_  
*(Presiding Person at the meeting at which the minutes were confirmed.)*