



Shire of  
**Collie**

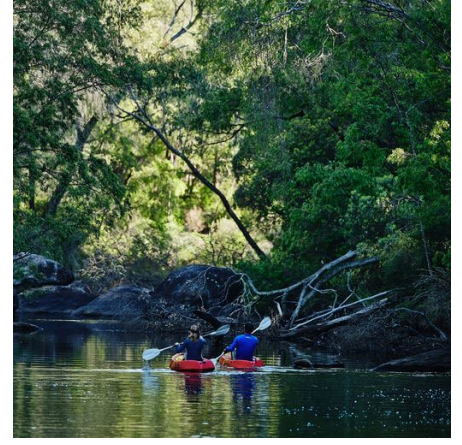
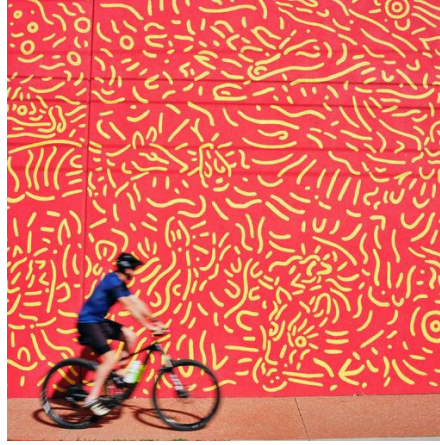
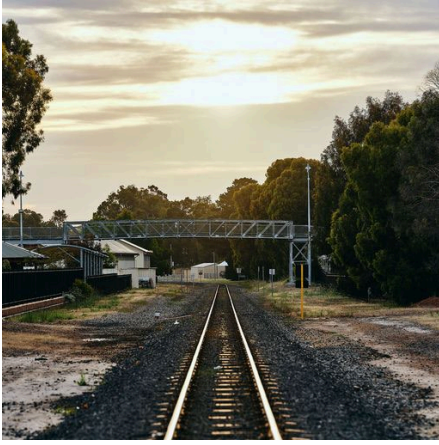
# AGENDA

for the

## ORDINARY MEETING OF COUNCIL

to be held on

**Tuesday, 14 April 2026**



## Our Vision

**Collie** - *A progressive community, rich in opportunities and as diverse as its heritage and landscape.*

## Our Values

The core values at the heart of the Council's commitment to the community are:

*Integrity*

*Transparency*

*Accountability*

*Collaboration*

*Respect*

## Our Commitment to Community

***We will*** lead the delivery of our vision

***We will*** support local business wherever possible

***We will*** consult and engage with our community on issues that affect them

***We will*** encourage, welcome and value feedback

***We will*** encourage, support and advocate for our community

### Acknowledgement of Country

The Shire of Collie acknowledges the Traditional Custodians of the land, the Wiilman and Kaniyang people of the Noongar Nation, and pays our respects to Elders, past, present and emerging. We thank them for the contributions they have made to life in the Shire of Collie and to this region.

# NOTICE OF MEETING

Please be advised that the



## Ordinary Meeting of Council

commencing at **6:00pm**

will be held on

**Tuesday, 14 April 2026**

in Council Chambers at  
87 Throssell Street, Collie WA.

A handwritten signature in blue ink, appearing to read "Phil", is positioned above a horizontal line.

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Phil Anastasakis  
Chief Executive Officer

9 April 2026

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### **DISCLAIMER**

The advice and information contained herein is given by and to the Council without liability or responsibility for its accuracy. Before placing any reliance on this advice or information, a written inquiry should be made to the Council giving entire reasons for seeking the advice or information and how it is proposed to be used.

Please note this agenda contains recommendations, which have not yet been adopted by Council.

Any statement, comment or decision made at a Council or Committee meeting regarding any application for an approval, consent or licence, including a resolution of approval, is not effective as an approval of any application and must not be relied upon as such. Any person or entity that has an application before the Shire must obtain, and should only rely on, written notice of the Shire's decision and any conditions attaching to the decision and cannot treat as an approval anything said or done at a Council or Committee meeting.

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## **Local Government Act 1995**

Changes to 5.23 of the *Local Government Act 1995* came into operation on 1 January 2026.

### **5.23. Meetings generally open to public**

- (1) The following are to be open to members of the public —
  - (a) all council meetings;
  - (b) all meetings of a committee.
- (2) Despite subsection (1), if any of the following matters is to be dealt with at a meeting, the council or committee must close the meeting to members of the public to the extent necessary to ensure that the matter is dealt with at the meeting on a confidential basis —
  - (a) a matter that a committee of a House of Parliament, or a joint committee of both Houses, has advised the local government must be dealt with on a confidential basis;
  - (b) a matter relating to the recruitment or employment of the CEO or a senior employee, including the following —
    - (i) the termination of employment;
    - (ii) a review of performance under section 5.38;
  - (c) a prescribed matter;
  - (d) a matter that is the subject of a direction given under section 5.23AA(1).
- (3) Despite subsection (1), the council or committee must close a meeting to members of the public to the extent necessary to ensure compliance with a requirement (however formulated) —
  - (a) that is imposed under a written law, excluding this Act and local laws; and
  - (b) that prohibits or restricts the making public of information.
- (4) Despite subsection (1), if any of the following information is to be dealt with at a meeting, the council or committee may close the meeting to members of the public to the extent necessary to ensure that the information is dealt with at the meeting on a confidential basis —
  - (a) legal advice, or other information, over which the local government holds legal professional privilege;
  - (b) information relating to the personal affairs of an individual;
  - (c) information contained in a tender received by the local government for a contract to the extent that the information —
    - (i) is a tendered price; or
    - (ii) a tendered methodology for calculating a price;
  - (d) information contained in a tender received by the local government for a contract to the extent that —
    - (i) the information discloses any technology, or any manufacturing, industrial or trade process, that the tenderer proposes to use in performing the contract; and
    - (ii) the information has not previously been made public; and
    - (iii) the making public of the information would be likely to have an adverse effect on the tenderer's business interests;
  - (e) information the making public of which would be likely to endanger the security (including cyber-security) of any of the local government's property or operations;

- (f) information the making public of which would be likely to impair the effectiveness of any lawful method or procedure for preventing, detecting, investigating or dealing with any contravention or possible contravention of the law;
- (g) prescribed information;

**Local Government (Administration) Regulations 1996**

**4A. Information that may be treated on confidential basis at meeting (Act s. 5.23(4)(g))**

For the purposes of section 5.23(4)(g), the following information is prescribed —

- (a) the price, or potential price, for the sale or purchase of property by the local government and any information relating to the price or potential price;
- (b) a complaint that alleges a behavioural breach under the local government's adopted code of conduct (as defined in section 8A.2(1)) and any information relating to the complaint;
- (c) information relating to a property that is used, or is potentially to be used, for any of the following —
  - (i) a shelter for homeless persons;
  - (ii) a shelter for persons who have experienced family or domestic violence;
  - (iii) a residence for employees or officers of a local government, the State or the Commonwealth.

- (h) information that is the subject of a direction given under section 5.23AA(2).

- (5) For the purpose of deciding whether to close a meeting to members of the public under subsection (4) in relation to any information, the following matters are irrelevant —
  - (a) whether making the information public would cause embarrassment to any of the following —
    - (i) the local government;
    - (ii) the council or a council member;
    - (iii) a committee of the council or a member of a committee of the council;
    - (iv) an employee;
  - (b) whether making the information public would —
    - (i) cause a loss of confidence in the local government; or
    - (ii) make the local government susceptible to adverse criticism;
  - (c) whether the information relates to a matter that is controversial in the district;
  - (d) a prescribed matter.
- (6) Subsection (5) does not prevent other matters from being regarded as irrelevant.
- (7) A decision to close a meeting to members of the public under subsection (2), (3) or (4) must be made (including voted on if necessary) at the meeting and while the meeting is open to members of the public.
- (8) If a decision is made to close a meeting to members of the public under subsection (2), this section deals with what must be included in the minutes.

**5.23A. Electronic broadcasting and video or audio recording of council meetings**

**5.23AA. Powers of Inspector and Departmental CEO relating to closing of meetings**



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Agenda for the Ordinary Meeting of the Collie Shire Council to be held in Council Chambers, 87 Throssell Street Collie, on Tuesday, 14 April 2026 commencing at 6:00pm.

**1. OPENING/ATTENDANCE/APOLOGIES & LEAVE OF ABSENCE**

- 1.1 Councillors granted Leave of Absence at previous meeting/s.
- 1.2 Councillors requesting Leave of Absence for future Ordinary Meetings of Council.
- 1.3 Councillors who are applying for Leave of Absence for this Ordinary Meeting of Council.

**2. PUBLIC QUESTION TIME**

A 15 minute public question time is made available to allow members of the public the opportunity of questioning Council on matters concerning them.

Council consideration towards the Public:

When public questions necessitate resolutions of Council, the matter is to be dealt with immediately to allow the public to observe the determination of the matter (obviates need for the public to wait an indeterminate period of time).

**3. RESPONSES TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**

Nil.

**4. DISCLOSURE OF FINANCIAL INTEREST**

Councillors in attendance at meetings must disclose to the meeting any Agenda items upon which they have a Financial Interest. Section 5.65 of the *Local Government Act 1995* requires Councillors to: a) give written notification of a financial Interest before the meeting; or b) at the meeting immediately before the particular matter is discussed (notification can be given verbally).

A Disclosure of Financial Interest Form is included in this Agenda (immediately behind the Index) and can be used by Councillors for disclosure purposes - simply tear out and hand to the Chief Executive Officer. Additional forms will be available at Council/Committee meetings.

Should Councillors be unsure on Disclosure of Financial Interest matters, further clarification can be obtained by reading Sections 5.53 to 5.59 inclusive of the Act.

**5. PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS**

Mr Clarrie Green, Manager Groundwater Science South, Department of Water and Environmental Regulation, to provide a presentation regarding the Collie groundwater investigation project.

**6. NOTIFICATION OF MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC**

Nil

**7. ITEMS BROUGHT FORWARD DUE TO INTEREST BY ATTENDING PERSONS**

**8. CONFIRMATION OF THE PREVIOUS MEETINGS OF COUNCIL MINUTES**

**8.1 Ordinary Council Meeting – 10 March 2026**

**Officer's Recommendation:**

*That Council confirms the Minutes of the Shire of Collie Ordinary Meeting of Council held on 10 March 2026.*

**9. BUSINESS ARISING FROM THE PREVIOUS MINUTES**

Nil

**10. RECEIPT OF MINUTES OF COMMITTEE MEETINGS HELD SINCE THE PREVIOUS MEETING OF COUNCIL**

**10.1 Audit Risk and Improvement Committee – 31 March 2026**

**Officer's Recommendation:**

*That Council receives the Minutes of Audit Risk and Improvement Committee Meeting held on 31 March 2026.*

**Committee's Recommendation:**

*That Council receives and endorses the 2026 Annual Audit Work Plan for the Audit Risk and Improvement Committee.*

**11. CEO REPORTS**

11.1 Draft Strategic Community Plan 2026/27 – 2035/36	
<b>Reporting Department:</b>	Chief Executive Officer
<b>Reporting Officer:</b>	Phil Anastasakis – Chief Executive Officer
<b>Accountable Manager:</b>	Phil Anastasakis – Chief Executive Officer
<b>Legislation:</b>	<i>Local Government Act 1995</i>
<b>File Number:</b>	GOV/086
<b>Appendices:</b>	Appendix 11.1.A – Draft Strategic Community Plan 2026/27-2035/36 Appendix 11.1.B – Strategic Community Plan Community Engagement Report
<b>Voting Requirement:</b>	Absolute Majority

**Report Purpose**

This report presents Council with the reviewed and updated Draft Strategic Community Plan 2026/27 - 2035/36 Vision, Mission, Values, Strategic Objectives and Priorities, which is presented to Council for consideration and endorsement.

The Draft Strategic Community Plan has been produced as part of a full review of Council's Strategic Community Plan, involving community engagement and workshops with senior staff and Councillors. The final Strategic Community Plan 2026/27 – 2035/36 will be presented to the May 2026 Council meeting for adoption.

**Officer's Recommendation:**

*That Council:*

1. Pursuant to regulation 19C (7) of the Local Government (Administration) Regulations 1996 resolve to extend and modify the Shire of Collie Strategic Community Plan.
2. Endorses the reviewed and updated Shire of Collie Draft Strategic Community Plan 2026/27 – 2035/36 Vision, Mission, Values, Strategic Objectives and Priorities (refer to Appendix 11.1A).
3. Notes that prior to adoption of the final Strategic Community Plan 2026/27 – 2035/36, at the May Ordinary Council Meeting, the Shire of Collie Draft Strategic Community Plan 2026/27 – 2035/36 will be presented at a Council Workshop in April.

**Background:**

In 2012 the Western Australian State Government introduced the Integrated Planning and Reporting Framework, requiring each Local Government to have a Strategic Community Plan, a Corporate Business Plan and other informing strategies in place to ensure the future provision of services and facilities is sustainable for local communities. The Strategic Community Plan expresses the long term aspirations of the community and is the overarching document that sets out the community's vision, aspirations and values over the next 10 years.

Elements of Integrated Planning and Reporting

- **Strategic Community Plan**

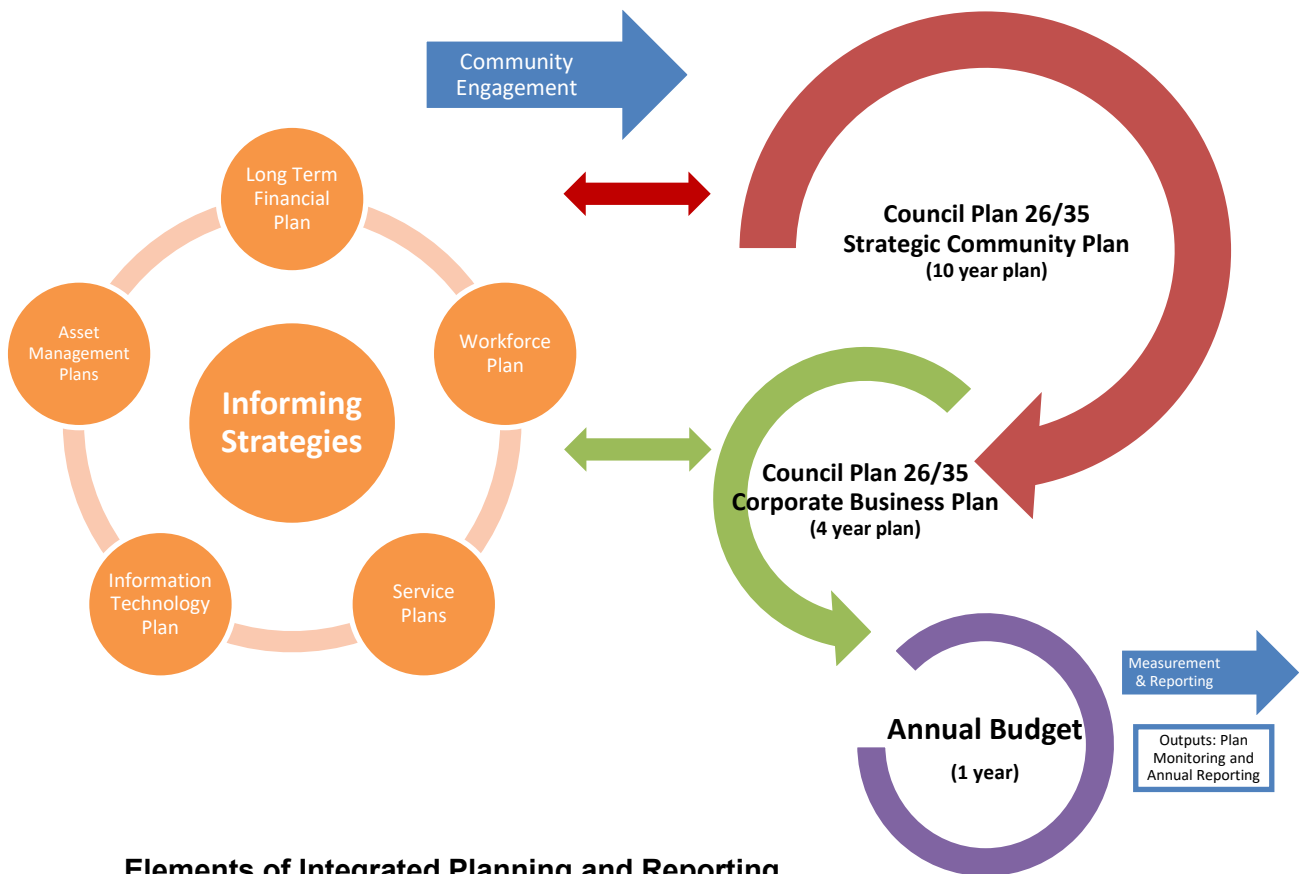
Council adopted its reviewed and updated ten (10) year “Strategic Community Plan 2022” in December 2022. This review was conducted five years after the development of Council’s Strategic Community Plan 2017-2027 and formed part of the Department of Local Government, Sport & Cultural Industries (*as named at that time*) Integrated Planning and Reporting Framework and legislative requirements.

The reviewed and updated Draft Strategic Community Plan 2026/27-2035/36 has been developed to meet the vision, values and aspirations of the Shire of Collie community, while reflecting the standards outlined in the Integrated Planning and Reporting Framework and Guidelines. The statutory requirement is for the Strategic Community Plan to be fully reviewed every 4 years (minimum), with a desktop review after 2 years.

An experienced local government consultancy firm “Localise” were engaged to facilitate and guide the Shire through this full review process, which commenced in late December 2025.

Through February/March 2026 community engagement and a community survey was conducted to understand the needs and expectations of the community over the next 4 years and 10 year horizon. The information and data collected through this process guided a workshop conducted with Managers and then Councillors to review and affirm or update the Shire’s Vision, Mission, Values, Strategic Objectives, and Strategic Priorities and Actions.

The final report provided on this review process (*refer to appendix 11.1.B*) confirms the proposed Vision, Mission, Values, Strategic Objectives, Strategic Priorities and Actions of the Council over the coming 10 year period.



**Elements of Integrated Planning and Reporting**

- **Corporate Business Plan**

The Corporate Business Plan (CBP) contains details of the actions and resources (human and financial) to achieve each Objective. It is a four (4) year plan which acts as an organisational guide to the Council and management.

The financial capacity to undertake these tasks is evidenced in the Long Term Financial Plan for the period. This long term financial planning provides an assurance that the actions contained in the Corporate Business Plan can be adequately resourced over the next four years and highlights the long term consequences of the application of human and financial resources to undertaking various projects.

The Corporate Business Plan adopted and updated by Council sets out the various actions that will give effect to the Strategic Community Plan. The two documents are structured to provide:

Strategic Community Plan:	5 Themes 9 Objectives 29 Strategic Priorities
Corporate Business Plan:	60 Action

- **Linkage with Informing Strategies and Service Plans**

The Corporate Business Plan is informed by three other major plans developed in response to the Department of Local Government's Integrated Planning and Reporting Framework. The Asset Management Plans, Long Term Financial Plan, and Workforce Plan inform the Council as to its resource options and financial circumstances.

- **Local Government Reform**

It is noted that the State Government has foreshadowed changes to the Integrated Planning and Reporting Framework under its legislative Reform process, with changes anticipated in future years under Tranche 3. One of the proposed changes will include combining the Strategic Community Plan and Corporate Business Plan into a single "Council Plan".

### **Statutory and Policy Implications:**

*The Local Government Act 1995, Section 2.7* defines the role of Council.

#### **2.7. Role of council**

- (1) *The council governs the local government's affairs and, as the local government's governing body, is responsible for the performance of the local government's functions.*
- (2) *The council's governing role includes the following —*
  - (a) *overseeing the allocation of the local government's finances and resources;*
  - (b) *determining the local government's policies;*
  - (c) *planning strategically for the future of the district;*
  - (d) *determining the services and facilities to be provided by the local government in the district;*
  - (e) *selecting the CEO and reviewing the CEO's performance;*
  - (f) *providing strategic direction to the CEO.*

- (3) *For the purpose of ensuring proper governance of the local government's affairs, the council must have regard to the following principles —*
  - (a) *the council's governing role is separate from the CEO's executive role as described in section 5.41;*
  - (b) *it is important that the council respects that separation.*
- (4) *The council must make its decisions —*
  - (a) *on the basis of evidence, on the merits and in accordance with the law; and*
  - (b) *taking into account the local government's finances and resources.*
- (5) *The council must have regard to the need to support an organisational culture for the local government that promotes the respectful and fair treatment of the local government's employees.*
- (6) *The council has the other functions given to it under this Act or any other written law.*

**5.56. Planning for the future**

- (1) *A local government is to plan for the future of the district.*
- (2) *A local government is to ensure that plans made under subsection (1) are in accordance with any regulations made about planning for the future of the district.*

**Local Government (Administration) Regulations 1996****19C. Strategic Community Plans, requirements for (Act s. 5.56)**

- (1) *A local government is to ensure that a strategic community plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending 30 June 2013.*
- (2) *A strategic community plan for a district is to cover the period specified in the plan, which is to be at least 10 financial years.*
- (3) *A strategic community plan for a district is to set out the vision, aspirations and objectives of the community in the district.*
- (4) *A local government is to review the current strategic community plan for its district at least once every 4 years.*
- (5) *In making or reviewing a strategic community plan, a local government is to have regard to —*
  - (a) *the capacity of its current resources and the anticipated capacity of its future resources; and*
  - (b) *strategic performance indicators and the ways of measuring its strategic performance by the application of those indicators; and*
  - (c) *demographic trends.*
- (6) *Subject to subregulation (9), a local government may modify its strategic community plan, including extending the period the plan is made in respect of.*

- (7) *A council is to consider a strategic community plan, or modifications of such a plan, submitted to it and is to determine\* whether or not to adopt the plan or the modifications.*

*\*Absolute majority required.*

- (8) *If a strategic community plan is, or modifications of a strategic community plan are, adopted by the council, the plan or modified plan applies to the district for the period specified in the plan.*
- (9) *A local government is to ensure that the electors and ratepayers of its district are consulted during the development of a strategic community plan and when preparing modifications of a strategic community plan.*
- (10) *A strategic community plan for a district is to contain a description of the involvement of the electors and ratepayers of the district in the development of the plan or the preparation of modifications of the plan.*

**19DA. Corporate Business Plans, requirements for (Act s. 5.56)**

**Budget Implications:**

Revenue and expenditure forecasts for the next four years are incorporated within the current draft Long Term Financial Plan. Once this is adopted by Council, the Council Plan will be updated to reflect relevant implications.

Resourcing to deliver on the terms of the Corporate Business Plan are provided within annual budget allocations.

**Budget – Whole of Life Cost:**

As no new assets have been created, there are no direct whole of life or ongoing cost implications.

**Communications / Consultation Requirements:**

Community consultation was undertaken by the Shire staff and through Localise during February and March 2026 using a number of mechanisms as summarised below:

<b>Event</b>	<b>Date</b>	<b>Activities</b>	<b>Participation</b>
Community Survey	2 February to 25 February	Value most; vision; services –importance and satisfaction; service priorities; other comments	193
Community Drop-In #1	16 February	Value most; vision; service priorities; other comments	28
Shopping Centre #1	17 February	Service priorities	28
Community Drop-In #2	17 February	Value most; vision; service priorities; other comments	13
Seniors	24 February	Service priorities	20
Shopping Centre #2	25 February	Service priorities	13
<b>Total</b>			<b>295</b>

**Strategic Implications:**

<b>STRATEGIC COMMUNITY PLAN AND CORPORATE BUSINESS PLAN</b>		
<b>GOAL:</b>	5	Our Organisation
<b>Objective:</b>	5.1	Innovative leadership, forward planning, and mutually beneficial partnerships
<b>Strategic Priority:</b>	5.1.6	To provide good governance across the organisation.

**Relevant Precedents:**

The Shire of Collie ten year “Strategic Community Plan 2022” was adopted in December 2022 in accordance with legislative requirements. Council adopted its “Corporate Business Plan 2022/23 – 2026/27” in March 2023 to align with the new Strategic Community Plan 2022. In April 2024 and May 2025 the Corporate Business Plan was reviewed and updated as part of the annual review cycle.

A report on progress against these plans has been provided each quarter in the past since adoption and is proposed in the future.

**Risk Assessment:**

The Risk Management Governance Framework has been considered in arriving at the Officer Recommendation.

<b>TIER 2 – ‘Low’ or ‘Moderate’ Inherent Risk.</b>		
Risk Event	Strategic Community Plan 2026/27 – 2035/36	
Inherent Risk Rating (prior to treatment or control)	Low (1 - 4)	
Risk Action Plan (treatment or controls proposed)	As the Residual Risk Rating is below 12, this is not applicable.	
Residual Risk Rating (after treatment or controls)	Low (1 - 4)	
Risk Category Assessed Against (Health, Financial Impact, Service Interruption, Legal and Compliance, Reputational, Environmental, Property)	Health	Nil
	Financial	Poor financial planning and management of strategic priorities may result in financial risk and inadequate funding.
	Service Interruption	Nil
	Legal and Compliance	Failing to give due consideration to the legal and compliance matters related to strategic and corporate planning may result in diminished public and sector confidence.
	Reputational	Failing to deliver services and facilities within the Strategic Community Plan may result in diminished public and sector confidence.
	Environmental	Nil
Property	Nil	

**Comment:**

As required by the regulations, the objectives and priorities of the Strategic Community Plan and Corporate Business Plan need to take account of the capacity of the Shire's current and anticipated resources, demographic considerations and the ability to measure performance against indicators.

The review of the Strategic Community Plan has identified opportunities to update objectives and strategic priorities to reflect changes in the Collie community, ongoing state initiatives related to the Just Transition process, legislative changes and the broader local government operating environment.

It is recommended that the Shire of Collie Draft Strategic Community Plan 2026/27 – 2035/36 Vision, Mission, Values, Strategic Objectives and Priorities be formally modified and updated accordingly, with the final Strategic Community Plan 2026/27 – 2035/36 document, incorporating the full content, being presented to the May 2026 Council meeting for adoption.

11.2 Draft Corporate Business Plan 2026/27 – 2029/30	
<b>Reporting Department:</b>	Chief Executive Officer
<b>Reporting Officer:</b>	Phil Anastasakis – Chief Executive Officer
<b>Accountable Manager:</b>	Phil Anastasakis – Chief Executive Officer
<b>Legislation:</b>	<i>Local Government Act 1995</i>
<b>File Number:</b>	GOV/086
<b>Appendices:</b>	Appendix 11.2.A –Draft Corporate Business Plan 2026/27-2029/30
<b>Voting Requirement:</b>	Absolute Majority

### Report Purpose

This report presents Council with the Draft Corporate Business Plan 2026/27-2029/30 Strategic Actions, which is presented to Council for consideration and endorsement.

The Draft Corporate Business Plan has been produced in conjunction with the full review of the Strategic Community Plan and as part of the annual review of Council's Corporate Business Plan, various Asset Management Plans and Workforce Plan.

The final Corporate Business Plan will be presented to the May 2026 Council meeting for adoption.

### Officer's Recommendation:

*That Council:*

1. Pursuant to regulation 19DA (6) of the Local Government (Administration) Regulations 1996 resolve to extend and modify the Corporate Business Plan.
2. Endorses the reviewed and updated draft Corporate Business Plan 2026/27 – 2029/30 Strategic Actions (refer to Appendix 11.2.A).
3. Notes that prior to adoption of the final Corporate Business Plan 2026/27 – 2029/30, at the May Ordinary Council Meeting, the draft Corporate Business Plan 2026/27 – 2029/30 will be presented at a Council Workshop in April.

### Background:

The Corporate Business Plan (CBP) contains details of the actions and resources (human and financial) to achieve each Objective. It is a four (4) year plan which acts as an organisational guide to the Council and management.

The financial capacity to undertake these tasks is evidenced in the Long Term Financial Plan for the period. This long term financial planning provides an assurance that the actions contained in the Corporate Business Plan can be adequately resourced over the next four years and highlights the long term consequences of the application of human and financial resources to undertaking various projects.

The *Local Government Act 1995* requires the four (4) year Corporate Business Plan to be reviewed and updated (if required) on an annual basis. In accordance with this requirement, the Corporate Business Plan is reviewed annually to assess the progress of projects and realign actions and priorities with current information and funding availability.

The first year of the Corporate Business Plan and Long Term Financial Plan is usually 'sliced off' to form the basis of the draft annual budget for consideration by the Council.

Council adopted its Corporate Business Plan 2022/23 – 2026/27 in March 2023 to align with the Strategic Community Plan 2022. In April 2024 and again in May 2025 the Corporate Business Plan was reviewed and updated as part of the annual review cycle.

The Corporate Business Plan adopted and updated by Council sets out the various actions that will give effect to the Strategic Community Plan. The two documents are structured to provide:

Strategic Community Plan:	5 Themes 9 Objectives 29 Strategic Priorities
Corporate Business Plan:	60 Action

### **Review of Corporate Business Plan Actions**

A review of all actions set out in the Corporate Business Plan 2022/23-2026/27 has been undertaken to align with the updated Strategic Community Plan 2026.

Each action has been reviewed to assess if it remains appropriate and continues to align with the Strategic Community Plan, with notes provided in the 'Status' and 'Quarterly Update' columns.

As part of the review, significant additions and deletions have been highlighted to enable tracking of the changes in the Draft Corporate Business Plan 2026/27-2029/30 (refer to Appendix 11.2.A).

### **Linkage with Informing Strategies and Service Plans**

The Corporate Business Plan is informed by three other major plans developed in response to the Department of Local Government's Integrated Planning and Reporting Framework. The Asset Management Plans, Long Term Financial Plan, and Workforce Plan inform the Council as to its resource options and financial circumstances.

#### **• Review Process**

As part of Council's annual budget development cycle, the Corporate Business Plan has been reviewed and updated for Council's consideration and adoption.

It is proposed to present the final Corporate Business Plan 2026/27-2029/30 to the May 2026 Council meeting for adoption following further refinement of Strategies, Actions and Priorities, together with the financial forecasts within the Long Term Financial Plan.

### **Statutory and Policy Implications:**

*The Local Government Act 1995, Section 2.7* defines the role of Council.

#### **2.7. Role of council**

- (1) *The council governs the local government's affairs and, as the local government's governing body, is responsible for the performance of the local government's functions.*
- (2) *The council's governing role includes the following —*
  - (a) *overseeing the allocation of the local government's finances and resources;*

- (b) *determining the local government's policies;*
- (c) *planning strategically for the future of the district;*
- (d) *determining the services and facilities to be provided by the local government in the district;*
- (e) *selecting the CEO and reviewing the CEO's performance;*
- (f) *providing strategic direction to the CEO.*
- (3) *For the purpose of ensuring proper governance of the local government's affairs, the council must have regard to the following principles —*
  - (a) *the council's governing role is separate from the CEO's executive role as described in section 5.41;*
  - (b) *it is important that the council respects that separation.*
- (4) *The council must make its decisions —*
  - (a) *on the basis of evidence, on the merits and in accordance with the law; and*
  - (b) *taking into account the local government's finances and resources.*
- (5) *The council must have regard to the need to support an organisational culture for the local government that promotes the respectful and fair treatment of the local government's employees.*
- (6) *The council has the other functions given to it under this Act or any other written law.*

**5.56. Planning for the future**

- (1) *A local government is to plan for the future of the district.*
- (2) *A local government is to ensure that plans made under subsection (1) are in accordance with any regulations made about planning for the future of the district.*

**Local Government (Administration) Regulations 1996****19C. Strategic Community Plans, requirements for (Act s. 5.56)**

- (1) *A local government is to ensure that a strategic community plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending 30 June 2013.*
- (2) *A strategic community plan for a district is to cover the period specified in the plan, which is to be at least 10 financial years.*

.....

**19DA. Corporate Business Plans, requirements for (Act s. 5.56)**

- (1) *A local government is to ensure that a corporate business plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending 30 June 2013.*
- (2) *A corporate business plan for a district is to cover the period specified in the plan, which is to be at least 4 financial years.*
- (3) *A corporate business plan for a district is to —*

- (a) *set out, consistently with any relevant priorities set out in the strategic community plan for the district, a local government's priorities for dealing with the objectives and aspirations of the community in the district; and*
  - (b) *govern a local government's internal business planning by expressing a local government's priorities by reference to operations that are within the capacity of the local government's resources; and*
  - (c) *develop and integrate matters relating to resources, including asset management, workforce planning and long-term financial planning.*
- (4) *A local government is to review the current corporate business plan for its district every year.*
- (5) *A local government may modify a corporate business plan, including extending the period the plan is made in respect of and modifying the plan if required because of modification of the local government's strategic community plan.*
- (6) *A council is to consider a corporate business plan, or modifications of such a plan, submitted to it and is to determine\* whether or not to adopt the plan or the modifications.*
- \*Absolute majority required.*
- (7) *If a corporate business plan is, or modifications of a corporate business plan are, adopted by the council, the plan or modified plan applies to the district for the period specified in the plan.*

**Budget Implications:**

Revenue and expenditure forecasts for the next four years are incorporated within the current draft Long Term Financial Plan. Once this is adopted by Council, the Council Plan will be updated to reflect relevant implications.

Resourcing to deliver on the terms of the Corporate Business Plan are provided within annual budget allocations.

**Budget – Whole of Life Cost:**

As no new assets have been created, there are no direct whole of life or ongoing cost implications.

**Communications / Consultation Requirements:**

No consultation is required in relation to the Corporate Business Plan.

**Strategic Implications:**

STRATEGIC COMMUNITY PLAN AND CORPORATE BUSINESS PLAN		
<b>GOAL:</b>	5	Our Organisation
<b>Objective:</b>	5.1	Innovative leadership, forward planning, and mutually beneficial partnerships
<b>Strategic Priority:</b>	5.1.6	To provide good governance across the organisation.

**Relevant Precedents:**

The Shire of Collie ten year “Strategic Community Plan 2022” was adopted in December 2022 in accordance with legislative requirements. Council adopted its “Corporate Business Plan 2022/23 – 2026/27” in March 2023 to align with the new Strategic Community Plan 2022. In April 2024 and May 2025 the Corporate Business Plan was reviewed and updated as part of the annual review cycle.

A report on progress against these plans has been provided each quarter in the past since adoption and is proposed in the future.

**Risk Assessment:**

The Risk Management Governance Framework has been considered in arriving at the Officer Recommendation.

<b>TIER 2 – ‘Low’ or ‘Moderate’ Inherent Risk.</b>		
Risk Event	Draft Corporate Business Plan 2026/27 – 2029/30	
Inherent Risk Rating (prior to treatment or control)	Low (1 - 4)	
Risk Action Plan (treatment or controls proposed)	As the Residual Risk Rating is below 12, this is not applicable.	
Residual Risk Rating (after treatment or controls)	Low (1 - 4)	
Risk Category Assessed Against (Health, Financial Impact, Service Interruption, Legal and Compliance, Reputational, Environmental, Property)	Health	Nil
	Financial	Failing to operate within allocated budgets and to undertake adequate financial planning may impact on the ability to provide services and facilities.
	Service Interruption	Nil
	Legal and Compliance	Failing to give due consideration to the legal and compliance matters may result in prosecution or qualified audits.
	Reputational	Failing to deliver services within the Corporate Business Plan may result in diminished public and sector confidence.
	Environment	Nil
Property	Nil	

**Comment:**

As required by the regulations, the objectives and priorities of the Strategic Community Plan and Corporate Business Plan need to take account of the capacity of the Shire’s current and anticipated resources, demographic considerations and the ability to measure performance against indicators.

The review of the Corporate Business Plan in conjunction with the full review of the Strategic Community Plan has identified opportunities to update priorities and reset actions to reflect changes that have occurred over the last year of operation and tasks that have been finalised.

It is recommended that the Draft Corporate Business Plan Strategic Actions be endorsed to enable finalisation and presentation to the May 2026 Council meeting.

11.3 Rating Strategy 2026/27-2035/36	
<b>Reporting Department:</b>	Chief Executive Officer
<b>Reporting Officer:</b>	Phil Anastasakis – Chief Executive Officer
<b>Accountable Manager:</b>	Phil Anastasakis – Chief Executive Officer
<b>Legislation:</b>	<i>Local Government Act 1995</i> <i>Local Government (Financial Management) Regulations 1996</i>
<b>File Number:</b>	FIN/069
<b>Appendices:</b>	Appendix 11.3.A – Rating Strategy 2026/27 – 2035/36
<b>Voting Requirement:</b>	Absolute Majority

### Report Purpose

This report requests that Council consider and endorse the Rating Strategy (as the Shire of Collie Rates & Revenue Policy ) which is incorporated within the proposed 2026/27 Budget, four-year Corporate Business Plan and 10 year Long Term Financial Plan.

### Officer's Recommendation:

*That Council:*

1. *In line with forecast growth:*
  - a) *Endorse a projected base rate revenue increase of 4.5% for the 2026/27 budget.*
  - b) *Endorse a projected base rate revenue increase of 4.5%, 4.5%, 4.5% and 4.5% for the four year Corporate Business Plan.*
  - c) *Endorse a projected base rate revenue increase of 4.25% for years five to fifteen of the Long Term Financial Plan.*
2. *Endorse the Rating Strategy 2026/27 to 2035/36 as the Shire of Collie Rates & Revenue Policy (Appendix 11.3.A) including the proposed introduction of Differential Rating from the 2027/28 financial year.*
3. *Endorse the establishment of the following proposed 6 Differential Rates across 11 Rating Categories from 2027/28:*
  - a) *RESIDENTIAL (including Residential Vacant)*
  - b) *COMMERCIAL (including Commercial Vacant)*
  - c) *INDUSTRIAL (including Industrial Vacant)*
  - d) *RURAL RESIDENTIAL (including Rural Residential Vacant)*
  - e) *ACCOMMODATION*
  - f) *UV Rural (including Mining)*
4. *Hold future public workshops to explain the differential rating strategy.*

**Background:**

As part of the Department of Local Government's Integrated Planning and Reporting Framework and legislative requirements, Council is to develop a Long Term Financial Plan for a minimum period of 10 years.

The Long Term Financial Plan is a ten year rolling plan (Council staff have projected the LTFP to 15 years) that incorporates the four-year financial projections accompanying the Corporate Business Plan. It is a key tool for prioritisation and ensuring the financial sustainability of the Local Government. The LTFP identifies key assumptions such as demographic projections, rating base growth, consumer price index or local government cost index, interest rates and projected rate increases.

The Annual Budget is directly aligned to year one of the Corporate Business Plan and Long Term Financial Plan.

Under Section 6.2 of the *Local Government Act 1995*, Council is required to prepare and adopt an Annual Budget each year. Industry good practice recommends that Council's annual budget development process includes reviewing the Rating Strategy that has been included in the previous year's Long Term Financial Plan, with these forecast rate increases forming the basis of financial projections associated with the final Long Term Financial Plan, four year Corporate Business Plan and Annual Budget.

**Statutory and Policy Implications:**

*The Local Government Act 1995, Section 2.7* defines the role of Council.

**2.7. Role of council**

- (1) *The council governs the local government's affairs and, as the local government's governing body, is responsible for the performance of the local government's functions.*
- (2) *The council's governing role includes the following —*
  - (a) *overseeing the allocation of the local government's finances and resources;*
  - (b) *determining the local government's policies;*
  - (c) *planning strategically for the future of the district;*
  - (d) *determining the services and facilities to be provided by the local government in the district;*
  - (e) *selecting the CEO and reviewing the CEO's performance;*
  - (f) *providing strategic direction to the CEO.*
- (3) *For the purpose of ensuring proper governance of the local government's affairs, the council must have regard to the following principles —*
  - (a) *the council's governing role is separate from the CEO's executive role as described in section 5.41;*
  - (b) *it is important that the council respects that separation.*
- (4) *The council must make its decisions —*
  - (a) *on the basis of evidence, on the merits and in accordance with the law; and*
  - (b) *taking into account the local government's finances and resources.*

- (5) *The council must have regard to the need to support an organisational culture for the local government that promotes the respectful and fair treatment of the local government's employees.*
- (6) *The council has the other functions given to it under this Act or any other written law.*

Section 6.2 (4) of the *Local Government Act 1995* states:

## **6.2. Local government to prepare annual budget**

- (4) *The annual budget is to incorporate —*
  - (a) *particulars of the estimated expenditure proposed to be incurred by the local government;*

### **6.32. Rates and service charges**

- (1) *When adopting the annual budget, a local government —*
  - (a) *in order to make up the budget deficiency, is to impose\* a general rate on rateable land within its district, which rate may be imposed either —*
    - (i) *uniformly; or*
    - (ii) *differentially;*
  - and*
  - (b) *may impose\* on rateable land within its district —*
    - (i) *a specified area rate; or*
    - (ii) *a minimum payment;*
  - and*
  - (c) *may impose\* a service charge on land within its district.*

*\* Absolute majority required.*

- (2) *Where a local government resolves to impose a rate it is required to —*
  - (a) *set a rate which is expressed as a rate in the dollar of the gross rental value of rateable land within its district to be rated on gross rental value; and*
  - (b) *set a rate which is expressed as a rate in the dollar of the unimproved value of rateable land within its district to be rated on unimproved value.*
- (3) *A local government —*
  - (a) *may, at any time after the imposition of rates in a financial year, in an emergency, impose\* a supplementary general rate or specified area rate for the unexpired portion of the current financial year; and*
  - (b) *is to, after a court or the State Administrative Tribunal has quashed a general valuation, rate or service charge, impose\* a new general rate, specified area rate or service charge.*

*\* Absolute majority required.*

- (4) *Where a court or the State Administrative Tribunal has quashed a general valuation the quashing does not render invalid a rate imposed on the basis of the quashed valuation in respect of any financial year prior to the financial year in which the proceedings which resulted in that quashing were commenced.*

*[Section 6.32 amended: No. 55 of 2004 s. 690.]*

**6.33. Differential general rates**

- (1) A local government may impose differential general rates according to any, or a combination, of the following characteristics —
  - (a) the purpose for which the land is zoned, whether or not under a planning scheme as defined in the Planning and Development Act 2005; or
  - (b) a purpose for which the land is held or used as determined by the local government; or
  - (c) whether or not the land is vacant land; or
  - (d) any other characteristic or combination of characteristics prescribed.
- (2) Regulations may —
  - (a) specify the characteristics under subsection (1) which a local government is to use; or
  - (b) limit the characteristics under subsection (1) which a local government is permitted to use.
- (3) In imposing a differential general rate a local government is not to, without the approval of the Minister, impose a differential general rate which is more than twice the lowest differential general rate imposed by it.
- (4) If during a financial year, the characteristics of any land which form the basis for the imposition of a differential general rate have changed, the local government is not to, on account of that change, amend the assessment of rates payable on that land in respect of that financial year but this subsection does not apply in any case where section 6.40(1)(a) applies.
- (5) A differential general rate that a local government purported to impose under this Act before the Local Government Amendment Act 2009 section 39(1)(a) came into operation is to be taken to have been as valid as if the amendment made by that paragraph had been made before the purported imposition of that rate.

[Section 6.33 amended: No. 38 of 2005 s. 15; No. 17 of 2009 s. 39; No. 28 of 2010 s. 34; No. 45 of 2020 s. 113.]

[Section 6.33 modified: SL 2020/57 <sup>1M</sup>.]

**6.34. Limit on revenue or income from general rates**

Unless the Minister otherwise approves, the amount shown in the annual budget as being the amount it is estimated will be yielded by the general rate is not to —

- (a) be more than 110% of the amount of the budget deficiency; or
- (b) be less than 90% of the amount of the budget deficiency.

[Section 6.34 modified: SL 2020/57 <sup>1M</sup>.]

**6.35. Minimum payment****Local Government (Administration) Regulations 1996:****19C. Strategic community plans, requirements for (Acts. 5.56)**

**19DA. Corporate business plans, requirements for (Acts. 5.56)**

- (1) *A local government is to ensure that a corporate business plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending 30 June 2013.*
  - (2) *A corporate business plan for a district is to cover the period specified in the plan, which is to be at least 4 financial years.*
  - (3) *A corporate business plan for a district is to —*
    - (a) *set out, consistently with any relevant priorities set out in the strategic community plan for the district, a local government's priorities for dealing with the objectives and aspirations of the community in the district; and*
    - (b) *govern a local government's internal business planning by expressing a local government's priorities by reference to operations that are within the capacity of the local government's resources; and*
    - (c) *develop and integrate matters relating to resources, including asset management, workforce planning and long-term financial planning.*
  - (4) *A local government is to review the current corporate business plan for its district every year.*
  - (5) *A local government may modify a corporate business plan, including extending the period the plan is made in respect of and modifying the plan if required because of modification of the local government's strategic community plan.*
  - (6) *A council is to consider a corporate business plan, or modifications of such a plan, submitted to it and is to determine\* whether or not to adopt the plan or the modifications.*
- \*Absolute majority required.*
- (7) *If a corporate business plan is, or modifications of a corporate business plan are, adopted by the council, the plan or modified plan applies to the district for the period specified in the plan.*

**5.56AA. Rates and revenue policy**

- (1) *A local government must prepare and adopt\* a policy (a **rates and revenue policy**) setting out information about the local government's projected revenue from rates and other sources of projected revenue.*

*\* Absolute majority required.*
- (2) *The rates and revenue policy must be adopted every calendar year before 1 March.*
- (3) *The local government may amend\* the rates and revenue policy.*

*\* Absolute majority required.*
- (4) *The regulations may prescribe information and other content that must be contained in a rates and revenue policy.*
- (5) *The CEO must publish an up-to-date version of the rates and revenue policy on the local government's official website.*

**Budget Implications:**

After taking into consideration all other sources of income, Council is required to raise sufficient rates to meet its total expenditure. While Council is permitted to adopt a budget that has a surplus or deficit that does not exceed 10% of its rate revenue, it is not a sustainable long term strategy.

When considering the amount to be raised from Council rates, reference should be made to the Council's ten year Long Term Financial Plan. This draft LTFP Plan is based on a rate increase of 4.5% for 2026/27 or 4 years and 4.25% from 2030/31 thereafter.

<b>Draft 2026/27 Long Term Financial Plan Projections</b>										
	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2033/34
Rate Increase	4.5%	4.5%	4.5%	4.5%	4.5%	4.25%	4.25%	4.25%	4.25%	4.25%

The Rates Model for 2026/27 has been formulated at this time using a 4.5% increase in overall rates revenue (excluding growth through 2025/26 interim rates and rates written off), which is forecast to generate rate income of approximately \$8,517,075, compared to a forecast \$8,150,311 for 2025/26. This is an increase of \$366,764 on the total rates income. Currently a one percent rate increase raises approximately \$81,500 in additional rates income.

- *Annual Percentage Rate Increases*

Factors such as the growth of the Shire, need for additional resources to meet growth demands, the rising cost of labour and materials, previous rate increases approved and a perception of the affordability of a reasonable rate increase are some of the factors taken into account when considering the percentage by which rates in the dollar and minimum rates have to be increased.

It has also been widely recognised that increasing rates solely based on a factor equivalent to the increase in the Consumer Price Index (CPI) is not prudent financial management, as the CPI provides a good estimate of a household's expectation of the price changes (increases) to the goods and services they consume but it does not provide a good estimate of all of the cost pressures faced by Local Government. In the past, indices such as the Local Government Cost Index (LGCI), together with other cost factors, have also been used as a guide for rate increases as the use of this index has been advocated by the Western Australian Local Government Association (WALGA).

**Budget – Whole of Life Cost:**

As no new assets have been created, there are no direct whole of life or ongoing cost implications.

The rating strategy deployed by Council in the 2026/27 financial year will form part of a long term financial planning strategy to maintain the sustainable operations of Council. If Council is not able to adequately fund operations in the 2026/27 financial year, then the financial position of Council will potentially deteriorate in future years as assets age further and demand for services increase with projected population growth.

**Communications / Consultation Requirements:**

No consultation is required in relation to the Long Term Financial Plan in 2026/27, however public advertising of differential rates is required during 2027 as part of the proposed introduction of differential rates from 2027/28.

**Strategic Implications:**

<b>STRATEGIC COMMUNITY PLAN AND CORPORATE BUSINESS PLAN</b>		
<b>GOAL:</b>	5	Our Organisation
<b>Objective:</b>	5.1	Innovative leadership, forward planning, and mutually beneficial partnerships
<b>Strategic Priority:</b>	5.1.1	To develop a long term financial plan based on industry best practices.
	5.1.2	To progressively improve the Shire's financial health indicators
<b>Actions</b>	5.1.1.1	Develop an initial 10-year budget

**Relevant Precedents:**

Each year as part of the Long Term Financial Plan review and development process, it is proposed for Council to re-adopt the Rating Strategy which establishes the basis of rate increases for the next 10-15 years. These forecast rate increases are reflected in the interrelated Annual Budget / Corporate Business Plan / Long Term Financial Plan.

**Risk Assessment:**

The Risk Management Governance Framework has been considered in arriving at the Officer Recommendation.

<b>TIER 2 – 'Low' or 'Moderate' Inherent Risk.</b>		
Risk Event	Rating Strategy 2026/27-2035/36	
Inherent Risk Rating (prior to treatment or control)	Low (1 - 4)	
Risk Action Plan (treatment or controls proposed)	As the Residual Risk Rating is below 12, this is not applicable.	
Residual Risk Rating (after treatment or controls)	Low (1 - 4)	
Risk Category Assessed Against (Health, Financial Impact, Service Interruption, Legal and Compliance, Reputational, Environmental, Property)	Health	Nil
	Financial	Failing to raise sufficient rates income will impact on the financial sustainability of the Shire.
	Service Interruption	Nil
	Legal and Compliance	Failing to give due consideration to the legal and compliance matters related to financial management may result in diminished public and sector confidence.
	Reputational	Failing to deliver services within the Long Term Financial Plan and Budget may result in diminished public and sector confidence.
	Environmental	Nil
Property	Nil	

**Comment:**

As part of preparing the annual budget, Corporate Business Plan and Long Term Financial Plan, Council considers community needs in relation to its available income requirements for the coming years before deciding how much it should raise in general rates. Council will also consider the extent of the rate burden on rate payers and may decide to forgo some activities and services in order to avoid high rate rises.

The Rating Strategy for 2026/27 requires Council to strike a balance between competing principles to come up with a mixture of rates and charges that provides the income needed for its annual budget while meeting the tests of equity, efficiency and simplicity.

- *Purpose of the Rating Strategy*

The purpose of the Rating Strategy is to provide Council's preferred position on the following:

- i) *Method of Rates Calculation;*
- ii) *Annual percentage rate increase;*
- iii) *Minimum rates; and*
- iv) *Method of Rates Calculation*

In broad terms the total amount of money to be raised in general rates is divided by the total value of all rateable properties. The resulting figure is called the "rate in the dollar". Council determines the amount to be paid in rates by applying a rate in the dollar to the assessed value of each property. When that total value of all properties increases, the Council reduces the rate in the dollar to compensate. There is no windfall gain.

- *How a "Rate in the Dollar" is calculated?*

For a Council using only a "Uniform General Rate", the rate in the dollar is calculated as follows:

If Council plans to raise the total GRV rate revenue of \$10 million, and the total Gross Rental Value of all rateable properties in the municipality is \$2.38 billion, then the rate in the dollar is calculated by dividing \$10 million by \$2.38 billion = 0.42 cents in the dollar.

- *How are Property's Rates calculated?*

The basis for calculating property rates are the gross rental values (GRV) or unimproved values (UV) for individual properties provided by Landgate's Property and Valuations area multiplied by the relevant rate in the dollar.

A property's GRV represents the amount of the gross annual rental the land might obtain if it is let on a tenancy basis from year to year. A property's UV means the amount the land may reasonably be expected to obtain if it was sold and assuming no improvements to the land had been made.

For example if the Gross Rental Value of a property is \$16,000 and the Council rate in the dollar is set at 10.0662 cents, the rate bill would be \$1,610.59 (\$16,000 x \$0.100662).

- *Property Valuations.*

Property values affect the amount paid in municipal rates. State legislation requires that all properties in every municipality are revalued every 3-5 years. Collie is required to revalue its GRV properties every 3 years and its UV properties every year.

Changes in property values will vary across a municipality. These will be reflected in each property's rate bill. A general revaluation may result in the rates for some properties going up while others go down. If a property's value increases by less than the average increase across the municipality, the rates for that property will be relatively lower. Rates will be relatively higher if a property's value increases by more than the average increase in valuation.

Councils do not collect extra revenue as a result of the revaluation process. Valuations are simply used as an apportioning tool to assess the rates payable for each individual property.

Information about a property's value is included on the rate notice issued by the Council.

**11.4 Loan Management Strategy 2026/27 to 2035/36**

<b>Reporting Department:</b>	Chief Executive Officer
<b>Reporting Officer:</b>	Phil Anastasakis – Chief Executive Officer
<b>Accountable Manager:</b>	Phil Anastasakis – Chief Executive Officer
<b>Legislation:</b>	<i>Local Government Act 1995</i>
<b>File Number:</b>	FIN/069
<b>Appendices:</b>	Appendix 11.4.A – Shire of Collie – Loan Management Strategy 2026/27 to 2035/36
<b>Voting Requirement:</b>	Simple Majority

**Report Purpose**

This report requests that Council consider and endorse the Loan Management Strategy 2026/27 to 2025/36 which is to be incorporated within the 2026/27 Budget, four-year Corporate Business Plan and 10 year Long Term Financial Plan.

**Officer's Recommendation:**

*That Council endorses the Shire of Collie Loan Management Strategy 2026/27 to 2035/36 (refer to Appendix 11.4.A) for the 2026/27 budget, four-year Corporate Business Plan, and Long Term Financial Plan.*

**Background:**

As part of the Department of Local Government's Integrated Planning and Reporting Framework and legislative requirements, Council is to develop a Long Term Financial Plan for a minimum period of 10 years.

The Long Term Financial Plan is a ten year rolling plan (Council staff have projected the Plan to 15 years) that incorporates the four-year financial projections accompanying the Corporate Business Plan. It is a key tool for prioritisation and ensuring the financial sustainability of the Local Government.

The Long Term Financial Plan identifies key assumptions such as demographic projections, rating base growth, consumer price index or local government cost index, interest rates and projected rate increases. The Annual Budget is directly aligned to year one of the Corporate Business Plan and Long Term Financial Plan. Under Section 6.2 of the *Local Government Act 1995*, Council is required to prepare and adopt an Annual Budget each year.

Industry good practice recommends that Council's annual budget development process includes reviewing the Loan Management Strategy that has been included in the previous year's Long Term Financial Plan, with the forecast loan principal and interest repayments included in the financial projections associated with the final Long Term Financial Plan, four year Corporate Business Plan and Annual Budget.

**Statutory and Policy Implications:**

*The Local Government Act 1995, Section 2.7* defines the role of Council.

**2.7. Role of council**

- (1) *The council governs the local government's affairs and, as the local government's governing body, is responsible for the performance of the local government's functions.*
- (2) *The council's governing role includes the following —*
  - (a) *overseeing the allocation of the local government's finances and resources;*
  - (b) *determining the local government's policies;*
  - (c) *planning strategically for the future of the district;*
  - (d) *determining the services and facilities to be provided by the local government in the district;*
  - (e) *selecting the CEO and reviewing the CEO's performance;*
  - (f) *providing strategic direction to the CEO.*
- (3) *For the purpose of ensuring proper governance of the local government's affairs, the council must have regard to the following principles —*
  - (a) *the council's governing role is separate from the CEO's executive role as described in section 5.41;*
  - (b) *it is important that the council respects that separation.*
- (4) *The council must make its decisions —*
  - (a) *on the basis of evidence, on the merits and in accordance with the law; and*
  - (b) *taking into account the local government's finances and resources.*
- (5) *The council must have regard to the need to support an organisational culture for the local government that promotes the respectful and fair treatment of the local government's employees.*
- (6) *The council has the other functions given to it under this Act or any other written law.*

**6.2. Local government to prepare annual budget**

- (4) *The annual budget is to incorporate —*
  - (a) *particulars of the estimated expenditure proposed to be incurred by the local government;*

**5.56. Planning for the future**

*Local Government (Administration) Regulations 1996*

**19C. Strategic Community Plans, requirements for (Act s. 5.56)****19DA. Corporate Business Plans, requirements for (Act s. 5.56)**

- (1) *A local government is to ensure that a corporate business plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending 30 June 2013.*
- (2) *A corporate business plan for a district is to cover the period specified in the plan, which is to be at least 4 financial years.*

- (3) *A corporate business plan for a district is to —*
- (a) *set out, consistently with any relevant priorities set out in the strategic community plan for the district, a local government's priorities for dealing with the objectives and aspirations of the community in the district; and*
  - (b) *govern a local government's internal business planning by expressing a local government's priorities by reference to operations that are within the capacity of the local government's resources; and*
  - (c) *develop and integrate matters relating to resources, including asset management, workforce planning and long-term financial planning.*
- (4) *A local government is to review the current corporate business plan for its district every year.*
- (5) *A local government may modify a corporate business plan, including extending the period the plan is made in respect of and modifying the plan if required because of modification of the local government's strategic community plan.*
- (6) *A council is to consider a corporate business plan, or modifications of such a plan, submitted to it and is to determine\* whether or not to adopt the plan or the modifications.*
- \*Absolute majority required.*
- (7) *If a corporate business plan is, or modifications of a corporate business plan are, adopted by the council, the plan or modified plan applies to the district for the period specified in the plan.*

**Budget Implications:**

As noted in the Loan Management Strategy, the use of debt as a means of funding asset acquisitions, renewals and maintenance is a useful mechanism for allocating the costs of such works over a time frame that reflects when residents will benefit from the assets.

Due to the delayed development of Asset Management Plans for all of the major class of assets, the 2025/26 Loan Management Strategy and Long Term Financial Plan only included one projected new loan:

1. \$500,000 - New ERP system to replace SynergySoft financial system

The 2026/27 Loan Management Strategy and Long Term Financial Plan include the following new loans:

2. \$800,000 – Staff Housing – Senior Executive
3. \$650,000 – Staff Housing – Manager

It is anticipated that as further financial modelling and asset planning occurs during 2026/27, and the Long Term Financial Plan matures, that new loans will be required in future years to fund new assets and essential asset renewal and upgrade works.

The Loan Management Strategy (refer to Appendix 11.4.A) summarises the current Shire of Collie loans, together with loan Principal and Interest (including Government Guarantee Fee) repayments.

**Budget – Whole of Life Cost:**

As no new assets have been created, there are no direct whole of life or ongoing cost implications.

The Loan Management Strategy deployed by Council in the 2026/27 financial year will form part of a long term financial planning strategy to fund the sustainable operations of Council. If Council is not able to adequately fund operations in the 2026/27 financial year, then the financial position of Council will potentially deteriorate in future years as assets age further and demand for services increase with projected population growth.

The Long Term Financial Plan includes a WA Treasury Corporation Indicative Additional Borrowing Capacity financial model. This is based on projected Net Debt and Operating Revenue. This produces for 2026/27 a Net Debt Ratio of 15.1% and Net Debt Service Cover Ratio of 11.74%. This modelling projects that the Shire has a current additional borrowing capacity of approximately \$5.6 million, which would be verified with WATC when a loan application was made.

**Communications / Consultation Requirements:**

No consultation is required in relation to the Loan Management Strategy, however if Council wishes to raise a loan during the financial year that is not included in the annual budget, then public advertising of the proposed loan must occur.

**Strategic Implications:**

<b>STRATEGIC COMMUNITY PLAN AND CORPORATE BUSINESS PLAN</b>		
<b>GOAL:</b>	5	Our Organisation
<b>Objective:</b>	5.1	Innovative leadership, forward planning, and mutually beneficial partnerships
<b>Strategic Priority:</b>	5.1.2	To progressively improve the Shire's financial health indicators.

**Relevant Precedents:**

During the 2025/26 Long Term Financial Plan and budget development process, Council considered and adopted the Shire of Collie Loan Management Strategy 2025/26 to 2034/35.

Each year as part of the Strategic Financial Plan review and development process, it is proposed that Council review and re-adopt the Loan Management Strategy which establishes the level of debt and new loans for the next 10-15 years. Any forecast new loans are reflected in the interrelated Annual Budget / Corporate Business Plan / Long Term Financial Plan.

**Risk Assessment:**

The Risk Management Governance Framework has been considered in arriving at the Officer Recommendation.

<b>TIER 2 – 'Low' or 'Moderate' Inherent Risk.</b>	
Risk Event	Loan Management Strategy 2026/27 to 2035/36
Inherent Risk Rating (prior to treatment or control)	Low (1 - 4)
Risk Action Plan (treatment or controls proposed)	As the Residual Risk Rating is below 12, this is not applicable.
Residual Risk Rating (after treatment or controls)	Low (1 - 4)

<b>TIER 2 – ‘Low’ or ‘Moderate’ Inherent Risk.</b>		
Risk Category Assessed Against (Health, Financial Impact, Service Interruption, Legal and Compliance, Reputational, Environmental, Property)	Health	Nil
	Financial	Failing to provide for loan funding and repayments within the budget may impact on the ability to provide services and facilities.
	Service Interruption	Nil
	Legal and Compliance	Failing to give due consideration to the legal and compliance matters may result in prosecution or qualified audits.
	Reputational	Failing to constrain spending within allocated budget may result in diminished public and sector confidence.
	Environmental	Nil
	Property	Nil

**Comment:**

The use of loans debt as a means of funding asset acquisitions, renewals and maintenance is a useful mechanism for allocating the costs of such works over a time frame that reflects when residents will benefit from the assets.

Currently there are no specific restrictions on Council’s ability to borrow. There is a practical limit beyond which debt service costs (Principal + Interest repayments + Government Guarantee Fee) will affect the capacity of Council to deliver service levels. It is therefore critical that debt funding is appropriately planned and monitored if Council is to maintain the capacity to effectively use this funding source.

Strategic planning allows Council to develop targets and standards for debt that are strategic in nature, rather than relying on debt as a response to current financial requirements. Council’s Loan Management Strategy requires Council to consider:

- The circumstances under which borrowings are made;
- The impact borrowings will have strategically; and
- If the return on the debt (in commercial situations) can service the debt itself.

Loan Management Strategy

**1. Comparison of Funding Options**

Council should investigate all funding options and compare the advantages and disadvantages of each. There are a number of funding options for asset management available to Council:

- Government grants shall be sourced where possible as a first option.
- Investigation of Public / Private Partnerships.
- Council establishes a 1/3 Contribution Policy for groups & clubs projects. (1/3 Community, 1/3 Council, 1/3 Grants).
- That regard to the life of the asset is given to the life of the loan, and matched where possible.
- That consideration be given that infrastructure that is commercial in nature be self-funded.

- That loans are only raised where identified in Council's 10 Year Long Term Financial Plan and/or Asset Management Plans.
- Reserve Funds shall be utilised up to amounts prescribed in Council's 10 Year Asset Management Plans.
- That self-supporting loans be available to community groups up to \$150,000 under Council Policy CS3.1 for project funding be based on the 1/3 Contribution Policy.

## **2. Long Term Sustainability of Council**

The total level of borrowings shall be within acceptable limits to ensure long term sustainability. Council is to ensure that debt levels do not exceed these limits so that debt service costs combined with the operational requirements can be met on a sustainable basis.

Council adopts the following indicators as established by the Western Australian Treasury Corporation (WATC) as a measure of debt service ability. It must be noted that WATC will not automatically approve funds to a Local Government Authorities if these indicators are not met. Any lending would need prior approval by the WATC.

### **Debt Indicators**

In the:

- a) preceding 2 x financial years;
  - b) the current financial year; and
  - c) the following 3 x financial years.
- Debt Service Cover Ratio ideally is not less than 200%
  - Debt Service Ratio does not exceed 10%
  - Gross Debt to Revenue Ratio ideally not exceed 60%

Where any of these ratios are outside these limits, Council may consider the deferment or a reduction in borrowings to meet these adopted indicators.

### *Definitions*

#### **Debt Service Cover Ratio**

Operating Surplus (excluding grants for the development of assets) before Interest and Depreciation as a % of Principal and Interest repayments (includes Govt Guarantee fee). Measures a Council's ability to service debt out of its uncommitted or general purpose fund available for its operations.

#### **Debt Service Ratio**

Debt Service Cost (Total borrowing repayments) as a % of Available Operating Revenue (Operating Revenue + Self Supporting Loan Principal less Specific purpose grants of a capital nature).

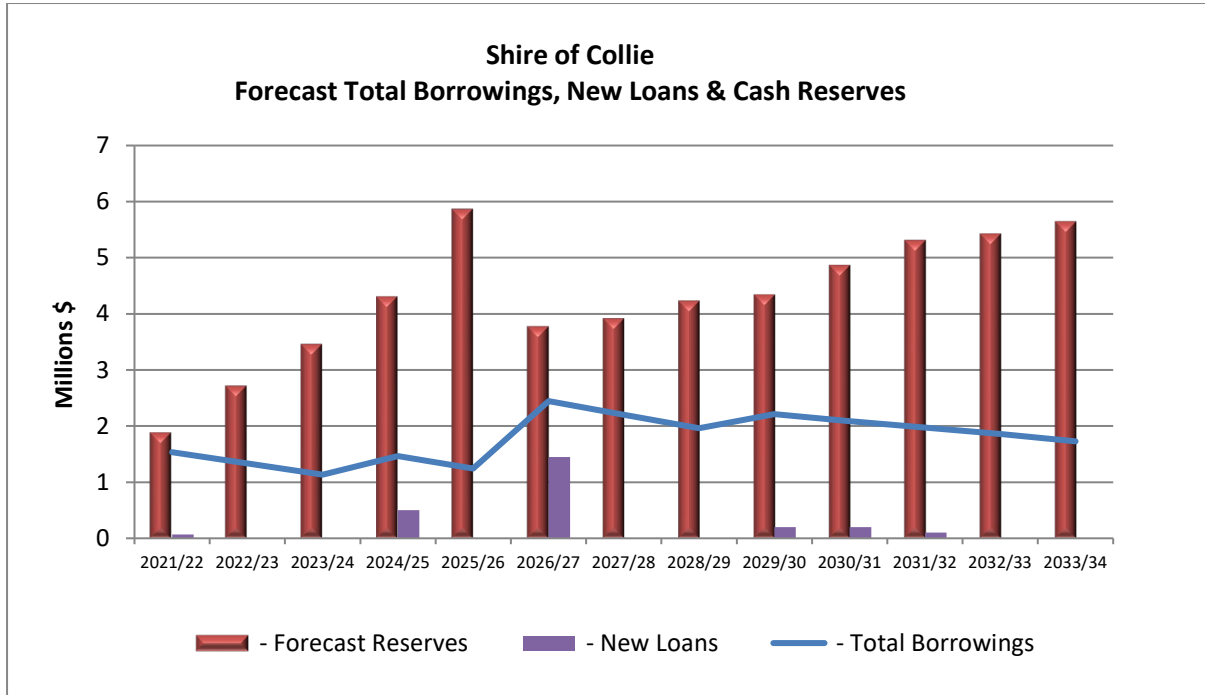
#### **Gross Debt to Revenue Ratio**

Gross Debt (All borrowing and overdrafts) as a % of Total Revenue (Total operating Revenue less specific purpose grants).

Treasury Corporation have produced an indicative debt capacity calculator which is incorporated into the Shire's Long Term Financial Plan model. While borrowing capacity will vary from year to year, the 'Indicative Additional Debt Capacity Calculator' assists Council in determining its borrowing capacity by using information within the Long Term Financial Plan. This is based on prudent loan servicing limits and provides important planning information to help the Council decide if debt should be considered as a financing source for additional future capital expenditure.

Based on financial projections within the current Long Term Financial Plan, together with projected capital expenditure and current and future loans, Council has additional borrowing capacity for the future.

The following graph illustrates Council's current capacity and projected in the Long Term Financial Plan:



For this reason the current funding of asset renewal, replacement and acquisition outlined through the various Asset Management Plans consists of a balance of debt (drawn from future rates), cash reserves (drawn from past rates) and municipal funds (drawn from current year rates).

**11.5 Reserves Management Strategy 2026/27 to 2035/36**

<b>Reporting Department:</b>	Chief Executive Officer
<b>Reporting Officer:</b>	Phil Anastasakis – Chief Executive Officer
<b>Accountable Manager:</b>	Phil Anastasakis – Chief Executive Officer
<b>Legislation:</b>	<i>Local Government Act 1995</i>
<b>File Number:</b>	FIN/069
<b>Appendices:</b>	Appendix 11.5.A – Shire of Collie – Reserves Management Strategy 2026/27 to 2035/36
<b>Voting Requirement:</b>	Simple Majority

**Report Purpose**

This report requests that Council consider and endorse the Reserves Management Strategy 2026/27 to 2025/36 which is to be incorporated within the 2026/27 Budget, four-year Corporate Business Plan and 10 year Long Term Financial Plan.

**Officer's Recommendation:**

*That Council:*

1. *Endorses the Shire of Collie Reserves Management Strategy 2026/27 to 2035/36 (refer to Appendix 11.5.A) for the 2026/27 budget, four-year Corporate Business Plan, and Long Term Financial Plan.*
2. *Endorses the creation of a Shire Housing & Land Development Reserve, Infrastructure Reserve and Unexpended Loan Funds Reserve, together with the new and updated Reserve purposes as noted within the Reserves Management Strategy 2026/27 to 2035/36 [Appendix 11.5.A].*

**Background:**

As part of the Department of Local Government's Integrated Planning and Reporting Framework and legislative requirements, Council is to develop a Long Term Financial Plan for a minimum period of 10 years.

The Long Term Financial Plan is a ten year rolling plan (Council staff have projected the Plan to 15 years) that incorporates the four-year financial projections accompanying the Corporate Business Plan. It is a key tool for prioritisation and ensuring the financial sustainability of the Local Government.

Under Section 6.2 of the *Local Government Act 1995*, Council is required to prepare and adopt an Annual Budget each year.

Industry best practice recommends that Council's annual budget development process includes reviewing the Reserves Management Strategy that has been included in the Long Term Financial Plan. This is done in conjunction with a review of forecast cashflow requirements included in the Long Term Financial Plan, four year Corporate Business Plan and Annual Budget.

**Statutory and Policy Implications:**

*The Local Government Act 1995, Section 2.7 defines the role of Council.*

**2.7. Role of council**

- (1) *The council governs the local government's affairs and, as the local government's governing body, is responsible for the performance of the local government's functions.*
- (2) *The council's governing role includes the following —*
  - (a) *overseeing the allocation of the local government's finances and resources;*
  - (b) *determining the local government's policies;*
  - (c) *planning strategically for the future of the district;*
  - (d) *determining the services and facilities to be provided by the local government in the district;*
  - (e) *selecting the CEO and reviewing the CEO's performance;*
  - (f) *providing strategic direction to the CEO.*
- (3) *For the purpose of ensuring proper governance of the local government's affairs, the council must have regard to the following principles —*
  - (a) *the council's governing role is separate from the CEO's executive role as described in section 5.41;*
  - (b) *it is important that the council respects that separation.*
- (4) *The council must make its decisions —*
  - (a) *on the basis of evidence, on the merits and in accordance with the law;*  
*and*
  - (b) *taking into account the local government's finances and resources.*
- (5) *The council must have regard to the need to support an organisational culture for the local government that promotes the respectful and fair treatment of the local government's employees.*
- (6) *The council has the other functions given to it under this Act or any other written law.*

**6.2. Local government to prepare annual budget**

- (4) *The annual budget is to incorporate —*
  - (a) *particulars of the estimated expenditure proposed to be incurred by the local government;*

**5.56. Planning for the future**

*Local Government (Administration) Regulations 1996*

**19C. Strategic Community Plans, requirements for (Act s. 5.56)**

**19DA. Corporate Business Plans, requirements for (Act s. 5.56)**

- (1) *A local government is to ensure that a corporate business plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending 30 June 2013.*
  - (2) *A corporate business plan for a district is to cover the period specified in the plan, which is to be at least 4 financial years.*
  - (3) *A corporate business plan for a district is to —*
    - (a) *set out, consistently with any relevant priorities set out in the strategic community plan for the district, a local government's priorities for dealing with the objectives and aspirations of the community in the district; and*
    - (b) *govern a local government's internal business planning by expressing a local government's priorities by reference to operations that are within the capacity of the local government's resources; and*
    - (c) *develop and integrate matters relating to resources, including asset management, workforce planning and long-term financial planning.*
  - (4) *A local government is to review the current corporate business plan for its district every year.*
  - (5) *A local government may modify a corporate business plan, including extending the period the plan is made in respect of and modifying the plan if required because of modification of the local government's strategic community plan.*
  - (6) *A council is to consider a corporate business plan, or modifications of such a plan, submitted to it and is to determine\* whether or not to adopt the plan or the modifications.*
- \*Absolute majority required.*
- (7) *If a corporate business plan is, or modifications of a corporate business plan are, adopted by the council, the plan or modified plan applies to the district for the period specified in the plan.*

**Budget Implications:**

As noted in the Reserve Management Strategy, cash backed reserves can be used for a variety of purposes, including:

- a) to provide funds for future liabilities.
- b) to provide funds for future asset acquisitions / replacement.
- c) to hold unspent funds for specific projects.
- d) to reduce the reliance on borrowing by accumulating funds for specific projects.

The current projected transfers to and from Reserves over the next 10 years under the Reserves Management Strategy [refer to Appendix 11.5.A] seek to achieve the above purposes, while ensuring adequate cashflow is maintained by the Shire.

**Budget – Whole of Life Cost:**

As no new assets have been created, there are no direct whole of life or ongoing cost implications.

The Reserves Management Strategy deployed by Council in the 2026/27 financial year will form part of a long term financial planning strategy to fund the sustainable operations of Council.

**Communications / Consultation Requirements:**

No consultation is required in relation to the Reserves Management Strategy when adopted as part of the annual budget process.

**Strategic Implications:**

<b>STRATEGIC COMMUNITY PLAN AND CORPORATE BUSINESS PLAN</b>		
<b>GOAL:</b>	5	Our Organisation
<b>Objective:</b>	5.1	Innovative leadership, forward planning, and mutually beneficial partnerships
<b>Strategic Priority:</b>	5.1.2	To progressively improve the Shire's financial health indicators.

**Relevant Precedents:**

During the 2025/26 Long Term Financial Plan and budget development process, Council considered and adopted the Shire of Collie Reserves Management Strategy 2025/26 to 2034/35.

Each year as part of the Strategic Financial Plan review and development process, it is proposed that Council review and re-adopt the Reserves Management Strategy.

**Risk Assessment:**

The Risk Management Governance Framework has been considered in arriving at the Officer Recommendation.

<b>TIER 2 – 'Low' or 'Moderate' Inherent Risk.</b>	
Risk Event	Reserves Management Strategy 2026/27 to 2035/36
Inherent Risk Rating (prior to treatment or control)	Low (1 - 4)
Risk Action Plan (treatment or controls proposed)	As the Residual Risk Rating is below 12, this is not applicable.
Residual Risk Rating (after treatment or controls)	Low (1 - 4)

<b>TIER 2 – ‘Low’ or ‘Moderate’ Inherent Risk.</b>		
Risk Category Assessed Against (Health, Financial Impact, Service Interruption, Legal and Compliance, Reputational, Environmental, Property)	Health	Nil
	Financial	Failing to provide for reserves funding within the budget may impact on the ability to provide services and facilities.
	Service Interruption	Nil
	Legal and Compliance	Failing to give due consideration to the legal and compliance matters may result in prosecution or qualified audits
	Reputational	Failing to constrain spending within allocated budget may result in diminished public and sector confidence.
	Environmental	Nil
	Property	Nil

**Comment:**

The purpose of the Reserve Management Strategy is to provide a consolidated summary of annual transfers to and from the Shire of Collie's cash backed reserve funds.

The Shire maintains a number of cash reserves for a variety of purposes:

- a) to provide funds for future liabilities.
- b) to provide funds for future asset acquisitions / replacement.
- c) to hold unspent funds for specific projects.
- d) to reduce the reliance on borrowing by accumulating funds for specific projects.

Where relevant, reserves are supported by comprehensive plans that detail future funding requirements and the necessary annual allocations to reserves. Those reserves and trust accounts that do not require budgeted allocations from general revenue are not included within this document.

All cash backed reserve accounts are supported by money held in financial institutions and invested in accordance with the Shire of Collie's Investment Policy.

The purpose for each reserve is included in the Long Term Financial Plan and Annual Budget and reported each year in the Annual Report. The use of reserve funds is restricted to the defined purpose of each reserve under the *Local Government Act 1995*, unless amended during the budget process or through statutory public notice.

The existing and proposed new Reserves, and proposed purposes, are listed below:

**1) Building Reserve**

Purpose: To facilitate renewals and replacement of Council owned buildings and infrastructure associated with a building. This is to ensure financial capacity to sustain building assets and ultimate replacement where required.

**2) Plant Reserve**

Purpose: To facilitate purchase of new plant and plant replacements established in Council's plant replacement program. This is to enable plant changeover at the optimal time to achieve high trade-in values, maximise usage and retain the provision of safe and reliable plant.

**3) Waste Reserve**

Purpose: To facilitate the renewal and replacement of plant, buildings and infrastructure, along with landfill closure and remediation obligations.

**4) Leave Reserve**

Purpose: To assist in the funding of annual leave and long service leave along with temporary appointment to cover leave periods.

**5) Revaluation Reserve**

Purpose: Established to minimise the impact of the Valuer General's cost associated with rates revaluations every 3-4 years, and to facilitate the conducting of Asset Revaluations required every 3-5 years.

**6) Airport Reserve**

Purpose: To facilitate renewal, replacement, or upgrade of all airport related assets.

**7) Roche Park Reserve**

Purpose: To facilitate renewals and replacement of buildings and infrastructure associated at Roche Park Centre.

**8) Election Reserve**

Purpose: Established to minimise the impact of the cost of Local Government Elections. This reserve is to ensure the impact is spread over the years.

**9) River Rehabilitation Reserve**

Purpose: To facilitate the activities for the Collie River Revitalisation.

**10) Legal Reserve**

Purpose: Established to minimise the impact of legal proceedings.

**11) Parks & Ovals Reserve**

Purpose: To facilitate renewals and replacement of major parks and gardens infrastructure and equipment.

**12) Collie Mineworkers Swimming Pool Reserve**

Purpose: To facilitate renewals and replacement of buildings and infrastructure associated at the Collie Mineworkers Swimming pool.

**13) New Initiative**

Purpose: To Facilitate in the funding of new strategic initiatives identified in Council's Strategic Community Plan.

**14) Information & Communication Technology**

Purpose: To facilitate the capital renewal and replacement of information and communication technology equipment, including the SynergySoft Enterprise Resource Planning (ERP) system.

**15) Unspent Grants Reserve**

Purpose: This Reserve is established to identify unexpended grants and special projects funding.

This Reserve is an Operational Reserve. Not all movements to and from the Reserve are included in the annual budget due to the timing of projects and known expenditure, but are authorised in advance by Council through the establishment of the Reserve Purpose.

**16) Carried Forward Projects Reserve**

Purpose: Established to hold unspent project funds to be carried forward into future financial years. Project funds that are not expended within 2 financial years of their initial allocation to this reserve are to be reallocated to the Municipal Fund.

This Reserve is an Operational Reserve. Not all movements to and from the Reserve are included in the annual budget due to the timing of projects and known expenditure, but are authorised in advance by Council through the establishment of the Reserve Purpose.

**17) Collie Community Benefit Fund Contributions Reserve**

Purpose: To facilitate the funding of projects, services and assets that provide long lasting community benefit within the Shire of Collie.

**18) Shire Housing & Land Development Reserve \*\*\* New for 2026/27 \*\*\***

Purpose: To facilitate the purchase or building of Shire staff housing and the development of land for Shire staff housing.

**19) Infrastructure Reserve \*\*\* New for 2026/27 \*\*\***

Purpose: To facilitate renewals, replacement, upgrade or creation of infrastructure assets associated with roads, footpaths or bridges identified in Council's Infrastructure Asset Management Plan.

**20) Unexpended Loan Funds Reserve \*\*\* New for 2026/27 \*\*\***

Purpose: To hold unspent loan funds drawn down in a specific financial year for use in future financial years.

This Reserve is a Restricted Operational Reserve. Not all movements to and from the Reserve are included in the annual budget due to the timing of projects and known expenditure, but are authorised in advance by Council through the establishment of the Reserve Purpose.

11.6 Draft Long Term Financial Plan 2026/27 – 2035/36	
<b>Reporting Department:</b>	Chief Executive Officer
<b>Reporting Officer:</b>	Phil Anastasakis – Chief Executive Officer
<b>Accountable Manager:</b>	Phil Anastasakis – Chief Executive Officer
<b>Legislation:</b>	<i>Local Government Act 1995</i>
<b>File Number:</b>	FIN/069
<b>Appendices:</b>	Appendix 11.6.A – Draft Long Term Financial Plan 2026/27-2035/36
<b>Voting Requirement:</b>	Simple Majority

### Report Purpose

This report requests that Council consider and endorse the Shire of Collie Draft Long Term Financial Plan 2026/27 - 2035/36, which has been produced as part of the full review of the Shire's Strategic Community Plan and annual review of Corporate Business Plan, various Asset Management Plans and Workforce Plan.

The final Long Term Financial Plan 2026/27 - 2035/36 will be presented to the May 2026 Council meeting for adoption, following a Council Workshop held on the 23 April 2026.

Year one of the Long Term Financial Plan will form the basis of the 2026/27 Annual Budget.

### Officer's Recommendation:

*That Council endorses the Shire of Collie Draft Long Term Financial Plan 2026/27 – 2035/36 [Appendix 11.6.A] which demonstrates a financially sustainable position over the next 10 year period.*

### Background:

As part of the Department of Local Government's Integrated Planning and Reporting Framework and legislative requirements, Council is to develop a Long Term Financial Plan for a minimum period of ten years.

The Long Term Financial Plan (LTFP) is a ten year rolling plan that incorporates the four-year financial projections accompanying the Corporate Business Plan. It is a key tool in prioritising and ensuring the financial sustainability of the Local Government. Annual Budgets are directly aligned to the Corporate Business Plan and LTFP.

The LTFP identifies key assumptions such as demographic projections, rating base growth, consumer price index, local government cost index, interest rates, etc. Major capital and operational expenditure implications included in the Integrated Planning and Reporting suite are included and specifically referenced in the LTFP.

The LTFP includes strategies regarding:

- Rating Structure;
- Fees and Charges;
- Alternative Revenue Sources;
- Pursuit of Grants;

- Workforce;
- Reserves;
- Debt Funding;
- Asset Disposal; and
- Investment Policy.

For the purposes of the Long Term Financial Plan and based on Council's previous resolution to apply a 4.5% increase for the 2026/27 financial year and the update Rating Strategy, the following rate increases have been forecast:

Year	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35
Rate % Increase	4.5	4.5	4.5	4.5	4.5	4.25	4.25	4.25	4.25	4.25

**Statutory and Policy Implications:**

*The Local Government Act 1995, Section 2.7 defines the role of Council.*

**2.7. Role of council**

- (1) *The council governs the local government's affairs and, as the local government's governing body, is responsible for the performance of the local government's functions.*
- (2) *The council's governing role includes the following —*
  - (a) *overseeing the allocation of the local government's finances and resources;*
  - (b) *determining the local government's policies;*
  - (c) *planning strategically for the future of the district;*
  - (d) *determining the services and facilities to be provided by the local government in the district;*
  - (e) *selecting the CEO and reviewing the CEO's performance;*
  - (f) *providing strategic direction to the CEO.*
- (3) *For the purpose of ensuring proper governance of the local government's affairs, the council must have regard to the following principles —*
  - (a) *the council's governing role is separate from the CEO's executive role as described in section 5.41;*
  - (b) *it is important that the council respects that separation.*
- (4) *The council must make its decisions —*
  - (a) *on the basis of evidence, on the merits and in accordance with the law; and*
  - (b) *taking into account the local government's finances and resources.*
- (5) *The council must have regard to the need to support an organisational culture for the local government that promotes the respectful and fair treatment of the local government's employees.*

- (6) *The council has the other functions given to it under this Act or any other written law.*

**5.56. Planning for the future**

- (1) *A local government is to plan for the future of the district.*
- (2) *A local government is to ensure that plans made under subsection (1) are in accordance with any regulations made about planning for the future of the district.*

**Local Government (Administration) Regulations 1996****19DA. Corporate Business Plans, requirements for (Act s. 5.56)**

- (1) *A local government is to ensure that a corporate business plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending 30 June 2013.*
- (2) *A corporate business plan for a district is to cover the period specified in the plan, which is to be at least 4 financial years.*
- (3) *A corporate business plan for a district is to —*
- (a) *set out, consistently with any relevant priorities set out in the strategic community plan for the district, a local government's priorities for dealing with the objectives and aspirations of the community in the district; and*
  - (b) *govern a local government's internal business planning by expressing a local government's priorities by reference to operations that are within the capacity of the local government's resources; and*
  - (c) *develop and integrate matters relating to resources, including asset management, workforce planning and long-term financial planning.*
- (4) *A local government is to review the current corporate business plan for its district every year.*
- (5) *A local government may modify a corporate business plan, including extending the period the plan is made in respect of and modifying the plan if required because of modification of the local government's strategic community plan.*
- (6) *A council is to consider a corporate business plan, or modifications of such a plan, submitted to it and is to determine\* whether or not to adopt the plan or the modifications.*
- \*Absolute majority required.*
- (7) *If a corporate business plan is, or modifications of a corporate business plan are, adopted by the council, the plan or modified plan applies to the district for the period specified in the plan.*

**Budget Implications:**

Revenue and expenditure forecasts for the next ten years are incorporated within the current Shire of Collie Long Term Financial Plan.

**Budget – Whole of Life Cost:**

Financial commitments made within the various plans that form part of the Long Term Financial Plan in the year of the planned activity. This financial commitment will be in the form of:

- a) Project Expenditure;
- b) Equipment acquisition / replacement;
- c) Annual Reserve allocations; and
- d) New borrowings and subsequent loan repayments.

Alteration to financial commitments can be changed by amendment to the relevant plans.

**Communications / Consultation Requirements:**

No consultation is required in relation to the Long Term Financial Plan.

**Strategic Implications:**

STRATEGIC COMMUNITY PLAN AND CORPORATE BUSINESS PLAN		
<b>GOAL:</b>	5	Our Organisation
<b>Objective:</b>	5.1	Innovative leadership, forward planning, and mutually beneficial partnerships
<b>Strategic Priority:</b>	5.1.1	To develop a long term financial plan based on industry best practices.
	5.1.2	To progressively improve the Shire's financial health indicators
<b>Actions</b>	5.1.1.1	Develop an initial 10-year budget
	5.1.6.3	Develop and implement a Information Community Technology Plan and Cyber Security Strategy

**Relevant Precedents:**

The Shire of Collie adopted in 2025 its first up to date Long Term Financial Plan 2025/26 - 2034/35. This has formed the foundation of the current Draft Long Term Financial Plan 2026/27 - 2035/36.

**Risk Assessment:**

The Risk Management Governance Framework has been considered in arriving at the Officer Recommendation.

TIER 2 – 'Low' or 'Moderate' Inherent Risk.	
Risk Event	Long Term Financial Plan 2026-2035
Inherent Risk Rating (prior to treatment or control)	Low (1 - 4)
Risk Action Plan (treatment or controls proposed)	As the Residual Risk Rating is below 12, this is not applicable.
Residual Risk Rating (after treatment or controls)	Low (1 - 4)

<b>TIER 2 – ‘Low’ or ‘Moderate’ Inherent Risk.</b>		
Risk Category Assessed Against (Health, Financial Impact, Service Interruption, Legal and Compliance, Reputational, Environmental, Property)	Health	Nil
	Financial	Failing to operate within allocated budgets and to undertake adequate financial planning may impact on the ability to provide services and facilities
	Service Interruption	Nil
	Legal and Compliance	Failing to give due consideration to the legal and compliance matters may result in prosecution or qualified audits.
	Reputational	Failing to deliver services within the Long Term Financial Plan may result in diminished public and sector confidence.
	Environmental	Nil
	Property	Nil

**Comment:**

The financial projections within the LTFP have been reviewed and updated based on Councillor and staff input, the 2025/26 mid-year budget review, updated forecasts and long term asset management works programs. The financial elements and plans integrated with the LTFP have been modelled to produce a ten year Statement of Financial Activity by Nature and Program [refer to Appendix 11.6.A], which identifies the projected rate income required to achieve a sustainable financial position.

A full copy of the final Long Term Financial Plan inclusive of the ten year Statement of Financial Activity (Rate Setting Statement), detailed Schedules and Notes, is provided as part of Appendix 11.6.A.

While Council has continued to incur increased costs in material and contract costs, through tight budgetary measures, cost control and additional revenue, an end of year surplus for 2025/26 of \$95,832 is currently forecast.

Council also resolved in March 2026 as part of the mid-year budget review to allocate any actual surplus funds above the forecast \$95,832 to the Waste Reserve to facilitate the renewal and replacement of plant, buildings and infrastructure, along with landfill closure and remediation obligations at the Collie Waste Site.

The following table summarises the projected end of year financial position for the next 10 years:

<b>Long Term Financial Plan – 10 Year Financial Forecast</b>											
<b>Year</b>	<b>25/26 Forecast</b>	<b>26/27</b>	<b>27/28</b>	<b>28/29</b>	<b>29/30</b>	<b>30/31</b>	<b>31/32</b>	<b>32/33</b>	<b>33/34</b>	<b>34/35</b>	<b>35/36</b>
<b>\$ Surplus / (Deficit)</b>	96k	4k	109k	82k	85k	99k	111k	88k	319k	49k	352k

**Significant Drivers and Assumptions in the Long Term Financial Plan:**

## i) Rating Strategy:

The Rating Strategy endorsed by Council in April 2025 included the provision for future rate revenue increases based on a 4.5% rate revenue increase for the next 4 years and 3.5% rate revenue increases for the remainder of the 10 year LTFP.

The Strategy includes the proposed introduction of Differential Rating from 2026/27, which will provide a broader basis for the raising of rate income and enable different rates in the dollar being applied to the following six different rating categories:

- i) RESIDENTIAL (including Residential Vacant)
- ii) COMMERCIAL (including Commercial Vacant)
- iii) INDUSTRIAL (including Industrial Vacant)
- iv) RURAL RESIDENTIAL (including Rural Residential Vacant)
- v) ACCOMMODATION
- vi) UV Rural (including Mining)

Due to the need to undertake additional preparation and planning, it is proposed to defer the introduction of Differential Rates until the 2027/28 year. Due to increasing CPI and inflationary pressures, the Rating Strategy proposes rate revenue increases based on a 4.5% rate revenue increase for the next 4 years and 4.25% rate revenue increases for the remainder of the 10 year LTFP.

## ii) Loan Management Strategy:

In May 2025 Council endorsed the Loan Management Strategy which included the servicing of eight existing Council loans and one Self Supporting Loan over the next 10 years.

Through the production of the LTFP and the inclusion of the future Enterprise Resource Planning (ERP) replacement project, the need for a new loan is identified in 2029/30 and included in the LTFP.

## iii) Information Communication Technology:

In May 2025 Council endorsed the reviewed and updated Corporate Business Plan 2022/23 – 2026/27. The Plan included the development and implementation of an Information Community Technology Plan and Cyber Security Strategy in 25/26.

As part of the development of an ICT Plan, the need for a new ERP system to replace the aging SynergySoft accounting system has been identified in the next 4 years (commencing in 2029/30) and is included in the LTFP, with a portion of the funding through the raising of a loan. The replacement of an ERP system is a significant project for any organisation, and is complicated further due to the governance, financial reporting, records keeping, GIS mapping and compliance requirements of local governments.

Other local governments in Western Australia are facing a similar need with costs estimated to be anywhere between \$500,000 - \$5m+, depending on the size of the local government and the elements included within the ERP.

## iv) Workforce Planning:

A 10 year Workforce Plan has been included within the LTFP and includes a gradual increase in staffing in specific areas of change or need. The employee costs associated with the Workplan Plan, together with Award and projected wages increases, have been included in the LTFP.

v) Asset Management:

While the creation of various Asset Management Plans are in differing stages of development or completion, the provision for the future purchase/replacement of plant and vehicles, building and infrastructure, together with maintenance have been included in the LTFP.

In future years as the LTFP develops and matures, it is anticipated that more detailed Asset Management Plans will be developed and presented to Council as part of the overall sustainable management of Council assets and facilities.

This includes future planning around recreation and sporting facilities within the Collie townsite and district.

vi) Elected Member Fees & Allowances:

In May 2025 Council endorsed the Councillor Fees and Allowance for 2025/26 primarily based on 55% of the Salaries & Allowances Tribunal Band 3 upper and lower limits. This included the Shire President's allowance with the Deputy President's allowance based on 25% of the Band 3. The same principal has been applied to the proposed Councillor Fees & Charges for 2026/27.

vii) Assumptions:

The development of the LTFP is based on a number of assumptions and the utilisation of demographic data and statistical trends. These include the use of the Consumer Price Index (CPI), Award and Minimum Wage Index, Local Government Cost Index, ABS growth estimates, Local Government Grants Commission and other data sources. While these assumptions are reasonable at the time of developing the draft LTFP, some further adjustments may occur in finalising the LTFP due to the current geo-political environment and fuel prices.

While the financial forecasts within the LTFP are a reasonable estimate of future income and expenditure, variations will occur, which reinforces the need for the LTFP to be reviewed and updated on an annual basis.

Through the consideration and adoption by Council of the various elements making up the Long Term Financial Plan (ie: Rating Strategy, Debt Management Plan, Fees & Charges, Councillor Fees & Allowances, Asset Management Plans, etc), together with management and staff recommendations, a Long Term Financial Plan has been produced that demonstrates a financially sustainable position for the Shire of Collie over the next 10 years.

11.7 Draft Fees & Charges 2026/2027	
<b>Reporting Department:</b>	Chief Executive Officer
<b>Reporting Officer:</b>	Phil Anastasakis – Chief Executive Officer
<b>Accountable Manager:</b>	Phil Anastasakis – Chief Executive Officer
<b>Legislation:</b>	<i>Local Government Act 1995</i> <i>Local Government (Financial Management) Regulations 1996</i>
<b>File Number:</b>	FIN/069
<b>Appendices:</b>	Appendix 11.7.A – Draft Fees & Charges 2026/27 Appendix 11.7.B – Fees & Charges 2025/26
<b>Voting Requirement:</b>	Simple Majority

### Report Purpose

This report presents Council with the draft 2026/27 Fees and Charges, which form part of the 2026/27 budget development process. The final Fees and Charges will be included in the budget adoption report presented to Council in June 2026.

### Officer's Recommendation:

*That Council:*

1. *Endorse the Draft Shire of Collie 2026/27 Schedule of Fees and Charges included as Appendix 11.7.A, to become effective 1 July 2026.*
2. *Where required, give local public notice of the applicable Fees and Charges.*

### Background:

Section of 6.16 to 6.19 of the *Local Government Act 1995* contains the provisions for local governments to set Fees and Charges annually. Historically Council has adopted its annual Fees and Charges later in the financial year, through the Annual Budget adoption process.

Reviewing the draft 2026/27 Fees and Charges early in the year allows Council to prioritise and implement budget forecast revenue streams into the 2026/27 Annual Budget from the 1 July 2026.

### Statutory and Policy Implications:

#### **Local Government Act 1995**

#### **6.16. Imposition of fees and charges**

- (1) *A local government may impose\* and recover a fee or charge for any goods or service it provides or proposes to provide, other than a service for which a service charge is imposed.*

*\* Absolute majority required.*

- (2) A fee or charge may be imposed for the following —
- (a) providing the use of, or allowing admission to, any property or facility wholly or partly owned, controlled, managed or maintained by the local government;
  - (b) supplying a service or carrying out work at the request of a person;
  - (c) subject to section 5.94, providing information from local government records;
  - (d) receiving an application for approval, granting an approval, making an inspection and issuing a licence, permit, authorisation or certificate;
  - (e) supplying goods;
  - (f) such other service as may be prescribed.
- (3) Fees and charges are to be imposed when adopting the annual budget but may be —
- (a) imposed\* during a financial year; and
  - (b) amended\* from time to time during a financial year.

\* Absolute majority required.

#### **6.17. Setting level of fees and charges**

- (1) In determining the amount of a fee or charge for a service or for goods a local government is required to take into consideration the following factors —
- (a) the cost to the local government of providing the service or goods; and
  - (b) the importance of the service or goods to the community; and
  - (c) the price at which the service or goods could be provided by an alternative provider.
- (2) A higher fee or charge or additional fee or charge may be imposed for an expedited service or supply of goods if it is requested that the service or goods be provided urgently.
- (3) The basis for determining a fee or charge is not to be limited to the cost of providing the service or goods other than a service —
- (a) under section 5.96 (copy of various registers, reports, plans, local laws, etc); or
  - (b) under section 6.16(2)(d) (copy of licenses, permits, certificates, etc); or
  - (c) prescribed under section 6.16(2)(f), where the regulation prescribing the service also specifies that such a limit is to apply to the fee or charge for the service.
- (4) Regulations may —
- (a) prohibit the imposition of a fee or charge in prescribed circumstances; or
  - (b) limit the amount of a fee or charge in prescribed circumstances.

#### **6.18. Effect of other written laws**

- (1) If the amount of a fee or charge for a service or for goods is determined under another written law a local government may not —
- (a) determine an amount that is inconsistent with the amount determined under the other written law; or

*(b) charge a fee or charge in addition to the amount determined by or under the other written law.*

*(2) A local government is not to impose a fee or charge for a service or goods under this Act if the imposition of a fee or charge for the service or goods is prohibited under another written law.*

**6.19. Local government to give notice of fees and charges**

*If a local government wishes to impose any fees or charges under this Subdivision after the annual budget has been adopted it must, before introducing the fees or charges, give local public notice of —*

*(a) its intention to do so; and*

*(b) the date from which it is proposed the fees or charges will be imposed.*

**Local Government (Financial Management) 1996**

**6.2. Local government to prepare annual budget**

*(4) The annual budget is to incorporate —*

*(a) particulars of the estimated expenditure proposed to be incurred by the local government;*

**Budget Implications:**

Revenue associated with the adoption of the 2026/27 Fees and Charges will be included in Council's four-year 2026/27 – 2029/30 Corporate Business Plan, 10 year Long Term Financial Plan, and the 2026/27 Annual Budget.

**Budget – Whole of Life Cost:**

As no assets have been created as part of this agenda item, there are no whole of life cost implications.

**Communications / Consultation Requirements:**

No consultation is required in relation to this report.

**Strategic Implications:**

STRATEGIC COMMUNITY PLAN AND CORPORATE BUSINESS PLAN		
<b>GOAL:</b>	5	Our Organisation
<b>Objective:</b>	5.1	Innovative leadership, forward planning and mutually beneficial partnerships
<b>Priority</b>	5.1.2	To progressively improve the Shire's financial health indicators

**Relevant Precedents:**

Each year, setting of the Fees and Charges forms part of the Annual Budget / Long Term Financial Plan development process.

**Risk Assessment:**

The Risk Management Governance Framework has been considered in arriving at the Officer Recommendation.

<b>TIER 2 – ‘Low’ or ‘Moderate’ Inherent Risk.</b>		
Risk Event	Draft Fees & Charges 2026/2027	
Inherent Risk Rating (prior to treatment or control)	Low (1 - 4)	
Risk Action Plan (treatment or controls proposed)	As the Residual Risk Rating is below 12, this is not applicable.	
Residual Risk Rating (after treatment or controls)	Low (1 - 4)	
Risk Category Assessed Against (Health, Financial Impact, Service Interruption, Legal and Compliance, Reputational, Environmental, Property)	Health	Nil
	Financial	Failing to raise sufficient revenue through fees and charges may impact on the financial sustainability of Council services.
	Service Interruption	Nil
	Legal and Compliance	Failing to give due consideration to the legal and compliance matters related to setting fees and charges may result in non-compliance.
	Reputational	Setting fees and charges too high may result in diminished public confidence.
	Environmental	Nil
Property	Nil	

**Comment:**

Council is requested to consider and endorse the draft Fees & Charges for the 2026/27 financial year. The endorsed Fees and Charges will form part of the 2026/27 Annual Budget. Any further adjustments to the Fees and Charges for 2026/27 will be included as part of the Budget adoption meeting scheduled for June 2026.

The proposed fees and charges have been reviewed not only on the basis of cost recovery, but to also allow for a clear application by staff and not be cost prohibitive. Input has been sought from Directors and key members of staff.

In the schedule of draft 2026/27 Fees and Charges, the majority of the fees and charges have increased by an average of 4.5%, partly reflective of CPI (4.1%) and other costing methodologies. The level of the fee or charge is set taking into account the cost, the importance to the community and the price of competitors. In each category the fee or charge is subject to a regular assessment to evidence compliance with legislation and to ensure there is no ‘revenue leakage’ which can result if the underlying costs on which the fee or charge is based exceeds CPI.

It should be noted that whilst some fees and charges have not increased over time, for example statutory fees such as Dog Registration Fees and FOI Applications, all fees and charges are reviewed on an annual basis.

The list of the proposed Draft 2026/27 Fees and Charges also includes several new Fees as noted in Appendix 11.7.A. For comparison, the adopted 2025/26 Fees & Charges are included in Appendix 11.7.B.

<b>11.8 Local Government Act 1995 Reforms – Amendment to Code of Conduct</b>	
<b>Reporting Department:</b>	Chief Executive Officer
<b>Reporting Officer:</b>	Nicole Wasmann – Governance Coordinator
<b>Accountable Manager:</b>	Phil Anastasakis – Chief Executive Officer
<b>Legislation</b>	<i>Local Government Act 1995</i>
<b>File Number:</b>	GOV/031
<b>Appendices:</b>	11.8.A Revised Code of Conduct for Council Members, Committee Members and Candidates
<b>Voting Requirement</b>	Absolute Majority

**Report Purpose:**

For Council to consider amendments to the Code of Conduct for Council Members, Committee members and Candidates (Code of Conduct) to ensure compliance with the amendments made to the *Local Government (Model Code of Conduct) Regulations 2021*.

**Officer's Recommendation:**

*That Council*

- 1) *Adopts the amended Code of Conduct for Council Members, Committee Members and Candidates as provided in Appendix 11.8.A.*
- 2) *Notes a further report on the review of Council Policy CP1-019 Elected Members Code on Conduct Behaviour Complaints Management Process will be presented to the June Ordinary Council Meeting.*

**Background:**

As part of local government reforms which commenced in 2019, a new code of conduct system was introduced in 2021 through the *Local Government (Model Code of Conduct) Regulations 2021*. Local governments were required to adopt a 'model' Code of Conduct.

This created a two-tier system, where local government were required to deal with Code of Conduct 'behavioural complaints' themselves giving local governments a degree of independence to deal with conduct related matters in-house. The second tier required complaints against the rules of conduct to be dealt with by the Local Government Standards Panel. The Shire of Collie adopted the Code of Conduct in March 2021.

With more recent overarching reforms brought by the *Local Government Amendment Act 2024*, a new complaints handling framework has been introduced with the commencement of the Office of the Inspector. The *Local Government (Local Government Inspector) Regulations 2025* and the *Local Government Regulations Amendment (Local Government Amendment Act 2024) Regulations 2025* (the Inspector Consequential Regulations) provide the operational detail for new oversight powers under the *Local Government Act 1995*.

The Inspector Consequential Regulations included updating the Model Code of Conduct. Local governments are required to adopt the updated Model Code of Conduct for Council Members, Candidates and Committee Members to align with the new complaints handling system.

The amendments include:

- A requirement to refer specific complaints to the Inspector (clause 11).
- A requirement to deal with a complaint referred from the Inspector to the local government (clause 11).
- A clause referencing the ability of the inspector to appoint a monitor to assist the local government (clause 14A).
- A clause specifying that dealing with and determining a complaint must be done by the Council, unless Council expressly authorises (by absolute majority) the complaint to be dealt with by a committee or a specific person outside of the local government (clause 14B).
- Consequential amendments relating to the numbering of clauses and definitions.
- Transitional amendments specifying that the amendment cannot apply to a complaint made prior to January 2026.

**Statutory and Policy Implications:**

**Local Government Act 1995**

**5.103. Model code of conduct for council members, committee members and candidates**

- (1) *Regulations must prescribe a model code of conduct for council members, committee members and candidates.*
- (2) *The model code of conduct must include —*
  - (a) *general principles to guide behaviour; and*
  - (b) *requirements relating to behaviour; and*
  - (c) *provisions specified to be rules of conduct.*
- (3) *The model code of conduct may include provisions about how the following are to be dealt with —*
  - (a) *alleged breaches of the requirements referred to in subsection (2)(b);*
  - (b) *alleged breaches of the rules of conduct by committee members.*
- (3A) *Without limiting subsection (3), the provisions of the model code of conduct may —*
  - (a) *provide for the Inspector to appoint a monitor for a local government to assist the local government to deal with matters raised by a complaint of a behavioural breach; and*
  - (b) *confer other functions on the Inspector in relation to a complaint of a behavioural breach.*
- (4) *The model code of conduct cannot include a rule of conduct if contravention of the rule would, in addition to being a conduct breach, also be a specified breach.*
- (5) *Regulations may amend the model code of conduct.*

**5.104. Adoption of model code of conduct**

- (1) *Within 3 months after the day on which regulations prescribing the model code come into operation, a local government must prepare and adopt\* a code of conduct to be observed by council members, committee members and candidates that incorporates*

*the model code.*

*\* Absolute majority required.*

- (2) *Within 3 months after the day on which regulations amending the model code come into operation, the local government must amend\* the adopted code of conduct to incorporate the amendments made to the model code.*

*\* Absolute majority required.*

- (3) *A local government may include in the adopted code of conduct requirements in addition to the requirements referred to in section 5.103(2)(b), but any additional requirements —*

*(a) can only be expressed to apply to council members or committee members; and*

*(b) are of no effect to the extent that they are inconsistent with the model code.*

- (4) *A local government cannot include in the adopted code of conduct provisions in addition to the principles referred to in section 5.103(2)(a) or the rules of conduct.*

- (5) *The model code is taken to be a local government's adopted code of conduct until the local government adopts a code of conduct.*

- (6) *An alleged breach of a local government's adopted code of conduct by a candidate cannot be dealt with under this Division or the adopted code of conduct unless the candidate has been elected as a council member.*

- (7) *The CEO must publish an up-to-date version of a local government's adopted code of conduct on the local government's official website.*

*Error! Use the Home tab to apply Name Of Act/Reg to the text that you want to appear here.*

A review of Council Policy CP1-019 Elected Members Code on Conduct Behaviour Complaints Management Process will also be required to ensure alignment with the changes.

**Budget Implications:**

Nil.

**Budget – Whole of Life Cost:**

As this report does not propose new assets, there are no direct whole of life or ongoing cost implications.

**Communications / Consultation Requirements:**

Nil.

**Strategic Implications:**

STRATEGIC COMMUNITY PLAN AND CORPORATE BUSINESS PLAN		
<b>GOAL:</b>	5	Our Organisation
<b>Objective:</b>	5.1	Innovative leadership, forward planning, and mutually beneficial partnerships
<b>Strategic Priority:</b>	5.1.6	To provide good governance across the organisation

**Relevant Precedents:**

The Shire's Code of Conduct was adopted by Council at the Ordinary Meeting of Council on 9 March 2021 Resolution 8685. The Code of Conduct was adopted as a consequence of the State Government introducing the *Local Government (Model Code of Conduct) Regulations 2021*.

**Risk Assessment:**

The Risk Management Governance Framework has been considered in arriving at the Officer Recommendation.

<b>TIER 2 – 'Low' or 'Moderate' Inherent Risk.</b>															
Risk Event	Local Government Act 1995 Reforms – Amendment to Code of Conduct														
Inherent Risk Rating (prior to treatment or control)	Low (1 - 4)														
Risk Action Plan (treatment or controls proposed)	As the Residual Risk Rating is below 12, this is not applicable.														
Residual Risk Rating (after treatment or controls)	Low (1 - 4)														
Risk Category Assessed Against (Health, Financial Impact, Service Interruption, Legal and Compliance, Reputational, Environmental, Property)	<table border="0"> <tr> <td>Health</td> <td>Nil</td> </tr> <tr> <td>Financial</td> <td>Nil.</td> </tr> <tr> <td>Service Interruption</td> <td>Nil</td> </tr> <tr> <td>Legal and Compliance</td> <td>Failure to adopt the proposed amendments would expose the Shire to regulatory non-compliance.</td> </tr> <tr> <td>Reputational</td> <td>Failure to adopt the proposed amendments may result in diminished public and sector confidence.</td> </tr> <tr> <td>Environment</td> <td>Nil</td> </tr> <tr> <td>Property</td> <td>Nil</td> </tr> </table>	Health	Nil	Financial	Nil.	Service Interruption	Nil	Legal and Compliance	Failure to adopt the proposed amendments would expose the Shire to regulatory non-compliance.	Reputational	Failure to adopt the proposed amendments may result in diminished public and sector confidence.	Environment	Nil	Property	Nil
Health	Nil														
Financial	Nil.														
Service Interruption	Nil														
Legal and Compliance	Failure to adopt the proposed amendments would expose the Shire to regulatory non-compliance.														
Reputational	Failure to adopt the proposed amendments may result in diminished public and sector confidence.														
Environment	Nil														
Property	Nil														

**Comment:**

The Code of Conduct for Council Members, Committee Members and Candidates has been amended with the changes to the *Local Government (Model Code of Conduct) Regulations 2021*. The changes are tracked in Appendix 11.8.A Revised Code of Conduct for Council Members, Committee Members and Candidates. Council is now asked to adopt the amended Code.

A further report will be provided to Council in June following a review of Council Policy CP1-019 Elected Members Code on Conduct Behaviour Complaints Management Process.

**12. OPERATIONS REPORTS**

12.1 Food Organic and Garden Organic (FOGO) Waste – 3 Bin System Update Report	
<b>Reporting Department:</b>	Operational Services
<b>Reporting Officer:</b>	Brad Grinter – Director Operations
<b>Accountable Manager:</b>	Phil Anastasakis – Chief Executive Officer
<b>Legislation</b>	<i>Local Government Act 1995</i>
<b>File Number:</b>	WAT/013
<b>Appendices:</b>	Confidential Appendix 12.1.A – Circulated Separately
<b>Voting Requirement</b>	Simple Majority

**Report Purpose**

Council is requested to receive the Food Organic Garden Organic (FOGO) waste collection update report and consider whether to continue with the 3-bin FOGO collection service to households in Collie.

**Officer's Recommendation:**

*That Council:*

1. *Receive this Food Organic and Garden Organic (FOGO) Waste – 3 Bin System Update Report.*
2. *Continue with the 3-bin FOGO collection service to households in Collie in accordance with Option 1 for the next 3 years from 1 July 2026, subject to the following:*
  - a. *the collection service being diverted to the Cleanaway Landfill Facility in Dardanup based on the Cleanaway processing fee remaining at \$72.64 (with CPI movements).*
  - b. *If option (a) is not achievable, then the FOGO collection service being diverted to the Kwinana Waste-for-Energy Plant, based on Collie receiving the state government FOGO transport subsidy of \$95 per tonne.*
3. *Continue to investigate the discontinuance of the FOGO collection service and return to a 2-bin collection service to households in Collie in accordance with Option 2, based on all waste diverted to the Collie Waste Facility.*

**Background:**

An agenda item was presented at the 11 February 2025 Ordinary Meeting of Council in relation to the change of Food Organics and Garden Organics (FOGO) processing practices at the Bunbury Harvey Regional Council (BHRC) Facility which occurred in late 2024. This change of practice essentially prohibits FOGO with contamination levels in excess of 1% from being received at the facility, which is an unachievable benchmark for the southwest contingent of Councils utilising the BHRC facility via Cleanaway.

Council subsequently resolved (Res 9545) to allow Cleanaway to continue with the FOGO collection service to households on the basis of FOGO would now to be diverted to the Dardanup waste facility.

*That Council:*

- 1. continue with the FOGO collection service to households, with the collection service to divert FOGO to either the Dardanup landfill facility, or the Shire of Collie Waste Transfer Station, whichever is determined by Shire officers to be the most economically advantageous to the Shire, as an interim arrangement for the remainder of 2024-25.*
- 2. request the CEO provides a further report at the April Ordinary Council Meeting on the future of the FOGO service in the Shire of Collie, inclusive of results from community survey.*

The Shire of Collie conducted a community survey in accordance with part 2 of resolution 9545, the results of which are summarised under '*Communication / Consultation*' below.

On 4 March 2025 the BHRC Chief Executive Officer (CEO) contacted all Councils, including Shire of Collie, impacted by the change of material contamination requirements of less than one percent. BHRC's CEO advised that the facility remains closed to incoming FOGO material for the foreseeable future.

In addition to the 4 March 2025 advice from BHRC, Council Officers received feedback from:

- Cleanaway Pty Ltd (Shire of Collie's appointed Waste Management Contractor); and
- DWER Grants and Agreements Department (regarding the Better Bins Plus Grant Program);

This feedback made it clear that no reasonable interim or prospective FOGO processing solution had been found, with the exception of Department of Water and Environmental Regulation's (DWER) advice regarding their financial incentive for continuation of FOGO processing as a short-to-medium term.

The Shire of Dardanup advised that they progressed with a tender calling for a FOGO processing service, but this did not include Collie in the process.

A further report was presented to Council at the 8 April 2025 Ordinary Meeting of Council in relation to FOGO processing.

Council subsequently resolved (Res 9573) the following:

*That Council:*

- 1. Continue with the 3-bin FOGO collection service to households in Collie in accordance with Option 1 for the remainder of 2025, with the FOGO collection service diverted to Shire of Collie Waste Transfer site;*
- 2. Request that the CEO provides a further report at the December 2025 Ordinary Council Meeting on the longer term future of the FOGO service in the Shire of Collie.*
- 3. Communicate to the community the continued support for the FOGO service and the separation of waste as it is anticipated that this temporary diversion to the Shire's Waste facility is an interim arrangement due to factors outside of the control of the Shire of Collie.*

*Carried: 5/4*

A meeting was convened by the office of the Minister for the Environment on the 10 November 2025 to discuss FOGO challenges. The meeting was held at the DWER office in Bunbury and was chaired by Parliamentary Secretary to the Minister for Environment, Ms Kim Giddens MLA. Attendees included Jodie Hanns MLA, DWER staff, SWDC CEO, Minister for Environment staff together with Shire Presidents and CEOs from the City of Bunbury and the Shires of Augusta-Margaret River, Capel, Collie, Dardanup, Donnybrook-Balingup, and Harvey.

Correspondence has subsequently been received from the Parliamentary Secretary to the Minister for Environment, advising the following:

- FOGO in the south-west region has a decade long legacy in the region and preserving it is a shared responsibility. The meeting was a critical opportunity to align on solutions for a more sustainable FOGO system into the future.
- The meeting noted broad interest in finalising an interim arrangement for transporting FOGO material to existing commercial processors in or around the Perth region.
- Local governments were encouraged to continue working collaboratively with other local government colleagues and the DWER to finalise planning and implementation of this arrangement.
- While acknowledging the point raised by local governments for State Government funding assistance to support the interim arrangements set out above, the decision was not supported but this would be considered in further discussion with the Minister.
- In the meantime, some key messages from the meeting:
  - A long-term solution for FOGO will require a collective approach by south-west local governments, ensuring sufficient volumes and industry certainty to make FOGO processing commercially viable.
  - Any State Government subsidy would be offered on a short-term basis only. Local governments must accurately forecast and budget for the full cost of FOGO processing over the long term.
  - A commitment to behaviour change and community engagement is critical to minimising contamination and ensuring processors can produce marketable FOGO-derived products. The Department is available to assist with designing and targeting community engagement efforts.

Another meeting was held with DWER and CEO's on the 1 December 2025. The outcome of the meeting can be summarised as follows:

- The Shire of Dardanup had obtained preliminary quotes/costings in relation to the transporting and processing of waste from Dardanup to Perth. This was based on a central aggregation of material at one site. There was no clear solution on the ability of their Banksia Road transfer station to be used as an interim collection point for FOGO material.
- DWER are most likely at least 6 months away from having a solution on the Stanley Road waste site, which will determine whether FOGO waste can return to being delivered and processed at that site. Both the Shire of Harvey and City of Bunbury are part of those discussions.
- The two main potential sites in the future for FOGO waste in the region would be Stanley Road or the Cleanaway site at Banksia Road, but the availability of both sites

have restrictions around future cost and timing.

- DWER discussed the rebate that was being proposed. This is summarised as follows:
  - Transport subsidy based on FOGO being transported to a licensed processor in Perth.
  - Subsidy per tonne based on:
    - 2025/26 \$75
    - 2026/27 Initially \$50 – now increased to \$95
    - 2027/28 Initially \$25 – now increased to \$95
    - 2028/29 Initially \$0 – now increased to \$95
  - Contamination Plan to be submitted – no greater than 7%.
  - Subsidy based on commitment to continue FOGO service for the next claim period, confirmed intention to participate in tender processes to secure and contract a licensed FOGO processor, plus other criteria.
  - No information is available on the impact of recent fuel price increases.

#### **Statutory and Policy Implications:**

Following the resolution of Council passed on 9 May 2023, the Shire of Collie entered into the Southwest Regional Waste Management Contract with Cleanaway Pty Ltd, for a period of seven (7) years.

Under the current Gibb's Road, Collie Landfill licence, FOGO waste material cannot be accepted at the facility for storage and processing as the Shire of Collie is not licenced as a Category 76A. FOGO material would need to be collected as general waste and disposed at the landfill site as putrescible waste. An amendment to the licence would be required to store and process FOGO to an acceptable standard. This would be a very complex process, that would impact on staffing arrangements, site processes and the Shire's capacity to produce a suitable compostable material.

#### **Budget Implications:**

Refer to **Confidential Attachment 1**. Waste service expenses will be further determined as part of 2026-2027 budget process.

#### **Budget – Whole of Life Cost:**

Refer to **Confidential Attachment 1**. Waste service expenses will be further determined as part of 2026-2027 budget process and in the Shires Long Term Financial Plan.

#### **Communications / Consultation:**

The any change(s) to FOGO processing or removal of the service (pending Council decision) will be communicated to the Shire of Collie community via social media and local publications to ensure full transparency of Shire operations, in accordance with the core values of Council's *Corporate Business Plan 2023/24 – 2026/27*.

In March 2025 a community survey was presented to the Collie community to gather valuable feedback on FOGO processing. This survey aimed to understand the community's current habits and preferences regarding organic waste disposal. By collecting this information, Councillors would be able to make a more informed decision on the future of FOGO, ensuring the needs and expectations of the residents are considered. The survey was open from the

18 March – 1 April 2025.

Community feedback indicated 69% of residents used their FOGO bin daily or weekly, with more than 50% of the volume used for garden organic waste. More than 60% of the community rated FOGO as important/very important, while 69% highlighted they would be dissatisfied if FOGO contributed to a cost increase. Interestingly, more than 50% of responses indicated that they would be satisfied in returning to a 2-bin system, that included a weekly general waste collection. However, the results have highlighted that 60% of people surveyed are not interested/neutral in their response to engage in composting at home.

The recent March 2026 community survey associated with the Strategic Community Plan review indicated similar decreased support for FOGO compared with general waste and recycling waste services.

**Strategic Implications:**

STRATEGIC COMMUNITY PLAN AND CORPORATE BUSINESS PLAN		
<b>GOAL:</b>	4.1	A high standard of sustainable waste services
<b>Objective:</b>	4.1.2	To substantially reduce waste to landfill

**Relevant Precedents:**

Council has previously resolved to support and implement FOGO.

**Comment:**

Cleanaway has confirmed that the current 7-year contract entered into with the Shire of Collie on 1 July 2023 has provision for the FOGO Bin Removal Service, however it does not provide any prescribed unit costs or methodology for a post-FOGO 2-Bin collection and Transport Service.

If the service reverts to a 2-bin system for kerbside collections, the general waste bin will need to be emptied on a weekly basis. Based on previous quotes, the drive by rate would increase. However, pricing is based on all four local governments (including Harvey, Capel, Donnybrook and Collie) transitioning from a 3-Bin to 2-bin system during the same quarter of any financial year period. Should the Shire of Collie act in isolation to the other four (4) local governments with a 2-bin service then this price would likely increase.

Further to this, Cleanaway could confirm that as stated in the contract, the FOGO bin removal service pricing is subject to the Schedule of Rates for the current financial year. Cost to remove and recycle of decommissioned FOGO units could increase in 2025/26 and or 2026/27. The receptacles would typically be chipped onsite and shipped to Australia MCB Manufacturers. The steel axles will be recycled through a metal recyclable company, but the wheels will be landfilled, as there is currently no viable recycling avenue.

If Council did decide to revert to a 2 bin service, then an up to date quote would be required from Cleanaway to enable a final cost analysis to be performed.

Cleanaway have proposed commissioning a FOGO processing facility in the South-west but cannot move forward without the volume commitments from the Southwest LGA's. They have stated they will remain on standby to provide solutions, in the Southwest LGA would like to discuss this further.

On 10 March 2025, DWER Assistant Manager of Grants and Agreements responded to Council Officers request for information on the implications to the Better Bins Plus Grant Funding Agreement the Shire of Collie entered in 2020. DWER has stated that if the Shire were to revert to offering a kerbside service for a general waste bin and a recyclables bin but no longer offering a kerbside service for a FOGO bin, the Shire would be in breach of clause 5.1(a) of the Better Bins Plus Funding Agreement.

Should the Shire move to take action that would trigger a breach of contract, the State of Western Australia would request a financial audit of the project to determine how far the project progressed. An option available for the State of Western Australia upon the breach of contract would be to terminate the contract pursuant to clauses 14.1(e) and 14.2(a), triggering the requirement for the Shire to repay a portion of the grant funding it received from the State of Western Australia. The grant funding that is likely to be sought to be returned would constitute the remaining unallocated amount, which is estimated to be \$36,092.

### **Conclusion**

The Options provided on the FOGO service are complex and involve many agencies, contract elements and local governments.

Given the complexity of the matter, unless Cleanaway is able to confirm in writing the contract rates applicable to the removal of the FOGO service, it is considered prudent at this time to retain the existing 3-bin system for the next 3 years commencing 2026/27, with FOGO continuing to be directed to the Cleanaway Waste Facility in Dardanup if possible or Perth if this option no longer exists.

This will also allow for more time to consider whether the state government will offer further financial subsidies that are long term and ensure the sustainability of FOGO. Further time will also confirm whether the Stanley Road waste site can resolve their current issues and receive FOGO in the future.

**13. DEVELOPMENT SERVICES REPORTS**

13.1 Proposed Structure Plan Lot 1119 Prinsep Street North, Collie	
<b>Reporting Department:</b>	Development Services
<b>Reporting Officer:</b>	David Quelch – Manager Planning & Development
<b>Accountable Manager:</b>	Alex Wiese – Director Development Services
<b>Legislation</b>	<i>Planning and Development Act 2005</i>
<b>File Number:</b>	A6039
<b>Appendices:</b>	Appendix 13.1.A – Structure Plan Appendix 13.1.B – Schedule of Public and Referral Agency Submissions
<b>Voting Requirement</b>	Simple Majority

For Council to consider and provide a recommendation to the Western Australian Planning Commission regarding a proposed Structure Plan at Lot 1119 Prinsep Street North, Collie.

**Officer's Recommendation:**

*That Council:*

1. *Pursuant to Schedule 2 Part 4 Clause 20 of the Planning and Development (Local Planning Schemes) Regulations 2015 recommend to the Western Australian Planning Commission that the proposed Lot 1119 Prinsep Street North, Collie Structure Plan within Appendix 13.1.A not be approved.*
2. *Forward to the Western Australian Planning Commission the recommendation together with items following:*
  - a) *A list of the submissions considered by the local government, as outlined within the Schedule of Submissions contained in Appendix 13.1.B;*
  - b) *The local government's assessment of the proposal based on appropriate planning principles, as contained within this Council report; and*
  - c) *This recommendation by the local government as contained within this Council resolution.*
3. *Request the CEO to prepare a report on options for the development of a single new Structure Plan for the area in North Collie bounded by Prinsep Street North, Booth Street, Atkinson Street North, Annesley Drive and Ewing Street, but excluding land within the Rural residential zone.*
4. *Note that the Structure Plan report referenced in recommendation 2. above will be provided to Council in 2026.*

**Background:**

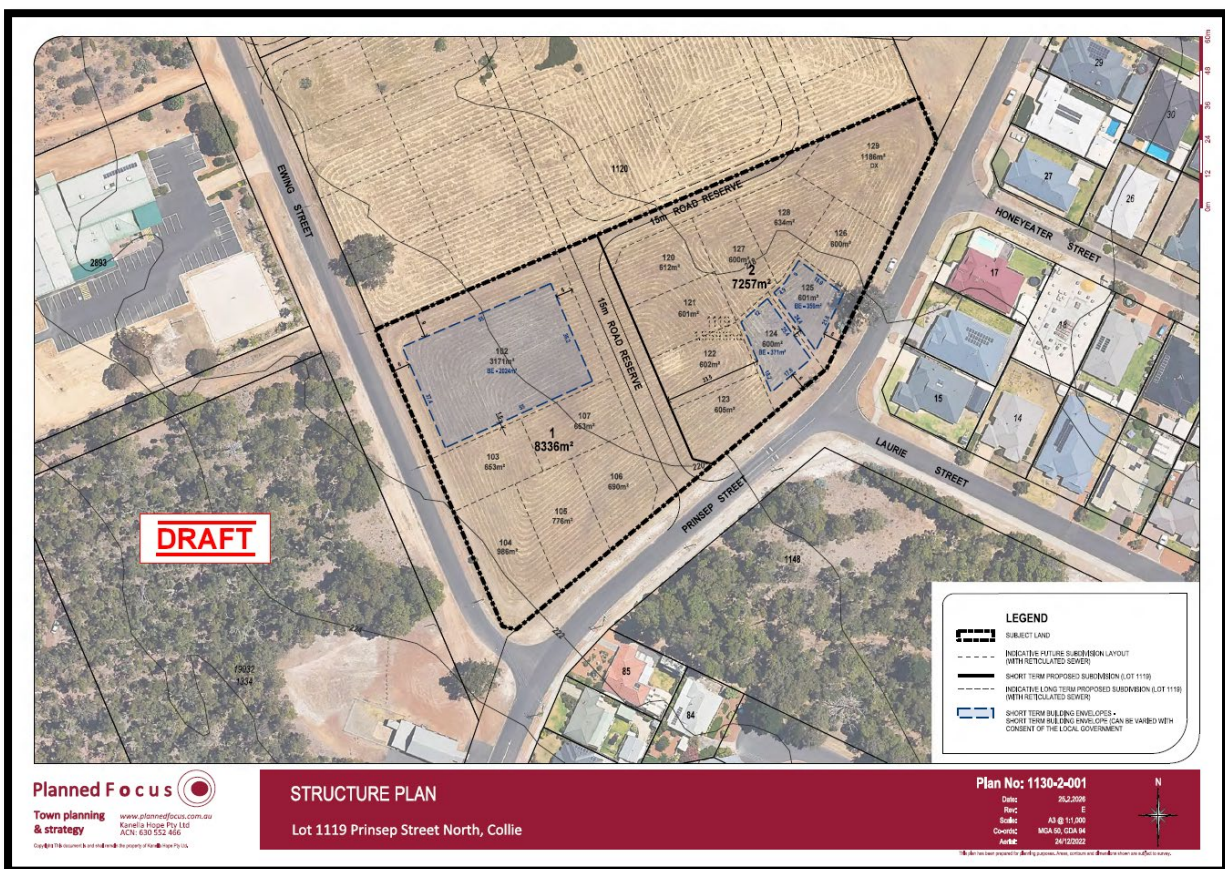
An application for a Structure Plan (refer Appendix 13.1.A) has been lodged with the Shire by Planned Focus, on behalf of Marc and Richelle Pike, owners of Lot 1119 Prinsep Street North, Collie. The application was fully lodged with payment on 2 October 2025.

Also note that an application has been lodged with the Western Australian Planning Commission to subdivide the subject site into two lots. The proposed subdivision boundaries are consistent with the boundaries shown on the North Collie Structure Plan.

Proposal

The purpose of the Structure Plan (refer to Figure 1) is to guide and facilitate subdivision of the land for residential purposes. This is proposed in two stages, the short-term and initial stage consisting of only a 2 lot subdivision. The longer-term outlook relies on the availability of sewer, however has been designed to enable a residential density of R10\* (Refer to Table 1). Subdivision of the land for both stages is subject to separate application through the Western Australian Planning Commission. The proposed Structure Plan, if approved, will supersede the North Collie Structure Plan where it applies to this lot.

\* Structure Plan was amended on 25 February 2026 with the number of future lots for Lot 1 reduced from 9 down to 6 and number of building envelopes reduced from 4 down to 1. This resulted in the overall number of future lots being reduced from 19 down to 16 and R-Code density reduced from R15 down to R10.



**Figure 1 – Structure Plan - Aerial**

Item	Data	
Total area covered by the Structure Plan	1.5593 hectares	
Estimated number of dwellings	Short Term	2 dwellings
	Long Term (with reticulated sewer)	16+ dwellings
Estimated residential site density	10.26 dwellings per hectare (minimum 16 lots created, excluding additional group dwellings)	
Estimated population (at 2.5 persons / dwelling)	40 persons (minimum 16 lots created + grouped dwellings)	

**Table 1 – Development Summary**

### Site Description

The subject site has an area of 1.5593ha and is located approximately 2km to the north-east of the Collie townsite. The subject site has a 110m frontage to Ewing Street and 225m frontage to Prinsep Street. Surrounding land includes rural residential style lots in the vicinity of 1ha to the north; Private community purposes (sewer pump station) and Civic and community (mostly bushland) zoned land to the west and residential development and public open space (bushland) to the east. The site is vacant and has historically been cleared for animal grazing and only features one tree adjacent to the Prinsep Street North frontage.

The lot is currently serviced by a reticulated power and water supply. While the subject site is not currently connected to reticulated sewer, the residential properties to the south and east (on the opposite side of Prinsep Street North) are serviced by reticulated sewer.

### Environment

The site is predominantly cleared of vegetation. The site is not prone to flooding and is located approximately 1km from the Collie River. The site is located within a Bushfire Prone Area and therefore an assessment against SPP3.7 – Bushfire is required.

### Site and Soil Evaluation

A site and soil evaluation (SSE) and Geotechnical Report has been undertaken for the subject site. Fieldwork for the SSE was undertaken in August 2024 confirms that the site can contain onsite wastewater disposal. The Geotechnical report also concludes that the site is capable of development subject to certain requirements at the time of development.

### Shire of Collie Local Planning Strategy 2020 (The Strategy)

The Strategy identifies the subject land as Urban Development with recognition of its inclusion within the North Collie Structure Plan.

The Strategy notes that the area was subdivided into mostly 1ha residential lots, resulting in rural residential land close to the town, which represents an under-utilisation of land that would be more appropriately used for denser residential subdivision (e.g. R15).

Clause 6.2 of the Strategy includes the following planning implications for the subject land:

- Land use constraints result in an urban growth front to the north of Collie.
- Existing Urban Development zones are to be used for Residential (i.e. R15) and not for low-density residential or rural residential.

Clause 6.3 of the Strategy includes the following planning response:

*Support the subdivision/development of land identified as urban development subject to proponents satisfying relevant zoning, structure planning, environmental, fire management and other planning considerations.*

The proposed indicative long-term subdivision creates 16 lots over an area of 1.5593 hectares, resulting in 10.26 dwellings per hectare or a R-Code density of R10. Consequently, the proposed Structure Plan does not meet the intent of the Strategy, which seeks to achieve a residential density of R15 in the North Collie Structure Plan area.

#### North Collie Structure Plan (NCSP)

The NCSP refers to future planning and requires that subdivision at a higher density will require comprehensive structure planning to address future road networks, infrastructure and public open space. Subdivision applications are also required to be accompanied by a geotechnical report demonstrating the capacity of the land to accommodate further development.

It is important to note that the expiry date for the NCSP has been extended by the WAPC to 19 October 2027, despite submissions from the Shire of Collie that it should have expired in 2025, along with several other structure plans. This Shire submission to WAPC was based on the fact the old (and since extended NCSP) is not consistent with the objectives of the Strategy or the Urban Development zoning and therefore an updated Structure Plan is required.

#### **Statutory and Policy Implications:**

##### Planning and Development (Local Planning Schemes) Regulations 2015

- Schedule 2, Part 4 - Structure Plans

##### Shire of Collie Local Planning Scheme No.6

Part 3 - Zones & Objectives – Urban Development Zone

Part 4 - General Development Requirements - 33.7 Urban Development Zone Requirements.

##### State Planning Policies

- State Planning Policy 3.0 Urban Growth and Settlement
- Operational Policy 2.2 Residential Subdivision
- Draft Liveable Neighbourhoods 2015
- Residential Design Codes - Volume 1 2024

##### Urban Development Zone

The objectives of the Urban Development Zone seek:

- *To provide an intention of future land use and a basis for more detailed structure planning in accordance with the provisions of this Scheme.*
- *To provide for a range of residential densities to encourage a variety of residential accommodation.*
- *To provide for the progressive and planned development of future urban areas for residential purposes and for commercial and other uses normally associated with residential development.*

##### Clause 33.7 – Urban Development Zone Requirements

*This provision states Subdivision and development in the Urban Development zone shall be in accordance with a structure plan prepared and approved in accordance with Part 4 of the Deemed Provisions, unless the proposed subdivision and development is approved by the decision-maker in accordance with Part 4, clause 27(2) of the Deemed Provisions.*

**Budget Implications:**

There are no direct financial implications associated with the officer's recommendation.

**Budget – Whole of Life Cost:**

As this report does not propose new assets, there are no direct whole of life or ongoing cost implications.

**Communications / Consultation Requirements:**

The proposal has been advertised in accordance with Schedule 2, Part Cl.18 of *Planning and Development (Local Planning Schemes) Regulations 2015*.

The public advertising was for a period of 42 days from 6 November 2025 to 18 December 2025 and communications were made in the following ways:

- An advertisement in the local newspaper on 6 November 2025;
- Letters mailed to adjoining land owners in the locality;
- Email to relevant government agencies.

A total of four (4) submissions were received as a result of the public advertising period and seven (7) were received from government agencies and service providers. A summary of the submissions is detailed in Appendix 13.1.B.

**Strategic Implications:**

STRATEGIC COMMUNITY PLAN AND CORPORATE BUSINESS PLAN		
<b>GOAL:</b>	3	Our Built Environment
<b>Objective:</b>	3.2	Sound land planning and building strategies and schemes

**Relevant Precedents:**

The Shire has previously considered similar proposals at 177 Booth Street and 327 Prinsep Street North, Collie. These Structure Plans and subsequent 2 lot subdivisions have been endorsed by the Shire and approved by the Western Australian Planning Commission.

**Risk Assessment:**

The Risk Management Governance Framework has been considered in arriving at the Officer Recommendation.

TIER 2 – 'Low' or 'Moderate' Inherent Risk.	
Risk Event	Proposed Structure Plan – Recommendation to the Western Australian Planning Commission
Inherent Risk Rating (prior to treatment or control)	Moderate (5 - 11)
Risk Action Plan (treatment or controls proposed)	The proposed Structure Plan has the potential to significantly impact on the Council's finances. Future development of Lots 1 and 2 could prejudice the long term R15 subdivision potential of the site and surrounding area. This could greatly reduce lot yield and in turn revenue from rates. Therefore, it is recommended that the proposed Structure Plan is not supported.
Residual Risk Rating (after treatment or controls)	Low (1 - 4)

**TIER 2 – ‘Low’ or ‘Moderate’ Inherent Risk.**

<p><b>Risk Category Assessed Against</b> (Health, Financial Impact, Service Interruption, Legal and Compliance, Reputational, Environmental, Property)</p>	Health	Nil
	Financial	Financial Impact - The North Collie Structure Plan area (excluding land zoned Rural residential) has an area of 37.28ha. Based on R15 density code with an average lots size of 666m <sup>2</sup> , the yield would be 559 lots/dwellings. The proposed Structure Plan achieves a R10 density code with an average of lot size of 1000m <sup>2</sup> , the yield would be 372 lots/dwellings. This results in a low level of development and lower rates revenue in the medium to long term. It is also considered that the current proposal will negatively impact future development in the NCPS area as a whole, making it less likely to be achieved.
	Service Interruption	Nil
	Legal and Compliance	The proposed structure plan does not comply with the Shire’s Local Planning Strategy and presents an ad hoc approach. Council maintains a low tolerance for non-adherence to scheme provisions and strategies, particularly where such departures are assessed to have negative impacts on future urban development, the environment, supporting infrastructure, sustainability, or the integration of the community.
	Reputational	Nil.
	Environmental	Nil
	Property	Nil

**Comment:**

The role of the Local Government in the determination of Structure Plans is firstly to ensure that all information as referred to in Schedule 2, Part 4, Cl. 16 of the *Deemed Provisions* has been provided. Once all the information is provided, the Local Government is to accept the Structure Plan for assessment and advertising. The Structure Plan must then be advertised (which includes referral to government agencies) for 42 days. Following advertising, the Local Government is to consider the submissions received and prepare a report for the Western Australian Planning Commission, including a recommendation on modifications to the Structure Plan and on whether it should be approved by the Commission.

### Advertising and Referrals Responses

The responses from most agencies are generally consistent with the short-term 2-lot subdivision proposed in line with the existing NCSP, while noting that a higher-density subdivision would require additional planning and infrastructure provision in line with the proposed structure if approved.

However, the Department of Health (DoH) does not support the proposal, stating that further information is required regarding wastewater disposal. DoH does not support the inclusion of Short-Term Building Envelopes in Stage 1 and Stage 2 (19 lots at R15 density – average lot size approx. 665m<sup>2</sup>), as this would require all lots to be connected to deep sewerage (located on the opposite side of Prinsep Street). DoH requires demonstration that Stage 2 can be connected to deep sewerage before any further development proceeds.

The applicant has responded to DoH comments by stating that sewer is not available to the subject land and the existing Structure Plan anticipated 2 unsewered lots in this location. Applicant also states that purpose of new Structure Plan is to demonstrate the future R15 potential as per the Urban Development Zone and Local Planning Strategy (LPS) while the submitted Site and Soil Evaluation demonstrates each lot in Stage 1 can readily accommodate on-site wastewater disposal in accordance with Australian Standards.

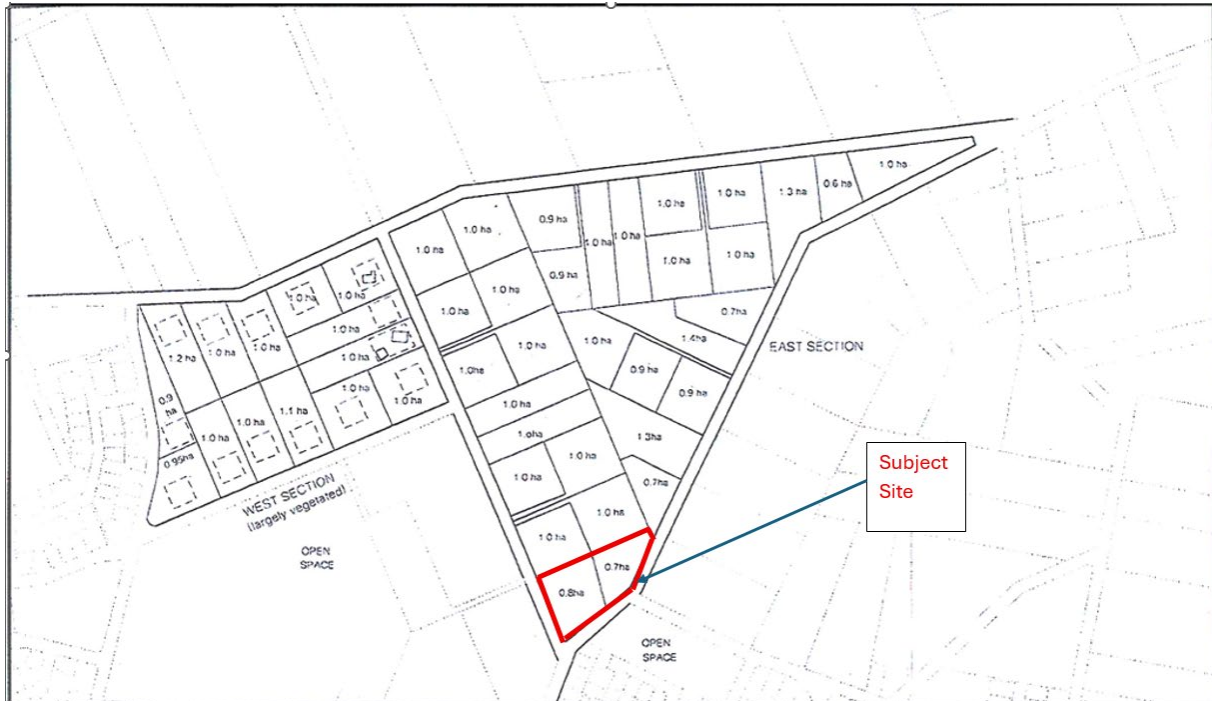
Further to the above, the Water Corporation has stated that the proposed structure plan is located within the Collie Sewer District and in relation to Stage 1 as the lots are greater than 2000m<sup>2</sup>, reticulated sewer will not be required to satisfy sewer condition. Regarding the ultimate proposal, the planning for this area shows that this area gravitates north-easterly to a proposed wastewater pump station however is currently not in the Water Corporation's 5-Year Capital Program.

The Department of Fire and Emergency Services (DFES) acknowledge the minor modification in the updated BMP (Version 2, dated 3 March 2026), has resulted in the amalgamation of four lots into one, however does not resolve the issues in relation to non-compliance with Elements 2 (Siting and Design) and 3 (Vehicular Access).

Submissions from nearby residents raised issues regarding higher density subdivision, increased traffic volumes and provision of infrastructure. There is concern that the proposed Structure Plan will be detrimental to maintaining the rural residential character and amenity of the local area. However, the subject site is located within the Urban Development zone which seeks to provide for a range of residential densities to encourage a variety of residential accommodation. Further, the Shires adopted Strategy and Local Planning Scheme recognise that the North Collie Structure Plan area represents an under-utilisation of land which would be more appropriately used for denser residential subdivision (e.g. R15) and that it is critical for the future growth of Collie.

### Subdivision of Subject Site into Two Lots

The applicant has lodged an application with the Western Australian Planning Commission (WAPC) to subdivide the subject site into two lots, which is consistent with the boundaries shown on the extended NCSP shown in Figure 2 below. The WPCA is the decision-maker for subdivisions, and it is anticipated that the application will be supported as it complies with the extended NCSP.



**Figure 2 – North Collie Structure Plan**

Future Development of a Single House on the Subject Site

'Clause 17 – Zoning table' states that a 'Single house' is a 'P' (permitted) use in the Urban Development Zone. Therefore, development approval is not required to construct a single house on the subject site provided this meets the 'Schedule 1 – Zone Development Requirements' (Urban Development) which states development shall be in accordance with R10 of the Residential Design Codes and clause 26 – Modification of R-Codes 'Schedule 1 – Zone Development Requirements' (Urban Development).

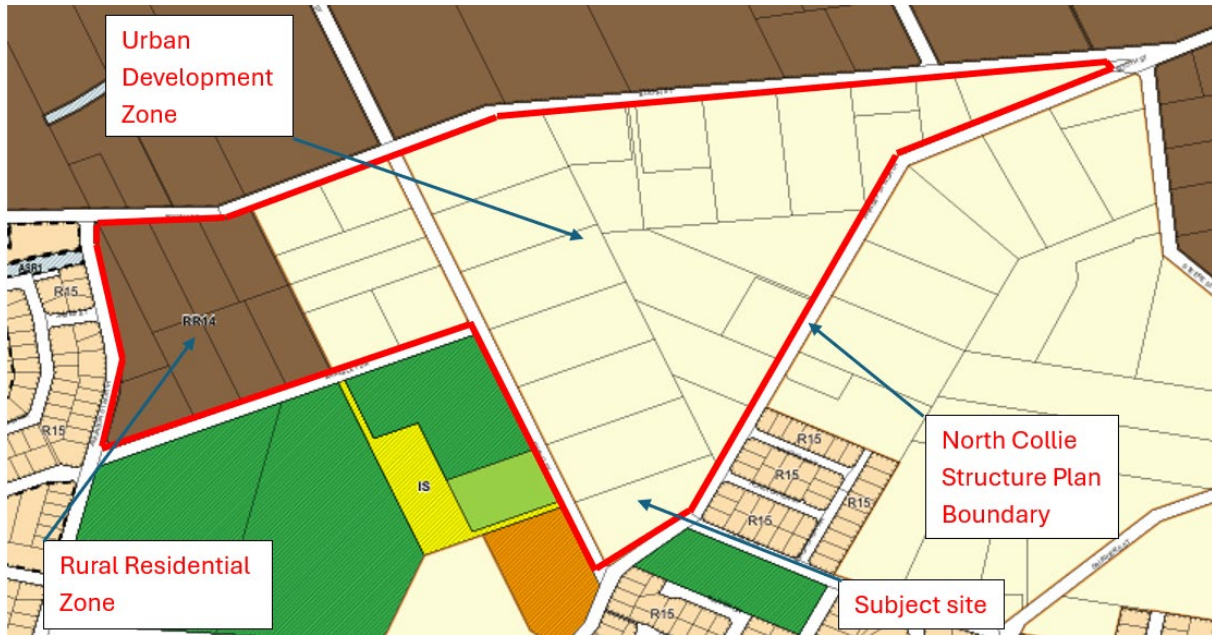
Given the subject site has an area of 1.5593 hectares and the R10 minimum lot size is 875m<sup>2</sup>, then the subject site could easily be developed with a single house without requiring development approval. Further, if should the proposed two lot subdivision be approved by WAPC, then the 0.7ha and 0.8ha sized lots would also be able to easily meet the R10 requirements. Subsequently, the proposed Structure Plan is not required to allow the owner to construct a single house on the subject site.

Development of Grouped Dwelling Not Permitted

'Clause 17 – Zoning table' also states that a 'Grouped dwelling' is a 'X' use in the Urban Development Zone which means that the use is not permitted by this scheme. It is therefore unclear why the proposed structure plan shows two short term building envelopes on Lot 2 which infers a grouped dwelling development which is not permitted by the scheme.

Multiple Structure Plans vs One Structure Plan

The subject site is located within the Urban Development Zone (UDZ) and North Collie Structure Plan (NCSP) area as shown in Figure 3 below. The UDZ section of the NCSP area comprises of 29 lots, including the subject site and lots created by the recently approved structure plans/subdivisions at 177 Booth Street and 327 Prinsep Street North, Collie.



**Figure 3 – Zoning Map**

Should the same pattern of structure plan approval proceed as the recent approvals and the current proposal, then there is potential for a total of 27 structure plans (i.e. one structure plan per individual lot minus the two lots that have already been created from recent subdivisions) within the UDZ section of the NCSP area. Even if structure plans were only applied to those lots shown in the NCSP to be further subdivided into two lots, then there is potential for a further 10 structure plans.

The above approach to future urban development of the NCSP area is piecemeal and ad hoc. The desired approach for the future development of the North Collie UDZ area is for a single Structure Plan to coordinate the development of a well-planned residential community that features the following:

- Road network / hierarchy: including distributor roads, local roads and pedestrian pathways. Future roads are likely to traverse through multiple properties held in separate ownership with an emphasis on safety and efficiency.
- Public open space: preferably to be centrally located within convenient access to residential development. Public open space may also be integrated with drainage basins and pedestrian pathways throughout the estate.
- Drainage: comprehensive investigation of stormwater runoff over the catchment and structure plan area, accounting for future roads and development to plan for drainage network and determine whether retarding basin/s are required and if so then the size and location.
- Neighbourhood centre: including a mix of local shops, businesses, services and community facilities.
- Vegetation: identify significant trees and areas of bushland that should be protected or otherwise incorporated into public open space, drainage reserve or along pedestrian pathways. Some trees on individual residential lots may be recommended for retention.

Given the above and the high number of property owners in the NCSP area, it is preferable that either the Shire of Collie or the property owners initiate the preparation of a Structure Plan that is consistent with the intent of the Shire of Collie Local Planning Strategy (in particular R15 residential development) and objectives of the Urban Development Zone.

#### Recommendation

The proposed Structure Plan is not necessary to allow the owner to develop a single house on the subject site while group dwelling development is not permitted in the Urban Development Zone. Nor would it prevent the development of single houses on each lot if subdivision is approved by the WAPC. However, the proposed structure plan, which outlines the long-term subdivision plan, does not create enough lots to meet the R15 residential density sought by the Strategy and therefore fails to meet housing and rates revenue objectives. Further, the proposed Structure Plan, if supported, would result in a piecemeal and ad hoc approach to future residential development in North Collie. It is the officer's recommendation that a coordinated approach is essential to support the future growth of Collie and to plan for roads, infrastructure, open space, and environmental protection in a way that is fair to all land owners in the NCSP area and able to be sustainably maintained by the Shire of Collie.

Given the above, it is recommended that the Shire provide the local government's assessment of the proposal as contained within this Council report regarding the proposed Structure Plan for Lot 1119 Prinsep Street North, Collie to the Western Australian Planning Commission advising that the Shire recommends the Structure Plan not be approved. Also, it is recommended that the Shire explore options for developing a single Structure Plan for the area in North Collie bounded by Prinsep Street North, Booth Street, Atkinson Street North, Annesley Drive, and Ewing Street, but excluding land within the Rural residential zone.

13.2 Request for Increase to Collie Visitor Centre Operating Grant	
<b>Reporting Department:</b>	Development Services
<b>Reporting Officer:</b>	Alex Wiese Director of Development Services
<b>Accountable Manager:</b>	Alex Wiese Director of Development Services
<b>Legislation</b>	Not applicable
<b>File Number:</b>	GAS/049
<b>Appendices:</b>	<p>Appendix 13.2.A - Executed Service Level Agreement - Shire of Collie and Collie Visitor Centre</p> <p>Appendix 13.2.B - Shire of Collie Visitors Centre Review of Work Opening Hours</p> <p>Appendix 13.2.C - Collie Visitors Centre - SLA Quarterly Report - Oct to Dec 2025</p> <p>Appendix 13.2.D - Email from Collie Visitor Centre Operational Funding Request Supporting Information</p>
<b>Voting Requirement</b>	Simple Majority

**Report Purpose:**

For Council to consider the operating grant increase requested by the Collie Visitor Centre for the 2025/26 financial year and inform Collie Visitor Centre of the requirement for a new Service Level Agreement to be negotiated and entered into in 2026/27.

**Officer's Recommendation:**

*That Council:*

1. Approve a budget amendment to COA 3952 'Visitor Centre Operating Grant' from \$133,000 to 140,000 to provide increased funding to the Collie Visitor Centre in the 2025/26 financial year.
2. List for consideration in the Shire of Collie's 2026/27 draft budget an allocation of \$140,000 for the Visitor Centre Operating Grant.
3. Authorise the CEO to inform the Collie Visitor Centre that it is required to undertake and provide the Shire of Collie with a full operational review by 31 December 2026. The objective of this review is to identify opportunities for increased efficiency (including operating days/hours and service focus) and improved sustainability, to demonstrate that ongoing reduced reliance on Shire funding will be achieved starting in the 2027/28 financial year.
4. Authorise the CEO to inform Collie Visitor Centre that a new Service Level Agreement will be required to be entered into with the Shire of Collie for funding support beyond the 2026/27 financial year.

**Background:**

At the Ordinary Meeting of Council held on 11 July 2023, Council supported in principle the terms of a draft Service Level Agreement (SLA) between the Shire of Collie and the Collie Visitor Centre (CVC), and authorised the CEO to finalise the agreement. The SLA was subsequently finalised and signed by both parties on 30 October 2023. It included a Shire operating grant amount of \$123,000 for both the 2023/24 and 2024/25 financial years (refer to Appendix 13.2.A).

The SLA has since expired, and for the 2025/26 budget, Council approved an operating grant to \$133,000 to support the Collie Visitor Centre. In 2015/16 Shire funding support for the CVC was \$75,000.

**Statutory and Policy Implications:**

Council adopted a Community Financial Support Policy CP2-002 (the Policy) on 10 February 2026. The policy was adopted to support good governance and is part of the Shire's responsibilities under the *Local Government Act 1995*.

The Policy provides a balanced, transparent, and strategic framework for supporting community-led initiatives. By applying enhanced financial reporting thresholds to future funding rounds, the Shire maintains its support for community groups while ensuring responsible stewardship of public funds. The policy reinforces the Shire's commitment to transparency, fairness, and community collaboration.

A key requirement of the Policy is that applicants seeking more than \$50,000 in funding support must provide to the Shire with;

- The previous year's audit report (an external audit)
- The most recent financial management report
- A financial forecast covering the next five years

Applicants are also expected to be; financially sustainable, demonstrate sound governance, to have no outstanding debts to the Shire and to have fully and satisfactorily acquitted any previous funding.

**Budget Implications:**

This report recommends a budget amendment to increase COA 3952 'Visitor Centre Operating Grant' from \$133,000 to \$140,000 and proposes a \$140,000 allocation be included in the 2026/27 draft budget.

There is sufficient capacity in the 2025/26 budget to support the recommendations of this report.

**Budget – Whole of Life Cost:**

Provision of an adequate budget in the Long-Term Financial Plan (LTFP) for any ongoing operational contributions to the CVC as outlined in an endorsed SLA will be made following a corresponding Council resolution.

**Communications / Consultation Requirements:**

No community consultation was considered necessary in relation to the recommendations of the report.

The CVC Manager presented to Council on 10 March 2026 outlining the outcomes and achievements of the CVC and providing a summary of their funding request.

**Strategic Implications:**

STRATEGIC COMMUNITY PLAN AND CORPORATE BUSINESS PLAN		
<b>GOAL:</b>	2	Our Economy
<b>Objective:</b>	2.2	Tourism promotion and attractions
<b>Strategic Priority:</b>	2.2.1	To increase the tourism and marketing capability within the Shire with a focus on destination marketing

**Relevant Precedents:**

The Shire has provided grant funding support to the Collie Visitor Centre for at least ten years.

**Risk Assessment:**

The Risk Management Governance Framework has been considered in arriving at the Officer Recommendation.

<b>TIER 2 – ‘Low’ or ‘Moderate’ Inherent Risk.</b>		
Risk Event	Provision of Grant Funding over \$50,000	
Inherent Risk Rating (prior to treatment or control)	Moderate (5 - 11)	
Risk Action Plan (treatment or controls proposed)	Develop of a Service Level Agreement	
Residual Risk Rating (after treatment or controls)	Low (1 - 4)	
Risk Category Assessed Against (Health, Financial Impact, Service Interruption, Legal and Compliance, Reputational, Environmental, Property)	Health	Nil
	Financial	Unsustainable grant funding will negatively impact on the Shires financial position.
	Service Interruption	Services to the community will be disrupted or reduced if the grant funding costs are not sustainable.
	Legal and Compliance	Non-compliance with the legislative requirements that result in a qualified audit.
	Reputational	Poor return on investment (i.e. from grant funding) may result in negative community feedback and falling community satisfaction levels.
	Environment	Nil
	Property	Nil

**Comment:**

The Shire recently received correspondence from the Collie Visitor Centre (CVC) requesting a review of their 2025/26 operational grant, seeking an increase from \$133,000 to \$153,000. While the CVC initially requested a higher allocation for 2025/26, Council had previously approved a grant of \$133,000 during the adoption of the annual budget. This was consistent with the allocation in 2024/25. However, it is noted that the signed Service Level Agreement (SLA) for 2024/25 specified a funding amount of \$123,000, not \$133,000.

A summary of the CVC operational grant allocations between 2015/16 and 2025/26 below (assuming endorsement of the officer's recommendation) shows an 86.75% increase in funding provided to the CVC over this period:

- 2026/27: \$140,000 (recommended for inclusion in the draft budget)
- 2025/26: \$140,000 (includes budget amendment of \$7,000 as part of this report)
- 2024/25: \$133,000
- 2023/24: \$123,000
- 2022/23: \$123,000
- 2021/22: \$106,000
- 2020/21: \$90,000
- 2019/20: \$91,530
- 2018/19: \$105,078
- 2017/18: \$75,000
- 2016/17: \$75,000
- 2015/16: \$75,000

The above-mentioned 2026 CVC's request for increased funding was included in the Shire's Mid-Year Budget Review Report and was considered at the Ordinary Council Meeting on 10 March 2026. At that meeting, Ms Kerrin Michalak presented to Council and as part of her deputation reduced the additional funding amount requested from \$20,000 to \$10,000. Council subsequently resolved (resolution 9744):

"That Council defer a decision on additional funding for the Collie Visitor Centre until the April 2026 Ordinary Council Meeting."

The CVC sent an email with additional supporting information to the Shire on 24 March 2026 (refer to Appendix 13.2.D).

This matter is now presented again for Council's consideration, with the CVC December 2025 Quarterly Report (Appendix 13.2 C) and CVC Review of Work Opening Hours (Appendix 13.2 D) which provide relevant financial and operational information to the funding request.

Shire officers have reviewed the CVC's request and recommend a \$7,000 increase (5.3%), which is above both the 2024/25 CPI of 3.8% and the Shire's 2024/25 rate increase of 4.5% for both 2025/26 and 2026/27. This officer's recommendation also proposes the CVC undertake and provide the Shire with a full operational review by 31 December 2026. The review is to identify opportunities for further increased efficiency (including operating days/hours and service focus) and improved sustainability to demonstrate a pathway to ongoing reduced reliance on Shire funding, commencing from the 2027/28 financial year. This is considered critical to ensure that funding support provided to the CVC remains in line with Council and community's expectations.

Upon completion, the operational review will inform the development of a new SLA that outlines the CVC's role, expectations, and service areas, as well as the agreed method of acknowledging the Shire's contribution. It will specify the financial contribution over the agreed timeframe (2-5 years) to support the CVC in providing a defined level of service to visitors to Collie in-line with the available funding.

In addition to the operating grant mentioned in the report, the CVC also benefits from a peppercorn lease with the Shire and is currently not required to contribute to water costs at the site.

**14. CORPORATE SERVICES REPORTS**

14.1 Financial Management Report – February 2026	
<b>Reporting Department:</b>	Corporate Services
<b>Reporting Officer:</b>	Geoff Lawrence – Acting Director Corporate Services
<b>Accountable Manager:</b>	Geoff Lawrence – Acting Director Corporate Services
<b>Legislation</b>	<i>Local Government Act 1995 &amp; Financial Management Regulations 1996</i>
<b>File Number:</b>	FIN/024
<b>Appendices:</b>	Appendix 14.1.A – Financial Report – February 2026
<b>Voting Requirement</b>	Simple Majority

**Report Purpose**

To provide a summary of the financial position for the Shire of Collie for the month ending 28 February 2026.

**Officer's Recommendation:**

*That Council receive the Financial Management Report for 28 February 2026 as presented in Appendix 14.1.A.*

**Background:**

In accordance with Council policy and the provisions of the *Local Government Act 1995* and the *Local Government (Financial Management) Regulations 1996* (Regulations), the Shire is required to prepare a monthly Statement of Financial Activity and Statement of Financial Position each month. Refer to Appendix 14.1.A.

**Statutory and Policy Implications:**

**Local Government Act 1995**

**6.4. Financial Report**

- (1) *A local government is to prepare an annual financial report for the preceding financial year and such other financial reports as are prescribed.*
- (2) *The financial report is to —*
  - (a) *be prepared and presented in the manner and form prescribed; and*
  - (b) *contain the prescribed information.*

**Local Government (Financial Management) Regulations 1996**

**34. Financial activity statement required each month (Act s. 6.4)**

- (1A) *In this regulation—*

*committed assets means revenue unspent but set aside under the annual budget for a specific purpose.*

- (1) *A local government is to prepare each month a statement of financial activity reporting on the revenue and expenditure, as set out in the annual budget under regulation 22(1)(d), for that month in the following detail —*
  - (a) *annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c); and*
  - (b) *budget estimates to the end of the month to which the statement relates; and*
  - (c) *actual amounts of expenditure, revenue and income to the end of the month to which the statement relates; and*
  - (d) *material variances between the comparable amounts referred to in paragraphs (b) and (c); and*
  - (e) *the net current assets at the end of the month to which the statement relates.*
- (1B) *The detail included under subregulation (1)(e) must be structured in the same way as the detail included in the annual budget under regulation 31(1) and (3)(a).*
- (1C) *Any information relating to exclusions from the calculation of a budget deficiency that is included as part of the budget estimates referred to in subregulation (1)(a) or (b) must be structured in the same way as the corresponding information included in the annual budget.*
- (2) *Each statement of financial activity is to be accompanied by documents containing*
  - (a) *deleted*
  - (b) *an explanation of each of the material variances referred to in subregulation (1)(d); and*
  - (c) *such other supporting information as is considered relevant by the local government.*
- (3) *The information in a statement of financial activity may be shown according to nature and type classification.*
- (4) *A statement of financial activity, and the accompanying documents referred to in subregulation (2), are to be —*
  - (a) *presented at an ordinary meeting of the council within 2 months after the end of the relevant month; and*
  - (b) *recorded in the minutes of the meeting at which it is presented.*

**Local Government (Financial Management) Regulations 1996****35. Financial position statement required each month**

- (1) *A local government must prepare each month a statement of financial position showing the financial position of the local government as at the last day of the previous month (the previous month) and —*
  - (a) *the financial position of the local government as at the last day of the previous financial year; or*
  - (b) *if the previous month is June, the financial position of the local government as at the last day of the financial year before the previous financial year.*
- (2) *A statement of financial position must be —*
  - (a) *presented at an ordinary meeting of the council within 2 months after the end of the previous month; and*
  - (b) *recorded in the minutes of the meeting at which it is presented.*

**Budget Implications:**

The monthly Financial Management Report provides Council with an overview of budget compared to actual expenditure and revenue.

**Budget – Whole of Life Cost:**

As this report does not propose new assets, there are no direct whole of life or ongoing cost implications.

**Communications / Consultation Requirements:**

Nil

**Strategic Community Plan/Corporate Business Plan Implications:**

STRATEGIC COMMUNITY PLAN AND CORPORATE BUSINESS PLAN		
<b>GOAL:</b>	5	Our Organisation
<b>Objective:</b>	5.1	Innovative leadership, forward planning, and mutually beneficial partnerships
<b>Strategic Priority:</b>	5.1.5	To imbed our strategic priorities throughout the organisation

**Relevant Precedents:**

Each month Council is presented a monthly Financial Management Report.

**Risk Assessment:**

The Risk Management Governance Framework has been considered in arriving at the Officer Recommendation.

TIER 2 – ‘Low’ or ‘Moderate’ Inherent Risk.									
Risk Event	Financial Management Report – February 2026								
Inherent Risk Rating (prior to treatment or control)	Moderate (5 - 11)								
Risk Action Plan (treatment or controls proposed)	As the inherent risk is below 12, this is not applicable								
Residual Risk Rating (after treatment or controls)	As the Residual Risk Rating is below 12, this is not applicable.								
Risk Category Assessed Against (Health, Financial Impact, Service Interruption, Legal and Compliance, Reputational, Environmental, Property)	<table border="0"> <tr> <td>Health</td> <td>Nil</td> </tr> <tr> <td>Financial</td> <td>Not monitoring ongoing financial performance would increase the risk of a negative impact on the financial position.</td> </tr> <tr> <td>Service Interruption</td> <td>Nil</td> </tr> <tr> <td>Legal and Compliance</td> <td>Non compliance with the legislative requirements that result in a qualified audit.</td> </tr> </table>	Health	Nil	Financial	Not monitoring ongoing financial performance would increase the risk of a negative impact on the financial position.	Service Interruption	Nil	Legal and Compliance	Non compliance with the legislative requirements that result in a qualified audit.
Health	Nil								
Financial	Not monitoring ongoing financial performance would increase the risk of a negative impact on the financial position.								
Service Interruption	Nil								
Legal and Compliance	Non compliance with the legislative requirements that result in a qualified audit.								

**TIER 2 – ‘Low’ or ‘Moderate’ Inherent Risk.**

	Reputational	Non-compliance that results in a qualified audit can lead stakeholders to question the Council’s ability to manage finances effectively.
	Environmental	Nil
	Property	Nil

**Comment:**

The financial statements provided in Appendix 14.1.A reports on the following information for the reporting period:

- Statement of Comprehensive income by Nature
- Statement of Comprehensive income by Program
- Statement of Financial Activity
- Explanation of material variances on the Statement of Financial Activity
- Statement of Financial Position
- Supplementary notes

The Statement of Financial Activity provides Elected Members with a high level oversight of operating and capital revenues and expenditures. It is also intended to link operating results with balance sheet items and reconcile with the end of month balances.

In accordance with the Regulations, for the 2025/2026 period a report must be compiled on variances greater than the percentage agreed by Council which is currently plus (+) or minus (-) 10% or \$50,000, whichever is the greater.

For the period 1 July 2025 to 28 February 2026:

- Income is over budget by 0.77%; and
- Expenditure is under budget by 7.05%.

Commentary in relation to these variances is provided at nature and type level. A nil variance means that the year-to-date actual value is identical to the year-to-date budget estimate. Comments are therefore provided where the variance’s value is >10% or >\$50,000 under or over budget.

Description	Var. \$	Var. %	
	\$	%	
<b>Revenue from operating activities</b>			
<b>Interest revenue</b>	56,436	26.15%	▲
Mainly relates to interest on overdue rates			
<b>Other revenue</b>	(144,499)	(61.19%)	▼
\$67k relates to workers compensation being less than budgeted estimates. \$19k relates to rates administration charges, incorrectly budgeted to other income, included in fees and charges. Will be corrected as part of mid year budget review.			
<b>Expenditure from operating activities</b>			
<b>Employee costs</b>	785,087	15.53%	▲
Timing variance. Will be rectified by year end. Due to current vacancies and internal cost allocations.			
<b>Other expenditure</b>	135,615	31.06%	▲
Timing variance, mainly relates to plant on costs and labour overheads. Will be cleared by year end.			
<b>Inflows from investing activities</b>			
<b>Proceeds from disposal of assets</b>	(166,600)	(89.28%)	▼
Timing variance as motor vehicle purchasing is to occur in the near future. Currently only two motor vehicles have been traded in and replaced.			
<b>Outflows from investing activities</b>			
<b>Acquisition of property, plant and equipment</b>	242,193	20.41%	▲
Timing variance between budget and purchase of assets			
<b>Acquisition of infrastructure</b>	(64,371)	(49.36%)	▼
(\$50k) relates to drainage works on Forrest st. Project was not completed until 2025/2026, but was budgeted for in 2024/2025.			
<b>Outflows from financing activities</b>			
<b>Transfer to reserves</b>	(950,291)	(222.51%)	▼
\$950k transferred from Municipal funds to unspent grants Reserve in relation to the heated swimming pool grant. Ongoing discussions being held in relation to the reallocation of these grant funds to other key projects.			
<b>Surplus or deficit at the start of the financial year</b>	1,593,142	1681.59%	▲
Higher surplus than originally anticipated due to more grants income in 2025 than originally forecast.			
<b>Surplus or deficit after imposition of general rates</b>	1,750,179	48.78%	▲

**14.2 Accounts Paid – 16 February to 15 March 2026**

<b>Reporting Department:</b>	Corporate Services
<b>Reporting Officer:</b>	Stacey Reid – Finance Officer
<b>Accountable Manager:</b>	Geoff Lawrence – Acting Director Corporate Services
<b>Legislation:</b>	<i>Local Government Act 1995 &amp; Local Government (Financial Management) Regulations 1996</i>
<b>File Number:</b>	FIN/024
<b>Appendices:</b>	Appendix 14.2.A – List of Accounts Paid
<b>Voting Requirement</b>	Simple Majority

**Report Purpose**

To present the accounts paid for the period 16 February 2026 to 15 March 2026

**Officer's Recommendation:**

*That Council receives the List of Accounts paid for the period 16 February 2026 to 15 March 2026 as presented in Appendix 14.2.A totalling \$ 1,342,116.94.*

**Background:**

Where a council has delegated authority to the Chief Executive Officer to make payments from the municipal or trust fund, a list of accounts paid is to be presented at the ordinary meeting each month.

In accordance with Delegation 2.2.21, the Chief Executive Officer is authorised to make payments.

**Statutory and Policy Implications:**

**Local Government Act 1995**

**Local Government (Financial Management Regulations) 1996**

**12. Payments from municipal fund or trust fund, restrictions on making**

- (1) *A payment may only be made from the municipal fund or the trust fund —*
  - (a) *if the local government has delegated to the CEO the exercise of its power make payments from those funds — by the CEO; or*
  - (b) *otherwise, if the payment is authorised in advance by a resolution of the council.*
- (2) *The council must not authorise a payment from those funds until a list prepared under regulation 13(2) containing details of the accounts to be paid has been presented to the council.*

**13. Payments from municipal fund or trust fund by CEO, CEO's duties as to etc.**

- (1) *If the local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the*

*CEO is to be prepared each month showing for each account paid since the last such list was prepared —*

- (a) the payee's name; and*
- (b) the amount of the payment; and*
- (c) the date of the payment; and*
- (d) sufficient information to identify the transaction.*

*(2) A list of accounts for approval to be paid is to be prepared each month showing —*

*(a) for each account which requires council authorisation in that month —*

- (i) the payee's name; and*
- (ii) the amount of the payment; and*
  - (i) sufficient information to identify the transaction; and*

*(b) the date of the meeting of the council to which the list is to be presented.*

*(3) A list prepared under subregulation (1) or (2) is to be —*

*(a) presented to the council at the next ordinary meeting of the council after the list is prepared; and*

*(b) recorded in the minutes of that meeting.*

### **13A. Payments by employees via purchasing cards**

*(1) If a local government has authorised an employee to use a credit, debit or other purchasing card, a list of payments made using the card must be prepared each month showing the following for each payment made since the last such list was prepared —*

- (a) the payee's name;*
- (b) the amount of the payment;*
- (c) the date of the payment;*
- (d) sufficient information to identify the payment.*

*(2) A list prepared under subregulation (1) must be —*

*(a) presented to the council at the next ordinary meeting of the council after the list is prepared; and*

*(b) recorded in the minutes of that meeting.*

### **Council Policy**

#### **CS3.7 Payment of Creditors**

##### **5.0 List of Accounts Paid**

*A list of all accounts paid shall be presented to the Council within two months. The list shall comprise of details as prescribed in the WA Financial Management Regulations (1996)*

#### **Budget Implications:**

All liabilities settled have been in accordance with the annual budget provisions.

#### **Budget – Whole of Life Cost:**

As this report does not propose new assets, there are no direct whole of life or ongoing cost implications.

**Communications / Consultation Requirements:**

Nil

**Strategic Community Plan/Corporate Business Plan Implications:**

STRATEGIC COMMUNITY PLAN AND CORPORATE BUSINESS PLAN		
<b>GOAL:</b>	5	Our Organisation
<b>Objective:</b>	5.1	Innovative leadership, forward planning, and mutually beneficial partnerships
<b>Strategic Priority:</b>	5.1.5	To imbed our strategic priorities throughout the organisation

**Relevant Precedents:**

Each month Council receives the list of accounts presented.

**Risk Assessment:**

The Risk Management Governance Framework has been considered in arriving at the Officer Recommendation.

TIER 2 – ‘Low’ or ‘Moderate’ Inherent Risk.	
Risk Event	Accounts Paid – 16 November to 15 January 2026
Inherent Risk Rating (prior to treatment or control)	Moderate (5 - 11)
Risk Action Plan (treatment or controls proposed)	As the inherent Risk Rating is below 12, this is not applicable.
Residual Risk Rating (after treatment or controls)	As the Residual Risk Rating is below 12, this is not applicable.
Risk Category Assessed Against (Health, Financial Impact, Service Interruption, Legal and Compliance, Reputational, Environmental, Property)	Health Nil
	Financial That payments are not made in accordance with Shire’s policies and procedures.
	Service Interruption Nil
	Legal and Compliance Not reporting the list of accounts to Council is a contravention of the <i>Local Government Act 1995</i> .
	Reputational Non compliance with a legal requirement may lead to community confidence being eroded in Shire’s management and Council
	Environmental Nil
Property Nil	

**Comment:**

A listing of payments is included in Appendix 14.2.A

Where possible, questions on specific payments should be submitted to the Chief Executive Officer or the Director before noon on the day of the scheduled meeting. This will ensure a response can be provided at the Council Meeting.

**15. MOTIONS FOR WHICH PRIOR NOTICE HAS BEEN GIVEN**

Nil

**16. QUESTIONS BY MEMBERS FOR WHICH DUE NOTICE HAS BEEN GIVEN**

Members have the ability to submit notices of questions between meetings and up to a time prescribed in standing orders before a meeting.

**17. URGENT BUSINESS APPROVED BY THE PRESIDING MEMBER OR BY DECISION****18. ANNOUNCEMENTS BY THE PRESIDING MEMBER AND COUNCILLORS****19. STATUS REPORT ON COUNCIL RESOLUTIONS**

Summary reports on the status of Council's resolutions are:

- 'Closed Since Last Meeting' at Appendix 19.1.A
- 'All Open' at Appendix 19.1.B

**20. CLOSURE OF MEETING TO MEMBERS OF THE PUBLIC****21. CLOSE**

There being no further business the Presiding Officer to declare the meeting closed.

**Risk Category Consequence Table – Guideline**

Rating (Level)	Health	Financial Impact	Service Interruption	Legal and Compliance	Reputational	Environmental	Property
<b>Insignificant (1)</b>	Near-Miss or First Aid	Less than \$10,000	No material service interruption	<p><b>Compliance</b> - No noticeable regulatory or statutory impact.</p> <p><b>Legal</b> – Threat of litigation requiring small compensation.</p> <p><b>Contract</b> – No effect on contract performance.</p>	<p>Unsubstantiated, low impact, low profile or ‘no news’ item.</p> <p><b>Example:</b> Gossip, Facebook item seen by limited person.</p>	<p>Contained, reversible impact managed by on site response.</p>	<p>Inconsequential or no damage.</p>
<b>Minor (2)</b>	Medical type injuries	\$10,001 - \$50,000	Short term temporary interruption – backlog cleared < 1 day	<p><b>Compliance</b> - Some temporary non compliances.</p> <p><b>Legal</b> – Single minor litigation.</p> <p><b>Contract</b> – Results in meeting between two parties in which one party expresses concern.</p>	<p>Substantiated, low impact, low news item</p> <p><b>Example:</b> Local paper/Industry news article, Facebook item seen by multiple groups.</p>	<p>Contained, reversible impact managed by internal response.</p>	<p>Localised damage rectified by routine internal procedures.</p>
<b>Moderate (3)</b>	Lost time injury	\$50,001 - \$300,000	Medium term temporary interruption – backlog cleared by additional resources < 1 week	<p><b>Compliance</b> - Short term non-compliance but with significant regulatory requirements imposed.</p> <p><b>Legal</b> – Single moderate litigation or numerous minor litigations.</p> <p><b>Contract</b> – Receive verbal advice that, if breeches continue, a default notice may be issued.</p>	<p>Substantiated, public embarrassment, moderate impact, moderate news profile.</p> <p><b>Example:</b> State-wide paper, TV news story.</p>	<p>Contained, reversible impact managed by external agencies.</p>	<p>Localised damage requiring external resources to rectify.</p>
<b>Major (4)</b>	Long-term disability / multiple injuries	\$300,001 - \$1.5 million	Prolonged interruption of services – additional resources; performance affected < 1 month	<p><b>Compliance</b> - Non-compliance results in termination of services or imposed penalties.</p> <p><b>Legal</b> – Single major litigation or numerous moderate litigations.</p> <p><b>Contract</b> – Receive/issue written notice threatening termination if not rectified.</p>	<p>Substantiated, public embarrassment, high impact, high news profile, third party actions.</p> <p><b>Example:</b> Australia wide news stories. Regulatory/Political commentary involvement.</p>	<p>Uncontained, reversible impact managed by a coordinated response from external agencies.</p>	<p>Significant damage requiring internal &amp; external resources to rectify.</p>
<b>Catastrophic (5)</b>	Fatality, permanent disability	More than \$1.5 million	Indeterminate prolonged interruption of services – non-performance > 1 month	<p><b>Compliance</b> - Non-compliance results in litigation, criminal charges or significant damages or penalties.</p> <p><b>Legal</b> – Numerous major litigations.</p> <p><b>Contract</b> – Termination of contract for default.</p>	<p>Substantiated, public embarrassment, very high multiple impacts, high widespread multiple news profile, third party actions.</p> <p><b>Example:</b> Worldwide news, focused articles (e.g. 60 minutes). Regulatory/Political oversight and involvement.</p>	<p>Uncontained, irreversible impact.</p>	<p>Extensive damage requiring prolonged period of restitution.</p> <p>Complete loss of plant, equipment &amp; building.</p>

### Risk – Likelihood Table

Level	Rating	Description	Frequency
5	Almost Certain	The event is expected to occur in most circumstances	More than once per year
4	Likely	The event will probably occur in most circumstances	At least once per year
3	Possible	The event should occur at some time	At least once in 3 years
2	Unlikely	The event could occur at some time	At least once in 10 years
1	Rare	The event may only occur in exceptional circumstances	Less than once in 15 years

### Level of Risk Guide

Consequence		Insignificant	Minor	Moderate	Major	Catastrophic
Likelihood		1	2	3	4	5
Almost Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

### Shire of Collie Risk Acceptance Criteria

Risk Rank	Description	Criteria	Responsibility	Entered on Risk Register
<b>LOW (1-4)</b>	Acceptable	Risk acceptable with adequate controls, managed by routine procedures and subject to annual monitoring	Operational Manager	No
<b>MODERATE (5-9)</b>	Monitor	Risk acceptable with adequate controls, managed by specific procedures and subject to semi-annual monitoring	Operational Manager	No
<b>HIGH (10-16)</b>	Urgent Attention Required	Risk acceptable with excellent controls, managed by senior management / executive and subject to monthly monitoring	Director / CEO	Yes
<b>EXTREME (20-25)</b>	Unacceptable	Risk only acceptable with excellent controls and all treatment plans to be explored and implemented where possible, managed by highest level of authority and subject to continuous monitoring	CEO / Council	Yes

### RISK ASSESSMENT

Inherent Risk	The level of risk in place in order to achieve the objectives of the Council and before actions are taken to alter the risk's impact or likelihood.
Residual Risk	The remaining level of risk following the development and implementation of Council's response.
Strategic Context	These risks are associated with achieving Council's long term objectives.
Operational Context	These risks are associated with the day-to-day activities of the Council.
Project Context	<p>Project risk has two main components:</p> <ul style="list-style-type: none"> <li>• Direct refers to the risks that may arise as a result of project, which may prevent the Council from meeting its objectives.</li> <li>• Indirect refers to the risks which threaten the delivery of project outcomes.</li> </ul>

### Shire of Collie Existing Controls Ratings

Rating	Foreseeable	Description	
<b>Effective</b>	More than what a reasonable person would be expected to do in the circumstances. There is <u>little</u> scope for improvement.	Documentation	Processes (Controls) fully documented, with accountable 'Control Owner'.
		Operating Effectiveness	Subject to ongoing monitoring and compliance to process is assured.
		Design Effectiveness	Reviewed and tested regularly.
<b>Adequate</b>	Only what a reasonable person would be expected to do in the circumstances. There is <u>some</u> scope for improvement.	Documentation	Processes (Controls) partially documented, with a clear 'Control Owner'.
		Operating Effectiveness	Limited monitoring, ad-hoc approach and compliance to process is generally in place,
		Design Effectiveness	Reviewed and tested but not regularly.
<b>Inadequate</b>	Less than what a reasonable person would be expected to do in the circumstance. There is a <u>need</u> for improvement or action.	Documentation	Processes (Controls) not documented or no clear 'Control Owner'.
		Operating Effectiveness	No monitoring or compliance to process is not assured.
		Design Effectiveness	Have not been reviewed or tested for some time