



SHIRE OF KONDININ HOUSING & BUILDING COMMITTEE

MINUTES OF MEETING

HOUSING & BUILDING COMMITTEE

held at 9:00am on Tuesday 12th December 2023 at the
Kondinin Council Chambers

David Burton
CHIEF EXECUTIVE OFFICER
12th December 2023

11 Gordon Street, KONDININ WA 6367 Tel (08) 98891006 Fax (08) 98891197
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Order of Business

1. DECLARATION OF OPENING/ ANNOUNCEMENT OF VISITORS

The CEO, David Burton, welcomed those present and declared the meeting open at 9:01am.

Cr Bruce Browning was nominated for Chairperson of the Committee Meeting. Cr Bruce Browning duly accepted the nomination.

Being that there were no further nominations, Cr Bruce Browning was accepted as the Chairperson and assumed the chair.

2. RECORD OF ATTENDANCE/APOLOGIES

Councillors:	Cr K Green	Cr D Pool	Cr B Browning	Cr Beverley Gangell
Staff:	David Burton (CEO)	Tory Young (MPA)	Leandré Genis (ESO)	
Apologies:	NIL			

3. CONFIRMATION OF MINUTES OF PREVIOUS MEETING

OFFICER RECOMMENDATION:

Moved: Cr Darren Pool

Seconded: Cr Kerrie Green

That the minutes of the Housing & Building Committee Meeting held on the 11th October 2023 be confirmed.

Carried: 4/0

4. REPORTS OF MEMBERS AND OFFICERS

Leandré Genis left the meeting at 9:27am and returned at 9:29am.

Cr Bev Gangell left the meeting at 9:32am and returned at 9:34am.

Leandré Genis left the meeting at 10:43am and returned at 10:45am.

4.1 UPDATE ON HOUSING MATTERS

Applicant:	Shire of Kondinin
Author:	Manager of Planning and Assets – Tory Young
Responsible Officer:	Chief Executive Officer – David Burton
Disclosure of Interest:	-
Date:	5 th December 2023
Attachment(s):	Housing Replacement Plan (as amended December 2023) 10 Year Housing and Maintenance Capital Works Plan (as amended December 2023)

OFFICER RECOMMENDATION:

Moved: Cr Darren Pool

Seconded: Cr Beverley Gangell

1. **NOTES** the update on housing matters detailed within the Agenda Report for consideration.
2. **RECEIVES** the Housing Replacement Plan dated December 2023 as a working document to inform future budget considerations.
3. **RECEIVES** the 10 Year Housing Maintenance and Capital Works Plan

Carried: 3/1 (Cr Kerrie Green against)

SUMMARY

To provide an update on the current and projected requirements for addressing housing demand in the Shire.

BACKGROUND

The 10-year Housing Maintenance and Capital Works Plan and the 10 Year Housing Replacement Plan are working documents that are reviewed and presented to the Housing and Building Committee meetings for discussion and endorsement as working documents to inform the Shire's Long-Term Financial Plan and annual budget considerations.

In addition to the discussion of these Plans, key matters have also been raised for discussion as outlined below.

1) Consider the review of the Shire's Policy 004 relating to Staff Housing

The Shire's Policy relating to housing provides a blanket approach to housing management and rental agreements, with variations only for Shire Executive staff on contracts and other contract staff. A review of surrounding Shires in the district indicated that whilst all like Shires do offer subsidies to attract and retain staff, a number of Shires provide a 'sliding scale' approach relating to the age, composition and value of the housing stock. Examples of this and a comparison table was presented to the Housing and Building Committee Meeting held on the 11th October 2023 for discussion. At this meeting, the Shire's Administration were directed to investigate the matter further in the context of the best interests of the Shire of Kondinin and present proposed amendments to the Shire's current Policy 004 to the next Housing Committee meeting for discussion and consideration.

A staff survey was circulated by the Shire's CEO including questions in relation to housing be factored into the review of the Shire's Housing Policy.

An amended Policy has been prepared by the CEO and a separate Agenda Item has been included below for discussion.

- 2) *Consider entering an investor partnership with the Western Australia Country Health Services (WACHS) for the construction and/or purchase of up to four (4) dwellings to service staffing demand at Kondinin Hospital;*

This matter was presented to the Ordinary Meeting of Council on the 19th July 2023 in which Council endorsed to obtain a \$900,000 Treasury Loan to finance the construction of 2 x dwellings at No. 51 (Lot 121) Rankin Street, Kondinin.

A Business Case was prepared and advertised for 6 weeks, closing on the 16th October 2023. No formal submissions were received.

On finalisation of the Business Case and approval from Treasury, the matter will be progressed to the design stage in liaison with WACHS. Options and indicative costings from both modular and brick designs are being investigated.

At the Ordinary Meeting of Council held on the 19th July 2023, Council endorsed an application to Treasury for a loan of \$900,000 to the Kondinin Community Recreation Council to construct an additional two (2) dwellings for WACHS housing.

The KCRC are currently finalising the preferred site location for the dwellings, which include Lot 325 (No. 9 Browning Street, Kondinin; No. 74 (Lot 45) Graham Street, Kondinin, No. 53 (Lot 120) Rankin Street, Kondinin and No. 18 (Lot 227) Howlett Street, Kondinin, with No. 53 (Lot 12) Rankin Street, Kondinin being the preference. The latter 3 sites are dependent on following the relevant processes under the Local Government Act 1995.

Under the processes of the Act the Shire can elect to transfer No. 74 (Lot 45) Graham Street to the Shire of Kondinin as of immediately. In regards to No. 18 (Lot 227) Howlett Street and No. 53 (Lot 120) Rankin Street, these are scheduled to be auctioned in January / February 2024.

As the most cost-effective scenario for both parties, the Kondinin Community Recreation Council and the Shire are looking at a similar timeframe for planning and construction of the WACHS housing.

- 3) *Consider the construction of a dwelling/s at the vacant lot on No. 39 (Lot 282) Repacholi Parade, Kondinin for Shire employees within the 2023/2024 financial year;*

The Shire own the above lot on Repacholi Parade, Kondinin. The lot lends itself to a 4 x 2 or 3 x 2 dwelling that can accommodate varying occupancy types that could be expected of Shire employees. Currently a number of the Shire houses are of an age and structural condition that are unable to be easily upgraded to modern standards resulting in on-going maintenance issues. It is considered that the Shire start with the construction of a dwelling at No. 39 (Lot 282) Repacholi Parade, Kondinin in the 2023/2024 financial year to commence a replacement and renewal process.

Discussion on this matter ensued at the Housing Committee Meeting on the 11th October 2023 where it was recommended to the Administration to go out to tender on varying housing configurations on an unspecified lot. This is not recommended a preferred way forward by the Shire's Administration, favouring instead to finalise the scope at a specified lot and housing type before going out for tender.

4) *Consider the sale of No. 43 (Lot 284) Repacholi Parade, Kondinin and/or No.30 (Lot 246) Repacholi Parade, Kondinin*

The processes involved in the disposal of Shire property is prescribed under section 3.58 of the Local Government Act 1995 (the Act). In response to verbal interest for the purchase of No. 43 (Lot 284) Repacholi Parade and No. 30 (Lot 246) Repacholi Parade, the Shire's Administration have elected to follow due process in accordance with section 3.58(3) of the Act. Under this process before the Council can agree to dispose of the property the proposal needs first to be given public notice which shall include information describing the property, details of the proposed disposition and an invitation for submissions to be made.

The Shire's Administration have received written consideration including a purchasing figure for No. 43 (Lot 284) Repacholi Parade, Kondinin. This was discussed at the previous Housing Committee Meeting requesting more information on the offer, which has not been received to date.

The Shire's Administration have received written consideration from the current tenant to continue to rent No. 30 (Lot 246) Repacholi Parade, Kondinin rather than to purchase at this point in time. A new rental agreement is in place for a 6 month term expiring in May 2024.

5) *Purchase of No. 43 (Lot 151) Radbourne Drive, Hyden*

Initially, the Shire undertook a valuation on the 2189m² property at No. 39 (Lot 150) Radbourne Drive, Hyden subsequently placing a reserve with Development WA with funds to purchase the property included in the Shire's 2023/2024 budget. The purchasing price indicated by Development WA being similar to that in the valuation undertaken.

At the October Housing and Building Committee meeting the matter was further discussed and it was recommended that the Council look to purchase adjacent No. 43 (Lot 151). Being a corner lot, more regular lot configuration, and north facing it was considered that greater development options would be available for this site. It is recommended that the Council proceed in the purchase of this 2147m² property to facilitate options for potential staff housing in Hyden in the medium term. A reserve has been placed on the property with Development WA, and currently awaiting direction from Development WA to progress to settlement.

6) *Review of the Shire's Industrial Lots*

At the Housing and Building Committee meeting held on the 23rd June 2023 a request was made into the review of the Shire's existing industrial lots. An update was made at the 11th October Housing and Building Committee. The Shire's Administration are currently investigating development options for the 6.2975ha Shire freehold Lot 10 Kulin-Williams Road, Kondinin and will report back on the matter in due course.

7) *Review of Vacant Town Lots*

At the Housing and Committee Meeting on the 23rd June 2023, a request was made into a summary and review of the vacant lots in the residential town sites. The Shire has engaged Landgate to prepare individual town site maps that will make it easier for the Shire's Administration to show this information spatially. Once the maps are prepared the information can be presented to the Housing and Committee Meeting.

REPORTING OFFICER'S COMMENT

The purpose of this meeting and supporting documentation is to update the Housing and Building Committee to consider the Shire's housing stock and the housing needs of the broader community.

STATUTORY ENVIRONMENT

Local Government Act 1995

POLICY IMPLICATIONS

Nil

PUBLIC CONSULTATION

Nil

FINANCIAL IMPLICATIONS

The proposed program relies on funding being made available and any reduction found in grant funding would impact the proposed programs and the final actual program(s) scheduled.

STRATEGIC IMPLICATIONS

Shire's Strategic Community Plan 2022-2032

"1.2 Facilitate and advocate for quality health services, health facilities and programs in the Shire

Local health facilities, visiting allied health and volunteer health services are retained

2.4 Housing meets existing and future community needs for families and workers

Shire housing stock is well maintained and expanded upon

We advocate for improved State Government and Public Housing stock"

VOTING REQUIREMENT

Simple Majority

4.2 REVIEW OF SHIRE HOUSING POLICY # FAC004

Applicant: Shire of Kondinin
Author: Chief Executive Officer – David Burton
Responsible Officer: Chief Executive Officer – David Burton
Disclosure of Interest: -
Date: 5th December 2023
Attachment(s): Shire Housing Policy FAC004 (with amendments)
Shire Housing Gross Rental Valuation (GRV)

OFFICER RECOMMENDATION:

Moved: Cr Kerrie Green

Seconded: Cr Beverley Gangell

The Committee **RECOMMEND** the adoption of the updated Policy FAC004 for Council consideration.

Carried: 3/1 (Cr Kerrie Green against)

SUMMARY

For Council to consider alterations to the Shire Housing Policy and establish differences in values of housing stock for rental purposes and fee structures

BACKGROUND

As part of the attraction and retention of staff, housing is provided where stock is available and houses can be allocated to staff for rental to ensure staff have a place to live while working for the Shire of Kondinin.

Current practice is for all houses to be charged at the same rate, which leads to an inequity in fees as an old house is charged at the same rate as a larger, more modern house. Changes to the Policy are required to address this issue.

It should also be noted that the provision of housing and the reduced rental costs are an attraction and retention strategy to keep staff at the Shire of Kondinin. Comparisons of various Shires has been completed to look at how other Shires charge for rental fees and any subsidies to staff. It should be noted that through this process, a Shire that has significantly higher rentals fees was seen as a possible deterrent to staff remaining at that Shire.

COMMENT

Housing has generally been allocated on a basis of what house was available and the position that was trying to be filled. This has led to houses being used by an individual when it would be more apparent for a family. The current structure of rent fees does not give any incentive for staff to relocated to a smaller residence, as the fee would remain the same. This was considered as part of the review process. As the single rental fee was considered inequitable for the housing, other options were considered and the most suitable option used to change the policy.

As part of the Workforce plan, several questions were asked about housing requirements and rentals fees with also a consideration of what housing would be required. Several staff in larger houses indicated that as they have family that do visit, the larger house was a preference as this could accommodate any visitors rather than them having to book alternative accommodation. At this time, there is little to no incentive for staff to consider changing house as the fee structure is the same for all housing.

Changes to Categories of Houses

In order to ensure that the rental fee is not the same across the Shire housing stock, consideration was given to the style of house, age and size. It should be noted that the classification of the house does not determine the position of the current occupant.

Current valuations of the Shire housing stock are attached to the previous report and was used to assist in the classification of Housing.

The Gross Rental Valuations (GRV) as determined by the Valuer General has been added for information. As Shire housing is non-rateable (Shire paying itself), not all houses have been allocated a GRV. This information does show the difference of the locations of the Housing with the Hyden Houses having a GRV of \$240 and \$245 per week, with the Kondinin houses ranging from \$188 per week for a recent construction to \$97 for the house opposite the Depot. Not all Shire properties have a GRV allocated by the Valuer General, but where a value is provided, it has been listed on the attachments.

With this in mind, the following consideration and classification of houses was considered:

Executive Housing:

Houses under 30 years, brick construction (normally), 4x2 or 3x2, double/single garage, possible office.

94 Graham Street, Kondinin, 43 Repacholi Parade, Kondinin, 6 Hinck Street, Kondinin, 37 Radbourne Drive, Hyden.

Management Housing:

Houses under 30 years, Brick construction (normally), 4x2 or 3x2 with carport.

41 Repacholi Parade, Kondinin, 84 Graham Street, Kondinin, 30 Repacholi Parade, Kondinin.

Staff Housing 1:

Houses generally over 30 years construction or constructed from materials other than brick, 4x2 or 3x2 with carport

21 Young Avenue, Kondinin, 2 Hynes Street, Hyden, 37 Smith Street, Hyden, 11 Young Avenue, Kondinin, 76 Graham Street, Kondinin.

Staff Housing 2:

Houses over 50 years on construction, or other materials, 3x1 or 2x1.

4 Wignell Street, Kondinin, 46 Graham Street, Kondinin, 51 Jones Street, Kondinin

The various categories of housing will enable a differential between the stock and allow for the implementation of a different rate. The variation in the housing was based on similar classifications utilised by other Shires in the local area.

Rental Fees – Staff Housing

The provision of staff housing is part of the Attraction and Retention strategies of the Shire, which is why the rent fee charged is subsidised and not full rental. Comparisons have been taken from our neighbouring Shires with a view of keep the fees in line with others.

Staff have received comment that one of the Shires in the district does charge higher rental fees and it has been noted that this does contribute to a higher staff turnover.

While rental fees will be charged, they are usually adopted as part of the Fees and Charges process rather than as a policy process. The process of Fees and Charges is annual and part of the Budget process while variation of Policy requires a formal approach with an amendment presented to Council.

The Policy will allow variations to the rental fees and also includes details of the establishment of the fees and also the rebate for staff. This also need to include a consideration for staff who are not in Shire housing as the reduced rent is seen as a benefit to staff who have Shire housing.

In consideration of the rental's fees being adjusted for various types of housing, this was met with some reluctance by staff, which should be expected as most staff are concerned about any increases in costs. Only a few staff were willing to look at a fee structure based on the details of the house. In discussion with several staff, the reduce rent was raised as being a retention strategy for staff and a critical consideration.

In current Policy, the rental fee is structured around 50% of current rental market (not property specific) for Kondinin. By keeping this policy, it does make it difficult to keep the benefit of staff housing the same for all staff as the different rental fees would vary based on the rental amount. As such, a cap of \$70 per week of reduced rent is considered which will also increase the variance with the different categories of housing, while allowing the rent subsidy to be equal to all staff. This will also allow for a consideration for staff in private accommodation or their own rentals to claim the rebate (included in EBA) to receive a similar benefit.

As the houses are currently occupied by staff based on what housing was available and the position that was being recruited at the time, allocation of housing was adhoc. As the rental fee was the same for all houses, this did not impact staff financially for the house. It is recommended that this fee structure be changed to better utilise our housing stock as required. This change would be implemented over the course of the next few years to increase the differential rental fees between the classification, to encourage staff to change if required while not creating a financial burden to staff if they are in a better quality of house.

The consideration of the rental fees is not part of this item, but discussion on this matter now may assist staff in the development of the fees and allow for a better implementation process with staff.

Based on the current fee of \$70 per week (50% of current general market rent of \$140 per week) for all housing, the *indicative* consideration of rent increases may be similar to the following

	24/25	25/26	26/27
Executive Housing	\$85	\$92	\$99
Manager Housing	\$80	\$84	\$88
Staff Housing 1	\$74	\$77	\$80
Staff Housing 2	\$71	\$72	\$73

The implementation plan will allow time for staff to consider increases and the style of house they are in while not financially penalising the staff member to taking the house that was available at the time.

Over successive years, the variance in the style of housing will increase which will give the Shire time to find more appropriate housing should staff opt for a cheaper rental.

The Shire does rent out several properties to other organisations. These do receive full rental fees as they are not used as a 'staff incentive' or may have multiple occupants. Properties rental on this basis are:

Residence	Rented to	Weekly Rent
28 Repacholi Parade	Dept of Education	\$380
76 Graham Street	WACHS	\$480
30 Repacholi Parade	DR Mackie	\$170

POLICY IMPLICATIONS

Amended Policy

FINANCIAL IMPLICATIONS

Increases in rental fees will provide the Shire with additional income. The increase in the subsidy to some staff that do not receive it currently will increase costings, but should not be of a significant level.

CONSULTATION

Staff

STRATEGIC IMPLICATIONS

Strategic Community Plan 2022-2023

"2.4 Housing meets existing and future community needs for families and workers"

VOTING REQUIREMENT

Simple Majority

4.3 PENDING SALE OF PROPERTY

Applicant: Shire of Kondinin
Author: Chief Executive Officer – David Burton
Responsible Officer: Chief Executive Officer – David Burton
Disclosure of Interest: -
Date: 5th December 2023
Attachment(s): email to be presented at meeting.

*****CONFIDENTIAL ITEM*****

5.23. Meetings generally open to public

- (1) Subject to subsection (2), the following are to be open to members of the public —
 - (a) all council meetings; and
 - (b) all meetings of any committee to which a local government power or duty has been delegated.
- (2) If a meeting is being held by a council or by a committee referred to in subsection (1)(b), the council or committee may close to members of the public the meeting, or part of the meeting, if the meeting or the part of the meeting deals with any of the following —
 - (b) the personal affairs of any person; and
 - (e) a matter that if disclosed, would reveal —
 - (ii) information that has a commercial value to a person;

OFFICER RECOMMENDATION:

Moved: Cr Beverley Gangell

Seconded: Cr Darren Pool

The Committee to **RECOMMEND** the purchase/~~not purchase~~ of the property listed in the Confidential Report.

Carried: 3/1 (Cr Kerrie Green against)

5. CLOSURE OF MEETING

Being no further business the meeting was closed at 11:09am.