



Ordinary Council Meeting

# **Supplementary Agenda**

Wednesday 13 December 2023

**CITY OF BUSSELTON**

Supplementary Agenda for the Council Meeting to be held on Wednesday 13 December 2023

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## 10 REPORTS OF COMMITTEE

### **10.9 Monthly Financial Report - Year to Date 31st October 2023**

<b>Strategic Theme:</b>	Key Theme 4: Leadership 4.2 Deliver governance systems that facilitate open, ethical and transparent decision making. 4.5 Responsibly manage ratepayer funds to provide for community needs now and in the future.
<b>Directorate:</b>	Corporate Strategy and Performance
<b>Reporting Officer:</b>	Manager Financial Services - Paul Sheridan
<b>Authorised By:</b>	Director Corporate Strategy and Performance - Sarah Pierson
<b>Nature of Decision:</b>	Legislative: adoption of "legislative documents" such as local laws, local planning schemes and local planning policies. Executive: Substantial direction setting, including adopting budgets, strategies, plans and policies (excluding local planning policies); funding, donations and sponsorships; reviewing committee recommendations.
<b>Voting Requirements:</b>	Absolute Majority
<b>Disclosures of Interest:</b>	No officers preparing this item have an interest to declare.
<b>Attachments:</b>	<ol style="list-style-type: none"><li>1. Monthly Financial Report - October 2023 [6.1.1 - 29 pages]</li><li>2. Investment Report - October 2023 [6.1.2 - 1 page]</li><li>3. Loan Schedule - October 2023 [6.1.3 - 1 page]</li></ol>

This item was considered by the Finance Committee at its meeting on 6 December 2023, the recommendations of which have been included in this report.

#### **COMMITTEE RECOMMENDATION**

**That the Council receives the statutory monthly financial report for the period ending 31 October 2023, pursuant to Regulation 34(4) of the *Local Government (Financial Management) Regulations 1996*.**

#### **OFFICER RECOMMENDATION**

That the Council receives the statutory monthly financial report for the period ending 31 October 2023, pursuant to Regulation 34(4) of the *Local Government (Financial Management) Regulations 1996*.

#### **EXECUTIVE SUMMARY**

Pursuant to Section 6.4 of the *Local Government Act 1995* (the Act) and Regulation 34(4) of the *Local Government (Financial Management) Regulations 1996* (the Regulations), a local government is to prepare, on a monthly basis, a financial report that reports on the City's Statement of Financial Activity, Statement of Financial Position, and its performance in relation to its adopted / amended budget.

This report has been compiled to fulfil the statutory reporting requirements of the Act and associated Regulations, while also providing the Council with an overview of the City's financial performance on a year-to-date basis, for the period ending 31 October 2023.

## STRATEGIC CONTEXT

Provision of the monthly financial report, while a statutory requirement, also supports open and accountable governance.

## BACKGROUND

The Regulations detail the form and manner in which the monthly financial report is to be presented to the Council, and is to include the following:

- Annual budget estimates;
- Budget estimates to the end of the month in which the statement relates;
- Actual amounts of revenue and expenditure to the end of the month in which the statement relates;
- Material variances between budget estimates and actual revenue/expenditure (including an explanation of any material variances);
- The net current assets at the end of the month to which the statement relates (including an explanation of the composition of the net current position); and
- Statement of Financial Position

Additionally, and pursuant to Regulation 34(5) of the Regulations, a local government is required to adopt a material variance reporting threshold in each financial year.

At its meeting on 26 July 2023, the Council adopted (C2305/57) the following material variance reporting thresholds for the 2023/24 financial year:

*That pursuant to Regulation 34(5) of the Local Government (Financial Management) Regulations, the Council adopts a material variance reporting threshold with respect to financial activity statement reporting for the 2023/24 financial year as follows:*

- *Variances equal to or greater than 10% of the year-to-date budget amount as detailed in the Income Statement by Nature and Type/Statement of Financial Activity report, however variances due to timing differences and/or seasonal adjustments are to be reported only if not to do so would present an incomplete picture of the financial performance for a particular period; and*
- *Reporting of variances only applies for amounts greater than \$50,000.*

## OFFICER COMMENT

To fulfil statutory reporting requirements and to provide the Council with a synopsis of the City's overall financial performance on a year-to-date basis, the following financial reports are attached hereto (Attachment 1):

### Statement of Financial Activity

This report provides details of the City's operating revenues and expenditures on a year-to-date basis, by nature (i.e. description). The report has been further extrapolated to include details of non-cash adjustments and capital revenues and expenditures, to identify the City's net current position; which reconciles with that reflected in the associated Net Current Position report.

### Statement of Financial Position

A statement of financial position is a financial statement that summarises the reporting entities assets (what it owns), liabilities (what it owes), and equity (assets less liabilities) on a particular date

### Basis of Preparation Note (Note 1)

Explains the regulatory framework upon which the financial statements have been prepared.

### Statement of Financial Activity Note (Note 2)

Explains the non-cash items that have been excluded from the calculation of the Net Current Position in the Statement of Financial Activity.

### Explanation of Material Variances Note (Note 3)

Provides a breakdown by directorate and cost centre of each of the variances on the face of the Statement of Financial Activity that meet Councils adopted material variance threshold for 2023/24.

### Net Current Position Summary Report

This report provides details of the composition of the net current asset position on a year-to-date basis and reconciles with the net current position as per the Statement of Financial Activity.

### Capital Acquisition & Construction Report

This report provides full year budget performance (by line item) in respect of the following capital expenditure activities:

- Land and Buildings
- Plant and Equipment
- Furniture and Equipment
- Infrastructure

This report outlines the actual and budgeted movement from the start of the financial year to date, that result in the balances listed in the Statement of Financial Position for Property, Plant & Equipment.

### Reserve Movements Report

This report provides summary details of transfers to and from reserve funds, and associated interest earnings on reserve funds, on a full year basis.

Additional reports and/or charts can be provided as required to further supplement the information comprised within the statutory financial reports.

### Net Current Position Chart

Tracks the net Current Position over the year in comparison to previous 4 years.

### Comments on Financial Activity to 31 October 2023

The Statement of Financial Activity (FAS) for the year to date (YTD) to 31 October shows an overall Net Current Position (NCP) of \$46M as opposed to the YTD budget of \$34M. The following table summarises the major YTD variances that appear on the face of the FAS, which, in accordance with Council's adopted material variance reporting threshold, collectively make up the above difference.

Each numbered item in this lead table is explained further in note 3 of the attached Monthly Financial Report.

Description	2023/24 Actual YTD \$	2023/24 Budget YTD \$	2023/24 Budget \$	2023/24 YTD Bud Variance %	2023/24 YTD Bud Variance \$	Change in Variance Current Month \$
<b>Amount Attributable to Operating Activities</b>				<b>10.77%</b>	<b>5,417,478</b>	<b>(826,012)</b>
<b>Revenue from Operating Activities</b>				<b>2.47%</b>	<b>1,852,141</b>	<b>(80,469)</b>
1. Grants, Subsidies and Contributions	1,126,118	611,577	5,325,685	84.13%	514,541	(30,981)
2. Other Revenue	194,390	67,970	334,932	185.99%	126,420	46,359
3. Interest Earnings	2,194,250	1,817,117	4,305,492	20.75%	377,133	(63,154)
<b>Expenses from Operating Activities</b>				<b>9.36%</b>	<b>3,127,042</b>	<b>(565,923)</b>
4. Materials & Contracts	(5,936,515)	(9,606,470)	(29,072,925)	38.20%	3,669,955	656,069
5. Utilities	(673,768)	(850,283)	(2,980,399)	20.76%	176,516	209,013
6. Other Expenditure	(344,966)	(1,796,497)	(6,823,844)	80.80%	1,451,531	218,430
<b>Amount Attributable to Investing Activities</b>				<b>67.40%</b>	<b>12,910,329</b>	<b>2,336,811</b>
7. Capital Grants, Subsidies and Contributions	194,855	26,430	19,649,075	637.25%	168,425	120,425
8. Land & Buildings	(4,235,724)	(12,513,666)	(29,976,325)	66.15%	8,277,942	341,243
9. Plant & Equipment	(216,087)	(554,532)	(6,078,421)	61.03%	338,445	82,383
10. Furniture & Equipment	(64,401)	(558,902)	(1,510,209)	88.48%	494,501	83,596
11. Infrastructure	(2,180,399)	(5,731,161)	(21,896,529)	61.96%	3,550,761	1,730,260
12. Proceeds from Sale of Assets	204,487	135,300	863,800	51.14%	69,187	(32,165)
<b>Amount Attributable to Financing Activities</b>				<b>(908.57%)</b>	<b>(6,132,415)</b>	<b>1,387,895</b>
13. Proceeds from New Loans	0	1,750,000	2,000,000	(100.00%)	(1,750,000)	0
14. Transfer to Restricted Assets	(5,162,473)	0	(11,180)	(100.00%)	(5,162,473)	(1,317,547)
15. Transfer from Restricted Assets	4,909,337	6,854,360	20,563,074	(28.38%)	(1,945,023)	1,699,505

Description	2023/24 Actual YTD \$	2023/24 Budget YTD \$	2023/24 Budget \$	2023/24 YTD Bud Variance %	2023/24 YTD Bud Variance \$	Change in Variance Current Month \$
16. Transfer from Reserves	17,918,765	13,960,712	52,392,260	28.35%	3,958,053	1,861,343

### **Investment Report**

Pursuant to the Council's Investment Policy, a report is to be provided to the Council monthly, detailing the investment portfolio in terms of performance and counterparty percentage exposure of total portfolio. The report (attachment 2) is also to provide details of investment income earned against budget, while confirming compliance of the portfolio with legislative and policy.

A brief summary of the details contained in the report are as follows:

As at the 31 October 2023 the value of the City's investments had no movement, from \$122m to the same as at 30 September 2023. As at the 31 October 2023 the 11am account balance is \$26.9M, also having no movement from the 30 September 2023. During the month of October one term deposit totalling the amount of \$3m matured. This was renewed for a further 240 days at 5.15%.

The official cash rate stayed steady during the month of October 2023 at 4.10%. Further movement in the cash rate is currently uncertain, though there is a possibility of an increase next month.

### **Borrowings Update**

During the month no new loans were drawn, with \$455K paid off the principal and \$65K paid in interest on existing loans. The attached Loan Schedule outlines the status of all existing loans YTD.

### **Chief Executive Officer – Corporate Credit Card**

Details of transactions made on the Chief Executive Officer's corporate credit card during October 2023 are provided below to ensure there is appropriate oversight and awareness.

Date	Payee	Description	\$ Amount
4/10/2023	SLIMLINE WAREHOUSE BROADMEADOWS	MOBILE LAPTOP STAND FOR TRAINING PURPOSES	385.35
9/10/2023	THE BANKSIA TAVERN	DINNER FOR COUNCILLORS AND ELT	501.50
18/10/2023	KMART PHOTO CENTRE	MAYOR FAREWELL GIFT	32.20
18/10/2023	DAN MURPHYS	BEVERAGES FOR MAYOR'S FINAL COUNCIL DINNER	70.99
22/10/2023	DOMINOS	CATERING FOR ELECTION STAFF	86.57
22/10/2023	BAKED BUSSELTON	BEVERAGES FOR ELECTION STAFF	118.30
24/10/2023	LOCAL GOVERNMENT MANAGEMENT	COMMTELLIGENCE CONFERENCE-STAKEHOLDER RELATIONS STAFF	760.00
26/10/2023	WEST AUSTRALIAN	DIGITAL SUBSCRIPTION-PR	28.00
30/10/2023	DUXTON HOTEL PERTH	ACCOMMODATION & PARKING COMMTELLIGENCE CONFERENCE	243.60

Date	Payee	Description	\$ Amount
30/10/2023	DUXTON HOTEL PERTH	ACCOMMODATION & PARKING COMMTELLIGENCE CONFERENCE	243.60
30/10/2023	PADDINGTON JAM WEST PERTH	MINISTER TEMPLEMAN MEETING PERTH -FOOD AND BEVERAGE	49.30
31/10/2023	EASY PARKING	CEO PARKING -MINISTER TEMPLEMAN MEETING PERTH	10.73
31/10/2023	MAILCHIMP	ELECTRONIC NEWSLETTER	392.54
		<b>TOTAL</b>	<b>2,922.68</b>

### **Donations & Contributions Received**

During the month no non-infrastructure asset (bridges, roads, POS etc), donations or contributions were received.

### **Statutory Environment**

Section 6.4 of the Act and Regulation 34 of the Regulations detail the form and manner in which a local government is to prepare financial activity statements.

### **Relevant Plans and Policies**

The officer recommendation aligns to the following adopted plan or policy:

Plan:

Annual Adopted Budget 2022-2023

[Strategic Community Plan 2021-2031](#)

[Corporate Business Plan 2022-2026](#)

[Long Term Financial Plan 2022/23 - 2031/32](#)

Policy:

There are no relevant policies for this report.

### **Financial Implications**

Any financial implications are detailed within the context of this report.

### **External Stakeholder Consultation**

Not applicable.

### **Risk Assessment**

An assessment of the potential implications of implementing the officer recommendation has been undertaken using the City's risk management framework, with risks assessed taking into account any controls already in place. No risks of a medium or greater level have been identified.



### **Options**

The Statements of Financial Activity are presented in accordance with Section 6.4 of the Act and Regulation 34 of the Regulations and are to be received by Council. Council may wish to make additional resolutions as a result of having received these reports.

### **CONCLUSION**

As at 31 October 2023, the City's net current position stands at \$46M, and cash reserve balances remain sufficient for their purposes.

### **TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION**

Not Applicable.

**10.10      List of Payments Made - October 2023**

<b>Strategic Theme:</b>	Key Theme 4: Leadership 4.2 Deliver governance systems that facilitate open, ethical and transparent decision making. 4.5 Responsibly manage ratepayer funds to provide for community needs now and in the future.
<b>Directorate:</b>	Corporate Strategy and Performance
<b>Reporting Officer:</b>	Manager Financial Services - Paul Sheridan
<b>Authorised By:</b>	Acting Director Finance and Corporate Services - Sarah Pierson
<b>Nature of Decision:</b>	Noting: The item is simply for information purposes and noting.
<b>Voting Requirements:</b>	Simple Majority
<b>Disclosures of Interest:</b>	No officers preparing this item have an interest to declare.
<b>Attachments:</b>	1. CONFIDENTIAL REDACTED - Confidential List of Payments for Council October 2023 [ <b>10.10.1</b> - 1 page] 2. List of Payments for Council October 2023 [ <b>10.10.2</b> - 12 pages]

This item was considered by the Finance Committee at its meeting on 6 December 2023, the recommendations of which have been included in this report.

**COMMITTEE RECOMMENDATION**

That the Council notes payment of voucher numbers for the month of October 2023 as follows:

<b>CHEQUE PAYMENTS</b>	119786 - 119798	6,633.15
<b>ELECTRONIC FUNDS TRANSFER PAYMENTS</b>	98370 - 99086	9,331,359.80
<b>TRUST ACCOUNT PAYMENTS</b>	EFT# TR000011 - TR000014	29,950.63
<b>PAYROLL PAYMENTS</b>	01.10.2023 - 31.10.2023	2,732,515.48
<b>INTERNAL PAYMENT VOUCHERS</b>	DD #5456 - 5499	391,163.53
<b>TOTAL PAYMENTS</b>		<b>12,491,622.59</b>

**OFFICER RECOMMENDATION**

That the Council notes payment of voucher numbers for the month of October 2023 as follows:

CHEQUE PAYMENTS	119786 - 119798	6,633.15
ELECTRONIC FUNDS TRANSFER PAYMENTS	98370 - 99086	9,331,359.80
TRUST ACCOUNT PAYMENTS	EFT# TR000011 - TR000014	29,950.63
PAYROLL PAYMENTS	01.10.2023 - 31.10.2023	2,732,515.48
INTERNAL PAYMENT VOUCHERS	DD #5456 - 5499	391,163.53
TOTAL PAYMENTS		12,491,622.59

## **EXECUTIVE SUMMARY**

This report provides details of payments made from the City's bank accounts for the month of October 2023 for noting by the Council and recording in the Council Minutes.

## **STRATEGIC CONTEXT**

Provision of the list of payments, while a statutory requirement, also supports open and accountable governance.

## **BACKGROUND**

The *Local Government (Financial Management) Regulations 1996* (the Regulations) requires that, when the Council has delegated authority to the CEO to make payments from the City's bank accounts, a list of payments made is prepared each month for presentation to, and noting by, the Council.

## **OFFICER COMMENT**

In accordance with regular custom, the list of payments made for the month of October 2023 is presented for information. Also attached is a separate confidential payment listing relating to matters confidential under section 5.23(2)(c) of the *Local Government Act 1995* (the Act).

### **Statutory Environment**

Section 6.10 of the Act and more specifically Regulation 13 of the Regulations refer to the requirement for a listing of payments made each month to be presented to the Council.

### **Relevant Plans and Policies**

Not applicable.

### **Financial Implications**

Not applicable.

### **External Stakeholder Consultation**

Not applicable.

### **Risk Assessment**

An assessment of the potential implications of implementing the officer recommendation has been undertaken using the City's risk management framework, with risks assessed taking into account any controls already in place. No risks of a medium or greater level have been identified.

### **Options**

Not applicable.

## **CONCLUSION**

The list of payments made for the month of October 2023 is presented for information.

## **TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION**

Not applicable.

## 16 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

### **16.1 Notice of Motion - Cr Anne Ryan DA23/0346**

#### **MOTION**

**That the Council:**

- 1. Pursuant to s 26(d) of the *State Administrative Tribunal Act 2004*, with the consent of the applicant, reconsider DA23/0346 for Lot 71 Forrest Beach Road, Wonnerup, Single House, Modified Envelope, Garage & Water Tank.**
- 2. Vary condition 6.1 of the approval for DA23/0346 so that the minimum finished floor level for all habitable development be 3.2m AHD (instead of 3.8m AHD).**

#### **NOTICE OF MOTION**

Councillor Anne Ryan has given notice that at the meeting on 13 December 2023, she will move the following motion:

*That the Council:*

- 1. Pursuant to s26(d) of the State Administrative Tribunal Act 2004, with the consent of the applicant, reconsider DA23/0346 for Lot 71 Forrest Beach Road, Wonnerup, Single House, Modified Envelope, Garage & Water Tank.*
- 2. Vary condition 6.1 of the approval for DA23/0346 so that the minimum finished floor level for all habitable development be 3.2m AHD (instead of 3.8m AHD).*

#### **REASONS**

1. This DA was submitted on 8/6/23 and has taken well over the 90 day period to achieve approval (146 days) and was finally approved on 1/11/23. This includes a referral, which took 40 days, to the Department of Transport who responded they do not comment on private land and development.
2. On 31 October 2023 the City, under delegated authority, approved this Development Application with a finished floor level (FFL) of 3.8m AHD ; which is excessive.
3. The proponent/applicant has now submitted an appeal in the SAT on 27 November 2023 and this will subject the City (and ratepayers) to a costly exercise.

Noting the State Administrative Tribunal (SAT) Act, section 26 states:

*“After the commencement of a proceeding for the review of a decision the decision-maker cannot —*  
*(a) vary the decision; or*  
*(b) set aside the decision and substitute its new decision,*  
*Unless*  
*(c) that is permitted by the enabling Act; or*  
*(d) the parties to the proceeding consent; or*

*(e) the decision-maker is invited under section 31 to reconsider the decision.”.*

In essence, (d) means the Council has the ability to reconsider the decision with the consent of the applicant. It is for this reason the applicant has asked for a fresh determination by the Council prior to the continuation of formal proceedings at the SAT.

4. Surrounding landowners that would be more adversely affected by flooding have had development applications approved at 3m AHD and there appears to be no rationale behind these approvals or consistency of decision making across the City, let alone the area in question.
5. In a recent report to Council the following comment was stated: “The CHRMAP is a strategic document that currently has no weight in development approval decision until gazetted in the LPS21”.
6. Until such time that CHRMAP is more formally recognised in our scheme, there may be little value in asking proponents to construct to 3.8AHD, or any significantly higher level if, as a result of coastal inundation:
  - a. there is no longer a functional road to the property; and,
  - b. services such as electricity can no longer be provided.
7. The City of Busselton and DPLH considered the requirement to fill to 3.8 AHD to be “unreasonably onerous and does not provide for any flexibility in the type of construction method or other design aspects” (City email 25/3/2021).
8. Flexibility has been shown to the FFLs of other recent surrounding developments.
9. The staff have advised, in a previous attempt at submitting a NoM on this matter,

*“Unfortunately, the City does not currently have before it an application to determine and the City cannot re-issue a development application without having an application to consider. There is no capacity for the Council to re-issue an application as proposed in the Notice of Motion. The applicant may make an application to the City requesting the Local Government to amend or delete any condition to which the approval is subject. Councillors could then call that in using the call-in provisions.*

*The applicant may also apply to the State Administrative Tribunal for a review of the determination in accordance with the Planning and Development Act 2005 Part 14”.*

10. The SAT Application notes “The Applicant hereby consents to any further reconsideration made at any point by the Respondent prior to any directions and/or mediation. In fact, the Applicant encourages this to occur given the recent interest in the application by elected members. If formal mediation could be avoided altogether, this would be a cost saving to both parties”.
11. Therefore, with this consent given by the Applicant, we should take the opportunity to make a fresh decision, as s26 of the SAT Act allows.

## OFFICER COMMENT

Officers do not support the motion to reduce the finished floor level for DA23/0346, Lot 71 Forrest Beach Road, Wonnerup (Single House, Modified Envelope, Garage & Water Tank) from 3.8m AHD to 3.2m AHD. A finished floor level of 3.8m AHD is consistent with the planning framework that guides development for the site.

The City approved a development application under delegated authority (DA23/0346 refers) for a Single House, Modified Building Envelope, Garage & Water Tank at Lot 71 Forrest Beach Road, Wonnerup (the Site). The variations for the standards related to a Building Envelope front setback of 24m in lieu of 35m and the Outbuilding wall height of 4.7m in lieu of 3.6m

The site is located along Forest Beach Road within the Conservation Zone.



The site is subject of Special Provision No.72 within Local Planning Scheme No.21 (the Scheme) which states that all dwellings must meet the standard of *“a minimum finished floor level of 3.8 metres AHD for coastal inundation protection”*. It is also subject to a WAPC approved structure plan that requires specific Finished Floor Levels (FFLs).

Further to this, the lot was created through the WAPC considering and approving a subdivision with conditions relating to FFLs consistent with the Structure Plan and Scheme. The Scheme, Structure Plan and subdivision approval are consistent with State Planning Policy (SPP) 2.6 (coastal) that requires an FFL of 3.8m AHD.



The application was referred to both the Department of Planning Lands and Heritage (DPLH) and Department of Transport (DoT). DoT advised that because the site is not adjacent to navigable waters or protected by their structures, the appropriate agency to provide comment is DPLH.

DPLH (Coastal Management) advised the following:

*The proposed development includes a single dwelling, ancillary dwelling and water tank at a raised 3.0m AHD FFL and a separate garage structure at a lower 1.6m AHD FFL. The City of Busselton's Coastal Hazard Risk Management and Adaptation Plan 2022 (CHRMAP) Management Unit 19 – Forrest Beach identifies the subject site as being vulnerable to the impacts of coastal erosion by 2073 and inundation (existing hazard). The CHRMAP identifies 'Protect' as the preferred management option for coastal erosion and 'Accommodate' for coastal inundation.*

*To facilitate accommodation of inundation, the CHRMAP recommends minimum finished floor levels for development in areas vulnerable to coastal inundation. This is reflected in the City's Local Planning Scheme No. 21 Schedule 3 – Special Provision Areas. SP72 – Part of Lot 7 (No. 86) Forrest Beach Road, Wonnerup applies to the subject site and states that "A minimum finished floor level of 3.8 metres AHD for coastal protection inundation protection" is required. This same requirement is stipulated in the Lot 7 Forrest Beach Road Wonnerup Structure Plan, which also applies to the subject site.*

*The CHRMAP states that a reduced FFL of 3.4m AHD should only be permitted if appropriate seawall/bund and storm surge (coastal inundation hazard) protection measures have been constructed to a minimum height of 3.4m AHD. The CHRMAP does not state where and when these works will occur, which at present leaves the site vulnerable to the potential impacts of inundation and therefore a reduction in FFL to 3.4m is not appropriate.*

*The Seashore Engineering Coastal Engineering Report 2020 attached to the City's referral request and referenced in the Structure Plan also states that a 3.8m ADH FFL is required. However, this document also notes that that a 3.2m AHD FFL could be considered as part of a staged coastal adaptation approach whereby after 50 years the dwelling is replaced/modified to meet the required 3.8m AHD FFL.*

*This is not considered to constitute orderly and proper planning, particularly acknowledging that the proposed single dwelling and ancillary dwelling are proposed above significant (although insufficient) fill and retaining which is unlikely to be retrofitted in the future being clearly intended for permanent use. Additionally, this report is now superseded by the CHRMAP provisions which should take precedence given that it has been informed by best practice using SPP 2.6 and the most up-to-date coastal hazard assessment.*

#### Recommendations

*As detailed above, the proposed finished floor levels of the entire development are not in accordance with the City of Busselton Local Planning Scheme No. 21, Lot 7 Forrest Beach Road Wonnerup Structure Plan, or CHRMAP. This will result in the site becoming increasingly vulnerable to coastal inundation storm surges over time as sea levels continue to rise.*



*On the basis of the above comments, it is recommended that the City either refuse the development application, or alternatively request that the applicant amend the design so that the finished floor levels of the entire development are raised to a minimum 3.8m AHD in accordance with the requirements of the Scheme and Structure Plan.*

The development application was approved on 31 October 2023 and included Condition 6.1 that states:

*6.1 the minimum finished floor level for all habitable development shall be 3.8m AHD*

With regard to the status of the CHRMAP, the SPP, Scheme and Structure Plan are higher order documents that are required to be given greater weight. Furthermore, Recommendation 4 of the CHRMAP requires further coastal hazard inundation modelling for this section of the coast. The subject lot is not only impacted by coastal erosion but is also subject to inland flooding from the Vasse-Wonnerup system that is not considered by the CHRMAP.

The CHRMAP recommends further coastal inundation modelling for Geographe Bay and this is being addressed through the Busselton Storm Risk Mitigation (Tropical Cyclones) project. Until the City's Local Planning Scheme has been amended, that reflects the additional work required by the CHRMAP and the inundation modelling, applications for development approval for Single Houses on the subject land where the proposed FFL was lower than the 3.8 AHD specified in the Scheme and the endorsed structure plan could only be approved by the City if –

1. The application had been referred to Department of Transport (DoT)/Department of Planning Lands and Heritage (DPLH), and advice provided to the City that the lower level was appropriate; or
2. The endorsed structure plan had been amended to specify a lower level.

In light of the referral comments from DPLH, officers consider that the City should adopt a precautionary principle and not support a variation to the SPP, Scheme and Structure plan requirements. To consider a reduction in the FFL, the applicant is required to submit supporting evidence from a coastal engineer considering coastal processes and inland inundation over a 100yr planning timeframe as required by State Planning Policy 2.6. Upon receipt of the information, the report should be referred to DPLH (coastal management) for peer review and advice.

In addition to the above, there may be legal risks (for example a potential claim in negligence) associated with approving development in the face of foreseeable risks of inundation.