

Shire of Denmark

Ordinary Council Meeting **AGENDA**

21 MARCH 2023



TO BE HELD IN COUNCIL CHAMBERS, 953 SOUTH COAST HIGHWAY, DENMARK, ON TUESDAY, 21 MARCH 2023, COMMENCING AT 4.00PM.



Contact Us

953 South Coast Highway, Denmark WA 6333

Correspondence to:

Post Office Box 183, DENMARK WA 6333

Phone: (08) 9848 0300

Email: enquiries@denmark.wa.gov.au

Website: www.denmark.wa.gov.au

Facebook: shireofdenmark

Your Denmark: www.yourdenmark.wa.gov.au

Strategic Community Plan (snapshot)

E1.0

Our Economy

We are an attractive location to live, invest, study, visit and work

- E1.1 To have a stable and locally supported business community that embraces innovation, creativity, resourcefulness and originality
- E1.2 To be a vibrant and unique tourist destination, that celebrates our natural and historical assets
- E1.3 To have diverse education and employment opportunities
- E1.4 To recognise the importance of agriculture in our local economy and protect prime agricultural land

N2.0

Our Natural Environment

Our natural environment is highly valued and carefully managed to meet the needs of our community, now and in the future

- N2.1 To preserve and protect the natural environment
- N2.2 To promote and encourage responsible development
- N2.3 To reduce human impact on natural resources, reduce waste and utilise renewable energy
- N2.4 To acknowledge and adapt to climate change

B3.0

Our Built Environment

We have a functional built environment that reflects our rural and village character and supports a connected, creative, active and safe community

- B3.1 To have public spaces and infrastructure that are accessible and appropriate for our community
- B3.2 To have community assets that are flexible, adaptable and of high quality to meet the purpose and needs of multiple users
- B3.3 To have a planning framework that is visionary, supports connectivity and enables participation
- B3.4 To manage assets in a consistent and sustainable manner
- B3.5 To have diverse and affordable housing, building and accommodation options

C4.0

Our Community

We live in a happy, healthy, diverse and safe community with services that support a vibrant lifestyle and foster community spirit

- C4.1 To have services that foster a happy, healthy, vibrant and safe community
- C4.2 To have services that are inclusive, promote cohesiveness and reflect our creative nature
- C4.3 To create a community that nurtures and integrates natural, cultural and historical values
- C4.4 To recognise and respect our local heritage and Aboriginal history

L5.0

Our Local Government

The Shire of Denmark is recognised as a transparent, well governed and effectively managed Local Government

- L5.1 To be high functioning, open, transparent, ethical and responsive
- L5.2 To have meaningful, respectful and proactive collaboration with the community
- L5.3 To be decisive and to make consistent and well considered decisions
- L5.4 To be fiscally responsible
- L5.5 To embrace change, apply technological advancement and pursue regional partnerships that drive business efficiency
- L5.6 To seek two-way communication that is open and effective

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1. DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

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

MEMBERS:

- Cr Kingsley Gibson (Deputy Shire President)
- Cr Clare Campbell
- Cr Donald Clarke
- Cr Jan Lewis
- Cr Jackie Ormsby
- Cr Janine Phillips

STAFF:

- David King (Acting Chief Executive Officer)
- Gina McPharlin (Director Corporate & Community Services)
- Claire Thompson (Governance Coordinator)

APOLOGIES

- David Schober (Chief Executive Officer)
- Cr Nathan Devenport

ON APPROVED LEAVE(S) OF ABSENCE

- Cr Ceinwen Gearon (Shire President) (Pursuant to Resolution No. 010223)
- Cr Donna Carman (Pursuant to Resolution No. 030223)

ABSENT

VISITORS

3. DECLARATIONS OF INTEREST

Name	Item No	Interest	Nature

4. ANNOUNCEMENTS BY THE PERSON PRESIDING

5. PUBLIC QUESTION TIME

5.1 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

5.1.1 JESZ FLEMING

At the meeting held on 21 February 2023, Jesz referred to the Service Agreement that the Denmark Chamber of Commerce had with the Shire to deliver visitor servicing and noted that there was an expectation in the agreement for the Denmark Chamber to become, as near as possible, financially self-sustaining.

Jesz asked how near the Chamber were to reaching that objective and whether the Shire's financial contribution for this year had been paid already.

The Acting CEO has provided the following response to Jesz in writing.

The Denmark Chamber of Commerce invoice the Shire monthly. As of 28 February 2023, \$63,335.36 has been paid from a budgeted \$95,000. The Shire is comfortable that the agreement, requiring the operations of the DVC "as near as possible" to be financially self-sustaining, has been met but does not expect a fully self-sustaining model in the short term.

5.2 PUBLIC QUESTIONS

In accordance with Section 5.24 of the Local Government Act 1995, Council conducts a public question time to enable members of the public to address Council or ask questions of Council. The procedure for public question time can be found on the wall near the entrance to the Council Chambers or can be downloaded from our website at <http://www.denmark.wa.gov.au/council-meetings>.

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

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

Questions from the Public

5.3 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

Nil

5.4 PRESENTATIONS, DEPUTATIONS & PETITIONS

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

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

Nil.

6. APPLICATIONS FOR FUTURE LEAVE OF ABSENCE

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

7. CONFIRMATION OF MINUTES

7.1 ORDINARY COUNCIL MEETING – 21 FEBRUARY 2023

OFFICER RECOMMENDATION	ITEM 7.1
That the minutes of the Ordinary Meeting of Council held on the 21 February 2023 be CONFIRMED as a true and correct record of the proceedings.	

7.2 STRATEGIC BRIEFING NOTES – 21 FEBRUARY 2023

OFFICER RECOMMENDATION	ITEM 7.2
That the Notes from the Strategic Briefing held on 21 February 2023 be RECEIVED.	

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

Nil

9. REPORTS OF OFFICERS

9.1 DIRECTOR ASSETS AND SUSTAINABLE DEVELOPMENT

Nil

9.2 DIRECTOR CORPORATE AND COMMUNITY SERVICES

9.2.1 FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 JANUARY 2023

File Ref:	FIN.1
Applicant / Proponent:	Not applicable
Subject Land / Locality:	Not applicable
Disclosure of Officer Interest:	Nil
Date:	28 February 2023
Author:	Lee Sounness, Manager Corporate Services
Authorising Officer:	Gina McPharlin, Director Corporate & Community Services
Attachments:	9.2.1a – January 2023 Monthly Financial Report 9.2.1b – January 2023 Investment Register

IN BRIEF

- Under the Local Government Financial Management Regulations, a local government is to prepare a monthly statement of financial activity that reports on the Shire's financial performance in relation to its adopted budget.

- The Shire of Denmark's Statement of Financial Activity for the period ending 31 January 2023 has been prepared and is attached.
- In addition, the Shire of Denmark's Investment Register for the period ending 31 January is attached. The register provides Council with a monthly investment summary to ensure the investment portfolio complies with the Shire's Investment Policy.

RECOMMENDATION

That Council RECEIVE the Financial Reports for the period ending 31 January 2023, as per Attachment 9.2.1a.

LOCATION

1. Nil

BACKGROUND

2. In order to fill statutory reporting obligations, the Monthly Financial Report prepared provides a snapshot of the Shire's year-to-date financial performance. The report provides:
 1. Statement of Financial Activity by Nature or Type;
 2. Statement of Financial Activity by Program;
 3. Explanation of Material Variances;
 4. Net Current Funding Position;
 5. Receivables;
 6. Capital Acquisitions;
 7. Cash Backed Reserve Balances;
 8. Loan Schedule.
3. Each year a local government is required to adopt a percentage or value to be used in the Statement of Financial Activity for reporting material variances. Council adopted (Resolution 030822) the monthly reporting variance for the 2022/2023 financial year of 10% or greater for each program area in the budget as a level that requires an explanation or report, with a minimum dollar variance of \$10,000.
4. Pursuant to the Shire's Investment Policy, an investment report and investment register (Attachment 9.2.2) are to be provided to Council on a monthly basis, detailing the investment portfolio in terms of performance and counterparty percentage exposure of the total portfolio.

DISCUSSION / OFFICER COMMENTS

5. The Statement of Financial Activity for January 2023 shows a year-to-date closing funding surplus of \$5,296,391 compared to the year-to-date budget surplus of \$4,031,294, a variance of \$1,265,097 (31%).
6. The 31% closing funding surplus variance is expected at this time of the year, as over 88% of the total revenue has been recognised in the first part of the year (from the raising of rates and fees and charges), in comparison to the Shire's expenditure which occurs evenly over the financial year, resulting in a timing variance. The actual surplus reduces as the financial year progresses.

7. It is also usual for a number of capital expenditure projects to be scheduled or rescheduled (due to reasons including materials availability or resourcing) to the year's second half.
8. A summary of the financial position for January 2023 is detailed in the table below:

	Amended Annual Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)
	\$	\$	\$	\$	%
Opening Funding Surplus / (Deficit)	1,493,572	1,493,572	1,493,572	0	0%
Revenue					
Operating revenue	13,641,755	11,944,849	11,987,690	42,841	0%
Capital revenue, grants and contributions	5,095,106	577,912	598,536	20,624	4%
	18,736,861	12,522,761	12,586,226	313,222	
Expenditure					
Operating Expenditure	-17,612,285	-9,937,554	-9,815,029	122,525	1%
Capital Expenditure	-7,169,837	-2,682,029	-1,977,575	704,454	26%
	-24,782,122	12,619,583	11,792,604	826,979	
Funding balance adjustments	4,551,690	2,634,545	3,009,198	374,653	14%
Closing Funding Surplus / (Deficit)	0	4,031,294	5,296,391	1,265,097	31%

9. Pursuant to the Shire's Investment Policy, an investment report and investment register are to be provided to Council monthly, detailing the investment portfolio in terms of performance and counterparty percentage exposure of total portfolio. The Investment Register also provides details of investment income earned against budget whilst confirming compliance of the portfolio with legislative and policy limits.
10. On 31 January 2023, total cash funds held (including trust funds) totalled \$9,987,262 (Summary – Investment Register).
 - Municipal Funds total \$5,139,628
 - Shire Trust Funds total \$850
 - Reserve Funds (restricted) invested, total \$4,846,783
 - Municipal Funds (unrestricted) invested total \$4,009,578

11. The official Reserve Bank of Australia's (RBA) cash rate for January 2023 was 3.10%, with increases expected in the coming months.

CONSULTATION AND EXTERNAL ADVICE

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

STATUTORY / LEGAL IMPLICATIONS

13. Regulation 34 (1-5) of the Local Government (Financial Management) Regulations 1996, details the form and manner in which a local government is to prepare financial activity statements.
14. The Local Government Act 1995 – Section 6.14;
15. The Trustees Act 1962 – Part III Investments;
16. The Local Government (Financial Management) Regulations 1996 - Reg. 19, 28 and 49; and The Australian Accounting Standards, sets out the statutory conditions under which Council funds may be invested.

STRATEGIC / POLICY IMPLICATIONS

17. Delegation Number D040201 relates:
Implement a financial strategy to ensure the Shire of Denmark's financial sustainability.
18. The report and officer recommendation are consistent with Council's adopted Strategic Community Plan Aspirations and Objectives and the Corporate Business Plan Actions and Projects in the following specific ways:

Denmark 2027

L5.4 To be fiscally responsible.

FINANCIAL IMPLICATIONS

19. The Shire's 2022/2023 Annual Budget provides a set of parameters that guides the Shire's financial practices.
20. Any financial implications or trends are detailed within the context of this report.

OTHER IMPLICATIONS**Environmental**

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

Economic

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

Social

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

RISK MANAGEMENT

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

VOTING REQUIREMENTS

- 25. Simple majority.

OFFICER RECOMMENDATION	ITEM 9.2.1
That Council RECEIVE the Financial Reports for the period ending 31 January 2023, as per Attachment 9.2.1a.	

9.2.2 LIST OF PAYMENTS FOR THE PERIOD ENDING 31 JANUARY 2023

File Ref:	FIN.1
Applicant / Proponent:	Not applicable
Subject Land / Locality:	Not applicable
Disclosure of Officer Interest:	Nil
Date:	2 March 2023
Author:	Lee Sounness, Manager of Corporate Services
Authorising Officer:	Gina McPharlin, Director Corporate & Community Services
Attachments:	9.2.2 – January 2023 Monthly List of Payments Summary

IN BRIEF

- The purpose of this report is to advise the Council of payments made during the period 1 January 2023 to 31 January 2023.

RECOMMENDATION

That with respect to the attached Schedule of Payments, totalling \$1,454,098.49 for the month of January 2023, Council RECEIVE the following summary of accounts:

- Electronic Funds Transfers EFT34609 to EFT34801 - \$859,064.04;
- Municipal Fund Cheque No's 60521 – 60523 - \$9,013.90;
- Internal Account Transfers (Payroll) - \$437,183.45; and
- Direct Debit - \$9,070.87;
- Corporate Credit Card; \$6,361.44;
- Department of Transport Remittances; \$116,899.50 and
- Loan Payments: \$16,505.29

LOCATION

- 1. Nil

BACKGROUND

- 2. Nil

DISCUSSION / OFFICER COMMENTS

- 3. Nil

CONSULTATION AND EXTERNAL ADVICE

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

STATUTORY / LEGAL IMPLICATIONS

5. Local Government (Financial Management) Regulation 13 relates:

STRATEGIC / POLICY IMPLICATIONS

6. Delegation Number D040201 relates:
Implement a financial strategy to ensure the Shire of Denmark's financial sustainability.
7. The report and officer recommendation is consistent with Council's adopted Strategic Community Plan Aspirations and Objectives and the Corporate Business Plan Actions and Projects in the following specific ways:

Denmark 2027

L5.4 To be fiscally responsible.

FINANCIAL IMPLICATIONS

8. There are no known significant trends or issues to be reported.

OTHER IMPLICATIONS**Environmental**

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

Economic

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

Social

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

RISK MANAGEMENT

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

VOTING REQUIREMENTS

13. Simple majority.

ITEM 9.2.2

OFFICER RECOMMENDATION

That with respect to the attached Schedule of Payments, totalling \$1,454,098.49 for the month of January 2023, Council RECEIVE the following summary of accounts:

- Electronic Funds Transfers EFT34609 to EFT34801 - \$859,064.04;
- Municipal Fund Cheque No's 60521 – 60523 - \$9,013.90;
- Internal Account Transfers (Payroll) - \$437,183.45; and
- Direct Debit - \$9,070.87;
- Corporate Credit Card; \$6,361.44;
- Department of Transport Remittances; \$116,899.50 and
- Loan Payments: \$16,505.29

9.3 CHIEF EXECUTIVE OFFICER

9.3.1 DENMARK CHAMBER OF COMMERCE INC. REQUEST TO SUB-LEASE

File Ref:	LEA.55
Applicant / Proponent:	Denmark Chamber of Commerce Inc.
Subject Land / Locality:	Portion of Lot 501 on Deposited Plan 61023
Disclosure of Officer Interest:	Nil
Date:	23 December 2022
Author:	Claire Thompson, Governance Coordinator
Authorising Officer:	David King, Acting Chief Executive Officer
Attachments:	9.3.1 - Draft sub-lease and map

IN BRIEF

- Denmark Chamber of Commerce (DCCI) requests Council approval to sub-lease a portion of the Denmark Visitor Centre to the Denmark Bulletin.

RECOMMENDATION

That with respect to the Denmark Chamber of Commerce Inc.'s request to sub-let a portion of their leased premises to the Denmark Bulletin, Council:

1. ADVERTISE the sub-lease for a period of 21 days, seeking submissions and comments from the public; and
2. AUTHORISE the Shire President and the Chief Executive Officer to sign the sub-lease as the Head Lessor, should there be no adverse submissions received and subject to Ministerial consent being obtained.

LOCATION

1. Portion of Lot 501 on Deposited Plan (Reserve 61023), cnr Ocean Beach Road and South Coast Highway, Denmark.

Figure 1 - Reserve 48198



Figure 2 – Denmark Chamber of Commerce leased premises



BACKGROUND

2. In November 2021, Council entered into a lease agreement with the DCCI for a portion of Lot 501 on Deposited Plan 61023 (Reserve 48198), being the Denmark Visitor Centre (DVC) building on the corner of Ocean Beach Road and South Coast Highway.
3. The purpose of the lease was to enable the DCCI to provide face-to-face visitor servicing, and, as such, a Service Agreement was incorporated into the lease agreement.
4. The current lease expires on 30 June 2024.
5. The business model developed by the DCCI incorporated the ability to derive income streams through different channels to ensure that visitor servicing remained economically viable, particularly given that they essentially are providing a free service on behalf of the community.
6. The lease included provisions permitting the DCCI to rent out space commercially (grant licence to occupy) for up six months, with the approval of the Shire's Chief Executive Officer (CEO).
7. In May 2022, the CEO granted permission to the DCCI to provide a six-month licence to the Denmark Bulletin to occupy space, as an office, within the DVC.
8. In October 2022, the DCCI applied to have a new licence granted to the Denmark Bulletin for another 6 months following the original licence expiry in November 2022. The CEO approved a new 3-month licence noting that if the DCCI had a desire for the Denmark Bulletin to continue the occupation of space within the DVC, then the DCCI needed to consider applying to Council for a sublease.
9. The DCCI has requested that Council consider a sub-let to the Denmark Bulletin until the head lease's expiry date, 30 June 2024.

DISCUSSION / OFFICER COMMENTS

10. The Denmark Bulletin has written to the CEO regarding the sub-let and has raised the following key points.
 - a) They faced a 40% increase in production costs due to a worldwide shortage of pine timber, which led them to sell their premises to retain the viability of their business.
 - b) Plans to build a home office were thrown awry by the timber shortage and would also lack access to readers and customers.
 - c) The space they occupy within the DVC would not be suitable for most businesses due to a lack of street frontage and visibility (they occupy the former board room).
 - d) Having an office allows them to be available for in-person contact with readers and advertisers, who may not be comfortable dealing entirely online.
 - e) The location is ideal for bulk delivery by the freight company, folding and dispatch.
 - f) The Chamber and the Bulletin share a common interest in helping Denmark's business sector prosper and have been involved in a number of joint projects over the years.
 - g) The Bulletin also strongly associates with the region's tourism sector, producing several annual holiday guides for the former lessee, Denmark Tourism Inc.
 - h) The only other space available in town is far too big and expensive.

11. A solicitor has professionally written the sub-lease provided to the Shire by the DCCI, and officers do not recommend any amendments.
12. The second licence granted by the CEO for occupancy by the Denmark Bulletin expired on 12 February 2023. However, the CEO has granted a monthly licence until the Council has had an opportunity to consider a more formal sub-let.

CONSULTATION AND EXTERNAL ADVICE

13. Should Council agree to DCCI's request to sub-let a portion of the premises to the Denmark Bulletin, it is required to be advertised for public comment, and the Council must consider any submissions before making a final determination.
14. Officers note that the previous lessee of DVC, Denmark Tourism Inc. entered into a sub-let with a local business. Following the commencement of the sub-let by DVC, another similar business, located out of town, was aggrieved by a perceived economic benefit that the lessor (and the Shire to some extent) had provided to the sub-lessee. While the matter came to Council for approval, it was not advertised to the broader public prior.
15. Advertising the current proposal will allow other interested parties to put forward their interest and provide equity and fairness for all businesses wishing to rent the space.
16. While officers do not believe that there is local competition for the Denmark Bulletin, it is a statutory requirement to advertise the intention to sub-let and seek public comment on the proposal.
17. The sub-let can will expire on 30 June 2024 and can be reconsidered at that time in conjunction with the head lease.

STATUTORY / LEGAL IMPLICATIONS

18. LOCAL GOVERNMENT ACT 1995
Section 3.58 permits a local government to lease property by private treaty if the disposal is advertised prior, in accordance with s 3.58(4), and the local government considers any submissions. A sub-lease would also fall into this category as the sub-lessee essentially gains exclusive use of a portion of the leased premises occupied by the head lessee (DCCI).
19. LAND ADMINISTRATION ACT 1997
Section 18 requires that any transaction involving Crown Land obtains Ministerial Consent.

STRATEGIC / POLICY IMPLICATIONS

20. The report and officer recommendation are consistent with Council's adopted Strategic Community Plan Aspirations and Objectives and the Corporate Business Plan Actions and Projects in the following specific ways:

Denmark 2027

E1.0 Our Economy

We are an attractive location to live, invest, study, visit and work.

E1.1 To have a stable and locally supported business community that embraces innovation, creativity, resourcefulness, and originality.

B3.0 Our Built Environment

We have a functional built environment that reflects our rural and village character and supports a connected, creative, active and safe community.

B3.2 To have community assets that are flexible, adaptable and of high quality to meet the purpose and needs of multiple users.

L5.0 Our Local Government

The Shire of Denmark is recognised as a transparent, well governed and effectively managed Local Government.

L5.1 To be high functioning, open, transparent, ethical and responsive.

L5.2 To have meaningful, respectful and proactive collaboration with the community.

L5.3 To be decisive and to make consistent and well considered decisions.

Corporate Business Plan 2021-24

- Community Priority – Support tourism and visitor servicing.

FINANCIAL IMPLICATIONS

21. The DCCI pay \$1.00 annually for the (head) lease with the Shire.
22. The draft sub-lease would generate an annual income of \$7,800 (including GST) for the DCCI. A commercial valuation has not been obtained, but the DCCI received advice from a local realtor on what the commercial rent would likely be when compared to similar properties in Denmark.
23. Through the Service Agreement, tied to the head lease with the DCCI, the Shire has agreed to subsidise the DCCI annually to assist them in complying with their obligations to:
 - "a) Open and operate a face-to-face visitor service at the DVC to promote tourism and tourist facilities and services throughout Denmark for at least 30 hours per week, to be reviewed annually.*
 - b) Operate the DVC in such a manner as shall be consistent with its obligations hereunder and in compliance with the terms of the lease and shall make its operations, as near as possible, financially self-sustaining.*
 - c) Work together with the Shire to develop a common vision for the DVC and for promoting tourism in the Denmark region..."*
24. The Service Agreement, dated December 2021, included provisional financial allocations as follows (subject to annual budget deliberations and adoption):
 - Year 1 - \$95,000
 - Year 2 - \$95,000
 - Year 3 - \$95,000
25. The 2022/23 Budget includes an allocation of \$95,000 for Tourism Subsidy (GL 1327802).

- 26. Part 3.1 b) of the Service Agreement (copied above) notes that the Shire encourages DCCI to, as near as possible, make their operations financially self-sustaining. DCCI have advised that the sub-let goes towards achieving that objective.

OTHER IMPLICATIONS

Environmental

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

Economic

- 28. The anticipated income that the DCCI can derive from the sub-let will assist them to achieve the Shire's requirement for them to become independently financial sustainable.

Social

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

RISK MANAGEMENT

- 30. Risk Analysis Table

Risk	Risk based on history and with existing controls			Proposed Treatment/Control
	Likelihood	Consequence	Risk Rating	
Reputational: That there are other businesses interested in renting out space at the Denmark Visitor Centre.	Possible	Insignificant	Low	Manage by advertising the proposed sub-lease prior to making a determination.

VOTING REQUIREMENTS

- 31. Simple majority.

OFFICER RECOMMENDATION	ITEM 9.3.1
<p>That with respect to the Denmark Chamber of Commerce Inc.'s request to sub-let a portion of their leased premises to the Denmark Bulletin, Council:</p> <ol style="list-style-type: none"> 1. ADVERTISE the sub-lease for a period of 21 days, seeking submissions and comments from the public; and 2. AUTHORISE the Shire President and the Chief Executive Officer to sign the sub-lease as the Head Lessor, should there be no adverse submissions received and subject to Ministerial consent being obtained. 	

9.3.2 LOCAL GOVERNMENT ORDINARY ELECTION 2023

File Ref:	ELC.1.2023
Applicant / Proponent:	Not applicable
Subject Land / Locality:	Not applicable
Disclosure of Officer Interest:	Nil
Date:	21 February 2023
Author:	Claire Thompson, Governance Coordinator
Authorising Officer:	David Schober, Chief Executive Officer
Attachments:	9.3.2 - Letter (agreement) from the WA Electoral Commissioner

IN BRIEF

- Appoint the Electoral Commissioner to be responsible for the 2023 Local Government Election.
- Resolve that the method of conducting the election will be a postal election.

RECOMMENDATION

That with respect to the Shire of Denmark Local Government Elections 2023, Council:

1. DECLARE, in accordance with section 4.20(4) of the Local Government Act 1995, the Electoral Commissioner to be responsible for the election, together with any other elections or polls which may be required; and
2. DECIDE, in accordance with section 4.61(2) of the Local Government Act 1995 that the method of conducting the election will be a postal election; and
3. ACCEPT the quote provided by the Western Australian Electoral Commissioner and include adequate funds in the 2023/24 Budget.

LOCATION

1. Not applicable

BACKGROUND

2. The WA Electoral Commission (WAEC) has conducted the past 9 Ordinary Elections for the Shire of Denmark as a postal vote election.

DISCUSSION / OFFICER COMMENTS

3. The table below shows current expiry terms, noting that five of the nine councillor offices expire in October 2023.

WARD REPRESENTATION	TERM DATE	EXPIRY
Town Ward		
Cr Ceinwen Gearon	2023	
Cr Donna Carman	2025	
Cr Donald Clarke	2023	
Scotsdale/Shadforth Ward		

Cr Jan Lewis	2025
Cr Kingsley Gibson	2023
Cr Nathan Devenport	2023
Cr Clare Campbell	2025
Kent/Nornalup Ward	
Cr Janine Phillips	2023
Cr Jackie Ormsby	2025

4. Having the Electoral Commissioner responsible for elections, local governments ensure that elections are conducted independently and lawfully.

CONSULTATION AND EXTERNAL ADVICE

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

STATUTORY / LEGAL IMPLICATIONS

6. Section 4.20(4) provides that a local government may declare the Electoral Commissioner to be responsible for the conduct of an election, subject to the written agreement of the Electoral Commissioner (refer page 2 of Attachment 9.3.2).

STRATEGIC / POLICY IMPLICATIONS

7. Denmark 2027
 L5.0 Our Local Government
The Shire of Denmark is recognised as a transparent, well governed and effectively managed Local Government.

FINANCIAL IMPLICATIONS

8. The quote from the WAEC to conduct the 2023 Local Government Election for the Shire of Denmark is \$42,000 (including GST), based on the following assumptions;
 - 5,500 Electors
 - Response rate of approximately 50%
 - 5 vacancies
 - Count to be conducted at the Shire of Denmark office
 - Appointment of a local Returning Officer
 - Regular Australia Post delivery service to apply for the lodgement of the election packages.
9. The WAEC is required to conduct the elections on a full cost recovery basis, and therefore any additional, unforeseen expenses have not been factored into the estimate. Should any significant change in the estimate become evident prior to or during the election the Shire will be notified.
10. Costs not incorporated in the estimate include;
 - Any legal expenses other than those that are determined to be borne by the WAEC in a Court of Disputed Returns.

- The cost of any casual staff to assist the Returning Officer on election day or night.
- Any additional postage rate increase by Australia Post.

11. Staff wages last year were approximately \$3,000. Advertising was approximately \$2,000.
12. It is recommended that Council include an amount of \$45,000 (ex GST) in the 2023/2024 Budget for the purpose of conducting the October 2023 Election. This amount is based on the estimate provided by WAEC, plus advertising, Shire staff costs, and contingency.

OTHER IMPLICATIONS

Environmental

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

Economic

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

Social

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

RISK MANAGEMENT

16. An assessment of evident risks has been undertaken in accordance with the Shire’s Risk Management Governance Framework and no risks have been identified in relation to the officer recommendation or the report.

VOTING REQUIREMENTS

17. Absolute majority.

<p>OFFICER RECOMMENDATION</p> <p>That with respect to the Shire of Denmark Local Government Elections 2023, Council:</p> <ol style="list-style-type: none"> 1. DECLARE, in accordance with section 4.20(4) of the Local Government Act 1995, the Electoral Commissioner to be responsible for the election, together with any other elections or polls which may be required; and 2. DECIDE, in accordance with section 4.61(2) of the Local Government Act 1995 that the method of conducting the election will be a postal election; and 3. ACCEPT the quote provided by the Western Australian Electoral Commissioner and include \$45,000 (excluding GST) in the 2023/24 Budget. 	<p>ITEM 9.3.2</p>
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10. COMMITTEE REPORTS AND RECOMMENDATIONS

10.1 SUSTAINABLE PROJECTS COMMITTEE MINUTES 7 FEBRUARY 2023 & RECOMMENDATIONS

File Ref:	COMM.SPC
Applicant / Proponent:	Not applicable
Subject Land / Locality:	Not applicable
Disclosure of Officer Interest:	Nil
Date:	14 FEBRUARY 2023
Author:	Damian Schwarzbach, Manager Sustainable Projects
Authorising Officer:	David King, Deputy Chief Executive Officer
Attachments:	10.1 Sustainable Projects Committee Prioritisation List

IN BRIEF

- The Sustainable Projects Committee met on 7 February 2023.

RECOMMENDATION

That Council RECEIVE the Committee Minutes for the meeting held on 7 February 2023.

BACKGROUND

1. The Sustainable Projects Committee (SPC) held a meeting on 7 February 2023 at the Shire Administration Building.

DISCUSSION / OFFICER COMMENTS

2. The Author recommends that the minutes from 7 February 2023 be received by Council.

CONSULTATION AND EXTERNAL ADVICE

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

STATUTORY / LEGAL IMPLICATIONS

4. Section 5.22 of the Local Government Act 1995 requires that the Presiding Person of a Council Committee is to cause minutes to be kept of the meeting's proceedings.
5. Minutes of Council Committee meetings are not required under legislation to be presented to Council however, the Chief Executive Officer has determined that, in order to improve transparency and ensure that Councillors are aware of their various Committees' activities, all Advisory Committee minutes will be presented to Council to be received.
6. Council Committees are generally established to advise, and make recommendations to, Council.

STRATEGIC / POLICY IMPLICATIONS

- 7. The report and officer recommendation is consistent with Council’s adopted Strategic Community Plan Aspirations and Objectives and the Corporate Business Plan Actions and Projects in the following specific ways:

Denmark 2027

L5.0 Our Local Government

The Shire of Denmark is recognised as a transparent, well governed and effectively managed Local Government.

- L5.1 To be high functioning, open, transparent, ethical and responsive.
- L5.3 To be decisive and to make consistent and well considered decisions
- L5.4 To be fiscally responsible.

FINANCIAL IMPLICATIONS

- 8. Nil

OTHER IMPLICATIONS

Environmental

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

Economic

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

Social

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

RISK MANAGEMENT

- 12. An assessment of evident risks has been undertaken in accordance with the Shire’s Risk Management Governance Framework and no risks have been identified in relation to the officer recommendation or the report.

VOTING REQUIREMENTS

- 13. Simple majority.

OFFICER RECOMMENDATION	ITEM 10.1
That Council RECEIVE the Committee Minutes for the meeting held on 7 February 2023.	

10.2 AUDIT ADVISORY COMMITTEE – 2022 COMPLIANCE AUDIT RETURN AND MINUTES

File Ref:	FIN.8.A
Applicant / Proponent:	Not applicable
Subject Land / Locality:	Not applicable
Disclosure of Officer Interest:	Nil
Date:	10 February 2023
Author:	Claire Thompson, Governance Coordinator
Authorising Officer:	David King, Acting Chief Executive Officer
Attachments:	9.3.3a – 2022 Compliance Audit Return 9.3.3b – Audit Advisory Committee Minutes

IN BRIEF

- Council is required to adopt the 2022 Compliance Audit Return (CAR).
- The Minutes of the Audit Advisory Committee are attached to this report for Council to receive.

RECOMMENDATION

That with respect to the 2022 Compliance Audit Return, Council:

1. Note the one area of non-compliance;
2. Endorse the 2022 Compliance Audit Return; and
3. Submit a certified copy to the Director General of the Department of Local Government, Sport and Cultural Industries by 31 March 2023.

LOCATION

1. Not applicable

BACKGROUND

2. Each year a local government is required to carry out a compliance audit for the period 1 January to 31 December against the requirements of the Compliance Audit Return provided by the Department of Local Government, Sport and Cultural Industries.
3. The information derived from the CAR is retained by the Department for future reference.
4. The Audit Advisory Committee met on 10 February 2023 and has recommended that Council adopt the 2022 Compliance Audit Return.

DISCUSSION / OFFICER COMMENTS

5. The draft 2022 Compliance Audit Return is attached (see Attachment 9.3.3a).
6. There was one area of non-compliance relating to the timeframe for adopting a code of conduct for Council members, committee members and candidates. The requirement for a new code came into operation on 3 February 2021, and local governments were required to adopt a new code (policy) within 3 months.

7. The new code (policy) was adopted by Council on 20 July 2021.

CONSULTATION AND EXTERNAL ADVICE

8. Relevant Shire employees who are responsible for ensuring compliance of matters within the CAR have been consulted.

STATUTORY / LEGAL IMPLICATIONS

9. Section 7.13 (1) (i) of the Local Government Act 1995 requires that the audit of compliance is to be carried out in a prescribed manner and in a form approved by the Minister.
10. Regulation 13 sets out the prescribed manner and form of a compliance audit return, which has been approved by the Minister.
11. Regulation 14 refers to the compliance audit period, the format and states that the compliance audit return is to be reviewed by the local government's audit committee and that the audit committee must report the result of that review to Council. The audit committee's report must be adopted by Council.
12. Regulation 15 requires that a certified copy of the compliance audit return be presented to the Director General of the Department by 31 March.

STRATEGIC / POLICY IMPLICATIONS

13. The report and officer recommendation are consistent with Council's adopted Strategic Community Plan aspirations in the following specific ways:

Denmark 2027

L5.0 Our Local Government

The Shire of Denmark is recognised as a transparent, well governed and effectively managed Local Government.

L5.1 To be a high functioning, open, transparent, ethical and responsive.

FINANCIAL IMPLICATIONS

14. Nil

OTHER IMPLICATIONS

Environmental

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

Economic

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

Social

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

RISK MANAGEMENT

18. An assessment of evident risks has been undertaken in accordance with the Shire's Risk Management Governance Framework and no risks have been identified in relation to the officer recommendation or the report.

VOTING REQUIREMENTS

19. Simple majority.

COMMITTEE & OFFICER RECOMMENDATION	ITEM 10.2a
<p>That with respect to the 2022 Compliance Audit Return, Council:</p> <ol style="list-style-type: none"> 1. Note the one area of non-compliance; 2. Endorse the 2022 Compliance Audit Return; and 3. Submit a certified copy to the Director General of the Department of Local Government, Sport and Cultural Industries by 31 March 2023. 	

OFFICER RECOMMENDATION	ITEM 10.2b
<p>That Council RECEIVE the Minutes of the Audit Advisory Committee meeting held on 10 March 2023.</p>	

11. MATTERS BEHIND CLOSED DOORS

Nil

12. NEW BUSINESS OF AN URGENT NATURE

Nil

13. CLOSURE OF MEETING