



SHIRE OF DENMARK

Ordinary Council Meeting

AGENDA

28 July 2026

TO BE HELD IN THE COUNCIL CHAMBERS, 953 SOUTH COAST
HIGHWAY, DENMARK, ON TUESDAY 28 JULY 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

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

Cr. Dominic Youel

VISIOTRS

3 ELECTION OF DEPUTY SHIRE PRESIDENT

Cr Devenport resigned from the office of Deputy Shire President on 1 July 2026.

The Chief Executive Officer will call for nominations for the office of Deputy Shire President.

A Nomination Form is attached. See Attachment 3.

If more than one nomination is received, the Chief Executive Officer, as Returning Officer, will conduct an election in accordance with Schedule 2.3 of the Local Government Act 1995 and the Local Government (Constitution) Regulations 1998.

4 DECLARATION OF INTEREST

Name	Item No.	Interest Type	Nature
David King	10.1	Indirect Financial	The Officer has interest in relation to proponent D, arising from a private firebreak arrangement unrelated to the land the subject of this Expression of Interest.
David King	11.1	Direct Financial	The Officer has an interest in the report as the recommendation relates to his employment.
Claire Thompson	11.1	Impartiality	The Officer has an interest in the report as the recommendation relates to her supervisor.

5 ANNOUNCEMENTS BY THE PRESIDING PERSON

6 PUBLIC QUESTION TIME

6.1 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

6.1.1 Phil Runham – Water Contamination

At the meeting held on 30 June 2026, Phil raised concerns regarding sediment in the stormwater running off from a particular property development.

Phil asked what the stormwater management process was for the site and whether the Shire was monitoring it.

The Chief Executive Officer took the question on notice and has provided the following written response.

Response:

The subdivision is being undertaken in accordance with a subdivision approval issued by the Western Australian Planning Commission (WAPC). As part of that approval, an Urban Water Management Plan (UWMP) is required, and drainage infrastructure must be designed and constructed in accordance with the approved engineering documentation. However, the UWMP only deals with water management post completion.

The Shire's role is to assess and clear subdivision conditions allocated to the Shire and to ensure completed infrastructure meets the required standards prior to handover. Responsibility for construction activities, including the implementation of temporary erosion and sediment control measures during construction, rests with the developer, contractor and their appointed engineering consultants who are required to comply

with the relevant environmental laws administered by the Department of Water and Environmental Regulation.

Following site inspections and notifications by residents and officers, the Shire identified sediment-laden runoff entering parts of the downstream drainage network and requested the developer and project team implement additional mitigation measures. These actions included cleaning affected drainage infrastructure, installing additional sediment traps, constructing temporary diversion drains and undertaking ongoing monitoring and maintenance of stormwater controls.

While the Shire is working with the developers to better manage sediment control, the responsible agency for enforcement and compliance of environmental concerns is the Department of Water and Environmental Regulation and that the complaints have been forwarded.

6.2 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

6.3 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

In accordance with clause 3.10 of the Standing Orders Local Law, Cr Lewis submitted the following questions on the 16 June 2026.

Waste Audit Data

Based on recent waste audits, can the CEO estimate:

- a) the proportion (by weight or volume) of Containers for Change eligible items in the commingled recycling; and
- b) the potential reduction in tonnage and related cost savings if these items are diverted through Containers for Change?

Response: Recent waste audits do not record Containers for Change (C4C) eligible items separately, and WARRRL does not hold data on the proportion of eligible containers within commingled recycling. However, assuming that eligible containers make up approximately 5–10% of the total weight of commingled kerbside recycling, diverting these containers from the recycling stream could reduce commingled recycling by an

estimated 21 to 42 tonnes and generate savings of approximately \$8,500 to \$17,000 in recycling processing fees.

Impact of 1 July Expansion

With the expansion of the Containers for Change scheme from 1 July to include heavier glass containers such as wine and spirit bottles, does the CEO have any modelling or indicative estimates of:

- a) the expected reduction in commingled recycling tonnage; and
- b) the corresponding reduction in processing costs?

Response: As WARRRL was unable to provide this information, we have prepared the indicative estimate below.

The WA Government estimates that the recent expansion of the C4C scheme will result in an additional 110–200 million containers being captured annually. For the purpose of this estimate, a conservative midpoint assumption of 130 million additional containers has been used. State Government modelling indicates that approximately 45–65% of these additional containers will be wine and spirit bottles. Applying the midpoint of 55% equates to approximately 71.5 million large glass bottles statewide each year.

Based on approximately 1.15 million households in Western Australia, this represents around 62 newly eligible containers per household annually, or approximately one additional container per household per week.

Applying this estimate to the Shire of Denmark, and assuming an average empty container weight of 500 grams, each participating household would divert approximately 0.5 kilograms of material per week from the commingled recycling stream. With approximately 3,600 households in the Shire and a current C4C participation rate of around 65%, it is estimated that 2,340 households would actively divert these containers.

On this basis, the expansion of the scheme could reduce the Shire's commingled recycling tonnage by approximately 60 tonnes per year. Given the Shire currently exports around 430 tonnes of commingled recycling annually, this would represent a reduction of approximately 15%. Based on current processing costs, this reduction could translate to an estimated annual processing saving of approximately \$24,000 or approximately \$6.70 per household per year based on the 3,600 rateable properties in Denmark.

These figures are indicative only and have been derived from publicly available State Government information together with broad assumptions regarding household numbers, participation rates, container composition and average container weights. Accordingly, the estimates should be treated as indicative rather than predictive.

Household-Level Benefit

Can the CEO provide a simple estimate of the potential financial benefit to an average household if eligible containers are returned through Containers for Change rather than placed in recycling bins?

Response: Based on State-wide Containers for Change return volumes and household numbers, the average Western Australian household is estimated to generate approximately 800–1,000 eligible containers per year, equivalent to around 15–20 containers per week, including the 1 July changes. If all eligible containers are returned through the scheme, this represents a potential refund value of approximately \$80–100 per household annually. These figures are indicative only and actual outcomes vary considerably depending on household size, consumption patterns and participation in the scheme.

Education and Behaviour Change

What initiatives is the CEO undertaking or planning, to encourage residents to use the local Containers for Change facility at the Tip Shop instead of putting eligible containers in kerbside recycling?

Response: The Shire has been taking steps to improve the visibility of, and promote the benefits of, Containers for Change. We have recently installed 23 C4C baskets in prominent locations throughout town, along with a Drop and Go station near the Community Resource Centre, to divert eligible containers from the recycling stream.

Green Skills and the Shire also worked with the Lions Club to install a larger, branded C4C bin outside the IGA, helping to reduce contamination issues experienced with the lesser marked, smaller bin.

In addition, Green Skills and the Shire of Denmark have a strong relationship with WARRRL. As a result, the WARRRL Board has discussed the potential for a waste audit in Denmark, with support from both Green Skills and the Shire. This initiative is currently being pursued through Green Skills.

The Shire will also undertake an education campaign through available media channels to raise awareness of the C4C program and communicate the recent changes to the scheme. Funding opportunities are also available to support these education initiatives, and the Shire will be pursuing them.

6.4 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>.

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.

7 APPLICATIONS FOR FUTURE LEAVE OF ABSENCE

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

8 CONFIRMATION OF MINUTES – 30 June 2026

OFFICER RECOMMENDATION	ITEM 7.1
That the Minutes of the Ordinary Meeting of Council held on 30 June 2026 be CONFIRMED as the true and correct record of the proceedings.	

9 ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

10 REPORTS OF OFFICERS

10.1 EXPRESSION OF INTEREST – No 5 RESEARCH STATION AVENUE

File Reference	A5366 and EOI.003
Applicant	Not applicable
Disclosure of Officer Interest	The Chief Executive Officer has an indirect financial interest in relation to proponent D, arising from a private firebreak arrangement unrelated to the land the subject of this Expression of Interest. The Chief Executive Officer did not participate in the assessment, scoring of the EOIs, or recommendations.
Date	17 July 2026
Author	Robert Westerberg, Director Infrastructure and Assets
Authorising Officer	Kellie Jenkins, Executive Manager Corporate Services
Attachments	CONFIDENTIAL ATTACHMENTS 10.1a – Expression of Interest from Proponent A 10.1b – Expression of Interest from Proponent B 10.1c – Expression of Interest from Proponent C 10.1d – Expression of Interest from Proponent D 10.1e – Expression of Interest from Proponent E 10.1f – Evaluation Matrix Summary

EXECUTIVE SUMMARY

- (1) The Local Planning Strategy (LPS) has identified Lot 500 on Deposited Plan 54271, No. 5 Research Station Avenue for consideration for rationalisation.
- (2) At the Ordinary Council Meeting held in March 2026, Council resolved to undertake an Expression of Interest (EOI) for the leasing of divestment of the subject land parcel.
- (3) Five EOIs were received, including one that was withdrawn following the evaluation phase. For that reason, it has still been included as part of this report.
- (4) Officers have completed the evaluation of the EOI received. This report summarises the outcome of the evaluation and seeks Council's endorsement of community consultation only.

VOTING REQUIREMENTS

- (5) Simple Majority

OFFICER RECOMMENDATION

ITEM 10.1.

That Council:

- a) ENDORSES Proponent D as the preferred option for the purpose of community consultation only;
- b) ADVERTISE the highest ranked Expression of Interest and seek comments from adjacent landowners and the broader community; and
- c) REQUESTS the Chief Executive Officer to bring a report back to Council with any submissions before any proposal is further developed or any lease, disposal or statutory process is progressed.

LOCATION

- (6) Portion Kwoorabup Park – Currently reserved for Park and Recreation.

**BACKGROUND**

- (7) The Local Planning Strategy (Strategy) recognises that simply retaining all existing public open space is neither financially sustainable nor consistent with best-practice open space planning. Instead, a more strategic and purposeful approach is required to ensure that public open space contributes meaningfully to community wellbeing, environmental outcomes and long-term asset management.
- (8) Over an extended period, the community has consistently identified aged care accommodation, aged care services and improved access to health and wellbeing

services as priorities for the Denmark district. Through strategic planning, community consultation and direct representations to Council, there has been a recurring theme that residents wish to see a broader range of services and facilities available locally, enabling people to remain in the community as they age and reducing the need to travel or relocate to access essential services.

- (9) The EoI process tested this and has demonstrated that there is genuine interest from a range of proponents seeking to provide services and facilities that respond to these identified community needs. The process has provided Council with an opportunity to better understand the types of services that may be viable within Denmark and the potential community benefits they may deliver.
- (10) The Strategy reviewed existing reserves and determined whether they should be:
- Retained and enhanced where they provide clear recreational, ecological or community benefit;
 - Repurposed or consolidated to improve function, usability or connectivity; or
 - Divested or exchanged where land has low strategic value and can be better utilised for alternative community or planning outcomes.
- (11) Figure 11 (extract shown below) in the Strategy provides the portion of Kwoorabup Park as part of endorsed list for rationalisation.

POS Site	Land Parcel / Tenure	Characteristics	Reasons for Rationalisation	Alternative Use of Site
Portion/s of Kwoorabup Community Park (P4)	Lots 500 & 502 (#38) Research Station Avenue Reserve 41456	7.0052 ha Neighbourhood nature/ recreational park Grassed and treed portions of site, including foreshore to Denmark River	Area of existing recreational infrastructure is limited, some parts have natural values, other parts of the site are undeveloped Slope and drainage are constraints to development of functional POS in some parts of site Management costs are excessive for POS functional level and serviceability	Residential or community purpose

- (12) The area being considered is approximately 7,000m² within the broader 70,000m² land parcel. This represents a comparatively small portion of Kwoorabup Community Park and does not, of itself, determine the future use or treatment of the balance of the reserve.

- (13) At the March Ordinary Council Meeting and with respect to the subject land parcel, Council resolved to:
1. REQUEST that the Chief Executive Officer proceed with an Expression of Interest process for lease or divestment.
 - d) REQUIRE that the Chief Executive Officer present expressions of interest back to Council for consideration.
 - e) REQUEST that the Chief Executive Officer write to adjacent landowners advising of the expression of interest, outlining that further comment will be sought, subject to any future in principle support of lease or divestment.
- (14) Officers subsequently released the Expression of Interest to the market and notified adjacent landowners of the process. This report now presents the Expressions of Interest received for Council's consideration.

DISCUSSION / OFFICER COMMENTS

Summary of Submissions

Proponent A

- (15) Proponent A proposes the establishment of a community-led regenerative market garden and food hub. The proposal includes food production areas, composting systems, seed propagation facilities, volunteer infrastructure and spaces for community education and workshops. The project is intended to support local food production, food security, environmental sustainability and community participation.
- (16) The preferred tenure pathway is a peppercorn or community lease. An initial five-year lease is requested with options for renewal. Any revenue generated through produce sales, workshops and related activities would be reinvested into the project. Responsibility for management, insurance, volunteer coordination and site maintenance would rest with the proponent.
- (17) The proposal aligns with community wellbeing, sustainability, food resilience and environmental objectives. It seeks to increase access to fresh local produce, reduce social isolation, provide volunteer opportunities and strengthen community connection.
- (18) The proponent demonstrates experience in local food initiatives, community food distribution programs, volunteer coordination and community meal services. While the proposal offers limited direct financial return to the Shire due to the community lease model, it presents potential social, educational and environmental benefits for the community.

Proponent B

- (19) Proponent B submitted an Expression of Interest for an approximately 80-bed Residential Aged Care Facility in Denmark. The proponent later formally withdrew the submission, citing concerns about the level of community consultation undertaken to date. As the withdrawal was received after the evaluation process, the proposal is

included in the assessment; however, it is no longer available for Council's consideration.

- (20) The proposal was focused on the provision of residential aged care accommodation rather than retirement living and was intended to address the identified shortage of aged care services within the district.
- (21) The preferred tenure pathway was a freehold acquisition. The submission sought a larger land area than that identified in the EOI and proposed a purchase price of approximately \$600,000 to \$650,000, subject to independent valuation, land area confirmation and other conditions. The proposal also sought for subdivision and acquisition costs to be borne by the Shire.
- (22) The proposal demonstrates strong alignment with community aspirations for ageing-in-place and increased aged care services within Denmark. Significant emphasis is placed on enabling older residents to remain close to family, friends and support networks rather than relocating to Albany or Perth.
- (23) While the proponent demonstrated substantial business ownership and project management experience, the submission did not identify direct experience operating aged care facilities. Instead, the proposal envisaged securing a suitable aged care operator to deliver and manage the facility. The proposal offered the strongest potential financial return to the Shire through the sale of freehold land, but is reliant upon future operator agreements and Commonwealth aged care approvals.

Proponent C

- (24) Proponent C proposes the development of a purpose-built integrated primary healthcare facility adjacent to Denmark Hospital. The facility would provide additional general practice (GP) consulting rooms, allied health services, psychology services and accommodation for visiting specialists. The proposal is aimed at addressing capacity constraints within the existing healthcare system and improving access to local medical services.
- (25) The preferred tenure pathway is a commercial lease, together with an option to purchase the land at a future market value. The submission requests a 30-year lease term, a three-year rent-free period during construction and establishment, and annual rent equivalent to approximately 3% of land value, estimated at around \$39,000 per annum. The proponent would fund all development and construction costs.
- (26) The proposal aligns strongly with community calls for increased healthcare services and improved access to medical professionals. It seeks to expand GP capacity, attract specialist services, improve integration with hospital services and reduce the need for residents to travel outside the district for healthcare. The proposal is supported by key healthcare stakeholders including WA Country Health Service and local allied health providers.
- (27) The proponent is an established healthcare provider with demonstrated demand, an existing patient base, established governance arrangements and existing partnerships within the healthcare sector. The proposal represents an expansion of an existing service rather than a speculative development. Financially, the proposal offers a

moderate direct return through lease revenue and future commercial rates, together with significant community and economic benefits.

Proponent D

- (28) Proponent D proposes the development of a significant aged care and living precinct comprising between 100 and 120 residential aged care beds, independent living units, home care services and associated community facilities such as wellness and social spaces. The proposal is presented as a long-term response to the demonstrated shortage of aged care services across Denmark and the wider region.
- (29) The proponent is willing to pursue either a leasehold or freehold tenure arrangement. Under a lease model, a 21-year lease with options for extension is proposed. Alternatively, the proponent would consider acquisition of the site following any necessary subdivision and statutory processes. No specific rental amount or purchase price has been nominated.
- (30) The proposal aligns strongly with identified community priorities relating to aged care, ageing-in-place and healthcare services for an ageing population. Supporting information provided by the proponent identifies a substantial shortfall in aged care bed capacity within the Denmark and Plantagenet region and highlights the potential creation of approximately 150 jobs.
- (31) Proponent D demonstrates the strongest evidence of experience and organisational capability among the submissions. The organisation operates 42 residential aged care facilities, multiple home care businesses and supports approximately 2,600 residential aged care residents nationally. The submission outlines extensive experience in financing, developing and operating large-scale aged care facilities, including several regional facilities throughout Western Australia. While no specific financial return has been offered, the proposal represents substantial private investment and the potential for significant long-term economic benefit and rates revenue.

Proponent E

- (32) Proponent E proposes the development of 24 two-bedroom social housing dwellings supported by communal gardens and managed by a registered Community Housing Provider. The development is intended to provide long-term accommodation for people experiencing homelessness or housing insecurity, including older residents, families and individuals unable to access affordable rental accommodation within the district.
- (33) The preferred tenure pathway is a 40-year peppercorn community lease with rollover options. The proposal envisages a Community Housing Provider managing the dwellings and tenancies, with the homes remaining permanently dedicated to affordable and social housing outcomes.
- (34) The proposal aligns strongly with housing affordability objectives and community concerns regarding homelessness and housing stress. The submission identifies broader community benefits associated with stable housing, including reduced demand on health, justice, crisis accommodation and welfare services.

- (35) The proponent has demonstrated experience in delivering similar social housing projects in Western Australia, including completed projects in North Fremantle and Albany, together with a number of projects currently in development. The submission outlines a strong governance framework and established partnerships with community housing providers and funding organisations. Direct financial return to the Shire would be limited due to the peppercorn lease model, however the proposal provides potentially significant long-term social and community benefits through the provision of affordable housing.

Objections

- (36) Two objections to the potential development of the subject land have been received: one in writing and the other during public question time at the March 2026 Ordinary Council Meeting.
- (37) Should Council support the officer recommendation, both objections will be treated as submissions to the upcoming community consultation process.

Scoring Methodology

- (38) The scoring method was a qualitative assessment against six criteria, with each criterion scored from a range of 1 to 5. A score of 1 meant the proposal did not meet the criterion and a score of 5 meant the proposal best met the criterion.
- (39) The six criteria were Strategic Alignment and Community Benefit, Policy Alignment, Feasibility and Capability, Financial Return and Value, Risk and Compliance, and Deliverability and Timing, giving each proposal a possible total score of 30 points per evaluator. The evaluation guide also set out prompting questions under each criterion to help officers consider matters such as demonstrated community need, site-specific suitability, tenure pathway, statutory requirements, capability, financial return, risk and timing.
- (40) The officer assessment is based on each evaluator independently reviewing the submissions against the same criteria, applying the scoring guide, and recording commentary to explain why each score was given. The scoring was not simply based on the type of service proposed, but on how well each proposal demonstrated community need, alignment with the strategic value of the site, appropriateness of tenure, organisational capacity, commercial return, risk management.

Ranking or Expressions of Interest

- (41) Proponent D received the highest overall ranking, with an average score of 24.33 out of 30. Officers consistently scored this proposal highly because it addressed a clearly identified aged care need, made strong use of the site's proximity to the hospital, demonstrated significant organisational capability, and offered either leasehold or freehold tenure options. The proposal was also viewed as having strong financial and economic value, although its longer delivery timeframe was recognised as a limitation.
- (42) Proponent C ranked second overall, with an average score of 23.33 out of 30. Officers considered this a strong and comparatively deliverable proposal because it expanded an existing local service, had stakeholder support, proposed a commercial lease, and

offered a clearer short-to-medium-term delivery pathway. The proposal scored particularly well for feasibility, capability and deliverability, although some commentary noted that the use may not be as site dependent as aged care and could potentially operate from other suitable commercial premises.

- (43) Proponent E ranked third overall, with an average score of 20.33 out of 30. Officers recognised the proposal as addressing an important social housing need and noted that the proponent had a proven delivery model, relevant governance arrangements and strong risk management. However, the score was moderated because the proposal relied on a long-term peppercorn lease, delivered limited direct financial return to the Shire, and appeared dependent on external funding and partnerships. Some commentary also noted that social housing could potentially be delivered on alternative sites.
- (44) Proponent A ranked fourth overall, with an average score of 16 out of 30. Officers recognised the community benefit of the proposal, particularly in relation to food security, volunteering, education and sustainability. However, the proposal was generally assessed as having a smaller scale of impact, limited financial return, lower strategic use of the site, and some uncertainty around governance, long-term management and formal organisational structure. It scored comparatively well on deliverability because it could be established relatively quickly and involved limited infrastructure.
- (45) Proponent B ranked fifth overall, with an average score of 14 out of 30. Officers acknowledged that the proposal addressed a genuine, aged care need and that the use had a logical relationship with the hospital precinct. However, the proposal was marked down due to delivery uncertainty, lack of a confirmed aged care operator, limited evidence of capability in aged care delivery, a proposed purchase price below the indicative valuation, and limited risk and compliance detail. The absence of firm timeframes and reliance on significant future approvals also affected the deliverability score.
- (46) In summary, the assessment outcome was driven by a combination of strategic fit, deliverability and confidence in the proponent's capacity. Proponent D was preferred because it best matched the strategic opportunity presented by the site and demonstrated the greatest capacity to deliver a major aged care outcome. Proponent C was close behind because it was highly deliverable and well-supported, but was assessed as slightly less site dependent. Proponent E was credible and community-focused, but its financial return and funding certainty were weaker. Proponents A and B were assessed as offering community benefit, but with either lower strategic value for the site or higher delivery and commercial risk.

Next Stage

- (47) Should Council endorse progression to community consultation, this would not constitute approval of a lease, sale, development outcome or change in land use. The purpose of the next stage is to seek community feedback on Proponent D's proposal and better understand community sentiment before Council considers whether the matter should progress further.

- (48) Community consultation will include release of the preferred proponent's proposal, with commercially sensitive information redacted.
- (49) Feedback received through this process would be reported back to Council before any further negotiations, statutory approvals, lease, sale or development process is progressed.
- (50) Alternatively, Council may determine not to progress the initiative at this stage. Council could instead choose to retain the land in its current form, defer consideration until broader planning or community consultation for Kwoorabup Community Park has occurred, or request that officers undertake further investigations before any future decision is made.

CONSULTATION AND EXTERNAL ADVICE

- (51) Consultation undertaken to date has included the public Expression of Interest process, which invited submissions for potential future use of the site. The process attracted proposals relating to healthcare, aged care, social housing and community-based uses.
- (52) Adjacent landowners were also notified in writing of the EOI process and were advised that they would be provided opportunity to comment once the preferred land use was known.
- (53) At the time of preparing this report, no broader master planning or community consultation process has been undertaken for Kwoorabup Community Park. The current recommendation is therefore focused on identifying whether a proposal warrants further investigation rather than determining a final land use outcome.
- (54) External advice received includes valuation advice identifying an indicative freehold value of approximately \$1.3 million (excluding GST), together with information provided through the EOI process and supporting stakeholder submissions. Any progression of a preferred proposal would be subject to further investigation, statutory processes and future community engagement prior to any final land tenure decision.

STATUTORY / LEGAL IMPLICATIONS

Local Planning Scheme

- (55) The Local Planning Scheme requires due regard to be given to the purpose of land reserved under the Scheme when considering any proposed change in use. In this case, the subject land forms part of Reserve 41456 and is reserved for Parks and Recreation purposes. Any alternative use would need to be assessed against that reserve purpose and would require the purpose of the reserve to be amended before the land could be used for an inconsistent purpose.

Land Administration Act 1997

- (56) As the land is a Class C Crown Reserve, changes to the reserve purpose can generally be progressed through the Minister for Lands under the Land Administration Act 1997. The Minister has power to change the purpose of, reduce the area of, excise land from, or otherwise amend a reserve by order, subject to the requirements of the Act.

Local Government (Functions and General) Regulations 1996

- (57) The Local Government (Functions and General) Regulations 1996 regulate procurement processes undertaken by local governments, including tender and expression of interest processes. While the current EOI process has been used to test market interest and identify potential future uses for the site, any subsequent procurement, lease, disposal or commercial arrangement must be progressed in accordance with the applicable requirements of the Regulations and the Shire's purchasing and disposal framework.
- (58) If Council resolves to progress with community consultation, this should not be taken as approval of a lease or disposal of land. Any future arrangement may require a separate procurement, tender, disposal or public notice process, depending on the structure of the proposed tenure and whether the arrangement constitutes a lease, or a disposal of property.

STRATEGIC / POLICY IMPLICATIONS**Local Planning Strategy**

- (59) While the Local Planning Strategy identifies master planning as a preferred mechanism for considering future changes within Kwoorabup Community Park, Council may determine that a specific proposal warrants further investigation outside of a comprehensive master planning process due to community need, strategic benefit and resource considerations.

OTHER IMPLICATIONS**Environmental**

- (60) Environmental implications associated with the proposal include potential vegetation removal, impacts on drainage and stormwater, proximity to wetland or environmentally sensitive areas, nutrient management, bushfire considerations, and the cumulative impact of changing the use of part of a public open space reserve. These matters have not been fully assessed through the EOI process and would require further investigation prior to any final lease, disposal or development approval. Any future proposal should be subject to detailed environmental due diligence and statutory approval processes to ensure impacts are appropriately avoided, minimised and managed.

Economic

- (61) The EOI process identified proposals capable of generating a range of economic benefits including private capital investment, employment creation, workforce attraction, ongoing business activity and increased access to community services. Potential financial returns to the Shire vary depending on the tenure pathway pursued and may include lease revenue, commercial rates revenue or proceeds from any future land disposal.

- (62) Council should also consider the opportunity cost of allocating a strategically located site adjacent to Denmark Hospital and the town centre, and whether the preferred proposal maximises long-term economic and community benefit for the district.
- (63) The Local Planning Strategy recommends that any funds generated through the rationalisation of the subject public open space be reinvested into the remaining reserve area to support the ongoing enhancement of Kwoorabup Community Park.

Social

- (64) The EOI process identified proposals that respond to a variety of social needs including healthcare access, aged care accommodation, affordable housing, food security, community participation and social inclusion.
- (65) Potential benefits include improved access to essential services, support for ageing-in-place, increased housing stability, enhanced community wellbeing and greater opportunities for social connection.
- (66) Council must also consider community expectations regarding the retention of public open space and the potential social impacts associated with changing the use of part of Kwoorabup Community Park. Any future proposal should be subject to appropriate community consultation and statutory assessment processes to ensure social benefits are balanced against broader community interests.

RISK MANAGEMENT

- (67) Risk Table

Risk	Risk based on history and with existing controls			Proposed Treatment/Control
	Likelihood	Consequence	Risk Rating	
Reputational Impacts: That sections of the community may perceive Council as progressing a preferred development outcome without first undertaking the broader community consultation.	3	2	Moderate (6)	Transparent communication, clear community messaging that no final land use decision has been made, and community will have the opportunity to comment during the next phase of consultation.

Social Impacts: That sections of the community may perceive the any proposal to develop the subject land as reducing public access to community open space or pre-empting broader consultation on the future of Kwoorabup Community Park.	3	2	Mode rate (9)	Clearly communicating that the community will receive opportunity to provide their feedback in the very early stages of this process.
Social Impacts: That prioritising one proposal may be perceived as deprioritising the other social impacts that the other proposal sought to have.	3	2	Mode rate (6)	Ensure the decision-making rationale is clearly explained.

10.2 OCEAN BEACH KIOSK LEASE PROPOSAL

File Reference	A5551 and LEA.63
Applicant	Haikam Sihapayaxay trading as Gin Loa
Disclosure of Officer Interest	Nil
Date	15 July 2026
Author	David King, Chief Executive Officer
Authorising Officer	David King, Chief Executive Officer
Attachments	10.2 – Valuation Report – Confidential

EXECUTIVE SUMMARY

- (1) This report seeks Council consent to advertise the proposed lease of the Ocean Beach Kiosk to Haikam Sihapayaxay trading as Gin Lao Denmark by private treaty in accordance with section 3.58 of the Local Government Act 1995.
- (2) The proposal would provide an opportunity to activate the kiosk following previous difficulty securing an operator, with initial nominal rent proposed to support establishment of a seasonal, community-focused service. Following public advertising, any submissions received will be presented back to Council before any final decision is made to approve the lease.

VOTING REQUIREMENTS

- (3) Simple Majority

OFFICER RECOMMENDATION			ITEM 10.2
That Council CONSENT to advertise the proposed lease of the Ocean Beach Kiosk to Haikam Sihapayaxay trading as Gin Loa by private treaty in accordance with section 3.58(3) of the Local Government Act 1995 with the following parameters.			
Term	Duration	Rent	
1	0-3 years	\$1	
2	+3 year option	50% of market value determined by independent valuation at the commencement of this term.	
3	+3 year option	100% of market value determined by independent valuation at the commencement of this term.	

LOCATION

- (4) Ocean Beach Kiosk on part of Reserve 24913, Lot 556 on Plan 71707.

BACKGROUND

- (5) Ocean Beach is one of the Shire's most significant coastal recreation precincts, supporting beachgoers, families, visitors, community events and the operations of the Denmark Surf Life Saving Club. The precinct has been the subject of a major redevelopment project intended to restore and improve public access, protect coastal assets, and enhance the public realm following previous erosion and access challenges.
- (6) In November 2022, Council resolved to progress detailed design for the Ocean Beach upgrade project. The rescope concept included refurbishment of the Surf Life Saving Club building, a new public amenity building, a new storage building and public realm improvements. The project was identified as a long-term investment in protecting the Surf Life Saving Club building while increasing the public realm area available to community members and visitors.
- (7) The broader redevelopment project was subsequently tendered, with Council awarding the major Ocean Beach redevelopment contract to Smith Constructions WA at the February 2024 Ordinary Council Meeting. The project scope included construction of the new storage area for the Denmark Surf Life Saving Club, new public amenities including a kiosk, demolition of the previous toilet block, refurbishment of the existing Surf Club building and associated public realm works.
- (8) By October 2025, the Shire publicly advised that the new kiosk had been completed and would be put out to tender, with operations expected to commence early in the new year. On 22 October 2025, the Shire advertised a Request for Public Tender for suitably qualified and experienced contractors to operate the Ocean Beach Kiosk under a lease arrangement with the Shire.
- (9) Despite the completion of the kiosk and public advertising of the opportunity, the Shire experienced difficulty securing an operator. In November 2025, the officer advised Councillors that no offers had been received to operate the kiosk at that time. Feedback from local prospective operators indicated that the main concerns related to the kiosk's isolation from core services and the uncertainty of trade compared with locations such as the town centre or other areas with more reliable year-round visitation.
- (10) Prospective operators identified that Ocean Beach does not benefit from consistent, high-volume passing trade. Patronage is expected to fluctuate significantly between peak holiday periods and quieter times of the year, and even during peak periods can vary substantially from day to day depending on weather and beach conditions. This creates difficulty for potential tenants in forecasting revenue and assessing whether a business can be operated viably from the site.
- (11) Operators also raised concerns about the cost and risk of establishing a hospitality operation from the kiosk. Even a relatively modest operation would require investment in equipment such as a coffee machine, refrigeration and freezers, before any additional commercial cooking or food preparation capability is considered. The Shire has also noted that it is usual for commercial tenants to fit out premises to suit their business model, and that installing a full commercial kitchen at public cost would

require substantial upfront investment by the Shire without certainty that the premises would be leased or that the investment would generate a return.

- (12) Following the initial lack of offers, the Shire broadened its advertising efforts beyond the local area. The Shire advertised for Expressions of Interest locally and statewide, advertised on-site through posters, and held a number of discussions and follow-up conversations with potential lessees.
- (13) The Chief Executive Officer's response to the councillors' questions on notice at the June 2026 Ordinary Council Meeting confirmed that those efforts had resulted in one offer to date, which was expected to be presented to Council at a future meeting for consideration.

DISCUSSION / OFFICER COMMENTS

Barriers to Entry

- (14) The primary barrier to leasing the kiosk is the uncertainty of trade associated with its location. Being removed from the town centre, the site does not benefit from consistent foot traffic and is dependent on variable beach visitation, weather conditions and seasonal demand.
- (15) This uncertainty is compounded by the level of initial capital investment required for fit-out and establishment. Together, the variability of trade and the need for tenant-funded fit-out represent a considerable barrier to entry and have contributed to hesitation among prospective operators.
- (16) The two main measures likely to improve the prospect of securing a tenant are the provision of a fit-out or reduced lease cost incentives. While the Shire has advertised the opportunity at market rate, offers have been invited without requiring strict alignment to that market rate, allowing flexibility to negotiate in response to market conditions.
- (17) Discounted lease arrangements may be necessary to support an operator to invest in the kiosk and manage the commercial risk associated with variable trade at Ocean Beach. A prospective arrangement is expected to require a reduced lease rate, at least during the establishment period, to enable fit-out investment and improve the likelihood of the kiosk becoming operational.

Proposal

- (18) Gin Lao Denmark has submitted a proposal to lease and operate the Ocean Beach Kiosk. The proposal acknowledges the commercial challenges associated with the site, including the kiosk's limited internal space, absence of commercial kitchen facilities, seasonal trading conditions and reliance on weather-dependent beach visitation. Rather than proposing a conventional full-service hospitality model, Gin Lao Denmark has proposed a smaller-scale, community-focused activation model that is intended to suit the physical limitations of the kiosk and the operating conditions at Ocean Beach.
- (19) The proponents have advised that they have experience in hospitality, food van operations and catering. Their proposal is to use that experience to establish a practical kiosk operation that provides a service to beach users, visitors, community

groups and the Denmark Surf Life Saving Club precinct, particularly during high-use periods. The proponents have expressly stated that they do not view the kiosk as a major profit-making venture, but as an opportunity to provide a valued community service and gradually build support for the kiosk over time.

- (20) The proposed trading model recognises that demand at Ocean Beach will not be consistent throughout the year. Gin Lao Denmark proposes to open daily during the summer school holidays and Easter periods, open on weekends and selected public holidays outside peak season, and closed during the winter months of June, July and August, with September operations to be considered depending on weather conditions and demand. This model is considered realistic having regard to the seasonal nature of Ocean Beach visitation and the feedback previously received from prospective operators about the difficulty of maintaining viable year-round trade at the site.
- (21) Given the kiosk's limited capacity and lack of commercial cooking infrastructure, the proponents propose a menu based on low-impact food and beverage service rather than full commercial food preparation. The proposed offering includes quality coffee and beverages, cold dishes and fresh seasonal food, soups, toasties and simple heated items, ice creams, cakes and baked goods, drinks and packaged products. The proponents have also indicated that they are researching alternative and innovative coffee service models and other hospitality concepts to create a distinctive and sustainable beach kiosk experience.
- (22) The proposal includes a longer-term objective to improve and grow the kiosk over time. Gin Lao Denmark has indicated that it is prepared to invest its own time, energy and resources into establishing the business and building community support around it. The proponents also intend to employ local junior staff where possible, support community events and beach activities, explore grants and funding opportunities for future improvements, and work towards developing the kiosk into a more functional and valuable community asset.

Lease value considerations

- (23) The valuation report has been provided as attachment 10.2.
- (24) To support the establishment of the operation, Gin Lao Denmark has requested that Council consider a three-year rent waiver or heavily subsidised lease arrangement. The proponents submit that this support would allow them to invest directly into improving the kiosk, build the business sustainably over time, establish reliable seasonal operations, create local youth employment opportunities and develop the kiosk as a stronger long-term community asset.
- (25) The request for a rent waiver or heavily subsidised lease is consistent with the market feedback received to date. As outlined in the discussion section of this report.
- (26) In this context, the proposal presents Council with an opportunity to activate the kiosk and deliver a community benefit from an existing public asset that has otherwise remained vacant. A subsidised lease arrangement would reduce the direct rental return to the Shire; however, this needs to be balanced against the absence of

alternative market offers, the risk of the kiosk continuing to remain unused, and the broader public benefit of providing a service at the Ocean Beach precinct.

- (27) Officers consider that a subsidised lease may be justified where it supports activation of the precinct, reduces vacancy risk, encourages private investment in fit-out and operations, and provides a service that aligns with the community and recreation function of Ocean Beach. Any lease should clearly define the permitted use, trading expectations, maintenance responsibilities, insurance requirements, fit-out approval process, utilities, compliance obligations and the circumstances in which Council may review or terminate the arrangement.

Other trading in public places

- (28) The proponents have also raised a concern regarding potential food van trading at Prawn Rock Channel and the Ocean Beach car park. Gin Lao Denmark has advised that, if it commits to a long-term kiosk lease and invests in equipment, staffing, planning and business development, the introduction of competing mobile food vendors in the immediate precinct could undermine the kiosk's viability. The proponents have therefore requested that Council consider limiting or excluding additional food van trading within the immediate Ocean Beach and Prawn Rock Channel precinct during the lease term.
- (29) This concern is commercially understandable given the limited and seasonal market available at Ocean Beach. The kiosk was constructed as part of the redevelopment project to service the precinct, and the Shire has an interest in giving any approved tenant a reasonable opportunity to establish the operation. At the same time, any restriction on mobile food trading should be considered carefully having regard to Council policy, fairness to other traders, community expectations, activation objectives and the need to avoid creating an unnecessarily broad or indefinite exclusivity arrangement.
- (30) A balanced approach would be to recognise the kiosk as the primary food and beverage service point for the immediate Ocean Beach precinct during the lease term, while retaining Council discretion to approve mobile food vendors for specific events, overflow circumstances or locations that do not materially affect the kiosk's operation. This would provide the tenant with a level of commercial certainty without removing Council's ability to manage public spaces in the broader community interest.
- (31) Matters regarding mobile food vendors would be considered separately through a revised trading in public places policy although some provisions could be included in a future lease to provide more certainty.

Summary

- (32) Overall, the Gin Lao Denmark proposal responds directly to the issues that have made the kiosk difficult to lease. It proposes a modest, seasonal and community-focused operating model rather than a high-cost traditional hospitality model. Subject to appropriate lease terms and statutory compliance, the proposal provides a practical pathway to activate the kiosk, improve the visitor experience at Ocean Beach and test whether a sustainable service can be established at the site.

Key Lease Terms Proposed

- (33) Officers have undertaken informal negotiations with the proponent and present the following terms for consideration.

Term	Duration	Rent
1	0-3 years	\$1
2	+3 year option	50% of market value determined by independent valuation at the commencement of this term.
3	+3 year option	100% of market value determined by independent valuation at the commencement of this term.

CONSULTATION AND EXTERNAL ADVICE

- (34) Following the public advertising period, any submissions received will be presented back to Council for consideration before any final decision is made to approve and enter into the lease. This ensures Council retains final approval authority and that any community feedback is considered before the proposed lease is progressed.

STATUTORY / LEGAL IMPLICATIONS

Local Government Act 1995

- (35) Section 3.58 of the Local Government Act 1995 applies to the disposal of local government property, including by lease. Where a disposition is not made by public auction or public tender, section 3.58(3) enables disposal by private treaty provided local public notice is given, the required details are advertised, submissions are invited for at least two weeks, and any submissions are considered before the disposition is finalised.

STRATEGIC / POLICY IMPLICATIONS

Property Management Policy

- (36) The Shire's Property Management Policy, adopted by Council in August 2024, applies to commercial, community and other property arrangements. The policy defines a commercial lease as an arrangement where the tenancy is held to generate income from ongoing activities, and establishes a framework intended to support consistent and equitable tenure arrangements, long-term asset sustainability and appropriate commercial return.
- (37) As the proposed kiosk operation is a commercial lease, the proposed initial lease terms do not fully align with the policy expectation that commercial leases provide a commercial return. The proposed nominal rent for the initial term is therefore a deliberate departure from the ordinary commercial lease position.
- (38) This departure is considered justified in the circumstances outlined in the discussion section of this report. The kiosk has remained vacant despite being advertised, and market feedback has identified the uncertainty of trade, seasonal demand, weather dependency, limited facilities and tenant-funded fit-out costs as significant barriers to securing an operator.

- (39) The proposed rent structure is intended to support activation of the asset during the establishment phase, rather than permanently remove the kiosk from the commercial lease framework. The medium-term objective is that, if the business becomes established and demonstrates sustainable trade, the lease will progressively move toward greater compliance with the policy through a return to independently assessed market rent over subsequent terms.

FINANCIAL IMPLICATIONS

- (40) There are no significant financial implications associated with this report noting that a commercial market rental valuation of \$9,000 per annum (ex GST) has been determined on 4 September 2025.

OTHER IMPLICATIONS

Environmental

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

Economic

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

Social

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

RISK MANAGEMENT

- (44) 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.

10.3 COMMUNITY CONTRIBUTIONS POLICY REVIEW

File Reference	ADMIN.2
Applicant	Not applicable
Disclosure of Officer Interest	Nil
Date	13 July 2026
Author	Claire Thompson, Governance Coordinator Andy Percy, Community Development Officer
Authorising Officer	David King, Chief Executive Officer
Attachments	10.3a – Community Contributions Policy, including marked up version 10.3b – draft Community Contributions Policy

EXECUTIVE SUMMARY

- (1) Council's Community Contributions Policy has been reviewed, and an amended version is presented for Council's adoption.

VOTING REQUIREMENTS

- (2) Simple Majority

OFFICER RECOMMENDATION	ITEM 10.3
That Council APPROVE the Community Contributions Policy, as per Attachment 10.3b.	

LOCATION

- (3) Not applicable.

BACKGROUND

- (4) The Community Contributions Policy was adopted in August 2024.

DISCUSSION / OFFICER COMMENTS

- (5) There are two significant recommended policy changes which are to Agreements and Grant Categories. Attachment 10.3b shows the amended policy.

Agreements

- (6) It is recommended to replace Service Partnerships (core and discretionary) with Service Agreements and Funding Agreements.
- (7) Service Agreements are agreements for a third party to perform a core function or service of the local government. These are three to five year agreements but subject to funding being provided each year in the annual budget.
- (8) Funding Agreements are agreements for a third party to perform a non-core function or service to the community, for which the Council has decided to fund given the

alignment with adopted strategies and plans, and alignment with broader social, cultural, economic or environmental benefits.

- (9) The amendment, particularly, removes the reference to “partnership” as this can imply that the Shire is co-managing the service provided and/or the activity facilitated.
- (10) A further driver for the recommended change is to strengthen the Shire’s management of work health and safety obligations associated with funded activities and services. While the amendments are not intended to materially change the effect or outcomes of existing arrangements, they provide clearer separation between services delivered on behalf of the Shire and activities that the Shire elects to financially support.
- (11) Under the work health and safety framework, a person conducting a business or undertaking has primary duties in relation to work carried out as part of that business or undertaking. Where the Shire enters into a Service Agreement for a third party to deliver activities or services that are part of the Shire’s functions, such as an agreement with Denmark Lions, the Shire may retain duties in relation to those activities. The revised separation between Service and Funding Agreements is intended to make those arrangements clearer and support stronger work health and safety risk management through more appropriate agreement structures.
- (12) It is also recommended that an additional Community Hall contribution category be added to align with Council’s current contributions detailed in the budget documentation.

Grant Categories

- (13) The other significant recommended change is to replace all of the grant categories with two funding streams: *Minor Infrastructure Grants* and *Community Activation Grants*.
- (14) The introduction of two distinct funding streams improves fairness, transparency, and comparability across applications.
- (15) Current challenges stem from a highly diverse applicant pool, ranging from small community groups seeking minor equipment purchases to organisations requesting funding to replace appliances or undertake upgrades in Shire-owned facilities. This diversity makes equitable scoring difficult under a single assessment framework.
- (16) Establishing separate streams will ensure applicants compete against comparable project types and allow for clearer assessment criteria.
- (17) For the last two funding rounds most applications have been made under the *‘Equipment and Facilities’* category with only two applications in the *‘Environmental Sustainability’*, and none in the *‘Start Up’* or *‘Build Future leaders’* categories.
- (18) Reducing the categories (streams) from six to two also simplifies the process and provides more accurate reporting as it does not include categories with zero applicants.
- (19) Overall, the Policy has worked well and provided a clear framework for both Shire Officers and the community.

CONSULTATION AND EXTERNAL ADVICE

- (20) The Officer has considered the requirement for consultation and/or engagement with persons or organisations that may be unduly affected by the proposal.
- (21) Officers are of the view that the agreements the Shire / Council already have in place still fit within the rewritten framework and the proposed amendments will not cause any fundamental change to the existing arrangements.

STATUTORY / LEGAL IMPLICATIONS**Local Government Act 1995**

- (22) Section 2.7 – one of the roles of Council is to determine the local government's policies. The work health and safety framework is also relevant to the extent that the revised agreement categories assist the Shire to more clearly identify and manage its duties where funded services or activities are delivered as part of the Shire's functions.

STRATEGIC / POLICY IMPLICATIONS

- (23) This subject of this report to review a Council policy.

FINANCIAL IMPLICATIONS

- (24) There are no financial implications relating to the policy review.

OTHER IMPLICATIONS**Environmental**

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

Economic

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

Social

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

RISK MANAGEMENT

- (28) A risk assessment has been undertaken in accordance with Council's Risk Management Policy. The proposed amendments are not expected to materially change the effect or outcomes of existing arrangements; however, they reduce governance and work health and safety risk by clarifying when an organisation is delivering a service on behalf of the Shire and when the Shire is providing financial support for an organisation's own community activity.

10.4 DENMARK ARTS – LEASE OF PORTION OF RESERVE 25985 AND FUNDING AGREEMENT

File Reference	LEA.9 and AGR.90
Applicant	Denmark Arts Council Incorporated
Disclosure of Officer Interest	Nil
Date	30 June 2026
Author	Claire Thompson, Governance Coordinator
Authorising Officer	David King, Chief Executive Officer
Attachments	10.4a – Draft Lease 10.4b – Property Management Policy 10.4c – Draft Funding Agreement 10.4d – Existing Service Agreement

EXECUTIVE SUMMARY

- (1) Council is asked to consider approving the draft lease between the Shire and Denmark Arts Inc for a portion of land on Reserve 25985, Strickland Street, Denmark.
- (2) Council is also asked to consider the review of the Denmark Arts Service Agreement.

VOTING REQUIREMENTS

- (3) Simple Majority

OFFICER RECOMMENDATION

ITEM 10.4

That Council:

1. APPROVE the lease to Denmark Arts Council Incorporated, as per Attachment 10.4, subject to Ministerial Consent;
2. WAIVE the Rates associated with the lease area for the 2026/2027 financial year;
3. AGREE to the terms in the Funding Agreement, as per Attachment 10.4.

LOCATION

- (4) Crown Land Reserve 25985 is managed by the Shire of Denmark for “Civic Centre”. Public buildings on the reserve are the Denmark Library and the Denmark Civic Centre.
- (5) The lease area is the space where the Denmark Library is currently situated.

BACKGROUND

Lease

- (6) In January 2026, Council endorsed the relocation of the Denmark Library to the Visitor Centre building (on Reserve 48198) and Denmark Arts’ operation relocating to the library site (on Reserve 25985).
- (7) See Attachment 10.4 for the draft lease.

Service (Funding) Agreement

- (8) In January 2026, Council requested that the Chief Executive Officer bring to Council a revised service agreement for Denmark Arts.

DISCUSSION / OFFICER COMMENTS**Lease**

- (9) The rights and obligations in the lease are consistent with their previous lease however, the new lease is in the standard lease template for community group leases.
- (10) The only difference is there is no provision in the new lease for the lessee to accommodate an artist in residence as the building does not have the required classification or facilities.
- (11) See Attachment 10.4 for the draft lease.
- (12) In accordance with the Property Management Policy, Officers are recommended that the rates be waived, as this is consistent with all other community leases.

Funding Agreement

- (13) Council approved the current Service Agreement with Denmark Arts Council Incorporated in September 2024 for a three-year term from 1 July 2024 to 30 June 2027. The current agreement provides annual financial assistance of \$65,000 excluding GST and identifies specific deliverables including Brave New Works, Festival of Voice, REVIVE Sculpture Award and minor programming.

Structural Amendments

- (14) The structure of the agreement has been changed in accordance with the proposed changes to the Community Contributions Policy, which distinguish between core Service Agreements and discretionary Funding Agreements. The revised structure is more appropriate for this arrangement because it separates the Shire's funding role from Denmark Arts' responsibility for delivering and managing its activities. This also assists in clarifying work health and safety responsibilities, noting that under the previous service agreement model the Shire could be considered the primary person conducting a business or undertaking (PCBU) for some activities. The proposed funding agreement better reflects that Denmark Arts is responsible for managing its own programming, staffing, volunteers and associated WHS duties, while the Shire remains responsible for its own facilities and normal landlord or venue management obligations.

Proposed changes to deliverables

- (15) The revised deliverables are proposed to be framed as three core funding areas rather than a fixed schedule of named events: delivery of at least one annual community arts and cultural festival in the first half of each calendar year; coordination of year-round arts and cultural programming including exhibitions, workshops, performances, artist development, youth engagement and partnerships; and delivery of an annual

community recognition or awards initiative celebrating participation and contribution to the Shire's cultural life.

- (16) This approach preserves the Shire's interest in tangible community outcomes while avoiding an agreement that becomes outdated whenever Denmark Arts adjusts its programming model. For example, whilst there was historical funding partner support for the Festival of Voice, this has dried up, with the funding streams are now more focussed on Brave New Works. In the future, new events will have to be created or adjusted to align with funding opportunities. It also recognises that the precise format, scale and artistic direction of activities should remain with Denmark Arts, subject to the agreed outcomes and available funding.

Term, budget approval and financial protection

- (17) Rather than simply extending the existing fixed-term arrangement, the agreement is proposed to be amended to operate as an ongoing funding agreement subject to annual budget adoption. This recognises the long-standing nature of the Shire's partnership with Denmark Arts.
- (18) The proposed financial structure is to increase the contribution for 1 July 2026 to 30 June 2027 to \$70,000 excluding GST and, if funded in subsequent budgets with no CPI applied. This provides Denmark Arts with a clear planning assumption without removing Council's annual budget discretion. A formal three-year review clause should also be included so that the agreement, deliverables, funding level and reporting requirements are periodically tested against community outcomes and Council priorities.
- (19) The additional \$5,000 over the existing arrangement reflects that the proposed lease area does not include the performance space regularly used by Denmark Arts under its current lease. The additional amount is intended to assist with fees and charges associated with undertaking these activities at the Civic Centre, noting that the Shire will retain management of the Civic Centre as normal.

Reporting and accountability

- (20) The current reporting requirements are more detailed than necessary for a relatively modest annual service contribution and risk creating an administrative burden disproportionate to the funding level. The proposed approach is to require Denmark Arts to provide its annual audited financial statements to the CEO to enable the Shire to confirm the organisation's ongoing solvency.
- (21) Presentations to councillors are retained as mandatory each year, to enable councillors to understand the impact the funding agreement has year to year. This strikes a reasonable balance between accountability and administrative efficiency.

Civic Centre and future facility management roles

- (22) Denmark Arts has acknowledged ongoing discussions about a potential role in Civic Centre management and activation. This is not proposed to be incorporated into the current service agreement until the scope, responsibilities, risk allocation, staffing expectations and funding requirements are clearly defined. If Council wishes to pursue

this in future, it should be dealt with by a separate schedule or formal amendment once both parties have agreed the parameters and resourcing implications. This is worthy of further consideration in around 12-24 months once Denmark Arts have settled into the new location.

Termination and review

- (23) A 12-month termination clause should be added. This provides both parties with sufficient notice to plan for changes while ensuring the Shire is not locked into an arrangement indefinitely if Council priorities, budget capacity or community needs change. The clause should operate alongside the existing breach-based termination provisions.
- (24) The draft and existing agreements can be found as Attachment 10.4c and 10.4d respectively.

CONSULTATION AND EXTERNAL ADVICE

- (25) Discussions regarding the potential relocation of Denmark Arts and the provisions of the funding agreement have been tabled at Councillor Concept Forums.
- (26) Denmark Arts have been provided with a copy of the draft lease and have not objected to any of the terms and conditions.

STATUTORY / LEGAL IMPLICATIONS

Local Government Act 1995

- (27) Section 3.58 – local government can dispose of land, including to lease.
- (28) Section 6.47 – Council may waive a rate or service charge.

Local Government (Functions and General) Regulations 1996

- (29) Regulation 30 – provides an exemption from disposal provisions for land that is disposed of to a body, whether incorporated or not, the objects of which are benevolent, cultural (or the like) and the members are not entitled or permitted to receive any pecuniary profit.
- (30) The Objects of Denmark Arts Council Incorporated is to:
 - act as coordinating body and ambassador for the arts, focused on the Denmark region;
 - initiate and facilitate positive creative and cultural experiences for broad populations of people;
 - encourage, support and provide opportunities for connection and development through the arts; and
 - demonstrate leadership and promote the value, relevance and necessity of the arts and culture in contemporary life.

Land Administration Act 1997

- (31) Section 18 – Ministerial consent is required for crown land transactions, including to lease.

STRATEGIC / POLICY IMPLICATIONS**Property Management Policy**

- (32) The Property Management Policy (see Attachment 10.4b) defines a community lease as one that is to a not-for-profit group where the core service provided specifically to the Denmark community is not in commercial competition with any other local provider.

Community Contributions Policy

- (33) The Policy, as adopted in August 2024, refers to and describes Core and Discretionary Service Partnerships. The Former Service Agreement fell into a discretionary agreement, endorsed by Council and including a forward funding commitment to assist Denmark Arts plan and facilitate agreed deliverables.
- (34) The Policy has been reviewed and is the subject of another report within the July 2026 Ordinary Council Meeting Agenda. The main change is to replace Service Partnerships with Service Agreements (core) and Funding Agreements (discretionary). For this reason, the agreement with Denmark Arts for Council's consideration is referred to as a Funding Agreement.
- (35) The draft Funding Agreement is in Attachment 10.4c.

OTHER IMPLICATIONS**Environmental**

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

Economic

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

Social

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

RISK MANAGEMENT

- (39) 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.

10.5 DENMARK FM LTD – LEASE OF PORTION OF RESERVE 25985

File Reference	LEA.64
Applicant	Denmark FM Ltd
Disclosure of Officer Interest	Nil
Date	12 June 2026
Author	Claire Thompson, Governance Coordinator
Authorising Officer	David King, Chief Executive Officer
Attachments	10.5a – Draft Lease 10.5b – Property Management Policy

EXECUTIVE SUMMARY

- (1) Council is asked to consider approving the draft lease between the Shire and Denmark FM Ltd for a portion of land between the existing Denmark Library and the Denmark Civic Centre, Strickland Street.

VOTING REQUIREMENTS

- (2) Simple Majority

OFFICER RECOMMENDATION	ITEM 10.5
That Council:	
1. APPROVE the lease to Denmark FM Ltd, as per Attachment 10.5a, subject to Ministerial Consent; and	
2. WAIVE the Rates associated with the lease area for the 2026/2027 financial year.	

LOCATION

- (3) Crown Land Reserve 25985 is managed by the Shire of Denmark for “Civic Centre”. Public buildings on the reserve are the Denmark Library and the Denmark Civic Centre.
- (4) The lease area is the space between the south, eastern wall of the Civic Centre and the entrance to the library.

BACKGROUND

- (5) In February 2026, Council agreed to the lease and requested the Chief Executive Officer to draft a lease that includes the following elements:
- Consideration to be \$1.00 (ex GST) per annum;
 - Term being 10 years; and
 - Inclusion of a suitable condition relating to potential redevelopment of the area.

DISCUSSION / OFFICER COMMENTS

- (6) See Attachment 10.5a for the draft lease.
- (7) In accordance with the Property Management Policy, Officers are recommended that the rates be waived, as this is consistent with all other community leases.

CONSULTATION AND EXTERNAL ADVICE

- (8) Denmark FM have been provided with a copy of the draft lease and have not objected to any of the terms and conditions.

STATUTORY / LEGAL IMPLICATIONS**Local Government Act 1995**

- (9) Section 3.58 – local government can dispose of land, including to lease.
- (10) Section 6.47 – Council may waive a rate or service charge.

Local Government (Functions and General) Regulations 1996

- (11) Regulation 30 – provides an exemption from disposal provisions for land that is disposed of to a body, whether incorporated or not, the objects of which are charitable and the members are not entitled or permitted to receive any pecuniary profit. The overall objective of Denmark FM Ltd is to pursue charitable purposes, as listed in the companies Constitution.

Land Administration Act 1997

- (12) Section 18 – Ministerial consent is required for crown land transactions, including to lease.

STRATEGIC / POLICY IMPLICATIONS**Property Management Policy**

- (13) The Property Management Policy (see Attachment 10.5b) defines a community lease as one that is to a not-for-profit group where the core service provided specifically to the Denmark community is not in commercial competition with any other local provider.

OTHER IMPLICATIONS**Environmental**

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

Economic

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

Social

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

RISK MANAGEMENT

- (17) 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.

10.6 DRAFT PUBLIC PLACES AND LOCAL GOVERNMENT PROPERTY AMENDMENT LOCAL LAW 2026

File Reference	LEG.1
Applicant	Not applicable
Disclosure of Officer Interest	Nil
Date	13 July 2026
Author	Claire Thompson, Governance Coordinator
Authorising Officer	David King, Chief Executive Officer
Attachments	10.6 – draft Amendment Local Law

EXECUTIVE SUMMARY

- (1) An Amendment Local Law has been drafted to facilitate corrections and changes to the Public Places and Local Government Property Local Law 2026 ('Local Law').
- (2) The corrections are as required by the Joint Standing Committee on Delegated Legislation ('JSCDL') and to change the language, where applicable, to gender neutral.
- (3) Council are required to approve the draft amendment for the purpose of advertising.

VOTING REQUIREMENTS

- (4) Simple Majority

OFFICER RECOMMENDATION

ITEM 10.6

That Council:

1. ADVERTISE the draft 2026 Public Places and Local Government Property Amendment Local Law 2026 (as per Attachment 10.6) for the following purpose and effect.

Purpose – to amend the Public Places and Local Government Property Local Law 2026.

Effect – to incorporate changes that the Joint Standing Committee on Delegated Legislation require to be made and modify language, where appropriate, to be gender-neutral.
2. PROVIDE a copy of the proposed local law to the Director General of the Department, Industry Regulation and Safety.

LOCATION

- (5) Not applicable.

BACKGROUND

- (6) The Local Law was gazetted on 6 January 2026.

- (7) The JSCDL requested changes to five clauses to which the Council agreed to undertake within the next two years (26 May 2026 / Resolution No. 140526).
- (8) In addition, Council resolved to incorporate, where appropriate, gender-neutral language in the amendment to the local law.

DISCUSSION / OFFICER COMMENTS

- (9) The corrections and changes requested have been incorporated into the draft Public Places and Local Government Property Amendment Local Law 2026 (see Attachment 10.6).

CONSULTATION AND EXTERNAL ADVICE

- (10) In accordance with statutory provisions, the draft Amendment Local Law must be advertised for a period of six weeks, and Council must consider any submissions received.

STATUTORY / LEGAL IMPLICATIONS

Local Government Act 1995

- (11) Section 1.7 – details requirements of giving local public notice.
- (12) Section 3.5 – local government may make local laws.
- (13) Section 3.12 – describes procedure for making local laws, including local public notice, providing copy to the department, considering submissions and publication in Government Gazette.

Local Government (Functions and General) Regulations 1996

- (14) Regulation 3 – manner of giving notice of purpose and effect.

STRATEGIC / POLICY IMPLICATIONS

- (15) Nil

FINANCIAL IMPLICATIONS

- (16) The cost of advertising the Amendment Local Law can be accommodated within the Shire's existing Budget.

OTHER IMPLICATIONS

Environmental

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

Economic

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

Social

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

RISK MANAGEMENT

- (20) 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.

10.7 FIREBREAK AND PROPERTY MANAGEMENT NOTICE

File Reference	FIRE.1
Applicant	Not Applicable
Disclosure of Officer Interest	Nil
Date	1 July 2026
Author	Renee Wiggins, Manager Community Services
Authorising Officer	David King, Chief Executive Officer
Attachments	10.7a – 2025/2026 Firebreak and Property Management Notice 10.7b – 2026/2027 Draft Firebreak and Property Management Notice

EXECUTIVE SUMMARY

- (1) This report recommends minor changes to the Firebreak and Property Management Notice (FMN) for 2026/2027.
- (2) The recommended changes seek to improve clarity and consistency whilst also ensuring meeting legislative requirements.

VOTING REQUIREMENTS

- (3) Simple Majority

OFFICER RECOMMENDATION	ITEM 10.7
That Council ENDORSE the 2026/2027 Firebreak and Property Management Notice as per attachment 10.7b	

LOCATION

- (4) The FMN applies across the Shire of Denmark municipality.

BACKGROUND**Firebreak and Property Management Notice Structure**

- (5) The Firebreak and Property Management Notice is the Shire's annual notice to owners and occupiers of land within the municipality. The property preparedness, firebreak, low fuel boundary, access, hazard management, inspection and enforcement requirements are primarily issued under section 33 of the Bush Fires Act 1954. The notice has evolved over time into its current form which provide clear guidance on what is required by residents and visitors across the Shire.
- (6) The Notice is deliberately presented in coloured sections so that landowners can quickly identify which legal obligation applies to them and what action is required.

- (7) The burning period section (coloured red) relates to Sections 17 and 18 of the Bush Fires Act 1954. Primarily, it deals with the prohibited and restricted burning times. It also provides information on how to obtain permits during the restricted burning times.
- (8) The property requirement section (coloured orange) relates to Section 33 of the Bush Fires Act 1954. This provides the necessary information to owners and occupiers on the maintenance requirements of private property.
- (9) The camp and cooking fire section (coloured blue) relates to Section 25 of the Bush Fires Act 1954. This deals with when a camping or cooking fire may be lit in the open air and what precautions must be observed.

Camping and Cooking Fires

- (10) In July 2025, Council considered the 2025/2026 Fire Management Notice and resolved to repeal Policy P050102 – Camping and Cooking Fires because the policy no longer reflected the approach adopted through the annual Notice. The Council report identified that submissions on camping and cooking fires had produced differing views, but that there was broad consensus that fire pits and campfires should generally be prohibited during the prohibited burning period.
- (11) The change was made to improve legal clarity, community understanding and enforceability. The report noted that there are no provisions in the Bush Fires Act 1954 that allow a local government to create broad, blanket exemptions for particular types of cooking fires, such as pizza ovens, smokers or similar outdoor fire appliances. Where a fire in the open air is proposed during a period in which it is otherwise prohibited, the available mechanism is a property-specific approval or permit process rather than a general exemption in a policy.
- (12) The proposed 2026/2027 FMN continues this approach by clearly separating the camp and cooking fire requirements as a distinct section of the Notice under section 25 of the Bush Fires Act 1954. This provides a clearer basis for communicating that outdoor fires are not permitted during the prohibited burning period, while also distinguishing those requirements from the property preparedness obligations made under section 33 and the restricted and prohibited burning periods set under sections 17 and 18.

Compliance with the Property Management Requirements

- (13) Historically, compliance with the Firebreak and Property Management Notice has been lower than required to adequately manage bushfire risk across the municipality. While education has always been an important part of the Shire's approach, experience has shown that education alone has not been sufficient to achieve consistent property preparedness across all land types, particularly where properties are vacant, absentee-owned or not actively managed.
- (14) In response, the Shire has progressively strengthened its compliance model over the past two fire seasons by increasing both education and enforcement activity. The approach is intended to support willing landowners to understand and meet their obligations, while also ensuring that non-compliance is addressed where it creates unacceptable risk for neighbouring properties, emergency responders and the broader

community. This includes continued use of the Book a Ranger program, Bushfire Ready engagement, clearer public information, consistent inspections and enforcement action where required.

- (15) This approach is beginning to show measurable improvement. For the 2025/2026 fire season, the Shire achieved approximately 86% compliance, compared with approximately 83% in 2024/2025. Over the same period, Book a Ranger visits increased by 37%, indicating stronger community engagement with the Notice and its requirements.
- (16) Notably, approximately 60% of infringements issued during the 2025/2026 season were to absentee owners, compared with approximately 50% in 2024/2025, reinforcing the importance of targeted communication and compliance activity for landowners who may not be regularly present at their properties.

DISCUSSION / OFFICER COMMENTS

- (17) No major changes are proposed for in the 2026/27 FMN. However, following an annual review informed by feedback from the Bushfire Operation Group and Compliance Officers the following minor changes have been proposed and incorporated into the Draft FMN in attachment 10.7b.

Change	Reason
Page 1 remove unrestricted reference and dates	The term Unrestricted may give the false impression that there are no restrictions, however there are restrictions at any time of the year when the Fire Danger is high or above
Page 1 wording change from 'no burning' to 'no outdoor fires.....' Page 2 removed second reference to No burning...	The term burning could be confused as just burn offs and clarification was recommended to include all outdoor fires. Already on page 1.
Page 2 Highlighted the recommendation to register your burn at all times of the year	Feedback suggested highlighting the recommendation to register burns at all times of the year. The more we can encourage community to register their burns will help to reduce alarm and false call outs.
Page 3 change from 'all residents' to 'all properties' and including 'vacant land'	Feedback suggested that some landowners weren't aware that the Notice applied to ALL land types and all owners of property not just residents (absentee ownership, Government Agencies etc.)
Page 4 add 'Additional responsibilities 3' to the list of what all properties must have	The 'Additional responsibilities' section has previously existed but adding "Any Additional Responsibilities 3' provides a simple quick reference

	check of what each property needs to have, 1, 2a OR 2b & 3. Helps to avoid 'Additional responsibilities' being forgotten on the following page.
Page 5 Outbuildings/Sheds, wording of overhanging branches to align with APZ definition. - Removal of the requirement to clear gutters and roofs on Outbuildings/Sheds that are outside the APZ Clarity of wording around specific hazards	Wording to be consistent. Outbuildings/Sheds outside the APZ require a 3m low fuel boundary and Fuel and Chemical Storage etc. typically found in sheds which have strict requirements already in place. Removing the need for gutters and roofs to be clear helps owners to achieve compliance whilst still mitigating fire danger. Sheds that are not habitable are not as critical as habitable buildings and owners focusing their efforts on habitable buildings is a better use of their efforts. Reducing the requirements aims to allow better effort in areas that are more critical. Specific hazard wording clarified to ensure emerging technology hazards are included.
Page 6 Large trees (larger than 5m tall) now changed to 'Overhanging Trees', APZ Definitions and Requirements. Addition of wording "This includes (but is not limited to) outbuildings, sheds and any built structure within that zone, and must meet all of the following requirements:"	Some tree, less than 5m, still overhang an asset and are deemed non-compliant unless there is a 3m vertical clearance. It was discussed with the Brigade Leadership Group and officers and decided to clarify that outbuildings, sheds and other structures, not just habitable buildings, within the APZ should be maintained to the same standard as habitable and that needed to be clarified in the Notice.
Page 7 Flammable Material definition now excludes milled timber	Milled timber can now be stored under unenclosed decking or house structure.
Page 8 QR code included	This code will take community to before and after photos and examples of Vehicular Access, Trafficable and Property Access and Boundary Maintenance.
Page 9 Changes to 'should' and 'must' where relevant. Removed,	'Must' is included where legislation clearly defines it, 'should' replaces where we are encouraging people to be safer.

“Is on a permanent residence and is not temporary or holiday accommodation”	Temporary and holiday accommodation restrictions are managed under different legislation and follow different processes which cannot be defined by the Bush Fire Act or this notice, so we have removed the reference. There are no powers to specify property types such as, permanent residence and therefore this should be removed.
Page 10 Remove FCO contact details	It is inappropriate for FCOs to have their private contact details listed. Technology improvements now include a generic brigade email for each FCO to utilise. This will be available online and we will now refer community to that page to seek out a permit for their area.
All pages The addition of page numbers	This will assist community queries over the phone. When community members receive an infringement and seek to understand what was non-compliant it is helpful to have a page reference to talk it through easily.

CONSULTATION AND EXTERNAL ADVICE

- (18) Officers sought feedback from the Brigade Operational Group (BOG) who provided comments.
- (19) All feedback received was compiled and reviewed by the Brigade Leadership Group and officers during a workshop to consider the proposed changes. The group agreed on the amendments, and a draft FMN was subsequently provided to the BOG for any further comment with no additional requests for changes.
- (20) The 2026/2027 Notices will be distributed with the annual rates notice as well as meeting the various provisions of the Bush Fires Act. It is also advertised annually in the Government Gazette.

STATUTORY / LEGAL IMPLICATIONS

Bush Fire Act 1954

- (21) The FNM is issued under the relevant sections of the Bush Fire Act 1954

STRATEGIC / POLICY IMPLICATIONS

Bushfire Risk Mitigation Plan

- (22) The FMN supports the Shire of Denmark Bushfire Risk Management Plan by operating as a key annual property-level bushfire risk control. The BRMP identifies bushfire risk across the municipality and provides a framework for current bushfire controls, asset identification and risk assessment, risk treatment, cascading risk, communication, monitoring and review. The FMN gives practical effect to this framework by setting

annual requirements for asset protection zones, low fuel boundaries, firebreaks, vehicular access, management of flammable material, hazard-specific treatments, and landowner preparedness.

- (23) The proposed changes also support the BRMP's emphasis on practical risk treatment and continuous improvement. Clearer wording, improved references, page numbering, examples, and targeted information for owners and occupiers assist community understanding and support consistent inspection and enforcement activity. This is particularly important given the Shire's experience that education alone has not historically achieved the level of compliance required to manage bushfire risk effectively.

OTHER IMPLICATIONS

Environmental

- (24) The FMN seeks to strike a balance between protecting the natural environment and mitigating bushfire risks.

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) The principal risk is that, if the Firebreak and Property Management Notice is not endorsed, clearly communicated and consistently administered, property-level preparedness across the Shire may reduce, weakening one of the key annual controls that supports the Shire's Bushfire Risk Management Plan. Endorsement of the 2026/2027 FMN supports the BRMP by providing clear, enforceable requirements for asset protection zones, low fuel boundaries, firebreaks, access, flammable material management and hazard-specific treatments. The FMN is considered an effective and proportionate control because it combines clearer landowner obligations with education, inspections and enforcement, and recent compliance improvements indicate that this balanced approach is improving community preparedness.

10.8 TOWN CENTRE CONNECTIVITY AND STREETScape WORKING GROUP

File Reference	File
Applicant	Not Applicable
Disclosure of Officer Interest	Nil
Date	15 July 2026
Author	David King, Chief Executive Officer
Authorising Officer	David King, Chief Executive Officer
Attachments	10.8 – Draft Terms of Reference

EXECUTIVE SUMMARY

- (1) Council is asked to consider the establishment and membership structure of the proposed Town Centre Connectivity and Streetscape Working Group (the Working Group).
- (2) The draft Terms of Reference have been prepared to establish the Working Group as advisory only and not a committee established under section 5.8 of the Local Government Act 1995. Therefore, the Working Group has no delegated authority, and cannot make decisions on behalf of Council.
- (3) The rationale for establishing a councillor working group is sound. The Town Centre Connectivity and Streetscape project is strategic, high-profile and place-based. Councillor input can provide useful community, local business, movement, access and public realm context at key project hold points.
- (4) Officers recommend that Council establish the Working Group, adopt the draft Terms of Reference, and limit membership to no more than three councillors who have not declared a financial or proximity interest in the project. This is the most balanced and defensible approach because it retains the benefits of councillor input while reducing the risk that the Working Group is perceived as substantially shaping the final Council position.

VOTING REQUIREMENTS

- (5) Simple Majority

OFFICER RECOMMENDATION**ITEM 10.8**

That Council:

1. ESTABLISH the Town Centre Connectivity and Streetscape Working Group as a Council Working Group.
2. ADOPT the terms of reference as per attachment 10.8.
3. NOMINATE _____, _____ and _____ as the Councillor representatives.

LOCATION

- (6) The Town Centre Connectivity and Streetscape project relates to the Denmark town centre and associated streetscape, movement, access and public realm areas within the project scope.

BACKGROUND

- (7) Council has resolved to continue the Town Centre Connectivity and Streetscape project and to receive a further report on the establishment of a councillor working group.
- (8) The project is significant because it relates to the function, appearance, accessibility, movement network, public realm and economic performance of the Denmark town centre.
- (9) The draft Terms of Reference at Attachment 10.8 establish the Town Centre Connectivity and Streetscape Working Group as a Council Working Group to provide strategic input and local context to officers in relation to the project.
- (10) The Working Group is intended to assist officers by testing ideas, identifying opportunities and risks, and providing considered input at key hold points throughout the consultant contract.
- (11) The Working Group is not intended to replace Council decision-making, direct staff or consultants, or settle Council's final position.

DISCUSSION / OFFICER COMMENTS**General**

- (12) The proposed Town Centre Connectivity and Streetscape Working Group is intended to operate as an advisory forum to officers at relevant consultant hold points during project delivery.
- (13) Its purpose is to provide structured opportunities for councillors to offer strategic observations, local context and community-facing advice to officers before officers provide instructions or feedback to the consultant.
- (14) The Working Group is not intended to be a decision-making body, a substitute for Council, or a mechanism for councillors to direct the consultant.
- (15) Rather, it is a project support mechanism that allows officers to hear councillor perspectives at key stages, consider those perspectives alongside technical advice, community engagement outcomes, budget parameters and procurement obligations, and then determine the appropriate officer response.

Consideration of external stakeholder or community membership

- (16) Officers have considered whether the Working Group should include external community or stakeholder members.
- (17) While this may appear to broaden participation, the same governance concerns that apply to councillor membership are also relevant to external stakeholder membership.

- (18) Given the governance reasons for managing councillor participation carefully, it would also be prudent to avoid giving selected external stakeholders a standing membership role where they may have direct property, business or commercial interests affected by the project.
- (19) The issue is not whether those stakeholders have valuable local knowledge. Rather, it is whether formal membership of the Working Group is the most appropriate mechanism for receiving that input.
- (20) Officers do not recommend external stakeholder or community membership of the Working Group. A more appropriate approach is to ensure that stakeholders, businesses, landowners and the broader community are engaged through the project's formal consultation mechanisms.
- (21) This provides a more transparent and equitable process, allows input to be gathered from a wider range of affected parties, and avoids elevating selected stakeholders into a standing project-shaping role.

CONSULTATION AND EXTERNAL ADVICE

- (22) 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

- (23) Nil.

STRATEGIC / POLICY IMPLICATIONS

Council Meeting Framework Policy

- (24) The recommendations are consistent with this policy

FINANCIAL IMPLICATIONS

- (25) Nil.

OTHER IMPLICATIONS

Environmental

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

Economic

- (27) There are no known significant economic implications relating to the report or officer recommendation.
- (28) There are no known significant social considerations relating to the report or officer recommendation.

RISK MANAGEMENT

- (29) 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.

10.9 FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MAY 2026

File Reference	FIN.66.2025/26
Applicant	Not Applicable
Disclosure of Officer Interest	Nil
Date	15 July 2026
Author	Scott Sewell, Financial Accountant
Authorising Officer	Kellie Jenkins, Executive Manager Corporate Services
Attachments	10.9 – June 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 June 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 10.9**

That Council RECEIVE the Financial Activity Statements for the period ending 30 June 2026, incorporating the Statement of Financial Activity and other supporting documentation, as per Attachment 10.9.

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

- (8) The Statement of Financial Activity for June 2026 reports a closing funding surplus of \$2,002,218. The adopted and amended budget provides for a balanced year-end closing position. The main year-to-date variances are:
- Operating income above budget by \$1,085,130;
 - Operating expenses below budget by \$1,521,273;
 - Capital income below budget by \$4,483,048; and
 - Capital expenses below budget by \$3,756,752.
- (9) Further details are provided in Note 1 of the Statement of Financial Activity, Major Variances.
- (10) A summary of the financial position for June 2026 is provided 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	659,358	659,358	659,358	0	
<u>Revenue</u>					
Operating revenue	15,896,253	15,896,253	16,981,383	1,085,130	7%
Capital revenue, grants and contributions	10,609,876	10,609,876	6,126,828	-4,483,048	-42%
	26,506,129	26,506,129	23,108,210	-3,397,919	
<u>Expenditure</u>					
Operating Expenditure	-21,051,100	-21,051,100	-19,529,827	1,521,273	7%
Capital Expenditure	-12,014,281	-12,014,281	-8,257,529	3,756,752	31%
	-33,065,381	-33,065,381	-27,787,356	5,278,025	
Funding balance adjustments	5,899,894	5,899,894	6,022,006	122,112	2%
Closing Funding Surplus	0	0	2,002,218	2,002,218	

OTHER INFORMATION

- (11) The financial statements presented are final draft reports for the 2025/2026 financial year and remain subject to audit. They will inform the opening net current funding position as at 1 July 2026, which will be incorporated into the preparation of the 2026/2027 Budget.

INVESTMENT REPORT

- (12) In accordance with the Shire's Investment Policy, the monthly Investment Register reports on portfolio performance, counterparty exposure, and investment income earned against budget. It also confirms whether the portfolio complies with relevant legislative and policy limits.
- (13) As at 30 June 2026, total cash holdings, including trust funds, were \$11,560,318. This comprised:
- Municipal Funds totalling \$5,132,936;
 - Shire Trust Funds totalling \$55,850;
 - Restricted Reserve Funds invested totalling \$6,371,532; and
 - Unrestricted Municipal Funds invested totalling \$3,473,052.
- (14) The Reserve Bank of Australia's official cash rate remains at 4.35%. At its meeting on 16 June 2026, the RBA Monetary Policy Board held the rate unchanged, noting that inflation remains above the target range and that it will continue to monitor the effects of previous interest rate increases.

CONSULTATION AND EXTERNAL ADVICE

- (15) The officer has considered whether consultation or engagement is required under Council's Community Engagement Policy and determined that no additional internal or external consultation is necessary for this matter.

STATUTORY / LEGAL IMPLICATIONS**Local Government Act 1995**

- (16) 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.
- (17) Section 6.14 outlines the power to invest for local governments.

Local Government (Financial Management) Regulations 1996

- (18) Regulation 34 (1-5) outlines the requirements for financial activity statements.
- (19) Regulation 19,28 and 49; and the Australian Accounting Standards, sets out the statutory conditions under which Council funds may be invested.

The Trustees Act 1962

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

STRATEGIC / POLICY IMPLICATIONS**Investment Policy**

- (21) A monthly report will be provided to Council on the investment portfolio. The report will include portfolio performance, counterparty exposure as a percentage of the total portfolio, investment maturity dates, investment income earned against the year-to-date budget, and confirmation that investments comply with legislative and Policy limits.

FINANCIAL IMPLICATIONS

- (22) The 2025/2026 Annual Budget provides the framework for the Shire's financial management.
- (23) Financial impacts are addressed in this report.

OTHER IMPLICATIONS**Environmental**

- (24) There are no known significant environmental implications arising from the report or officer recommendation.

Economic

- (25) There are no known significant economic implications arising from the report or officer recommendation.

Social

- (26) There are no known significant social implications arising from the report or officer recommendation.

RISK MANAGEMENT

- (27) A risk assessment has been undertaken in accordance with Council's Risk Management Policy. No material risks have been identified in relation to the report or officer recommendation.

10.10 PAYMENT OF ACCOUNTS FOR PERIOD ENDING 30 JUNE 2026

File Reference	FIN.66.2025/26
Applicant	Not Applicable
Disclosure of Officer Interest	Nil
Date	7 July 2026
Author	Kelly Schroeter, Senior Finance Officer
Authorising Officer	Kellie Jenkins, Executive Manager Corporate Services
Attachments	10.10 – Payment of Accounts – June 2026

EXECUTIVE SUMMARY

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

VOTING REQUIREMENTS

- (2) Simple Majority

OFFICER RECOMMENDATION	ITEM 10.10
That Council RECEIVE the payment of accounts totalling \$1,980,316.87 for the month of June 2026, as per Attachment 10.10.	

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

- (9) Nil.

OTHER IMPLICATIONS**Environmental**

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

Economic

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

Social

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

RISK MANAGEMENT

- (13) 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.

11 MATTERS BEHIND CLOSED DOORS**OFFICER RECOMMENDATION****ITEM 11**

That in accordance with section 5.23(2)(b) of the Local Government Act 1995 Council move behind closed doors to deal with confidential Item 11.1, as it relates to the performance review of the Chief Executive Officer.

11.1 2025 CEO PERFORMANCE REVIEW – DETERMINATION OF PROCESS**12 NEW BUSINESS OF AN URGENT NATURE****13 CLOSURE OF MEETING**