



SHIRE OF DENMARK

Ordinary Council Meeting
AGENDA

Tuesday, 26 May 2026

TO BE HELD IN THE COUNCIL CHAMBERS, 953 SOUTH COAST
HIGHWAY, DENMARK, ON TUESDAY 12 MAY 2026,
COMMENCING AT 4.00PM.

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1 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

2 RECORD OF ATTENDANCE

MEMBERS

- Cr Aaron Wiggins (Shire President)
- Cr Nathan Davenport (Deputy Shire President)
- Cr Clare Campbell
- Cr Kingsley Gibson
- Cr Jay Hockey
- Cr Jan Lewis
- Cr Janine Phillips
- Cr Alex Sleeman
- Cr Dominic Youel

STAFF

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

ON APPROVED LEAVE OF ABSENCE

ABSENT WITHOUT LEAVE

VISIOTRS

3 DECLARATION OF INTEREST

Name	Item No.	Interest Type	Nature

4 ANNOUNCEMENTS BY THE PRESIDING PERSON

5 PUBLIC QUESTION TIME

5.1 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

5.2 PUBLIC QUESTIONS

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

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

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

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

Questions from the Public

5.3 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

Nil

5.4 PRESENTATIONS, DEPUTATIONS & PETITIONS

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

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

6 APPLICATIONS FOR FUTURE LEAVE OF ABSENCE

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

7 CONFIRMATION OF MINUTES

7.1 ORDINARY MEETING – 28 APRIL 2026

OFFICER RECOMMENDATION	ITEM 7.1
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That the Minutes of the Ordinary Meeting of Council held on 28 April 2026 be CONFIRMED as true and correct record of the proceedings.	
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7.2 SPECIAL MEETING – 12 MAY 2026

OFFICER RECOMMENDATION	ITEM 7.2
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That the Minutes of the Special Meeting of Council held on 12 May 2026 be CONFIRMED as true and correct record of the proceedings.	
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8 ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

9 REPORTS OF OFFICERS

9.1 CHANGE TO METHOD OF VALUATION – SPLIT RATING OF RURAL PROPERTIES WITH NON-RURAL USES

File Reference	RTS.11
Applicant	Not Applicable
Disclosure of Officer Interest	Nil
Date	8 May 2026
Author	Kellie Jenkins, Executive Manager Corporate Services David King, Chief Executive Officer
Authorising Officer	Kellie Jenkins, Executive Manager Corporate Services
Attachments	9.1 – Extract from December 2022 Ordinary Council Meeting Minutes including attachments

EXECUTIVE SUMMARY

- (1) Council is asked to consider the Department of Local Government, Industry Regulation and Safety (Department) request that the Shire update information and resubmit its split rating (change to method of valuation) applications for rural properties with predominant non-rural uses and determine whether the Shire is currently positioned to do so in accordance with required principles.
- (2) Since the original applications were lodged in June 2023, officers have gained a clearer understanding of what is required to progress a change to the method of valuation, including external costs (surveyor work, Landgate technical descriptions and valuations) and administration effort across the four-step process. Over time, property circumstances and documentation have also changed, meaning the 2023 information can no longer be relied upon.
- (3) Officers have reviewed split rating against the Department's rating principles and recommend that Council cease progress on split rating and retain the existing differential rating approach for applicable Unimproved Valuation (UV) properties. If Council wishes to proceed with split rating, officers recommend that implementation be deferred until internal systems and process improvements are in place, so the principles of objectivity, fairness and equity, consistency, transparency and administrative efficiency can be met more defensibly.

VOTING REQUIREMENTS

- (4) Simple Majority.

OFFICER RECOMMENDATION	ITEM 9.1
<p>That Council:</p> <ol style="list-style-type: none"> 1. NOTES the advice received from the Department of Local Government, Industry Regulation and Safety regarding the requirements to progress split rating applications. 2. RESOLVES to retain the current differential rating system and cease implementation of split rating to UV commercial-rated properties. 	

LOCATION

- (5) Rural properties with non-rural use that are rated as Rural Additional Use – Commercial (UV) and Rural Additional Use – Holiday (UV).

BACKGROUND

Rating Review Stage 1

- (6) Stage 1 of the Shire of Denmark’s rating review was undertaken because the existing rating structure had become overly complex, difficult to explain, and increasingly inefficient to administer, with identified issues including unclear and poorly articulated differential category characteristics and “objects and reasons”, inconsistencies with valuation bases, and potential compliance risk where some categories had very low property counts (affecting minimum payment settings).
- (7) The review was budgeted in 2019/2020 and commenced in practice in early 2020, with Moore Australia engaged to review the structure, benchmark it against adjacent local governments, and develop modelling to test alternative scenarios through workshops with councillors and senior staff.
- (8) The Shire also obtained specialist legal advice (McLeods) to test the structure against legislative requirements and to support clearer, more defensible differential category descriptions and characteristics. Stage 1 focused on returning the framework to fundamental rating principles—objectivity, fairness/equity, consistency, transparency and administrative efficiency.

GRV Categories

- (9) Stage 1’s key Gross Rental Valuation (GRV) outcome was simplification and consolidation. The GRV changes were intended to rely primarily on the Valuer General’s GRV valuations as the main differentiator between properties, rather than using the Shire’s multiple sub-categories. On the GRV side, this involved consolidating multiple “developed” GRV categories into a single base category (GRV General), replacing separate developed categories that previously applied across residential, business/commercial, lifestyle and rural uses.

- (10) Stage 1 retained two GRV ‘special case’ categories as separate from GRV General: “Holiday Use (Tourism)” and “Vacant”. These categories were treated differently from GRV General in the simplified model.
- (11) “Holiday Use (Tourism)” was maintained as a distinct GRV category due to valuation treatment. These properties may be valued similarly to standard residential dwellings, but, as they operate as short-term accommodation, the gross rental valuation did not reflect the actual gross rental valuation associated with short-stay accommodation.
- (12) “Vacant” was maintained as a distinct GRV category to discourage land-banking and encourage development and infill. The higher vacant land treatment was retained and standardised in the new model.

UV Categories

- (13) Stage 1 proposed simplifying the UV structure by moving from multiple “Additional Use” tiers to a simpler approach. At the time, the Shire’s UV settings included a UV Base category plus four “Additional Use” categories (Additional Use 1–4) to capture non-rural activities occurring on rural (UV) land.
- (14) The Stage 1 simplified model resulted in three UV-related categories:
- Rural (UV)
 - Rural – Additional Use – Holiday (UV)
 - Rural – Additional Use – Commercial (UV)
- (15) “Rural – Additional Use – Holiday” applies where a UV property has planning approval for holiday home(s)/holiday accommodation and where there are approved holiday homes or chalets up to a quantity of four.
- (16) “Rural – Additional Use – Commercial” applies where a UV property has approved non-rural commercial activities, and it also states that where there is holiday accommodation over a quantity of four, then this commercial additional-use category applies.
- (17) The UV additional-use categories apply a loading to the base Rural rate in the dollar. The Rural – Additional Use – Holiday rate in the dollar is set at 30% above the base Rural rate, and the Rural – Additional Use – Commercial rate in the dollar is set at 70% above the base Rural rate. These loadings reflect the additional non-rural use and associated tourism or commercial service and infrastructure impacts.

Rating Review Stage 2 – Split Rating

Split Rating

- (18) Split rating applies where a property is predominantly rural and rated on UV, but a defined part of the land is used for a non-rural purpose (for example, chalets, a winery/cellar door, or a restaurant). In these cases, it is possible to split the property into its rural component (rate this UV) and developed component (rate this GRV).

- (19) Example: If a property is rated as Rural – Additional Use – Holiday (UV), the general rate is calculated using the property’s UV valuation and the Rural – Additional Use – Holiday rate in the dollar (i.e., the UV base rate with a 30% loading applied). If the same property is split-rated, the rural component is rated using the UV base rate in the dollar (no 30% loading), and the chalet/short-stay accommodation component is valued and rated on GRV using the applicable GRV base rate in the dollar. No GRV holiday rate would be applied as the valuer general knows that it is a short-stay chalet and is valuing it accordingly.

Progress

- (20) On 20 December 2022, Council resolved to request Ministerial approval under section 6.28 of the Local Government Act 1995 to change the method of valuation and apply split valuations to eighteen (currently rated UV commercial) rural UV properties with separately identifiable non-rural commercial uses, with effect from 1 July 2023 (Attachment 9.1a). Council also agreed that, if approved, valuations would be phased in, in accordance with Schedule 6.1 of the Local Government Act 1995. Further details are provided in Attachment 9.1 (Extract from the December 2022 Ordinary Council Meeting Minutes).
- (21) Applications were lodged with the Department in June 2023. In July 2023, the Department requested further information to enable assessment (including technical descriptions, evidence supporting predominant land use, and clarification of proposed implementation). Progressing this information proved more complex than first anticipated and was affected by resourcing constraints and staff turnover.
- (22) In March 2026, the Department advised that the original June 2023 application materials are no longer accessible and requested additional information. The Department has outlined the information required to enable assessment and has indicated that, due to delays, the Shire may need to undertake renewed consultation, provide updated valuation impacts, and seek a current Council decision before lodging a refreshed application.

Current Status

- (23) The Department has requested that the Shire provide the following to progress the assessment:
- a) Copies of the applications for the properties for which the Shire seeks changes to the method of valuation.
 - b) Technical descriptions for the precise areas proposed to change to GRV valuation for each property (to be requested from Landgate and informed by the global positioning surveys undertaken).
 - c) Documentation identifying that the land use has changed for rating purposes (which may include development applications and other statutory approvals, property inspections, or land use surveys).

- d) The date the Shire seeks each change to the method of valuation to take effect (for example, on Ministerial approval or another date such as 1 July 2027, subject to assessment and approval being granted by then).
- (24) The Department has also indicated that, due to delays, the Shire may need to consult with ratepayers again, provide updated valuation impacts, and seek Council consideration based on current information before lodging a refreshed application package.
- (25) The Department reset pathway:
- a) Write to the ratepayers for each property that will be the subject of an application (as done previously for the initial applications).
 - b) Provide ratepayers 28 days to respond.
 - c) Request technical descriptions from Landgate (this can be done during the consultation period).
 - d) Present the recommended changes to Council with the ratepayer consultation outcomes for Council consideration.
 - e) Lodge the applications with the Department and include the information requested by the Department, together with updated supporting information (e.g., updated rate impact table, Council report and resolution, letter sent to ratepayers to request feedback, and ratepayer feedback received).

DISCUSSION / OFFICER COMMENTS

Four-step process to change the method of valuation (split rating)

- (26) There are four main steps to undertake to split-rate a property.
- (27) Step 1 – identify properties where a land use change may alter the predominant use. This is typically triggered once occupancy certificates are issued for relevant buildings.
- (28) Step 2 – confirm predominant use and define the areas for split valuation. The UV and GRV areas must be defined with reasonable precision. This typically requires professional surveyor desktop assessments (mapping/drawings, aerial overlays, area calculations and cadastral boundary information) to support Landgate’s preparation of a technical description. Landgate fees for technical descriptions are estimated at \$300 to \$1,200 per property (depending on complexity), with additional Landgate valuation fees also applying.
- (29) Step 3 – consult affected ratepayers using current information. This includes writing to affected owners, providing clear valuation impact information, and requesting signed land use declaration forms within the required timeframe.
- (30) Step 4 – prepare Council decision and submission to the Minister. This includes an officer report to Council summarising evidence, consultation outcomes and objections, maps and technical descriptions, Council minutes and resolution, and the completed application for submission.

Rating Principles to observe (Department guidelines)

- (31) The Department's operational guideline on changing methods of valuation states that local governments should have systems and procedures in place to identify and record land use changes, review predominant use, and make timely applications, and that the prospects for a satisfactory outcome are significantly improved when the principles of objectivity, fairness and equity, consistency, transparency, and administrative efficiency are correctly applied.

Objectivity

- (32) Objectivity requires decisions to be evidence-based. For split valuations, this is supported by contemporary land use evidence (including owner declarations) and independent mapping/survey information that defines the split areas with reasonable precision. Consistent with the Department's guideline, an application to change the method of valuation should not be made until the change in predominant use has actually occurred or has substantially commenced.
- (33) A practical consideration is that reversing a split rating is not simply triggered by a change in day-to-day operation (for example, an owner ceasing to run a restaurant). Split rating is established on the basis of statutory planning and building approvals and the existence of approved infrastructure/use areas. To maintain objectivity and consistency, the Shire's evidence base for changing (or undoing) a split rating is the planning framework—i.e., whether the non-rural use has been formally discontinued or de-approved (for example, by surrendering/cancelling the relevant approval and decommissioning or reclassifying the associated infrastructure). This approach aligns with how commercial areas are ordinarily treated, where tenancies may change but the approved commercial use remains and is expected to be re-occupied over time. In rural areas, a commercial or tourism use may cease for extended periods, and reliance on observable short-term business activity would create inconsistent outcomes; accordingly, approvals are the most reliable and defensible trigger for reassessment, but have the potential to create fairness and equity issues in this circumstance.

Fairness and Equity

- (34) Fairness and equity consider whether the rating method appropriately reflects land use and the demand placed on Shire infrastructure and services. Split rating can improve equity where a predominantly commercial/non-rural use operates within a rural valuation setting. However, fairness also depends on applying the approach consistently across comparable properties and ensuring affected ratepayers are consulted using current and clear impact information.
- (35) In rural areas, a commercial or tourism use may cease for extended periods while approvals and associated infrastructure remain in place. This can be perceived as unfair where the split valuation continues to apply until the relevant approval is amended, surrendered or cancelled, even though the approved use is no longer operating in practice.

Consistency

- (36) Consistency requires that like properties are treated alike and that the same triggers, evidence standards and decision steps are applied over time. The Department's guideline also notes that when reviewing a property, local governments should check the district for other similar properties that should be reviewed at the same time to support equity and consistency. At present, the split rating process relies on manual handovers and informal communication between departments (for example, Planning advising Rates when approvals become operational). This reliance on individual knowledge creates a material risk of inconsistent application, particularly during leave, acting arrangements or staff turnover.

Transparency

- (37) Transparency requires that affected ratepayers understand what is proposed, why it is proposed, and the likely impact on their rates. If split rating were to proceed, a refreshed process would include a clear schedule of affected properties, land areas and uses, valuation impacts, details of consultation undertaken, and Council's reasons for any decision—supported by complete and accessible records.

Administration Efficiency

- (38) Administrative efficiency requires that the process is proportionate, repeatable and capable of being administered with reasonable effort. Since June 2023, officers have come to understand the full administrative burden of the four-step process (including multiple external inputs, consultation rounds, Council reporting, and submission requirements). Currently, administration relies on manual tasks and informal communication between departments, creating inefficiency and a risk that actions are missed or delayed. Officers consider that this principle cannot be achieved satisfactorily until an administration framework, including a cloud-based workflow/tracking system, is implemented to provide a single source of truth, automate handovers, control templates and evidence, and provide an audit trail. Until these arrangements are in place, the existing differential rating approach remains the most administratively efficient option.

Recommendation

- (39) Officers recommend that Council not progress split rating and instead retain the current differential rating approach for rural properties with non-rural uses.
- (40) On balance, the existing differential rating settings provide a practical and defensible balance across the Department's principles of objectivity, fairness and equity, consistency, transparency and administrative efficiency. Moving to a split rating system would introduce additional complexity and administrative effort (including surveying/technical descriptions, consultation, reporting and ongoing monitoring), and it raises risks around objective triggers, consistent application over time, and perceived fairness (including where an approved non-rural use ceases in practice but remains approved). Officers do not consider the incremental equity benefit to be sufficient to justify the additional cost, effort and governance risk relative to the current approach

Amendments if Council is to proceed with Split RatingGeneral

- (41) A reset approach allows Council to:
- a) Base decisions on current land use and valuation data
 - b) Ensure ratepayers are consulted using up to date information
 - c) Reduce legal and reputational risk
 - d) Improve the likelihood of Ministerial approval once resubmitted
- (42) Importantly, previous work undertaken (surveys, background analysis, policy intent) still informs the process, but the formal application pathway must be refreshed.

Applying split rating fairly – equity and consistency (including Rural Additional Use – Holiday)

- (43) Officers consider that applying split valuations (split rating) must be demonstrably aligned to the Department principles, particularly fairness, equity and consistency. In practical terms, this requires the Shire to apply the same rating standards across all relevant rural properties with separately identifiable non-rural uses.
- (44) The original June 2023 applications focused on properties rated under the Shire's differential rating category Rural Additional Use – Commercial (UV). However, the Shire's Rating Equity Policy also recognises a separate UV category of Rural Additional Use – Holiday for rural properties with approved unhosted short-term rental accommodation / chalet uses. On that basis, officers consider a refreshed approach should explicitly include eligible properties that fall within Rural Additional Use – Holiday, where there is a separately identifiable non-rural use area capable of being defined and valued.
- (45) Limiting split rating consideration only to properties captured as Rural Additional Use – Commercial risks inconsistent treatment of like properties, and may undermine the equity rationale for the change to the method of valuation. The Department guidance also notes that when reviewing a property, local governments should check the district for other similar properties that should be reviewed at the same time to support equity and consistency.
- (46) Accordingly, officers do not consider the existing application set (as lodged in 2023 and framed from the December 2022 Ordinary Council Meeting decision) to be capable of meeting the Department principles in its current form without being refreshed to: (a) use current land use approvals/operations and valuation impacts; and (b) apply an agreed, Shire wide screening approach that captures both Rural Additional Use – Commercial and Rural Additional Use – Holiday properties where split valuation is proposed.

Administration framework

- (47) The Shire's current systems and processes are inefficient for administering split rating and related change-of-valuation workflows. Administration relies on manual tasks, informal communication and handovers between departments, and ad hoc record-keeping, which increases effort and risks actions being missed, delayed, or applied inconsistently. It would be preferable to implement (or restart) split rating once a cloud-based workflow and tracking system is introduced (including, as a future state, an upgraded cloud-based ERP), to provide a single source of truth, automate handovers, control templates and evidence, and support a reliable audit trail.

Summary

- (48) If Council wishes to proceed with split rating, officers' advice is to defer restarting and resubmitting applications until the Shire's cloud-based workflow/tracking capability (including the future cloud-based ERP environment) is implemented and embedded. Once the ERP-enabled administration framework is in place. In addition, split rating should be implemented as a single, holistic project across the rural zone, covering both commercial and holiday/tourism uses (including properties currently captured in Rural – Additional Use – Commercial and Rural – Additional Use – Holiday).

CONSULTATION AND EXTERNAL ADVICE

- (49) Should Council wish to proceed, the application process entails several consultation steps.
- (50) Consult with the ratepayers for each property that will be the subject of an application and provide 28 days for submissions/feedback.
- (51) Request Landgate technical descriptions. A technical description is typically prepared by Landgate (in Western Australia) and provides a survey-grade written description defining the boundaries of the non-rural portion for valuation and rating purposes. It does not create a new land parcel or title. Timeframes vary by complexity; standard requests are typically completed within approximately 2–4 weeks.

STATUTORY / LEGAL IMPLICATIONS

Local Government Act 1995

- (52) Section 6.28 – the Minister for Local Government is responsible for determining the method of valuation of land to be used by a local government as the basis for a rate.
- (53) Section 6.33 – authorises local governments to impose differential general rates based on land zoning, use, vacancy, or other prescribed characteristics. These rates aim for objectivity, fairness, and transparency in rating.

STRATEGIC / POLICY IMPLICATIONS**Council Plan Our Future 2035**

- (54) Stage two of the Rating Review to deliver an equitable rating structure across all properties within the Shire, including modelling split rating, undertaking community engagement plan and implementing review outcomes.

Rating Equity Policy

- (55) Council seeks to observe the principles of objectivity, fairness and equity, consistency, transparency, and administrative efficiency
- (56) The Local Government Act 1995 permits the Shire to “split rate” non-rural uses on unimproved valued land and effectively isolate that activity from the remainder of the property and rate that activity on a separate land parcel; one land parcel reflecting the rural use and the other land parcel reflecting the non-rural use/s.

FINANCIAL IMPLICATIONS

- (57) Landgate charges a fee for service for a Technical Description and Valuations. Fees for Technical Descriptions are between \$300-\$1,200 per property, based on the complexity. Fees for Valuation are approximately \$30 per property.
- (58) Professional Surveyor services fee to undertake property desktop assessments, including drawings with aerial overlay, area calculations and cadastral boundary from the Landgate database, is approximately \$465 per property.
- (59) Administration time is included in the budget, it includes consultation with property owners, Landgate, Surveyors, Council report, and completing the application form and submission to the Minister with all relevant documentation.
- (60) Considering the original \$25,139 net rate increase, the financial return currently does not justify the administrative cost.

OTHER IMPLICATIONS**Environmental**

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

Economic

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

Social

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

RISK MANAGEMENT

(64) Risk Table

Risk	Risk based on history and with existing controls			Proposed Treatment/Control
	Likelihood	Consequence	Risk Rating	
Reputational Impacts: Landowners perceive the split rating process as unfair	Likely (4)	Minor (2)	Moderate (8)	Conduct clear and early consultation with landowners on the process, rationale, and impact of split rating prior to the council's decision to submit the application to the Minister

9.2 DENMARK LIBRARY RELOCATION

File Reference	PROJ.PLN.003
Applicant	Not Applicable
Disclosure of Officer Interest	Nil
Date	12 May 2026
Author	Damian Schwarzbach, Project Officer Laura Middleton, Manager Projects and Sustainability
Authorising Officer	Robert Westerberg, Director Infrastructure and Assets
Attachments	9.2 - 3D render of the main spaces for the new Library

EXECUTIVE SUMMARY

- (1) This report outlines the proposed relocation of the Library to the Visitors Centre and the associated costs.
- (2) There is a requirement for expenditure during the remainder of this financial year 2025/26 to ensure the project can be completed before the end of 2026.
- (3) It is recommended that Council allocate \$100,000.00 for the remainder of 2025/26 financial year to fund the potential upfront costs required by suppliers.

VOTING REQUIREMENTS

- (4) Absolute Majority

OFFICER RECOMMENDATION	ITEM 9.2.
That Council:	
1. APPROVED a 2025/26 budget amendment as follows:	
a) Increase materials and contracts expenditure by \$100,000; and	
b) Increase transfer from Infrastructure Reserve by \$100,000	
2. NOTE the financial implications for the 2026/27 budget to complete the project	

LOCATION

- (5) This report relates to the Visitors Centre building on Reserve 48198 and the Denmark Library site on Reserve 25985.

BACKGROUND

- (6) At the Ordinary Council Meeting in July 2025, Council resolved to cease face-to-face visitor servicing. The Chamber of Commerce lease for the Visitors Centre and the related agreement for in-person visitor services both conclude in June 2026. This will create surplus floor space at the Visitors Centre (Reserve 48198) and has prompted consideration of alternative uses.
- (7) At the Ordinary Council meeting in January 2027, Council endorsed relocating the Denmark Library service to the Visitors Centre site on Reserve 48198.
- (8) The current Denmark Public Library facility has several limitations, including:
- Limited internal space, restricting growth in collections, programs, study areas, and technology.
 - Ageing building infrastructure, leading to higher maintenance costs and inefficiencies.
 - Outdated interior fit-out (shelving, furniture and displays) that does not reflect contemporary library best practice.
 - Accessibility constraints against modern standards and community expectations.
 - Increasing demand for flexible community space, digital literacy programs, and shared service delivery.

DISCUSSION / OFFICER COMMENTS

- (9) The Denmark Visitors Centre is prominently located at the corner of South Coast Highway and Ocean Beach Road. Its configuration improves accessibility, including level entry and convenient parking access.
- (10) Library services are a core local government function, supporting learning, community connection and equitable access to information. The service should operate from the best available facility to meet changing community needs. The Visitors Centre offers flexible spaces that suit a contemporary library.
- (11) This flexibility supports an expanded service offering, including quiet study areas, meeting rooms, and children's activity spaces. The large rear room is proposed to host programs currently run from the existing library meeting room, such as book clubs, Lego club, poetry sessions, toy library activities, mahjong, and similar community programs.
- (12) Both the existing Denmark Library and the Visitors Centre require asset renewal works before new tenants can occupy the buildings.

Existing Denmark Library Site Asset Renewal Works:

- (13) The library has operated from the current site for 26 years.
- (14) Flooring is currently a mix of worn carpet, with deterioration caused by heavy shelving and frequent furniture movement over time. It is recommended that the flooring be replaced with carpet tiles throughout the building.
- (15) Over time, walls have been used for displays, posters and notices, resulting in missing paint, holes and general wear. It is recommended that the interior be repainted in a neutral colour to refresh the space.

Existing Visitors Centre Site Asset Renewal Works:

- (16) The building is generally in good condition; however, asset renewal works are required.
- (17) To meet compliance requirements, electrical upgrades are needed, including replacement of outdated RCD switches, smoke alarms, exit lights and security lighting, and upgrading to LED lighting for improved energy efficiency.
- (18) New carpet tiles are required to improve comfort underfoot and support better acoustics within the building.
- (19) The air-conditioning unit is not operational and requires replacement.

Library Services Relocation

- (20) The relocation will require investment to upgrade and modernise facilities to contemporary standards before services transfer to the new site. Completing upgrades in advance will minimise disruption and support value for money. Works may include improved technology, flexible learning spaces and accessibility enhancements, strengthening the library's role as a community hub.
- (21) Renovations are required to accommodate library services, including reconfiguring the stairwell area to create usable floor space. The proposal is to enclose the space behind the wall for storage and use the alcove as a library nook.
- (22) A lockable door is required for the staff room. As the public will access the rear room via the corridor in front of the staff area, a lockable door will provide staff with a secure space.
- (23) The existing library provides a baby change facility. While the Visitors Centre does not currently have one, a facility can be provided in the public UAT toilet adjacent to the building.
- (24) Fit-out works will also be required, including electrical works, ICT upgrades, CCTV, secure access, additional air-conditioning units, car park line marking and signage.
- (25) The largest visible upgrade will be new shelving and furniture. Shelving is proposed as a mix of fixed and mobile units to support a flexible and welcoming layout. Furniture will include contemporary lounge seating, computer chairs and flexible tables to suit different users.

- (26) Procurement of shelving and furniture will need to account for freight and installation costs and relocating the collection will require experienced removalists to maintain catalogue order and support efficient unpacking.
- (27) Library staff have identified service improvements and efficiencies. A key upgrade is a secure external return chute with RFID functionality to record returns, supported by people counters at the entrance and electronic readers at staff desks.
- (28) A solar and battery system could be considered at the new site in future, aligning the Shire's asset with broader energy-efficiency upgrades across other facilities. This is not recommended at this stage. Instead, it is recommended the library relocation proceed now, with energy-efficiency initiatives implemented and energy use reviewed over the next 12 months before determining the best longer-term option.
- (29) Costings exclude any additional light fittings that may be identified once operational requirements are confirmed. Subject to budget endorsement, the relocation is expected to take around 4–5 months, primarily due to procurement lead times.
- (30) To meet this timeframe, key orders will need to be placed in June 2026 to allow shelving, furniture and carpet to be delivered early in the next financial year.
- (31) Some suppliers require upfront payments to confirm orders and commence manufacture.
- (32) An allocation of \$100,000 is requested to cover these potential upfront costs. If not required, the funds can be carried forward to the Council's 2026/27 budget to support project completion.
- (33) There will be a temporary period when the library service is unavailable. The aim is to keep this as short as possible by completing work before the move and minimising changeover time. Maximum disruption is expected to be up to 4 weeks.

CONSULTATION AND EXTERNAL ADVICE

- (34) The Shire engaged library consultant Kevin Hennah to review the current service and building and to provide recommendations for the proposed relocation.
- (35) In April 2026, a councillor briefing was held to discuss the proposed move of the Denmark Public Library into the Denmark Visitors Centre, outline key considerations, and seek Council direction on funding and timing.
- (36) Library staff have been involved throughout to ensure the consultant's recommendations align with local community needs.
- (37) Shire staff visited Albany and met with Albany Library staff to discuss their service upgrades, including what worked well and what did not. Staff from the Albany Library have also visited the new location for the Denmark library to provide some insight into operational needs.

STATUTORY / LEGAL IMPLICATIONS**Library Board of Western Australia Act 1951**

- (38) Section 15 – relates to the Library Boards’ responsibilities in relation to approved libraries.

STRATEGIC / POLICY IMPLICATIONS

- (39) The library relocation is identified in the Council Plan forward works program and was scheduled for the 2026/27 financial year.

FINANCIAL IMPLICATIONS

- (40) The cost of relocating Library services and asset renewal works is \$461,150.00.

LINE ITEMS	COSTING
ASSET RENEWAL – Visitor Centre Building	
Pre-works (electrical assessment, pest control, cleaning)	\$2,000
Electrical repairs (replace outdated RCD switches, smoke alarms, exit lights, repair nonworking lights & power outlets, upgrade lights to LED)	\$11,000
Carpet/Floor Treatment	\$32,000
Replace end of life Air Conditioning unit & install new AC units to achieve better climate control/efficiency	\$15,000
Sub Total	\$60,000
ASSET RENEWAL – Existing Library Building	
Carpet Replacement (due to the impact from heavy bookshelves & the current mismatching carpet)	\$30,000
Interior painting (due to the impact of library wall displays, posters, wall boards etc)	\$25,000
Sub Total	\$55,000
LIBRARY SERVICES RELOCATION	
Shelving	\$65,000
Furniture	\$40,000
Freight & Installation	\$40,000
ICT	\$10,000
Line marking	\$3,000
Signage	\$10,000
Internal works – stair alcove, door to staff area, baby change facility, shelving, tables	\$25,000
Relocation costs (removalists - packing & unpacking books in catalogue order)	\$20,000
Infrastructure Upgrades – tags, encoding kit, people sensor, secure external return chute, installation, security system, fob access	\$50,000

Merchandising elements (wall displays, specialist shelves, hero discs)	\$13,000
Electrical	\$10,000
Sub Total	\$286,000
PV AND BATTERY (FY 2027/28)	
PV and Battery	\$50,000
Sub Total	\$50,000
O/All subtotals	\$451,000
Contingency ~15% (fuel, freight, price increases)	\$67,650
O/ALL TOTAL	\$518,650

- (41) A request for an amount of \$100,000 of the overall total to be allocated for the remainder of 2025/26 is based on the following:

LINE ITEMS	COSTINGS
Electrical – upfront for materials	\$10,000
Shelving/Furniture – 50% upfront	\$70,000
Carpet – 30% upfront	\$20,000
TOTAL	\$100,000

OTHER IMPLICATIONS

Environmental

- (42) The Shire is relocating the public library into the former Visitor Centre building, and the operational energy profile of the facility will materially change due to different hours of use, occupancy patterns, technology loads, and the nature of library operations compared to visitor servicing. At the same time, the building’s existing air-conditioning is not operational and will be replaced and supplemented as part of the refurbishment works, alongside electrical compliance upgrades and LED lighting improvements.
- (43) Because the primary energy driver in facilities of this type is typically heating/cooling performance and control settings, final solar PV and battery storage sizing based on pre-occupation assumptions carries a risk of oversizing (unnecessary capital cost) or undersizing (underperformance against expectations). This risk is heightened in this case due to known historical climate control issues at the site and reports of poor thermal comfort during winter conditions, which officers are addressing through HVAC replacement and upgrades as part of the relocation works.

- (44) Accordingly, officers recommend a staged approach:
- a) complete the building and services upgrades and commission the HVAC system to achieve stable, efficient operations;
 - b) undertake an operating-period energy monitoring program to establish the library’s actual load profile (9-12 months to cover summer and winter); and
 - c) Use the measured data to inform the most cost-effective and appropriately sized solar PV and battery solution.
- (45) Following an assessment and sizing, a report would be presented to the council to inform a budget allocation, advising on the return on investment associated.

Economic

- (46) No significant economic implications have been identified in relation to this report or the officer's recommendation.

Social

- (47) The new Library will be a landmark facility in Denmark, demonstrating the Council’s commitment to modern, well-equipped library and information services for residents and visitors. It will expand opportunities for lifelong learning, provide a new venue for community activities, and help the library engage groups that have not traditionally been regular users.

RISK MANAGEMENT

- (48) Risk Table

Risk	Risk based on history and with existing controls			Proposed Treatment/Control
	Likelihood	Consequence	Risk Rating	
Reputational impacts: That community perception is negative about the relocation of the library service.	2	2	Medium (4)	Provide clear communication to the community on the rationale and benefits of the relocation.
Social impacts: That the temporary service disruption extends beyond 4 weeks.	3	2	Medium (6)	Schedule works to be completed before the existing library service closes.

9.3 FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 APRIL 2026

File Reference	FIN.66.2025/26
Applicant	Not Applicable
Disclosure of Officer Interest	Nil
Date	12 May 2026
Author	Scott Sewell, Financial Accountant
Authorising Officer	Kellie Jenkins, Executive Manager Corporate Services
Attachments	9.3 – April 2026 Monthly Financial Report

EXECUTIVE SUMMARY

- (1) In accordance with the Local Government Financial Management Regulations 1996, local governments must prepare a monthly Statement of Financial Activity reporting financial performance against the adopted budget.
- (2) The Shire of Denmark has prepared its Statement of Financial Activity for the period ending 30 April 2026.
- (3) A monthly Investment Register is also provided to Council to ensure compliance with the Shire’s Investment Policy.

VOTING REQUIREMENTS

- (4) Simple Majority

OFFICER RECOMMENDATION	ITEM 9.3
<p>That Council RECEIVE the Financial Activity Statements for the period ending 30 April 2026, incorporating the Statement of Financial Activity and other supporting documentation, as per Attachment 9.3.</p>	

LOCATION

- (5) Nil

BACKGROUND

- (6) To meet statutory reporting obligations, the Monthly Financial Report provides a snapshot of the Shire’s year-to-date financial performance. The report includes the following:
 - Statement of Financial Activity by Nature or Type;
 - Explanation of Material Variances;
 - Net Current Funding Position;
 - Receivables;

- Capital Acquisitions;
- Cash Backed Reserve Balances;
- Loan Schedule;
- Investment Register; and
- Cash and Investments Summary

(7) Council has endorsed a materiality threshold of 10% or \$50,000 for reporting variances (Resolution 080725). Variances meeting or exceeding this threshold must be explained.

DISCUSSION / OFFICER COMMENTS

Statement of Activity

(8) The Statement of Financial Activity for April 2026 shows a closing funding surplus of \$4,246,337. The adopted and amended budget anticipates a zero year end closing position. Key variances include:

- Operating income exceeding budget by \$206,829.
- Operating expenses under budget by \$513,597.

(9) Details are provided in Note 1 of the Financial Activity Statement – Major Variances

(10) A summary of the financial position for April 2026 is detailed in the table below:

	Adopted Annual Budget (as amended)	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)
	\$	\$	\$	\$	%
Opening Funding Surplus / (Deficit)	659,358	659,358	659,358	0	0%
Revenue					
Operating revenue	15,896,253	15,306,493	15,513,322	206,829	1%
Capital revenue, grants and contributions	10,509,876	4,431,747	4,494,919	63,172	1%
	26,406,129	19,738,240	20,008,242	270,001	
Expenditure					
Operating Expenditure	-20,951,100	-17,143,475	-16,629,878	513,597	3%
Capital Expenditure	-12,014,281	-7,804,684	-4,783,667	3,021,017	39%
	-32,965,381	- 24,948,159	-21,413,544	3,534,615	
Funding balance adjustments	5,899,894	5,004,380	4,992,282	-12,098	0%
Closing Funding Surplus / (Deficit)	0	453,819	4,246,337	3,792,518	835.69%

Investment Report

(11) Pursuant to the Shire’s Investment Policy, the monthly Investment Register outlines portfolio performance and counterparty exposure. The investment register provides

details of interest income earned against budget, whilst confirming compliance of the portfolio with legislative and policy limits.

(12) As at 30 April 2026, total cash holdings (including trust funds) were \$12,816,628, comprising:

- Municipal Funds total \$6,546,038
- Shire Trust Funds total \$55,850
- Reserve Funds (restricted) invested, total \$6,214,740
- Municipal Funds (unrestricted) invested, total \$6,001,877

(13) The Reserve Bank of Australia's (RBA) official cash rate is 4.35% confirmed at a meeting held on 5 May 2026, this was increased from 4.10% as at March 2026. No further changes have occurred at the time of writing this report.

CONSULTATION AND EXTERNAL ADVICE

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

STATUTORY / LEGAL IMPLICATIONS

Local Government (Financial Management) Regulations 1996

(15) Regulation 34 (1-5) outlines the requirements for financial activity statements.

(16) Regulation 19,28 and 49; and the Australian Accounting Standards, sets out the statutory conditions under which Council funds may be invested.

The Local Government Act 1995

(17) Section 6.8 relates to a local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure is authorised in advance by Council resolution.

(18) Section 6.14 outlines the power to invest for local governments.

The Trustees Act 1962

(19) Part III Investments covers the investment powers and responsibilities of trustees.

The Local Government (Financial Management) Regulations 1996

(20) Regulation 19, 28 and 49; and The Australian Accounting Standards, sets out the statutory conditions under which Council funds may be invested.

STRATEGIC / POLICY IMPLICATIONS

(21) Nil.

FINANCIAL IMPLICATIONS

(22) The 2025/2026 Annual Budget guides financial practices.

(23) Any financial impacts are detailed within this report.

OTHER IMPLICATIONS

Environmental

(24) There are no known significant environmental implications relating to the report or officer recommendation.

Economic

(25) There are no known significant economic implications relating to the report or officer recommendation.

Social

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

RISK MANAGEMENT

(27) A risk assessment has been undertaken per the Council's Risk Management Policy, and no risks have been identified in relation to the officer recommendation or the report.

9.4 PAYMENT OF ACCOUNTS FOR PERIOD ENDING 30 APRIL 2026

File Reference	FIN.22.2025/26
Applicant	Not Applicable
Disclosure of Officer Interest	Nil
Date	13 May 2026
Author	Nikki Westerberg, Senior Finance Officer
Authorising Officer	Kellie Jenkins, Executive Manager Corporate Services
Attachments	9.4 – Payment of Accounts April 2026

EXECUTIVE SUMMARY

- (1) To advise Council of payments made for the period 1 April to 30 April 2026.

VOTING REQUIREMENTS

- (2) Simple Majority

OFFICER RECOMMENDATION	ITEM 9.4.
That Council RECEIVE the payment of accounts totalling \$1,947,007.33 for the month of April 2026, as per Attachment 9.4.	

LOCATION

- (3) Not applicable.

BACKGROUND

- (4) Nil.

DISCUSSION / OFFICER COMMENTS

- (5) Nil.

CONSULTATION AND EXTERNAL ADVICE

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

STATUTORY / LEGAL IMPLICATIONS

Local Government (Financial Management) Regulations 1996

- (7) Regulation 13 – list of accounts to be prepared each month and presented to Council.

STRATEGIC / POLICY IMPLICATIONS

- (8) Nil

FINANCIAL IMPLICATIONS

Nil.

OTHER IMPLICATIONS

Environmental

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

Economic

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

Social

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

RISK MANAGEMENT

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

9.5 PUBLIC PLACES & LOCAL GOVERNMENT PROPERTY LOCAL LAW - UNDERTAKING

File Reference	LEG.1
Applicant	Not applicable
Disclosure of Officer Interest	Nil
Date	14 May 2026
Author	Claire Thompson, Governance Coordinator
Authorising Officer	David King, Chief Executive Officer
Attachments	9.5 – Public Places & Local Government Property Local Law 2026

EXECUTIVE SUMMARY

- (1) The Joint Standing Committee on Delegated Legislation ('JSCDL') has requested that Council commit to undertaking some amendments to the Public Places & Local Government Property Local Law 2026.
- (2) A response to the JSCDL is due by 9 June 2026.

VOTING REQUIREMENTS

- (3) Simple Majority

OFFICER RECOMMENDATION	ITEM 9.5
<p>That Council RESOLVES to undertake to the Joint Standing Committee on Delegated Legislation that the Council within 2 years:</p> <ol style="list-style-type: none"> 1. Amend drafting errors in subclause 2.7(h)(ii), subclause 5.2(2), clause 5.7 and subclause 11.2(2)(a). 2. Delete clause 9.5(4). 3. Not enforce the Local Law to the contrary before it is amended in accordance with the undertakings. 4. Ensure that a copy of these undertakings accompanies the Local Law wherever the Shire makes it publicly available, whether in hard copy or electronic form. 	

LOCATION

- (4) Not applicable.

BACKGROUND

- (5) In November 2025 Council resolved to make the Public Places and Local Government Property Local Law 2026 ('Local Law').
- (6) The Local Law, together with an Explanatory Memorandum was sent to the JSCDL for approval.
- (7) The Local Law was gazetted on 6 January 2026.

DISCUSSION / OFFICER COMMENTS

- (8) The JSCDL have responded, requesting that Council undertake to amend five clauses within the next two years.
- (9) The required amendments are as follows:
- Subclause 2.7(h)(ii) – correct the Firearms Act 1973 to the Firearms Act 2024.
 - Subclause 5.2(2) – correct reference from subclause (1)(d) to subclause (1)(b).
 - Division 3 – correct reference to Commonwealth and Federal legislation to Cth.
 - Clause 9.5(4) – delete. Regulation 11(2)(a) was deleted in August 2024.
 - Clause 11.2 – correct reference from section to regulation.

CONSULTATION AND EXTERNAL ADVICE

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

STATUTORY / LEGAL IMPLICATIONS

- (11) Council is required to comply with orders from the JSCDL.

STRATEGIC / POLICY IMPLICATIONS

- (12) Nil

OTHER IMPLICATIONS**Environmental**

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

Economic

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

Social

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

RISK MANAGEMENT

- (16) A risk assessment has been undertaken per the Council's Risk Management Policy, and no risks have been identified in relation to the officer recommendation or the report.

10 MATTERS BEHIND CLOSED DOORS

11 NEW BUSINESS OF AN URGENT NATURE

12 CLOSURE OF MEETING