



SERVICE AGREEMENT

SPECIFIED AREA RATES

BETWEEN

CITY OF JOONDALUP (The City)

AND

ILUKA HOMEOWNERS' ASSOCIATION INC. (IHA)

1 July 2025 — 30 June 2028

**FOR THE PROVISION OF ENHANCED LANDSCAPING
SERVICES TO ILUKA**

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ATTACHMENTS

- A – SPECIFIED AREA RATES (SAR) POLICY

1. PURPOSE AND SCOPE OF THE AGREEMENT

- 1.1 Pursuant to section 6.37 of the local government Act, the City is able to impose a specified area rate and provide specific services for the benefit of ratepayers and residents of the area.
- 1.2 The purpose of the agreement is to define the area to be maintained to an enhanced standard and to document the level of service provided to the area.
- 1.3 The Iluka Homeowners Association Inc. (IHA) is an incorporated body which represents the rate payers and residents of the area.
- 1.4 The area subject of this Agreement is the suburb of Iluka ("The Suburb").
- 1.5 The Parties to the Agreement are the City and the IHA.
- 1.6 The City manages and maintains landscapes within the Estate, which are made up of parks, verges adjacent to parks and median strips and road verges. The IHA requires that all landscaped areas within the Estate are maintained to a standard of quality that enhances the presentation of the landscapes above and beyond the standard service delivery funded by rates. This standard may be achieved with the collection of Specified Area Rates ("SAR's") to cover the cost of providing the enhanced services.
- 1.7 The City has a policy in relation to the implementation of Specified Area Rates Programs which was adopted by Council in September 2024 — (See Attachment A — Specified Area Rates)
- 1.8 Services will be provided by the City to landscaped areas within Iluka, which are listed and mapped in the relevant Service Review document.
- 1.9 This Agreement is effective for a period of three years from 1 July 2025 once signed by all Parties and records the terms and conditions to which the Parties have agreed. It may only be amended by the written agreement of both Parties.

2. SERVICE REQUIREMENTS

- 2.1 Refer to the relevant approved Annual Service Review document.

3. SCHEDULED MONITORING

- 3.1 Formal quarterly inspections will be undertaken by the City to assess the presentation of the estate and to inform Key Performance Indicators (KPIs).
- 3.2 Joint evaluation inspections may be considered by the City upon request from the IHA.

4. KEY PERFORMANCE INDICATORS (KPIs)

- 4.1 Turf evaluation scores shall average between 2 and 3 for areas inspected at each formal quarterly inspection.
- 4.2 Garden bed evaluation scores shall average between 2 and 3 for areas inspected at each formal quarterly inspection.
- 4.3 The annual cumulative average for the evaluations at each of the following locations within the estate shall be scored between 2 and 3 to meet the requirements of this service level agreement.
- 4.4 KPI quarterly inspection results shall be approved by the authorised representative of the IHA.

5. KPI -DETAILS

- 5.1 Turf will be evaluated on:
 - Height
 - Quality (clean cut edge to garden beds and pathways)
 - Colour and consistency
 - Finishing around structures, features, facilities and furniture
 - Weeds
- 5.2 Garden beds will be evaluated on:
 - Weeds/litter
 - Coverage
 - Appearance/amenity value
- 5.3 Each specified location will be assessed, with a score achieved for each component (turf and garden beds) of the evaluation (where applicable) at:
 - Sir James McCusker Park
 - Discovery Park
 - Pattaya Park
 - Atma Park
 - Blackpool Park
 - Shenton Ave Verge

6. KPI SERVICE DELIVERY

- 6.1 Should the quarterly or annual cumulative KPI's (4.1, 4.2 or 4.3) not meet the required score of two (2), the City will have 28 days to rectify the areas identified and undertake a review of the assessment results. The revised assessment results will be presented to the IHA for approval.
- 6.2 Failure to meet the required standards after the review may result in a dispute between both parties. This will be managed in accordance with the dispute resolution process detailed in Part 12.

7. LIST OF LANDSCAPE AREAS TO BE SERVICED

- 7.1 Refer to the relevant approved Annual Service Review document.

8. SERVICE LEVELS AND ASSOCIATED COSTS – ANNUAL SERVICE

- 8.1 Refer to the relevant City approved Service Review for annual costs and services to be provided.

9. ANNUAL REVIEW OF COSTS AND SERVICES

- 9.1 SAR draft annual service review undertaken by the City is to be provided to the IHA by 7 November each year. Should delays occur these are to be communicated to the IHA in writing.
- 9.2 SAR service delivery and cost is to be confirmed and accepted by the IHA in writing by the end of November each year. Where delays occur due to ongoing negotiations the City will include the draft figures in the annual budget proposals.
- 9.3 Budgets will be modified as required once the review is approved by the City's CEO. This will apply to services and associated costs for the following financial year, commencing on 1 July. If the budget is revised as a result of the process, then a revised agreement would be signed by the Association and the CEO.
- 9.4 Review of the SAR services and costs can only be undertaken on an annual basis to ensure sufficient funds can be budgeted by the City and contributions collected from the specified area rates.
- 9.5 Setting the SAR levy on Rates will be as per the SAR policy (attachment A).

10. PUBLIC LIABILITY INSURANCE

- 10.1 In accordance with measures taken to offer Public Liability Insurance cover to all ratepayer groups within the City, the City of Joondalup has put in place a Public Liability Policy to cover Iluka Homeowners Association (Inc).
- 10.2 The policy is a General Public and Products Liability Insurance Policy with a Liability Limit for Public Liability of \$10,000,000 for any one occurrence and Products Liability of \$10,000,000 any one occurrence and in the aggregate any one Period of Insurance.
- 10.3 The policy covers all activities undertaken by the Association in accordance with normal operational terms of the SAR.
- 10.4 Any amendments or changes to this policy will be provided to IHA in writing by the City.

11. PUBLIC RELATIONS

- 11.1 During work the City shall ensure that all employees or contractors engaged by the City are courteous to all members of the public with whom they come into contact.
- 11.2 All enquiries or requests regarding service levels will be solely managed and reported on by the City.

12. DISPUTE RESOLUTION

- 12.1 A dispute is defined as an occurrence and/or circumstance requiring resolution and action where the IHA have notified the City of an issue and are unable to mutually reach agreement with operational representatives from the City within five (5) working days.
- 12.2 Declaration of a dispute requires written communication of the matter(s) in question, from one party to the other which requires a written reply within five (5) working days of declaration.
- 12.3 The Manager Operation Services or IHA Representative has ten (10) working days from the date of reply to resolve the dispute. Following expiration of this timeframe if the dispute is still not resolved the issue shall be referred to the following levels of authority until a solution is reached:
 - Jointly between the Director Infrastructure Services and the IHA and if not resolved.
 - By the City of Joondalup's Chief Executive Officer who shall be the final arbiter.

13. FINANCIAL REPORTING

- 13.1 Formal monthly financial reports will be provided by the City to the nominee of each SAR area at the end of each calendar month to enable effective monitoring of the YTD financial status by each SAR Committee on monthly basis. Reporting to include operation code description, annual budget, annual budget YTD, annual YTD, commitments, total actuals and variance, by each operation code for the respective SAR area.

14. TERMINATION OF THE AGREEMENT AND SAR

- 14.1 The power to impose and to terminate a SAR rest with the City and will be considered on its merits as and when required in line with the adopted Specified Area Rates Policy.

15. SIGNATORIES - AGREEMENT EXECUTION

15.1 ACCEPTANCE STATEMENT

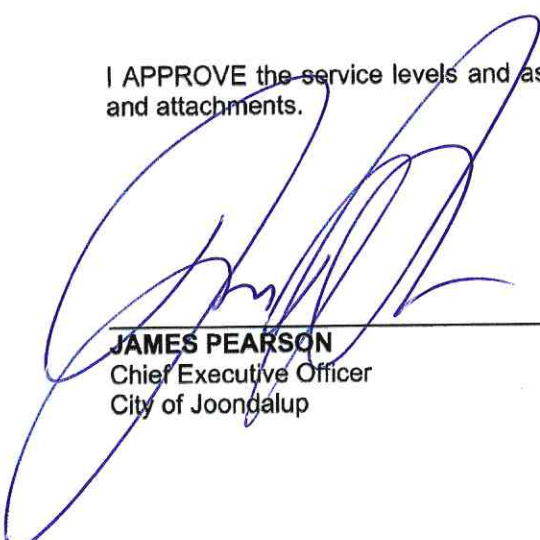
We, the undersigned, agree to the terms and conditions of this agreement



Stephen Pethick
Chairperson
Iluka Homeowners Association (Inc)

14/6/25
Date

I APPROVE the service levels and associated costs detailed in this service review and attachments.



JAMES PEARSON
Chief Executive Officer
City of Joondalup

20/06/2025
Date

ATTACHMENT A – SPECIFIED AREA RATES (SAR) POLICY

Specified Area Rate Council Policy

Responsible directorate: Infrastructure Services

Objective: To provide guidance on the circumstances under which a specified area rate may be established, managed and terminated.

1. Definitions:

"Annual Service Review Agreement" means an annual agreement between the City and a representative property owners' group which details the annual costs associated with the delivery of enhanced landscaping, including ongoing maintenance and any additional public open space infrastructure requested.

"public open space infrastructure" means new, upgraded or replacement items installed in public open spaces, that generally depreciate in value over a period of time.

"representative property owners' group" means an incorporated body representing the property owners of a portion of land which has a specified area rate applied.

"Service Level Agreement" means a three-year agreement between the City and a representative property owners' group which defines the expected level of service of enhanced landscaping.

"specified area rate" means an additional rate charge that the Council may impose under Section 6.37 of the *Local Government Act 1995* on a portion of rateable land contained by clear geographic boundaries (eg main streets, natural features, etc) for the purposes of enhanced landscaping and/or enhanced public open space infrastructure.

2. Statement:

Council will consider requests to establish or terminate a specified area rate for the purposes of enhanced landscaping and/or enhanced public open space infrastructure in accordance with Section 6.37 of the *Local Government Act 1995* and the City's *Specified Area Rate Guidelines*.

3. Details:

3.1. Establishment of a specified area rate:

The Council will consider establishing a specified area rate upon either:

- agreement with a developer in a new land development area
- application by a representative property owners' group in an established area.

3.1.1. Size and geographic requirements:

The Council will only consider applying a specified area rate to portions of land that:

- are defined by clear and discernible geographic boundaries, which may include main streets, or natural features
- encompass an area significant enough that a specified area rate can be effectively applied.

3.1.2. New land development areas:

- a. The developer must inform potential property owners of the intended specified area rate prior to purchase.
- b. The developer must ensure a representative owners' group is established prior to handing over maintenance to the City.

3.1.3. Community consultation:

- a. For established areas, the City will undertake a survey of all affected property owners prior to consideration by the Council. The Council will only consider applications where the survey yields:
 - a response rate of at least 40 percent
 - support for the establishment of a specified area rate from the majority of respondents.
- b. Community consultation is not required prior to Council considering approval of the specified area rate for a new land development area.

3.2. Management of a specified area rate:

- a. The City will manage a specified area rate in accordance with Sections 6.11 and 6.37 of the *Local Government Act 1995*, Section 23(d) of the *Local Government (Financial Management) Regulations 1996*, the City's *Specified Area Rate Guidelines*, and via the following agreements between the City and the representative property owners' group:
 - Service Level Agreement
 - Annual Service Review Agreement.

- b. For each portion of land covered by a specified area rate, the annual specified area rate-in-the-dollar will be calculated based on the agreed program of works and services.
- c. All Service Level Agreements and Annual Service Review Agreements will be made available on the City's website, with any commercial-in-confidence information removed.

3.3. Termination of a specified area rate:

The Council will consider termination of a specified area rate under one or the other of the following circumstances:

- a. The Council has determined that it is no longer appropriate, necessary and/or viable to continue to provide the additional services and to levy the specified area rate.
- b. The representative property owners' group:
 - has ceased to operate
 - has resolved that it no longer wishes to continue with the specified area rate agreement.
- c. The Council has been notified (eg by a petition or other means) that the majority of property owners of properties covered by a specified area rate no longer wish to continue with the specified area rate.

3.3.1. Community consultation:

Where the Council has received a request to terminate a specified area rate agreement from a group of property owners (outside of the representative property owners' group), the City will undertake a survey of all affected property owners prior to consideration by the Council. The Council will only consider applications to terminate a specified area rate where the survey yields:

- a response rate of at least 40 percent
- support for the termination of the specified area rate agreement from the majority of respondents.

Creation date: March 2010 (CJ039-03/10)

Formerly: Specified Area Rating Council Policy

Amendments: CJ039-03/10, CJ093-05/12, CJ149-08/15, CJ067-05/21, CJ255-09/24

Last reviewed: September 2024 (CJ255-09/24)

Related documentation:

- Community Consultation Council Policy
- Local Government Act 1995
- Local Government (Financial Management) Regulations 1996
- Notification of Works Council Policy
- Specified Area Rate Guidelines

File reference: 101278

