

AGENDA

Special Council Meeting

Wednesday, 4 September 2024

Notice of Meeting

Mayor & Councillors

A Special Council Meeting Agenda Forum of the City of Nedlands is to be held on Wednesday, 4 September 2024 in the Council chambers at 71 Stirling Highway Nedlands commencing at 6pm.

This meeting will be livestreamed [Livestreaming Council & Committee Meetings » City of Nedlands](#)



Keri Shannon | Chief Executive Officer
4 September 2024



Information

Special Council Meetings are run in accordance with the City of Nedlands Standing Orders Local Law. If you have any questions in relation to items on the agenda, procedural matters, public question time, addressing Council or attending meetings please contact the Executive Officer on 9273 3500 or council@nedlands.wa.gov.au

Public Question Time

Public question time at a Special Council Meeting is available for members of the public to ask a question about items on the agenda. Questions asked by members of the public are not to be accompanied by any statement reflecting adversely upon any Council Member or Employee.

Questions should be submitted as early as possible via the online form available on the City's website: [Public question time | City of Nedlands](#)

Questions may be taken on notice to allow adequate time to prepare a response and all answers will be published in the minutes of the meeting.

Addresses by Members of the Public

Members of the public wishing to address Council in relation to an item on the agenda must complete the online registration form available on the City's website: [Public Address Registration Form | City of Nedlands](#)

The Presiding Member will determine the order of speakers to address the Council and the number of speakers is to be limited to 2 in support and 2 against any particular item on a Special Council Meeting Agenda. The Public address session will be restricted to 15 minutes unless the Council, by resolution decides otherwise.

Disclaimer

Members of the public who attend Council Meetings Agenda Forum should not act immediately on anything they hear at the meetings, without first seeking clarification of Council's position. For example, by reference to the confirmed Minutes of Council meeting. Members of the public are also advised to wait for written advice from the Council prior to taking action on any matter that they may have before Council.

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Table Of Contents

1. Declaration of Opening.....	4
2. Present and Apologies and Leave of Absence (Previously Approved)	4
3. Public Question Time	4
4. Address by Members of the Public	4
5. Disclosures of Financial Interest.....	4
6. Disclosures of Interest Affecting Impartiality.....	5
7. Declaration by Members That They Have Not Given Due Consideration to Papers	5
8. Reports	6
8.1 CSD08.09.24 Point Resolution Childcare Centre (PRCC)	6
8.2 CPS43.09.24 Revocation of Budget passed 19 August 2024.....	9
9. Declaration of Closure.....	16



1. Declaration of Opening

The Presiding Member will declare the meeting open at 6.00pm and will draw attention to the disclaimer on page 2 and will advise that the meeting is being livestreamed and recorded.

2. Present and Apologies and Leave of Absence (Previously Approved)

Leave of Absence

(Previously Approved)

Councillor B G Hodsdon

Hollywood Ward

Apologies

Councillor M Pollard

Hollywood Ward

3. Public Question Time

Public questions submitted to be read at this point.

4. Address by Members of the Public

Addresses by members of the public who have completed Public Address Registration Forms to be made at this point.

5. Disclosures of Financial Interest

The Presiding Member to remind Council Members and Staff of the requirements of Section 5.65 of the Local Government Act to disclose any interest during the meeting when the matter is discussed.

A declaration under this section requires that the nature of the interest must be disclosed. Consequently, a member who has made a declaration must not preside, participate in, or be present during any discussion or decision-making procedure relating to the matter the subject of the declaration.

However, other members may allow participation of the declarant if the member further discloses the extent of the interest. Any such declarant who wishes to participate in the meeting on the matter, shall leave the meeting, after making their declaration and request to participate, while other members consider and decide upon whether the interest is trivial or insignificant or is common to a significant number of electors or ratepayers.



6. Disclosures of Interest Affecting Impartiality

The Presiding Member to remind Council Members and Staff of the requirements of Council's Code of Conduct in accordance with Section 5.103 of the Local Government Act.

Council Members and staff are required, in addition to declaring any financial interests to declare any interest that may affect their impartiality in considering a matter. This declaration does not restrict any right to participate in or be present during the decision-making procedure.

The following pro forma declaration is provided to assist in making the disclosure.

"With regard to the matter in item x I disclose that I have an association with the applicant (or person seeking a decision). This association is (nature of the interest).

As a consequence, there may be a perception that my impartiality on the matter may be affected. I declare that I will consider this matter on its merits and vote accordingly."

The member or employee is encouraged to disclose the nature of the association.

7. Declaration by Members That They Have Not Given Due Consideration to Papers

Members who have not read the business papers to make declarations at this point.



8. Reports

8.1 CSD08.09.24 Point Resolution Childcare Centre (PRCC)

Meeting & Date	Special Council Meeting – 4 September 2024
Applicant	City of Nedlands
Employee Disclosure under section 5.70 Local Government Act 1995	Nil.
Report Author	Keri Shannon – Chief Executive Officer
Director/CEO	Keri Shannon – Chief Executive Officer
Attachments	Nil.

Purpose

To revoke the Council decision to stop the City’s operation of PRCC and seek Expressions of Interest from outside childcare providers to take over the running of the centre.

Recommendation

1. Pursuant to s5.25(1)(e) of the *Local Government Act* and Regulation 10 of the *Local Government (Administration) Regulations 1996* the council decision CDS07.08.24 of 27 August 2024 is revoked and changed as follows:

“That Council APPROVES option 3 ~~2~~ with option 1 to follow”

Voting Requirement

Absolute Majority.

Background

On 27 August 2024 the Council decided to close the Point Resolution Childcare centre due to multiple compliance and regulatory failures, and seek Expressions of Interest from outside childcare providers to take over the running of the centre.



Discussion

On 3 September 2024 Cr Amiry indicated she would also seek to revoke the council's resolution to close the Point Resolution Childcare centre and honour the Council resolution CSD11.21 of 28 September 2021 regarding the Point Resolution Child care services in Dalkeith with minimal additional cost to the City. A signed revocation motion was received on 4 September 2024 at 4pm.

Consultation

Nil.

Budget/Financial Implications

The City has received an independent audit of the centre which confirms that the centre requires the investment of approximately \$450,000 in order to bring the centre up to compliance with contemporary regulatory requirements. If this motion is passed, it is recommended that the budget be amended to include the sum of \$450,000 for the immediate maintenance works to be undertaken at the centre.

Legislative and Policy Implications

Nil.

Decision Implications

The decision to continue to operate the centre will mean the City of Nedlands will have to undertake immediate maintenance works and implement new compliance processes and policies in order to achieve compliance with the federal and state requirements.

This may require closing the centre on a temporary basis in order to undertake the remediation works. The estimated length of time for the closure is not known, however the administration recommends the council request a further report be provided to the September ordinary council meeting outlining the remediation works and timing that would be required in order to continue the City's operation of the centre.

Conclusion

The administration will provide a further report to the council regarding the immediate and longer term requirements of continuing to operate the schedule. Costings have been provided to the council in report CDS07.08.24 for the required building works, external consultant and resources which would have to be purchased for the centre.



Further Information

Nil.



8.2 CPS43.09.24 Revocation of Budget passed 19 August 2024

Meeting & Date	Special Council Meeting – 4 September 2024
Applicant	City of Nedlands
Employee Disclosure under section 5.70 Local Government Act 1995	Nil.
Report Author	Keri Shannon – Chief Executive Officer
Director/CEO	Keri Shannon – Chief Executive Officer
Attachments	1. Proposed Budget 2024-25

Purpose

To revoke the budget decision passed on 19 August 2024 and adopt an amended budget which includes the following amendments:

1. no change in the allocation for funds from 2023/2024 budget for the following 4 activities:
 - a. CEO office
 - b. Financial Services
 - c. Environmental Conservation
 - d. Point Resolution Child Care.
2. the provision of \$660,000 in funds allocated for the construction, resurfacing and drainage of Kennedia Lane using an increase in rate revenue instead of the City Development Reserve;
3. Deletes compliance with Regulation 34(5) of the Local Government (Financial Management) Regulations 1996, and Australian Accountings Standard AASB 1031 Materiality, the following thresholds for the reporting of material financial variances in the monthly statement of financial activity reports:
 - a. Operating items – Greater than 10% and a value greater than \$20,000
 - b. Capital items – Greater than 10% and a value greater than \$50,000.
4. DOES NOT APPROVE any transfers to or from Reserves except from the Underground Power Reserve, Waste Reserve and Building Reserve.



Recommendation

1. Pursuant to s5.25(1)(e) of the *Local Government Act* and Regulation 10 of the *Local Government (Administration) Regulations 1996* the council decision of 19 August 2024 is revoked and changed as follows:

That Council:

1. **ADOPTS** the statutory Annual Budget for 2024/25, pursuant to the provisions of section 6.2 of the *Local Government Act 1995*, and Part 3 of the *Local Government (Financial Management) Regulations 1996*, for the City of Nedlands, as contained in Attachment 1, inclusive of the following:
 - a. Statement of Comprehensive Income (by Nature & Type)
 - b. Statement of Cash Flows
 - c. Statement of Financial Activity (by Nature & Type)
 - d. Capital Expenditure Program
 - e. Transfers to and from Reserves
 - f. Notes to and forming part of the 2024/25 Statutory Annual Budget
2. **ADOPTS** the following Rates in the Dollar:

a. Residential (GRV)	6.0550 cents in the dollar
b. Non-Residential (GRV)	7.4712 cents in the dollar
c. Residential Vacant Land (GRV)	8.0114 cents in the dollar
3. **ADOPTS**, pursuant to Section 6.35 of the *Local Government Act 1995* minimum rates payments to be imposed as follows:

a. Residential (GRV)	_____ \$1,576
b. Non-Residential (GRV)	_____ \$2,078
c. Residential Vacant Land (GRV)	_____ \$1,916
4. **APPROVES** the options of one or four instalments for the payment of rates, with interest and administration fees applicable as follows:
 - a. An amount of 5.5% per annum interest or the Council loan rate, whichever is the lower to be charged if a four-instalment option is selected;
 - b. An administration charge of \$48 (3 instalments at \$16 each, 1st instalment no charge) is to be applied to four instalment options if selected; and
 - c. Re-Nominates the following due dates for rate payment in full and by instalments, pursuant to Section 6.45 of the *Local Government Act 1995* and Regulation 64(2) of the *Local Government (Financial Management) Regulations 1996*:
 - i. Full payment and first instalment - **04 October 2024**
 - ii. Second quarterly instalment - **06 December 2024**
 - iii. Third quarterly instalment - **14 February 2025**



iv. Fourth quarterly instalment - 48 April 2025

5. APPROVES late payment interest rate of 11% for rates and costs of proceedings to recover charges that remain unpaid after becoming due and payable;
6. ADOPTS, pursuant to the provisions of Section 6.16 of the Local Government Act 1995, Section 67 of the Waste Avoidance and Resources Recovery Act 2007, and Regulation 53(2) of the Building Regulations 2012, the 2024/25 Fees and Charges, as per Attachment 2;
7. ADOPTS the following annual fees for payment of Elected Members in lieu of individual meeting attendance fees, pursuant to Section 5.98 of the Local Government Act 1995 and Regulation 30 of the Local Government (Administration) Regulations 1996:
 - a. Mayor \$33,706
 - b. Councillors \$25,137
8. ADOPTS the annual local government allowance of \$68,552 to be paid to the Mayor in addition to the annual meeting allowance, pursuant to Section 5.98(5) of the Local Government Act 1995;
9. ADOPTS the annual local government allowance of \$17,138 to be paid to the Deputy Mayor in addition to the annual meeting allowance, pursuant to Section 5.98A(1) of the Local Government Act 1995;
10. ADOPTS the Information and Communication Technology (ICT) allowance of \$3,500 for Elected Members, pursuant to Section 5.99A(a) of the Local Government Act 1995 and Regulations 31(1)(a) and 32(1) of the Local Government (Administration) Regulations 1996;
11. ADOPTS the annual travel and accommodation allowance of \$100 for Elected Members, pursuant to Section 5.99A(a) of the Local Government Act 1995 and Regulation 32(1) of the Local Government (Administration) Regulations 1996;
12. APPROVES only the proposed transfers to and from Reserves from Underground Power, Building and Waste Reserve as detailed in the 2024/25 Annual Budget;
13. RECEIVES the Forward Capital Works Program 2024/25;
14. ~~ADOPTS pursuant to Regulation 34(5) of the Local Government (Financial Management) Regulations 1996, and Australian Accountings Standard AASB 1031 Materiality, the following thresholds for the reporting of material financial variances in the monthly statement of financial activity reports:~~
 - ~~a. Operating items – Greater than 10% and a value greater than \$20,000~~
 - ~~b. Capital items – Greater than 10% and a value greater than \$50,000.~~



15. That Council instructs the CEO to allocate \$20,000 of proposed tree planting budget to the eradication of Caster Oil Bush and mass planting of significant eucalyptus trees in R4863, this being the sump located at Lot 38 Blenheim Lane Mt Claremont (3,567m²) R48631 has been the subject of previous budget submissions, land access licences and easement arrangements, and a Petition to Council.
16. That Council Includes \$660,000 for the construction, resurfacing and drainage of Kennedia Lane and no change in the allocation for funds from 2023/2024 budget for the following 4 activities:
 - (a) CEO office
 - (b) Financial Services
 - (c) Environmental Conservation
 - (d) Point Resolution Child Care.
17. NOTES this budget includes:
 1. 3.25% of total rates to be deposited in a reserve account to fund the underground power project
 2. 3% of total rates to be deposited in a reserve account to fund stormwater drainage renewal program
 3. 1% of total rates to be deposited in a reserve account to fund building renewal program.”
18. Council to approve distribution of a revised Rate Notice.

Voting Requirement

Absolute Majority.

Background

On 3 September 2024 Cr Amiry, Cr Youngman and Cr Bennett provided a signed revocation motion in relation to the budget item.

Discussion

Justification

The premiss of the Budget presented to Council on 19 August 2024 was not agreed by Council, nor was it aligned with the Council advertised rate of 9.5%. Furthermore, the late Budget papers provided during the Council meeting contain material errors both in figures and LG accounting regulations.



Consequently, the Budget as presented to Council on 19 August 2024 is invalid, the resolution unsound and cannot form the basis for a Rate Notice.

This is an opportunity for Council to put forward a corrected and balanced budget that:

1. Meets LG Budgeting standards and protocols
2. Adheres to LG process to access reserve funds
3. Honours Council resolution CSD11.21 of 28 Sept 2021 regarding Point Resolution Child Care services in Dalkeith with minimal additional cost to the City.
4. Honours the Council resolution of NOM24.06.24 of 25 June 2024 regarding the resurfacing and drainage of Kennedia lane in Mount Claremont based on a P50 cost estimate.
5. Preserves existing budget for Environmental Conservation, the CEO office and Finance services.
6. Optimises the accumulation of funds for the City's Underground Power programme by earning interest income and minimising financing cost.
7. Preserves and provides for slow accumulation of the City's reserve funds to tackle the City's aging infrastructure.
8. Accounts for realistic savings to be delivered through improved management.
9. Provides flexibility to develop strategic options at the CEO's forthcoming strategy day.

Administration Comments

Mr Ross reviewed the spreadsheet that was prepared by the former Finance Manager which had a hard coded front summary page which was not linked to the data in the supporting service area pages.

Errors were identified in the supporting service area pages in the spreadsheet relating to the accrual of long service and annual leave which resulted in an overstatement of these expenses in the supporting service documents. This did not affect the Statement of Financial Activity or the figures used for the rate setting calculation.

On 23 August 2024 an email was sent to the councillors by the CEO to explain the discrepancy which were accruals and therefore did not affect the rate revenue.

In relation to the budget amendments proposed by this motion, the rates will increase to 10.3%.

Rates Notices Issued

Rates notices were issued on 19 August 2024. The rates setting process and printing of the rates notices takes a number of weeks and requires coordination between Civica and the rates notice printer, Zipforms. If the budget is revoked and the rates are re-issued, the accounting software consultant from Civica advised he need to reverse the data that has been uploaded to the City's server. The consultant is unaware if this is possible and if so, how long this process will take. Once the rates data has been recalculated and uploaded, the City would then ascertain the next available opportunity to re-print the rates. The City recommends advertising in local media to inform the community regarding the council's decision to re-issue its rates.



The council decision in NOM25.06.24 Kennedia Lane – Resurfacing and Drainage required, inter alia:

1. A budget allocation of approximately \$50,000 in the 2024/25 Capital Works Program for the development and design of the Kennedia Lane improvements;
2. A budget allocation of approximately \$610,000 to be considered for inclusion in the 2025/26 Capital Works program as part of the budget development for the delivery of the construction works of Kennedia Lane.

The budget decision on 19 August 2024 was consistent with the council decision in NOM25.06.24.

The decision to not allow any reserve funds to be allocated for any other capital works projects other than underground power, buildings and waste has resulted in an additional \$1,046,380 being added to the budget which will be funded from rates revenue.

In order to restore the budget for Environmental Conservation, an additional \$422,530 has been added to the budget which will be funded by rates revenue.

The budget reductions to the Office of CEO will mean that the \$170,000 in additional consultant expenditure earmarked for accounting services to assist with the 2023/24 audit has been removed. This is a high risk budget amendment as the City requires additional finance team resources in order to avoid a further disclaimer of opinion or qualified audit.

Consultation

Nil.

Budget/Financial Implications

The rates notices were issued on 30 August 2024. Ratepayers have already received their rates notices and commenced making payments. The administration would have to issue a retraction of the rates notices and reissue the rates notices which is likely to take a number of weeks, and will mean the City has to use its municipal funds and access its investments to fund the operation of the local government until the revised rates notices can be reissued.

Legislative and Policy Implications

Nil



Decision Implications

The rates will increase by 10.3% instead of 3.6% as contained in the rates notices already issued.

Conclusion

The Administration will implement the Council's decision in this matter in as a timely a manner as possible.

Further Information

Nil.



9. Declaration of Closure

There being no further business, the Presiding Member will declare the meeting closed.