



SHIRE OF WYNDHAM | EAST KIMBERLEY

AGENDA ORDINARY COUNCIL MEETING

26 April 2022

DISCLAIMER

Members of the Public are advised that recommendations to Council contained within this Agenda and decisions arising from the Council meeting can be subject to alteration.

Applicants and other interested parties should refrain from taking any action until such time as written advice is received confirming Council's decision with respect to any particular issue.

An audio and/or video record will be made of these proceedings to assist in the taking of minutes.

Signed on behalf of Council

A handwritten signature in black ink, appearing to read 'V. E. Lawrence', written in a cursive style.

VERNON LAWRENCE

CHIEF EXECUTIVE OFFICER

NOTES

1. Councillors wishing to make alternate motions to officer recommendations are requested to provide notice of such motions electronically to the minute taker prior to the Council Meeting.
2. Councillors needing clarification on reports to Council are requested to seek this from relevant Officers prior to the Council meetings.

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**SHIRE OF WYNDHAM EAST KIMBERLEY
ORDINARY COUNCIL MEETING AGENDA
KUNUNURRA COUNCIL CHAMBERS
TO BE HELD ON TUESDAY 26 APRIL 2022 AT 5:00PM**

- 1. DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS**
- 2. RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE
(PREVIOUSLY APPROVED)**
- 3. DECLARATION OF INTEREST**
 - Financial Interest
 - Impartiality Interest
 - Proximity Interest
- 4. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**

Nil
- 5. PUBLIC QUESTION TIME**
- 6. APPLICATIONS FOR LEAVE OF ABSENCE**
- 7. PETITIONS**
- 8. CONFIRMATION OF MINUTES**

OFFICER'S RECOMMENDATION

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|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>That Council confirms the Minutes of the Ordinary Council Meeting held on 22 March 2022 noting a minor change for a typographical error has been made.</p> |
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Note: The Minutes of the Ordinary Council Meeting held on 22 March 2022 are provided under separate cover via www.swek.wa.gov.au. It should be noted further that a minor change was made at item 16.1 for a typographical error where the incorrect Deposited Plan number was included in the report, including the Officer Recommendation. The correct Deposited Plan number is 223234.

- 9. ANNOUNCEMENTS BY THE PERSON PRESIDING WITHOUT DISCUSSION**
- 10. MATTERS FOR WHICH THE MEETING MAY BE CLOSED**
- 11. DEPUTATIONS / PRESENTATIONS / SUBMISSIONS**

12. REPORTS

12.1. MATTERS ARISING FROM COMMITTEES OF COUNCIL

12.2. CHIEF EXECUTIVE OFFICER

12.2.1. Standing Item - Outstanding Actions from Previous Council Resolutions

| | |
|--------------------------------------|------------------------------------------------------------------|
| DATE: | 26 April 2022 |
| AUTHOR: | Executive Officer to the CEO |
| RESPONSIBLE OFFICER: | Vernon Lawrence, Chief Executive Officer |
| DISCLOSURE OF INTERESTS: | NIL |
| COUNCIL'S ROLE IN THE MATTER: | Leader - plan and provide direction through policy and practices |
| VOTING REQUIREMENT: | Simple Majority |

OFFICER'S RECOMMENDATION

That Council notes the report - Outstanding Actions from Previous Council Resolutions.

PURPOSE

To report to the Council on the progress of and provide comment on outstanding actions from Council resolutions.

BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE

At each meeting of Council, resolutions are made which require actions to be taken by officers to implement those resolutions. This monthly update advises the Council as to the status of the implementation of resolutions.

STATUTORY IMPLICATIONS

NIL

POLICY IMPLICATIONS

NIL

STRATEGIC IMPLICATIONS

Strategic Community Plan 2017-2027

Focus Area 4: Civic Leadership

Goal 4.2: Good decision making through engagement with the community

Strategy 4.2.2: Ensure community input informs planning and decision making
Goal 4.3: Ensure a strong and progressive organisation delivering customer focused services
Strategy 4.3.2: Create a culture that encourages innovation, collaboration, best practice and organisational discipline to improve efficiency, effectiveness and productivity

RISK IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Not applicable as referenced in individual reports presented to the Council.

COMMUNITY ENGAGEMENT

No community engagement is required.

COMMENTS

An update of actions from the March 2022 Council resolutions are detailed in Attachment 1.

Attachment 2 summarises all other actions that are outstanding from previous Council resolutions.

ATTACHMENTS

Attachment 1 - Council Action Register - March 2022

Attachment 2 - Council Action Register - Outstanding Actions from Previous Council Resolutions

12.2.2. Councillor Committee Representation

| | |
|--------------------------------------|--------------------------------------------------------------------------------------------|
| DATE: | 26 April 2022 |
| AUTHOR: | Executive Officer to the CEO |
| RESPONSIBLE OFFICER: | Vernon Lawrence, Chief Executive Officer |
| FILE NO: | GN.05.7 |
| DISCLOSURE OF INTERESTS: | Nil |
| COUNCIL'S ROLE IN THE MATTER: | Advocator - advocate and support initiatives on behalf of the community and the Kimberley. |
| VOTING REQUIREMENT: | Absolute majority |

OFFICER'S RECOMMENDATION

That Council endorses the following changes to the representation on various Committees of Council as well as representation on external Boards and Committees:

Audit (Finance and Risk) Committee

Proxy - Cr B Kyne

Local Emergency Management Committee (LEMC)

Representative 1 - Cr B Kyne

Kununurra Wyndham Alcohol Accord

Proxy 1 - Cr B Kyne

PURPOSE

With the election of Councillor Kyne, it is appropriate to ensure that Councillor Kyne has the opportunity to contribute to the community through participation in Council committees. This report recommends changes to some Council committees for this purpose.

BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE

In accordance with s5.8 of the *Local Government Act 1995* a local government may establish committees of three or more persons to assist the Council and to exercise the powers and discharge the duties of the local government that can be delegated to committees.

In accordance with the *Local Government Act 1995*

- The Shire President is entitled to be a member of any Council appointed committee.

- Each committee of Council must comprise of at least three elected members and can consist of as many as nine elected members (i.e. the Council).
- In terms of meeting efficiency and effectiveness, previous committee numbers have been 3 (CEO Review Panel) and 3 (Audit) elected members. By convention, at least one deputy member should be appointed to assist each committee so that quorums can be easily maintained.
- These arrangements can be changed at any time by absolute majority decision subject to the requirements of the Local Government Act 1995.

Function

The function of a committee is to deliberate upon matters within its authority. In some cases it may be limited to only making recommendations to Council. In others, the full authority to make decisions may be delegated. The Council may determine operational procedures for committees through its standing orders local law or by a policy decision.

Membership

Committee members are usually appointed by Council at the first Council meeting following the local government ordinary elections. If a committee has position(s) for Council members and the Mayor or President wishes to be a member of that committee then the local government is to appoint the mayor or president to be a member. The same principle applies if the CEO wishes to be appointed to a committee that has an employee representative.

The Shire is involved with a variety of committees, some of which are statutory requirements and others which are in-house and assist with the decision-making of Council and other committees relating to external stakeholders.

Committee Information:

LEGISLATED

Audit (Finance and Risk) Committee

Section 7.1A (1) of the *Local Government Act* stipulates that a local government is to establish an audit committee of three or more persons to exercise the powers and discharge the duties conferred on it.

Section 7.1A (2) of the *Local Government Act* stipulates that the members of the audit committee of a local government are to be appointed **(by absolute majority)** by the local government and at least three of the members, and a majority of the members, are to be Council members.

Section 7.1A (3) and (4) stipulate that the Audit (Finance and Risk) Committee cannot have the CEO, their nominee or representative as a member of the Audit (Finance and Risk) Committee. The Audit (Finance and Risk) Committee is primarily responsible for the overview of the financial and risk management of the Council and operates in accordance with its Terms of Reference.

- Number of Councillors - Three or Five
- Frequency of meetings - Quarterly
- Location of meetings - Kununurra
- Responsible officer - Director Corporate Services
- Committee administrator - SWEK

CEO Review and Selection Panel

The CEO is employed by the Council and the performance of the CEO is to be reviewed at least once in relation to every year of employment. Division 4 of the *Local Government Act 1995* s5.36, s5.39A, s5.39B and s5.39C gives guidance to Councillors on the employment of a CEO and s5.38 indicates that an annual review must take place and this is achieved in accordance with the Panel's Terms of Reference.

- Number of Councillors - Three
- Frequency of meetings - As required (at least once a year)
- Location of meetings - Kununurra
- Responsible officer - Chief Executive Officer
- Committee administrator - SWEK

Local Emergency Management Committee (LEMC)

The LEMC is established by the respective local government and operates under the provision of the *Emergency Management Act 2005* to plan on behalf of the community. This is a representative committee to provide a network of skills, knowledge and advice to assist the local government in ensuring that the local emergency management arrangements are established for its area.

The LEMC is not an operational response committee and is often confused with the functions of an Incident Management Group or at a larger emergency, the Operations Area Management Group. Members of the LEMC may well be involved with the operational management of an incident as a member of the Incident Management Group or the Local Recovery Coordinating Committee due to the roles they hold in their parent agency. Local government has an important part to play in that it has a legislative responsibility to prepare, plan and have linking arrangements with the appointed agencies.

- Number of Councillors - One
- Number of proxies - One
- Frequency of meetings - Quarterly and as required during times of emergency
- Location of meetings - Alternates between Wyndham and Kununurra
- Responsible officer - Director of Infrastructure (Chairperson)
- Committee administrator - SWEK

Bush Fire Advisory Committee (BFAC)

The function of the Bush Fire Advisory Committee (BFAC) is to provide support and guidance to Bush Fire Brigades and develop interagency strategies in relation to fire management in the Shire. It does this in collaboration with the Department of Fire and Emergency Services (DFES) and the Department of Biodiversity, Conservation and Attractions (DBCA) and various

other key agencies. The BFAC meets to discuss operational and command and control issues and to advise on matters relating to prosecutions under the *Bush Fires Act 1954*. It also assists in coordinating the activities of the brigades and agencies tasked with fire management with respect to the preparation of firebreaks and general preparedness for fire incidents.

- Number of Councillors - Two
- Number of proxies - One
- Frequency of meetings - Quarterly
- Location of meetings - Kununurra
- Responsible officer - Director Infrastructure (Chairperson)
- Committee administrator - SWEK

Development Assessment Panels (DAP's)

Council is obliged to nominate members and alternate members for the Kimberley/Pilbara/Gascoyne (Northern) Joint Development Assessment Panel (DAP) –The Northern DAP was established in line with Part 11A of the *Planning and Development Act 2005*, and administered under the Planning and Development (Development Assessment Panels) Regulations 2011. Its principal purpose is to deal with major planning proposals - all proposals valued over \$10 million, and subject to the applicant nominating (i.e. a voluntary application), optional proposals valued between \$2 million and \$10 million. The DAP only becomes operational once an application has been lodged.

- Number of Councillors - Two
- Number of proxies - Two
- Frequency of meetings - As required
- Location of meetings - Kununurra
- Responsible officer - Director Planning and Community Development
- Committee administrator - Department of Planning

REGIONAL REPRESENTATION

WALGA Kimberley Zone/Regional Collaborative Group

The Western Australian Local Government Association (WALGA) is the single association for Local Government, representing the political and strategic interests of Local Government at State and Federal levels. The Shire of Wyndham-East Kimberley is a member of WALGA.

Local Governments are grouped into regional bodies called Zones (a geographically based subdivision containing Ordinary Members and is incorporated within a country or metropolitan constituency. The Kimberley Country Zone Membership is made up of the Shire of Wyndham-East Kimberley, Shire of Halls Creek, Shire of Broome, Shire of Derby/West Kimberley, Shire of Christmas Island and Shire of Cocos (Keeling) Islands.

The roles/functions of a Zone are primarily as follows:

- select a State Council representative;

- consider the State Council agenda;
- provide direction/feedback to their State Councillor;
- develop/advocate positions on regional issues affecting Local Government;
- progress regional Local Government initiatives;
- identify relevant issues for action by WALGA;
- networking and sharing information; and
- contributing to policy development through Policy Units and Policy Forums.

Zones:

- have an integral role in shaping the political and strategic direction of Local Government as a tier of government;
- are responsible for bringing relevant local and regional issues to the State decision making table;
- are a key player in developing policy and legislative initiatives for Local Government; and
- have direct relationships with the State Council of the Association, Policy Units and Policy Forums and the Secretariat of the Association.

Every Zone has at least one representative on the State Council (the Kimberley Zone has 1 – the Zone Chair who is also the State Council representative and the Deputy Zone Chair who is the Deputy State Council Representative). Each representative is primarily responsible for ensuring that the Association is governed in the best interests of all member Local Governments. Representatives are also required to advocate the viewpoints and interests of their Zone on issues under consideration by the State Council. The Shire representatives are the same as for the Kimberley Regional Group detailed below.

Kimberley Regional Group (KRG)

In September 2010 as part of the Western Australian State Government's Local Government reform agenda, the four Kimberley Shires (Shire of Wyndham/East Kimberley, Shire of Halls Creek, Shire of Broome and the Shire of Derby/West Kimberley) formed the Kimberley Regional Collaborative Group (RCG), formalised with the signing of an agreement with the State Government. The Group was formed with a view to adopting a regional approach to strategic and community planning and facilitating the harmonisation of core functions and services across participating local governments.

The RCG was due to terminate on 30 June 2015. In preparation for this, the Kimberley Shires formed a Kimberley Regional Group (KRG) for the purpose of governing and undertaking shared regional initiatives. The KRG has a Kimberley Local Government Governance Agreement between the four Kimberley Shires, which provides the legal framework for the establishment, membership and operation of the Kimberley Regional Group. This agreement was originally signed in February 2014, with the latest version being signed in August 2019.

The KRG have developed and are implementing a Kimberley Strategic Community Plan 2014-2024 and Kimberley Regional Business Plan 2018-2022. The RCG and Kimberley Zone meetings are held at the same time and the committee representatives are the same. Travel is required to each of the zones for the quarterly meetings as well as to Darwin and Perth for conferences generally held once a year.

- Number of Councillors - Two
- Number of proxies - Two
- Frequency of meetings - Quarterly
- Meeting location - Alternates between zone locations
- Responsible officer - Chief Executive Officer
- Committee administrator - Zone Secretariat (currently Broome Shire)

Kimberley Regional Road Group

The Kimberley Regional Road Group is a grouping of the Broome, Wyndham East Kimberley, Halls Creek and Derby-West Kimberley Shires to work on regional road issues. Funding is made from the State Government towards regionally significant projects which municipalities must make submissions for funding. Funding submissions cover Black Spot funding, Aboriginal Access Roads funding, direct funding towards administrative costs and Regional Projects funding.

- Councillor representation - One
- Number of proxies - One
- Frequency of meetings - Bi-annually
- Meeting location - Rotated through Shire locations
- Responsible officer - Director Infrastructure
- Committee administrator - Main Roads WA

LOCAL REPRESENTATION

Kununurra School and Community Library

The Kununurra School and Community Library Committee provides advice on policy with respect to the running of the Library in Kununurra, which is jointly managed by the Shire and the Department of Education.

- Number of Councillors - One
- Number of proxies - One
- Frequency of meetings - Bi-annually
- Location of meetings - Kununurra Library
- Responsible officer - Director Planning and Community Development
- Committee administrator - SWEK

Disability Access and Inclusion Committee

The objective of this Committee is to oversee and advise Council on the implementation, review and evaluation of the Shire's Disability Access and Inclusion Plan, which is required under *the Disability Services Act 1993*. The Committee nominally meets annually but meets on a more regular basis when it is tasked to review and update the document, which is currently taking place at the moment. It comprises industry representatives - mostly (NDSIS) service providers - as well as community representatives.

- Number of Councillors - Two

- Number of proxies - One
- Frequency of meetings - Annually or as otherwise required
- Location of meetings - Kununurra
- Responsible officer - Director Planning and Community Development
- Committee administrator - SWEK

SWEK RoadWise Committee

The WALGA RoadWise Program supports Local Governments, community groups, private businesses and individuals to become involved in local road safety issues. RoadWise achieves this by supporting local road safety committees, providing access to resources and training, and increasing knowledge, which all contribute to building the capacity of local committees to make an effective contribution to improving road safety in their own areas.

- Number of Councillors - One
- Number of proxies - One
- Frequency of meetings - Quarterly
- Location of meetings - Kununurra
- Responsible officer - Director Infrastructure
- Committee administrator - WALGA RoadWise

Kununurra Visitor Centre

Tourism is a major economic sector for the Shire and it is important that Council understands the needs and requirements of the sector that impact many areas of Council's work. SWEK is also the owner of Tourism House and therefore has a financial interest in the building.

- Number of Councillors - One
- Number of proxies - One
- Frequency of meetings - Monthly
- Location of meetings - Kununurra
- Responsible officer - Chief Executive Officer
- Committee administrator - East Kimberley Visitor's Centre Manager

Kununurra Wyndham Alcohol Accord

The Kununurra Wyndham Alcohol Accord comprises representatives from Industry, Local and State Government and WA Police. The Accord's aim is to address issues associated with the sale and consumption of alcohol. Over the last couple of years the Accord's primary focus has been in relation to liquor restrictions and the enhancement of the Take Away Management System (TAMS) to include a Banned Drinkers Register (BDR). The Accord also advises strategy and policy to Council related to liquor availability and general licensing matters.

- Number of Councillors - Two
- Proxy - One
- Frequency of meetings - Bi-monthly
- Location of meetings - Kununurra

- Responsible officer - Director Planning and Community Development
- Committee administrator - Kununurra and Wyndham Alcohol Accord

Lake Kununurra Foreshore Reference Committee

The purpose of the Lake Kununurra Foreshore Reference Committee is to update and implement the Lake Kununurra and Aquatic Use Plan. It includes broad representation from relevant government agencies (responsible for foreshore and water management) as well as community representatives. The Committee is scheduled to meet in November 2021.

- Number of Councillors - Two
- Proxy - One
- Frequency of meetings - Quarterly
- Location of meetings - Kununurra
- Responsible officer - Director Planning and Community Development
- Committee administrator - SWEK

East Kimberley Marketing Group

The East Kimberley Marketing Group was formed as a result of industry forums held in Kununurra during late 2013 and early 2014 when tourism operators came together to try and work out the best way of giving tourism a boost in the region. The East Kimberley Marketing Group's focus is on delivering actions aligned with the SWEK East Kimberley Tourism Action Plan 2022 and more specifically Part B – Operational Marketing Plan.

- Number of Councillors - One
- Proxy - One
- Frequency of meetings - Monthly
- Location of meetings - Kununurra
- Responsible officer - Chief Executive Officer
- Committee administrator - East Kimberley Marketing Group

East Kimberley Regional Airport Committee

Development at the East Kimberley Regional Airport (EKRA) is expected to be significant in the medium term. This will most likely result in the operations of the airport becoming larger and more complex as freight and flights to the east coast of Australia become a factor. There is a need for a more focused approach to the management of the strategic direction and the operations of the EKRA. As this is a community asset the Administration considers that a governance committee be formed to perform the function similar to that which a board of directors would.

- Number of Councillors - Two
- Proxy - One
- Frequency of meetings - Quarterly
- Location of meetings - EKRA
- Responsible officer - Manager Airports

- Committee administrator - SWEK

OFFICER REPRESENTATION

Australian Airport Association (AAA)

The AAA is the national voice that represents the interests of over 250 airports and aerodromes Australia wide - from the local country community landing strip to major international gateway airports. Airport members represent vital infrastructure crucial to the communities in which they operate and for the overall national economy.

The AAA facilitates cooperation among airport members and their many and varied partners in Australian aviation, while contributing to an air transport system that is safe, secure, environmentally responsible and efficient for the benefit of all Australians and visitors.

- | | |
|-------------------------|------------------------------------------|
| • Officer | - Chief Executive Officer |
| • Proxy | - Manager Airports |
| • Frequency of meetings | - Annual |
| • Location of meetings | - Various locations throughout Australia |
| • Responsible officer | - Chief Executive Officer |

At the 29 October 2019 Ordinary Council Meeting, the Council resolved the following:

COUNCIL DECISION

Minute Number: 26/10/2021 – 118534

That Council endorses the following representation on various Committees of Council as well as representation on external Boards and Committees:

Audit (Finance and Risk) Committee

Representative 1 – Cr M McKittrick

Representative 2 – Cr T Chafer

Representative 3 – Cr D Hearty

Proxy – Cr J Farquhar

CEO review and selection panel

Representative 1 – Cr D Menzel

Representative 2 – Cr N Brook

Representative 3 – Cr T Chafer

Representative 4 – Cr J Farquhar

Proxy – Cr M McKittrick

Local Emergency Management Committee (LEMC)

Representative 1 – Cr M Dear

Representative 2 – Cr N Brook

Proxy 1 – Cr C McNeil

Bush Fire Advisory Committee (BFAC)

Representative 1 – Cr C McNeil

Representative 2 – Cr T Chafer
Proxy 1 – Cr M Dear

Development Assessment Panels

Representative 1 – Cr T Chafer
Representative 2 – Cr D Menzel
Proxy 1 – Cr M McKittrick
Proxy 2 – Cr D Hearty

WALGA Kimberley Zone / Regional Collaborative Group

Representative 1 – Cr D Menzel
Representative 2 – Cr T Chafer
Proxy 1 – Cr N Brook
Proxy 2 - CEO

Kimberley Regional Road Group

Representative 1 – Cr T Chafer
Proxy 1 – Cr D Menzel

Kununurra School and Community Library

Representative 1 – Cr J Farquhar
Proxy 1 – Cr N Brook

Disability Access and Inclusion Committee

Representative 1 – Cr M Dear
Representative 2 – Cr M McKittrick
Proxy 1 - Cr J Farquhar

SWEK Roadwise Committee

Representative 1 – Cr M Dear
Proxy 1 – Cr C McNeil

Kununurra Visitor Centre

Representative 1 – Cr J Farquhar
Proxy 1 – Cr M McKittrick

Kununurra Wyndham Alcohol Accord

Representative 1 – Cr T Chafer
Representative 2 – Cr M Dear
Proxy 1 – Cr D Menzel

Lake Kununurra Foreshore Reference Committee

Representative 1 – Cr N Brook
Representative 2 – Cr J Farquhar
Proxy 1 – Cr M Dear

East Kimberley Marketing Group

Representative 1 – Cr C McNeil
Proxy 1 – Cr N Brook

Australian Airports Association (AAA)

Representative 1 - CEO

Proxy – Manager Airport

East Kimberley Regional Airport Committee

Representative 1 – Cr D Menzel

Representative 2 – Cr T Chafer

Proxy 1 – Cr N Brook

Moved: Cr T Chafer

Seconded: Cr D Hearty

Decision: 8/0

STATUTORY IMPLICATIONS

Local Government Act, 1995

5.8. Establishment of committees

A local government may establish committees of 3 or more persons to assist the council and to exercise the powers and discharge the duties of the local government that can be delegated to committees.*

** Absolute majority required.*

5.9. Committees, types of

(1) *In this section —*

other person means a person who is not a council member or an employee.

(2) *A committee is to comprise —*

- (a) *council members only; or*
- (b) *council members and employees; or*
- (c) *council members, employees and other persons; or*
- (d) *council members and other persons; or*
- (e) *employees and other persons; or*
- (f) *other persons only.*

5.10. Committee members, appointment of

(1) *A committee is to have as its members —*

- (a) *persons appointed* by the local government to be members of the committee (other than those referred to in paragraph (b)); and*

- (b) *persons who are appointed to be members of the committee under subsection (4) or (5).*

** Absolute majority required.*

- (2) *At any given time each council member is entitled to be a member of at least one committee referred to in section 5.9(2)(a) or (b) and if a council member nominates himself or herself to be a member of such a committee or committees, the local government is to include that council member in the persons appointed under subsection (1)(a) to at least one of those committees as the local government decides.*
- (3) *Section 52 of the Interpretation Act 1984 applies to appointments of committee members other than those appointed under subsection (4) or (5) but any power exercised under section 52(1) of that Act can only be exercised on the decision of an absolute majority of the council.*
- (4) *If at a meeting of the council a local government is to make an appointment to a committee that has or could have a council member as a member and the mayor or president informs the local government of his or her wish to be a member of the committee, the local government is to appoint the mayor or president to be a member of the committee.*
- (5) *If at a meeting of the council a local government is to make an appointment to a committee that has or will have an employee as a member and the CEO informs the local government of his or her wish —*
 - (a) *to be a member of the committee; or*
 - (b) *that a representative of the CEO be a member of the committee, the local government is to appoint the CEO or the CEO's representative, as the case may be, to be a member of the committee.*

[Section 5.10 amended: No. 16 of 2019 s. 18.]

5.11A. Deputy committee members

- (1) *The local government may appoint* a person to be a deputy of a member of a committee and may terminate such an appointment* at any time.*

** Absolute majority required.*
- (2) *A person who is appointed as a deputy of a member of a committee is to be—*
 - (a) *if the member of the committee is a council member — a council member; or*
 - (b) *if the member of the committee is an employee — an employee; or*
 - (c) *if the member of the committee is not a council member or an employee — a person who is not a council member or an employee; or*
 - (d) *if the member of the committee is a person appointed under section 5.10(5) — a person nominated by the CEO.*

- (3) *A deputy of a member of a committee may perform the functions of the member when the member is unable to do so by reason of illness, absence or other cause.*
- (4) *A deputy of a member of a committee, while acting as a member, has all the functions of and all the protection given to a member.*

[Section 5.11A inserted: No. 17 of 2009 s. 20.]

5.11. Committee membership, tenure of

- (1) *Where a person is appointed as a member of a committee under section 5.10(4) or (5), the person's membership of the committee continues until —*

- (a) the person no longer holds the office by virtue of which the person became a member, or is no longer the CEO, or the CEO's representative, as the case may be; or*
- (b) the person resigns from membership of the committee; or*
- (c) the committee is disbanded; or*
- (d) the next ordinary elections day,*

whichever happens first.

- (2) *Where a person is appointed as a member of a committee other than under section 5.10(4) or (5), the person's membership of the committee continues until —*

- (a) the term of the person's appointment as a committee member expires; or*
- (b) the local government removes the person from the office of committee member or the office of committee member otherwise becomes vacant; or*
- (c) the committee is disbanded; or*
- (d) the next ordinary elections day,*

whichever happens first.

5.12. Presiding members and deputies, election of

- (1) *The members of a committee are to elect a presiding member from amongst themselves in accordance with Schedule 2.3, Division 1 as if the references in that Schedule —*

- (a) to "office" were references to "office of presiding member"; and*
- (b) to "council" were references to "committee"; and*

- (c) to “councillors” were references to “committee members”.
- (2) The members of a committee may elect a deputy presiding member from amongst themselves but any such election is to be in accordance with Schedule 2.3, Division 2 as if the references in that Schedule —
 - (a) to “office” were references to “office of deputy presiding member”; and
 - (b) to “council” were references to “committee”; and
 - (c) to “councillors” were references to “committee members”; and
 - (d) to “mayor or president” were references to “presiding member”.

POLICY IMPLICATIONS

There are no policy implications associated with this report.

FINANCIAL IMPLICATIONS

There are no financial implications associated with this item other than the commitment of human resources and time to attend/administer the respective committees.

STRATEGIC IMPLICATIONS

Strategic Community Plan 2017-2027

- | | |
|------------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| Focus Area 4: | Civic Leadership |
| Goal 4.1: | Effective representation through advocacy at a regional, state and national level |
| Strategy 4.1.2: | Actively represent the community and provide input to decision making at the regional, state and federal levels that impact the Shire |
| Strategy 4.1.3: | Identify and contribute to collaborative and partnership initiatives that benefit the community |

RISK IMPLICATIONS

NIL

COMMUNITY ENGAGEMENT

The Shire of Wyndham-East Kimberley’s Community Engagement Policy has been considered in relation to this item. No community engagement is required. The matter has been discussed with Councillors at a briefing resulting in the Officers Recommendation.

COMMENTS

The endorsement of Committee memberships is an operational function of the organisation and a legislative requirement. As a general rule each Committee has one representative and one proxy, unless it is a requirement of the respective group to have two nominees (such as

the WALGA Zone or the Development Assessment Panel) and in such cases the number of proxies may also be varied.

With the election of Cr Kyne it has become appropriate to review the membership of committees and allocate some representation to Cr Kyne. This matter was put to the council Briefing on 12 April for discussion and Cr Kyne was offered and agreed with the changes to the committee representation as presented in the Officer Recommendation. Membership of all the committees expires at the next local government election in October 2023.

ATTACHMENTS

NIL

12.2.3. Annual General Meeting of Electors - 17 March 2022

| | |
|---------------------------------|------------------------------------------|
| DATE: | 26 April 2022 |
| AUTHOR: | Chief Executive Officer |
| RESPONSIBLE OFFICER: | Vernon Lawrence, Chief Executive Officer |
| FILE NO: | CM.13.9 |
| DISCLOSURE OF INTERESTS: | Nil |

OFFICER'S RECOMMENDATION

Elector Motion 1

Council to present clarity to rating charges and report on fair and equitable rating policy that provides transparency in line with like minded Shires.

Elector Motion 2

Council to investigate and consult with rate payers on community infrastructure before service levels are determined.

Elector Motion 3

That the Council provide an update to the Disability Access and Inclusion Committee on the progress of the audit of disability access to all Shire facilities.

ELECTOR MOTION 4

That Council consults with stakeholders at the appropriate time before formalising the divesting of road assets.

ELECTOR MOTION 5

That Council reviews procurement processes to assist in the improvement of participation from local business in Shire procurement activities.

ELECTOR MOTION 6

That Council reviews drainage in Wyndham with particular reference to Gully Road, Baker Street and the service roads off Great Northern Highway.

ELECTOR MOTION 7

That Council clears the drain at King Location 715 to an acceptable usable standard.

PURPOSE

To present for Council discussion and consideration the motions carried at the Annual General Electors' Meeting held on 17 March 2022.

Council is only required to make a decision in response to a motion made at an electors' meeting, if it is moved, seconded, put to the vote and carried by a majority of Electors.

NATURE OF COUNCIL'S ROLE IN THE MATTER

Leader - plan and provide direction through policy and practices

BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE

A number of questions and motions were presented at the meeting with seven (7) motions being voted on by the electors present, of which all were carried.

STATUTORY IMPLICATIONS

5.32. Minutes of electors' meetings

The CEO is to —

- (a) cause minutes of the proceedings at an electors' meeting to be kept and preserved; and*

(b) ensure that copies of the minutes are made available for inspection by members of the public before the council meeting at which decisions made at the electors' meeting are first considered.

5.33. Decisions made at electors' meetings

(1) All decisions made at an electors' meeting are to be considered at the next ordinary council meeting or, if that is not practicable —

(a) at the first ordinary council meeting after that meeting; or

(b) at a special meeting called for that purpose,

whichever happens first.

(2) If at a meeting of the council a local government makes a decision in response to a decision made at an electors' meeting, the reasons for the decision are to be recorded in the minutes of the council meeting

POLICY IMPLICATIONS

NIL

FINANCIAL IMPLICATIONS

Financial implications are contingent upon Council's consideration of the motions as presented.

STRATEGIC IMPLICATIONS

Strategic Community Plan 2017-2027

| | |
|------------------------|-----------------------------------------------------------------------------------------------------|
| Focus Area 4: | Civic Leadership |
| Goal 4.2: | Good decision making through engagement with the community |
| Strategy 4.2.1: | Engage and communicate with all sections of the community to better understand needs and priorities |
| Strategy 4.2.2: | Ensure community input informs planning and decision making |
| Goal: 4.3: | Ensure a strong and progressive organisation delivering customer focused services |
| Strategy 4.3.1: | Be adaptive, responsive with a strong customer focus |

RISK IMPLICATIONS

| | |
|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Risk: | Failure to comply with legislative requirements leading to damage of reputation and/or financial loss. |
| Control: | The Shire uses risk management practices to ensure community expectations are prioritised and met. |
| Control: | Consideration of relevant legislation, Council Policy and Organisational Directives and processes in drafting officer recommendations to Electors' motions. |

COMMUNITY ENGAGEMENT

The Annual General Meeting of Electors was advertised on the Shire's website, Facebook page and local public notice and all electors were invited to attend. Seven (7) Elected Members and six (6) community members plus a number of Shire staff were in attendance.

COMMENTS

Questions tabled and answered at the meeting will appear in the AGM Minutes and as part of the Ordinary Council Meeting Agenda for 26 April 2022. There were seven (7) Elector Motions carried at the Annual General Meeting of Electors.

The motions are responded to individually below:

Elector Motion 1

Council to present clarity to rating charges and report on fair and equitable rating policy that provides transparency in line with like minded Shires.

Moved: Simone Rushby

Seconded: Cr Chafer

Carried: 13/0

Officer's Comment on Motion provided by Director Corporate Services.

Council sets the rates and charges each year in accordance with the Strategic Rating Policy CP/FIN-3200. This policy outlines the principles used in the setting of rates of Equity, Incentive, Administrative Efficiency, Compliance, and Sustainability. In addition to applying these principles, ministerial approval of differential rates must also meet the Department of Local Government, Sport and Cultural Industries' requirements of objectivity, consistency, and transparency.

The Strategic Rating Policy is reviewed each year as part of the budget and rate setting process to ensure that it remains compliant with legislation and continues to meet the Shire's needs. The rate setting process includes a comparison with other Kimberley Shires and Local Governments across Western Australia including referencing the annual WA Local Government Rates Comparison Report.

The proposed differential rates are advertised from 1 May each year and submissions invited from the public. These submissions are considered by Council prior to setting the rates and finalising the budget for the next financial year.

In addition to the above a comprehensive Strategic Rating Review is being undertaken and is due for completion by June 2023.

Elector Motion 2

Council to investigate and consult with rate payers on community infrastructure before service levels are determined.

Moved: Simone Rushby

Seconded: Peter Bagley

Carried: 12/0

Officer's Comment on Motion provided by Chief Executive Officer

The Shire administration as a matter of course routinely considers community consultation and engagement as part of the decision making process of Council. The annual budget is built on the assumptions that the current levels of service will be maintained. Where service levels are required to either increase or decrease then Council is made aware of this fact and community consultation is undertaken where required. Since the Shire does not have the funds to provide high levels of service in all areas of operations, decisions on priorities need to be made by Council and consultation is undertaken where appropriate.

The context of this question is the standard of road infrastructure that exists on Ningbing Road which measures approximately 46 kilometres. The Shire has the road on its assets list as an "unbuilt road". As such the road is not constructed and the Shire does not perform any maintenance activity on that road. The Shire has kept the road reserve primarily as the road is an access to an Indigenous community. This motion provides the Shire the opportunity to engage with the relevant ratepayers and determine the expectations of service levels and the Shire's ability to meet them when considering competing priorities.

With respect to the motion, opportunity is provided to the Shire to engage with the community during the budget process and the Corporate Business Plan process to discuss service levels and priority of Shire services and projects. In this context the recommendation is for council to endorse this motion.

Elector Motion 3

That the Council provide an update to the Disability Access and Inclusion Committee on the progress of the audit of disability access to all Shire facilities.

Moved: Peter Bagley

Seconded: Cr T Chafer

Carried: 7/0

Officer's Comment on Motion provided by Director Planning and Community Development.

The Disability Access and Inclusion Committee, comprising elected members, residents, industry representatives and Shire Officers, met on six occasions between June and December 2021 for the purpose of updating the Shire's Disability Access and Inclusion Plan. The updated document was subsequently adopted by Council at the December 2021 Ordinary Meeting and by the Department of Communities in January of this year.

A key recommendation is to carry out a Disability and Access Facility Audit on all Shire properties and facilities, including parks, recreation facilities, Shire managed buildings and housing and external contractors with expertise in disability access have been engaged to carry out this action, to be completed by June this year.

ELECTOR MOTION 4

That Council consults with stakeholders at the appropriate time before formalising the divesting of road assets.

Moved: Peter Bagley

Seconded: Cr T Chafer

Decision: 13/0

Officer's Comment on Motion provided by Chief Executive Officer

The context of this motion is the decision of Council to proceed with the process to have Main Roads WA take over responsibility for the Kalumburu and Port Warrender Roads as the financial commitment to maintain these roads poses a financial sustainability risk for the Shire in the long term that needs to be mitigated.

Council has resolved that it approves of the disposal of these roads and has given the CEO the authority to engage with Main roads WA and State Government Ministers to give effect to this resolution. Consultation with rate payers will be conducted at the time in this process when there is a realistic possibility of these roads being divested and responsibility can be given to the State. The risk of an adverse reaction from the community to this is in the Officers opinion unlikely. The major reason for divesting the road is that the State is better funded to invest in the upkeep of the road than the Shire, which will deliver better outcomes for the community. The motion references normal Shire processes and as such it is our recommendation that Council endorse this motion.

ELECTOR MOTION 5

That Council reviews procurement processes to assist in the improvement of participation from local business in Shire procurement activities.

Moved: Mark Northover

Seconded: Cr D Hearty

Decision: 13/0

Officer's Comment on Motion provided by Director corporate Services.

Shire Officers review all procurement policies including the Regional Price Preference policy on a regular basis to ensure that they remain current with legislation and regulation changes. The current Regional Price Preference policy includes a price preference of up to 10% depending on the type of procurement. The Shire applies the maximum price preference allowed under the regulations which are very strict in what they allow.

The percentage of total supplier payments made to local businesses was 24% in 2019/20, 38% in 2020/21 and 24% for the year to date in 2021/22. This can be heavily skewed by a single large capital works project.

Shire Officers have conducted information sessions for local businesses regarding the Shire's procurement requirements and the use of the VendorPanel online procurement portal. Officers have engaged with organisations supporting local business including East Kimberley Chamber of Commerce and Industry, Kimberley Small Business Support and Binarri Binyja Yarrowoo, and continue to provide support on an individual basis to local businesses in navigating the Shire's procurement processes and the online systems. Feedback from suppliers on how these processes and systems can be improved is taken into consideration while ensuring the Shire meets the strict statutory requirements relating to local government procurement.

ELECTOR MOTION 6

That Council reviews drainage in Wyndham with particular reference to Gully Road, Baker Street and the service roads off Great Northern Highway.

Moved: M McKittrick

Seconded: Cr C McNeil

Decision: 13/0

Officer's Comment on Motion provided by Manager Assets and Engineering.

Drainage in the Wyndham townsite is predominantly surface drainage, with some minor subsurface drainage through the lower extents of the town. Whilst these projects could be looked at in isolation, a full survey of the upper and lower catchment would assist in determining catchment zones and flood routing, in order to facilitate a competent and functional design.

The existing subsurface rock in Wyndham is most likely the reason why there is limited subsurface drainage, and will also determine the nature of drainage in future designs.

The officer recommends that Council consider a full lidar survey of the townsite, and design of surface flood route drainage systems for consideration in budget deliberations. Subject to this proposal, the administration will seek an estimate of cost for those deliberations for inclusion in the 2022/23 budget.

ELECTOR MOTION 7

That Council clears the drain at King Location 715 to an acceptable usable standard.

Moved: Darren Spackman

Seconded: Simone Rushby

Decision: 13/0

Officer's Comment on Motion provided by Manager Assets and Engineering.

This matter has been discussed with the Water Corporation, and it has been agreed that the Shire can maintain drainage through this location. Currently, operational staff are waiting for ground conditions to dry out in order to support heavy vehicles.

The location at the final leg of the Ivanhoe drainage system is a Water Corporation drinking water reserve. The Shire would have very limited capacity to enter this location without the direct permission of the controlling agent. Negotiations over the last 12 months have resulted in conditional access to the location, in order to maintain the 'existing' swale drain. No new structures can be placed in the Water Corporation reserve without explicit consent of the Water Corporation.

ATTACHMENTS

Attachment 1 - Minutes - Annual General Meeting of Electors 17 March 2022

12.3. PLANNING AND COMMUNITY DEVELOPMENT

12.3.1. Temporary Caravan Park Licence Application - Loritz Circus

| | |
|--------------------------------------|----------------------------------------------------------|
| DATE: | 26 April 2022 |
| AUTHOR: | Senior Environmental Health Officer |
| RESPONSIBLE OFFICER: | Nick Kearns, Director Planning and Community Development |
| ASSESSMENT NO: | A7620 |
| FILE NO: | PH.12.5 |
| DISCLOSURE OF INTERESTS: | Nil |
| COUNCIL'S ROLE IN THE MATTER: | Regulator - enforce state legislation and local laws |
| VOTING REQUIREMENT | Simple Majority |

OFFICER'S RECOMMENDATION

That Council

1. Authorises the Chief Executive Officer to sign the application form for the Temporary Caravan Park and Camping Ground Licence for Loritz Circus Pty Ltd at 199 Coolibah Drive, Kununurra.
2. Grants a temporary caravan park licence to Loritz Circus Pty Ltd for 15 Short Stay Sites at 199 Coolibah Drive Kununurra from 7 June 2022 to 13 June 2022 subject to the following conditions:
 - a. Only event staff associated with the Loritz Circus are to be accommodated in the park.
 - b. The following minimum ablution facilities are to be available for the duration of the licence: 2 toilets, 1 hand basin, and 1 shower.
 - c. All waste water (including sullage water) is to be collected and removed from the site to be disposed of at an approved wastewater dump point.
 - d. Rubbish bins are to be sealed and provided within 90 metres of every site. All rubbish is to be removed from the site.
 - e. Fire extinguishers are to be located within 90 metres of every site.

PURPOSE

For council to consider an application made by Loritz Circus Pty Ltd for a Temporary Caravan

Park and Camping Ground Licence at the Kununurra Equestrian Oval, located at 199 (Lot 504) Coolibah Drive, Kununurra.

BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE

Loritz Circus lodged an application for a Temporary Caravan Park and Camping Ground Licence for 15 sites to accommodate staff and crew on the Kununurra Equestrian Oval between 7 June and 13 June 2022 to coincide with the running of the circus, which will run from 9 June to 12 June 2022. A copy of the application form is provided at Attachment 1

No delegation is available to the Chief Executive Officer to either sign the application form as the land owner or to approve the licence so this matter must be decided by Council.

Approval of the event application for the circus is being assessed separately and can be granted under delegated authority.

STATUTORY IMPLICATIONS

Caravan Parks and Camping Grounds Act 1995 (the Act)

- s. 7(5) Before granting a licence a local government must ensure that -
- a) The applicant has complied with the requirements of this Act;
 - b) The applicant is the owner of the land on which the facility is situated, or is to be situated, or has the written approval of the owner of that land to apply for a licence

Caravan Parks and Camping Grounds Regulations 1997 (the Regulations)

- r. 47. Applications not dealt with within time are taken to be refused
- (1) If within -
 - (a) 63 days of receiving an application for a licence; or
 - (b) 35 days of receiving an application for a renewal of a licence, the local government to which the application was made has not informed the applicant whether or not the application has been granted, the applicant may give the chief executive officer of the local government a notice requiring the local government to inform the applicant, within 14 days, whether or not the application is granted.
 - (2) If within 14 days after receiving a notice referred to in subregulation (1), the local government has not informed the applicant whether or not the application is granted, the local government is to be taken to have refused the application and the applicant may make an application for review to the State Administrative Tribunal under section 27 of the Act.
- r. 54 Temporary Licence
- (1) A local government may, on payment of the fee set out in item 3 of Schedule 3, grant a temporary licence for a facility which is to remain in force for such period of less than one year, is provided in the licence
 - (2) A local government is to endorse on a temporary licence for a facility as conditions of the licence-
 - (a) the maximum number of sites that may be used at the facility;

- (b) the maximum number of sites of particular types that may be used at the facility; and
- (c) the services and facilities that are to be provided.

POLICY IMPLICATIONS

Council Policy CP/HTH-3762 *Licencing of Temporary Caravan Parks and Camping Grounds* provides guidelines for the approval of temporary licences. The policy provides for reduction in amenity and requirements of the Regulations which is considered appropriate as temporary licences are usually issued only for a short time

STRATEGIC IMPLICATIONS

This matter relates to the following sections of the *Strategic Community Plan 2017-2027*:

| | |
|------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|
| Focus Area 1: | PEOPLE - Healthy vibrant active communities |
| Focus Area 2: | PLACE - Enhancing the environment |
| Goal 1.1: | Bring community together and promote our rich culture and heritage |
| Goal 2.3: | Make towns safe and inviting for locals and visitors |
| Strategy 1.1.2: | Support and promote an increase in the number of events and activities that encourage a sense of identity, belonging and promote cultural diversity |
| Strategy 2.3.5: | Enforce effective public health and safety |

RISK IMPLICATIONS

| | |
|-----------------|-------------------------------------------------------------------------------------------------------------------------------|
| Risk: | Failure to comply with minimum health and safety standards resulting in illness or injury to members of the public |
| Control: | Inspection by Shire officer and compliance with minimum requirements based on legislative requirements for Nature Based Parks |

FINANCIAL IMPLICATIONS

If Loritz Circus Pty Ltd is granted a temporary licence, they will be invoiced for a licence fee to be calculated in accordance with Schedule 3 of the Regulations. For the proposed licence the minimum fee of \$100 would be applicable.

COMMUNITY ENGAGEMENT

No community engagement is required.

COMMENTS

The proposed licence meets the requirements and intentions of *Council Policy CP/HTH-3762 Licencing of Temporary Caravan Parks and Camping Grounds*. The licenced area will be occupied only by event staff and performers who stay onsite with their equipment for safety and security purposes. The amenities provided will be in excess of the requirements for nature based parks as required by the Policy and the application is recommended for approval.

ATTACHMENTS

Attachment 1 - Temporary Caravan Park Application 2022 - Loritz Circus Pty Ltd

12.3.2. Event grant application - Kununurra Toy & Puzzle Library.

| | |
|--------------------------------------|----------------------------------------------------------|
| DATE: | 26 April 2022 |
| AUTHOR: | Manager Community Development |
| RESPONSIBLE OFFICER: | Nick Kearns, Director Planning and Community Development |
| FILE NO: | GS.05.44 |
| DISCLOSURE OF INTERESTS: | Nil |
| COUNCIL'S ROLE IN THE MATTER: | Funder - provide funds or other resources |
| VOTING REQUIREMENT | Simple Majority |

OFFICER'S RECOMMENDATION

That Council approves the allocation of \$3,565 from the Community Grant Program for the Kununurra Toy and Puzzle Library for a community event to celebrate World Play Day on 28 May 2022 and the organisation's 40th year of service to the Kununurra community, subject to the following conditions:

- **Entering into a funding agreement;**
- **Providing an acquittal at the completion of the event;**
- **Suitably acknowledging the support of the Shire, and**
- **Ensuring that all necessary approvals and insurances are obtained prior to the event - including any applicable COVID directions.**

PURPOSE

For Council to endorse the Kununurra Toy and Puzzle Library submission for funding for an event lodged under the Shire's Community Grant Program.

BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE

The Shire recently received an Events Grant application from the Kununurra Toy and Puzzle Library. The request for funding is for a community event in which the Kununurra Toy and Puzzle Library wish to celebrate World Play Day on 28 May 2022, which would be held at the grounds of the Kununurra Agricultural Society where they operate from. The event will also coincide with the organisation's 40th year of service to the Kununurra community.

The applicant has advised that the event would provide the community with an opportunity to participate in activities and play which would be designed to stimulate imagination and enhance fine and gross motor skills and would include a giant sand pit with diggers, toys and

trucks, baby play area, messy play and an obstacle course. It would also include a sausage sizzle and be a free event for the community.

The event organiser has been in contact with Shire officers and indicated that the aim of the event is to provide the community with an opportunity to socialise in an outdoor setting and promote the Shire's Strategic Community Plan, in particular "healthy vibrant active communities".

The amount requested is \$3,565 and would assist the Kununurra Toy and Puzzle Library to cover the cost of advertising, catering, entertainment and infrastructure such as the sand for the sand pit. The Kununurra Toy and Puzzle Library would not be contributing a cash component toward the project but have allocated \$3,250 of 'in kind' support through planning and support on the day. This 'in kind' support has been costed at \$25 per hour as per the Community Grant Guidelines.

A copy of the application for funding from the Kununurra Toy and Puzzle Library is provided at Attachment 1 and a separate budget is at Attachment 2.

STATUTORY IMPLICATIONS

There are no statutory implications associated with this matter other than requirements arising from the State Government's directions with respect to COVID-19 as they relate to conducting major events and these would be provided to the organisation and can be provided as a condition of approval.

POLICY IMPLICATIONS

CP/COM-3582 Community Grant Program is applicable to the consideration of this matter and the policy does not prevent Council from considering an application for funding outside the nominated funding round, which is done mostly for logistical and administrative purposes.

Conditions stipulated in the grant application form and guidelines include the need to:

- Enter into a funding agreement;
- Provide an acquittal at the completion of the event, and
- Suitably acknowledge the support of the Shire

STRATEGIC IMPLICATIONS

This matter relates to the following sections of the *Strategic Community Plan 2017-2027*:

| | |
|------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|
| Focus Area 1: | PEOPLE - Healthy vibrant active communities |
| Goal 1.1: | Bring community together and promote our rich culture and heritage |
| Strategy 1.1.2: | Support and promote an increase in the number of events and activities that encourage a sense of identity, belonging and promote cultural diversity |

This matter relates to the following sections of the *Corporate Business Plan 2021-2025*:

Shire Project: 107 - Deliver a Community Grant Program
Service Area: Community Development

RISK IMPLICATIONS

Risk: Failure to facilitate community development initiatives which support positive social outcomes for community members, including; health, aged care, youth services and Indigenous services.

Control: The Community Grant Program aims to support community-led initiatives that support priority social focus areas through financial assistance, which includes health, aged care, youth services and Indigenous services.

FINANCIAL IMPLICATIONS

\$294,325.35 has been allocated from the Community Grant Program budget to date, with \$5,674.65 remaining, so the event can be funded without any changes to the budget.

If Council approved this request, there will be \$2,109.65 remaining in the budget until the end of the financial year.

COMMUNITY ENGAGEMENT

No community engagement is required.

COMMENTS

The application submitted by the Kununurra Toy and Puzzle Library has been assessed against relevant criteria within the policy and guidelines and a summary of that assessment is provided at Attachment 3. That assessment shows that the proposal meets all applicable eligibility criteria; however, the applicants did not address the linkage between the event and the Shire's Strategic Community Plan. Shire officers have, nevertheless, spoken with members of the committee and verbally they have indicated that there is alignment with community strategic objectives and goals, in particular aligning with Healthy, vibrant, active communities - 'Improving livability through social and recreational opportunities, a range of inclusive community services and activities, and valuing our diversity' and this has been agreed.

Shire officers believe that the Kununurra Toy and Puzzle Library have the capacity to run the event and have demonstrated that there is a community need through the letters of support, which are at Attachments 4 and 5.

It is recommended that the request be approved as a one-off payment and subject to the following conditions:

- Enter into a funding agreement;
- Provide an acquittal at the completion of the event;
- Suitably acknowledge the support of the Shire, and

- Ensure that all necessary approvals and insurances are obtained prior to the event, including with respect to COVID directions.

ATTACHMENTS

Attachment 1 - Kununurra Toy and Puzzle Library Event Grant Application

Attachment 2 - Event Budget

Attachment 3 - Community Events Grant Assessment

Attachment 4 - Letter of Support - Stepping Stones

Attachment 5 - Letter of Support - East Kimberley College

12.4. CORPORATE SERVICES

12.4.1. List of Accounts Paid From Municipal Fund and Trust Fund

| | |
|--------------------------------------|-----------------------------------------------------------------------|
| DATE: | 26 April 2022 |
| AUTHOR: | Finance Creditors Officer |
| RESPONSIBLE OFFICER: | Felicity Heading, Director Corporate Services |
| FILE NO: | FM.09.29 |
| COUNCIL'S ROLE IN THE MATTER: | Regulator - Responsible for the enforcement of statutory requirements |
| VOTING REQUIREMENT: | Simple Majority |

OFFICER'S RECOMMENDATION

That Council receive the lists of accounts paid from the Municipal and Trust funds for March, being:

| | | |
|---------------------------------------------------------|-----------|---------------------|
| Municipal EFT 142698 - 142953 (04/03/2022 - 30/03/2022) | \$ | 1,491,149.46 |
| Municipal Cheque 52022 (29/03/2022 - 29/03/2022) | \$ | 16,352.30 |
| Trust EFT 502311 - 502311 (02/03/2022 - 28/03/2022) | \$ | 8,960.75 |
| Payroll (09/03/2022 - 23/03/2022) | \$ | 475,938.01 |
| Direct Bank Debits (02/03/2022 - 28/03/2022) | \$ | 117,652.17 |
| Total | \$ | 2,110,052.69 |

PURPOSE

To present the list of accounts paid from the Municipal Fund and Trust Fund in accordance with the requirements of the *Local Government (Financial Management) Regulations 1996*.

BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE

In accordance with Council's Delegations Register which was adopted by Council on 27 October 2020, the Council has delegated to the CEO the exercise of its power under Regulations 12 and 13 of the *Local Government (Financial Management) Regulations 1996* to make payments from Municipal Fund and Trust Fund.

STATUTORY IMPLICATIONS

Local Government Act 1995 - Section 5.42 Delegation of some power and duties to CEO

Local Government (Financial Management) Regulations 1996 -

Regulation 5. CEO's duties as to financial management.

Regulation 11. Payments, procedures for making etc.

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

Regulation 13. Payments from municipal fund or trust fund by CEO, CEO's duties etc.

POLICY IMPLICATIONS

Sub-delegation 12 "Payments from the Municipal Fund and Trust Fund" applies subject to compliance with *Council Policy CP/FIN-3204 Purchasing*.

FINANCIAL IMPLICATIONS

There are no financial implications arising out of the preparation of this report. The financial implications arising from the payments made from the Municipal and Trust funds have been provided for in the 2021/22 Adopted Budget and any subsequent amendments thereto. This report provides for the ongoing management of the Shire's funds by providing the Council with sufficient information to monitor and review those payments made.

STRATEGIC IMPLICATIONS

Strategic Community Plan 2017-2027.

| | |
|------------------------|------------------------------------------------------------------------------|
| Focus Area 4: | Performance - Civic Leadership |
| Goal 4.4: | Sustainably maintain the Shire's financial viability |
| Strategy 4.4.4: | Apply best practice financial management to ensure long term sustainability. |

RISK IMPLICATIONS

| | |
|--------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Risk: | Failure to manage the disbursement of funds to meet the needs of the Shires forward planning requirements, including the Strategic Community Plan, Corporate Business Plan, Long Term Financial Plan and Annual Budget. |
|--------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

| | |
|------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| Controls: | Monthly Financial Report and List of Accounts Paid reported to Council on a monthly basis as required by Legislation and Regulations. |
|------------------|---------------------------------------------------------------------------------------------------------------------------------------|

COMMUNITY ENGAGEMENT

No community engagement is required in relation to this item.

COMMENTS

In accordance with statutory requirements, each payment from the Municipal Fund or the Trust Fund is to be noted on a list compiled each month showing: the payee's name; the amount of the payment; the date of the payment; and sufficient information to identify the transaction. The list is to be presented to Council at the next ordinary meeting of Council after the list is prepared and is to be recorded in the minutes of the meeting at which it is presented.

ATTACHMENTS

Attachment 1 - List of Accounts Paid March 2022

12.4.2. Monthly Financial Report March 2022

| | |
|--------------------------------------|-----------------------------------------------------------------------|
| DATE: | 26 April 2022 |
| AUTHOR: | Coordinator Finance |
| RESPONSIBLE OFFICER: | Felicity Heading, Director Corporate Services |
| FILE NO: | FM.09.29 |
| DISCLOSURE OF INTERESTS: | Nil |
| COUNCIL'S ROLE IN THE MATTER: | Regulator - Responsible for the enforcement of statutory requirements |
| VOTING REQUIREMENT: | Simple Majority |

OFFICER'S RECOMMENDATION

That Council receives the Monthly Financial Report for the period ended 31 March 2022.

PURPOSE

For Council to receive the Interim Monthly Financial Reports for the period ended 31 March 2022.

BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE

Council is to prepare monthly financial reports as required by section 34 of the *Local Government (Financial Management Regulations) 1996*.

At the 27 July 2021 Ordinary Council Meeting, the Council resolved the following:

Council Decision

Minute Number: 27/07/2021 - 11496

That Council, in accordance with Regulation 34(5) of the Local Government (Financial Management) Regulations 1996, approves the materiality level for monthly reporting to be set at +/- 10% and +/- \$20,000 at account level and +/- 10% and +/- \$100,000 at financial statement level.

Moved: Cr G Lodge

Seconded: Cr M McKittrick

Decision 9/0

The above materiality levels have been applied in the preparation of this report.

STATUTORY IMPLICATIONS

Local Government Act 1995, Section 6.4.

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.
- (3) By 30 September following each financial year or such extended time as the Minister allows, a local government is to submit to its auditor —
 - (a) the accounts of the local government, balanced up to the last day of the preceding financial year; and
 - (b) the annual financial report of the local government for the preceding financial year.

Local Government (Financial Management) Regulations 1996, Regulation 34.

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.
- (2) Each statement of financial activity is to be accompanied by documents containing —
 - (a) an explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets; and
 - (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 —
 - (a) according to nature and type classification; or
 - (b) by program; or
 - (c) by business unit.
- (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 month to which the statement relates; and
 - (b) recorded in the minutes of the meeting at which it is presented.
- (5) Each financial year, a local government is to adopt a percentage or value, calculated in accordance with the AAS, to be used in statements of financial activity for reporting material variances.

POLICY IMPLICATIONS

CP/FIN-3201 Significant Accounting Policies has been applied in the preparation of the report.

FINANCIAL IMPLICATIONS

There are no additional costs associated with the preparation of this report. Monthly financial reporting is a primary financial management and control process. This report provides Council with the ability to oversee the Shire's financial performance against budgeted targets.

STRATEGIC IMPLICATIONS

Strategic Community Plan 2017-2027

| | |
|------------------------|-----------------------------------------------------------------------------|
| Focus Area 4: | Performance - Civic Leadership |
| Goal 4.4: | Sustainably maintain the Shire's financial viability |
| Strategy 4.4.4: | Apply best practice financial management to ensure long term sustainability |

RISK IMPLICATIONS

| | |
|------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Risk: | Failure to manage the disbursement of funds to meet the needs of the Shire's forward planning requirements, including the Strategic Community Plan, Corporate Business Plan, Long Term Financial Plans and Annual Budget. |
| Controls: | Monthly Financial Report and List of Accounts Paid reported to Council on a monthly basis as required by Legislation and Regulations. |

COMMUNITY ENGAGEMENT

No community engagement is required in relation to this item.

COMMENTS

The Shire has engaged Moore Australia to prepare the Monthly Financial Report on an ongoing basis. The basis of the report is the same as for previous Monthly Financial Reports but in addition to the Statements of Financial Activity by Program and by Nature or Type, the report includes summary information in the form of graphs showing budgets versus actuals, an executive summary of key financial activities, and additional explanatory notes to the financial statements.

The Monthly Financial Report for the period ended 31 March 2022 includes the adjusted opening surplus as at 30 June 2021 and adjustments to carry forward figures at 30 June 2021 for the capital works program. The budget figures include amendments to the 2021/22 budget approved by Council following the mid year budget review. Comments in relation to budget versus actual variances are included at note 16 in the Financial Statements.

ATTACHMENTS

Attachment 1 - Monthly Financial Report March 2022

12.4.3. Review of Covid-19 Financial Hardship Policy

| | |
|--------------------------------------|--------------------------------------------------------------------------------------------------------------------------|
| DATE: | 26 April 2022 |
| AUTHOR: | Rates Officer |
| RESPONSIBLE OFFICER: | Felicity Heading, Director Corporate Services |
| FILE NO: | GN.10.06 |
| DISCLOSURE OF INTERESTS: | Nil |
| COUNCIL'S ROLE IN THE MATTER: | Leader - plan and provide direction through policy and practices Regulator - enforce state legislation and local laws |
| VOTING REQUIREMENT: | Absolute Majority |

OFFICER'S RECOMMENDATION

That Council adopts the revised policy CP/FIN-3219 COVID-19 Financial Hardship - Rates and Sundry Debtors.

PURPOSE

For Council to review policy CP/FIN-3219 COVID-19 Financial Hardship - Rates and Sundry Debtors.

BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE

As part of the Shire's Coronavirus (COVID-19) Response Plan and following the recommendation of the WALGA State Council, Council adopted Council Policy CP/FIN-3219 COVID-19 Financial Hardship - Rates and Sundry Debtors at the 28 April 2020 Ordinary Council Meeting. The policy was reviewed on 30 March 2021 and adopted for a further 12 months to cover the 2021/22 financial year and had a review date of March 2022.

WALGA State Council Resolution 41.1/2020

That WALGA:

- 1. Notes the significant contribution of Local Governments in supporting their communities through the COVID-19 pandemic from a financial, economic, community and social perspective.*
- 2. Requests each Local Government give consideration to the following suite of actions, for Local Governments with the capacity to do so, to provide a coordinated and consistent response to the COVID-19 pandemic:*

- a. Consider not increasing rates for the 2020-21 financial year
 - b. Adoption of the WALGA template rates hardship policy by Local Governments that do not currently have a policy
 - c. Consider rate relief options to support small businesses affected by the COVID-19 pandemic
 - d. Review fees and charges considering whether fees can be reduced, waived or deferred during the COVID-19 pandemic
 - e. Bring forward capital works and infrastructure spending with aggressive application of reserves and borrowing
 - f. Prioritise Local Government spending with businesses and contractors located within the Local Government
 - g. Implement business friendly payment terms to support business cash flow
 - h. Consider supporting Community sporting and cultural groups by either establishing grant programs or waiving fees and charges
 - i. Redeploy staff affected by facility closures to tasks that support the community
3. Notes the State Government is urgently drafting legislative and regulatory amendments to support the actions outlined in point 2 above
4. Notes the advocacy for the following:
- a. An increase in Local Government borrowing capacity beyond current Western Australian Treasury Corporation borrowing limits
 - b. Suspension of the Western Australian Treasury Corporation's borrowing guarantee charge of 0.7 percent on top of the loan interest rate for the 2020-2021 financial year
 - c. No increase to street lighting and utility tariffs in 2020-2021
 - d. Deferral of revaluations for the 2020-2021 financial year
 - e. Request the Office of the Auditor General to cease performance audits for the 2020-2021 financial year
 - f. Freezing of the waste levy for the 2020-2021 financial year

Council Decision

Minute Number: 28/04/2020 - 118208

Moved: Cr A Petherick

Seconded: Cr M McKittrick

Carried: 9/0

That Council adopt the draft policy CP/FIN-3219 COVID-19 Financial Hardship - Rates and Sundry Debtors.

Council Decision

Minute Number: 30/03/2021– 118409

Moved: Cr T Chafer

Seconded: Cr M Dear

Carried: 9/0

That Council adopts the revised policy CP/FIN-3219 COVID-19 Financial Hardship - Rates and Sundry Debtors.

STATUTORY IMPLICATIONS

Local Government Act 1995

6.12. Power to defer, grant discounts, waive or write off debts

- (1) Subject to subsection (2) and any other written law, a local government may —
 - (a) when adopting the annual budget, grant* a discount or other incentive for the early payment of any amount of money; or*
 - (b) waive or grant concessions in relation to any amount of money; or*
 - (c) write off any amount of money, which is owed to the local government.**
 - * Absolute majority required.*
 - (2) Subsection (1)(a) and (b) do not apply to an amount of money owing in respect of rates and service charges.*
 - (3) The grant of a concession under subsection (1)(b) may be subject to any conditions determined by the local government.*
 - (4) Regulations may prescribe circumstances in which a local government is not to exercise a power under subsection (1) or regulate the exercise of that power.*
- [Section 6.12 amended: No. 64 of 1998 s. 39.]*

6.13 Interest on money owing to local governments

- (1) Subject to any other written law, a local government may resolve* to require a person to pay interest at the rate set in its annual budget on any amount of money (other than rates and service charges) which —
 - (a) that person owes to the local government; and*
 - (b) has been owed for the period of time referred to in subsection (6).**
 - * Absolute majority required.*
 - (2) A resolution under subsection (1) is to be included in the annual budget.*
 - (3) The rate of interest that may be set by the local government under this section is not to exceed the rate for the time being prescribed as the maximum rate of interest that may be set for the purposes of this section.*
 - (4) Where a local government imposes interest under subsection (1) on any outstanding amount of money the local government is not to also impose an additional charge in relation to that amount.*
 - (5) Accrued interest is, for the purpose of its recovery, taken to form part of the money owed to the local government on which it is charged.*
 - (6) A local government is not to impose interest on any amount of money under subsection (1) until the money has been owed to the local government for the period of time set by the local government in its annual budget (not being less than 35 days) after the date which is stated on the relevant account for payment as being the date the account was issued.*
 - (7) Regulations may provide for the method of calculation of interest.*
- [Section 6.13 modified: SL 2020/57 1M.]*

The following amendments were made to Section 6.13 of the Local Government Act 1995 effective 8 May 2020:

Local Government (COVID-19 Response) Order 2020 SL 2020/57

8. Section 6.13 modified (interest on money owing to local governments)
- (1) Section 6.13 is modified as set out in this clause in relation to a resolution of a local government under section 6.13(1) that is to be included in its 2020/21 annual budget.
 - (2) The resolution —
 - (a) cannot require a person who is considered by the local government to be suffering financial hardship as consequence of the COVID-19 pandemic to pay interest; and
 - (b) is to specify that the requirement to pay interest does not apply to a person who is considered by the local government to be suffering financial hardship as a consequence of the COVID-19 pandemic.
 - (3) The rate of interest that may be set by the local government under section 6.13 in its 2020/21 annual budget is not to exceed 8%.
 - (4) Subclause (3) applies despite the Local Government (Financial Management) Regulations 1996 regulation 19A.

Further amendments were made to Section 6.13 of the Local Government Act 1995 effective 1 June 2021:

Local Government (COVID-19 Response) Amendment Order 2021 SL 2021/66

Section 6.13 modified (interest on money owing to local governments)

section 6.13 -

- (a) for the 2020/21 financial year is not to exceed 8%; and
- (b) for the 2021/22 financial year is not to exceed 7%.

6.45. Options for payment of rates or service charges

- (1) A rate or service charge is ordinarily payable to a local government by a single payment but the person liable for the payment of a rate or service charge may elect to make that payment to a local government, subject to subsection (3), by —
 - (a) 4 equal or nearly equal instalments; or
 - (b) such other method of payment by instalments as is set forth in the local government's annual budget.
- (2) Where, during a financial year, a rate notice is given after a reassessment of rates under section 6.40 the person to whom the notice is given may pay the rate or service charge (a) by a single payment; or (b) by such instalments as are remaining under subsection (1)(a) or (b) for the remainder of that financial year.
- (3) A local government may impose an additional charge (including an amount by way of interest) where payment of a rate or service charge is made by instalments and that additional charge is, for the purpose of its recovery, taken to be a rate or service charge, as the case requires, that is due and payable.
- (4) Regulations may —
 - (a) provide for the manner of making an election to pay by instalments under subsection (1) or (2); and
 - (b) prescribe circumstances in which payments may or may not be made by instalments; and
 - (c) prohibit or regulate any matters relating to payments by instalments; and
 - (d) provide for the time when, and manner in which, instalments are to be paid; and

- (e) *prescribe the maximum amount (including the maximum interest component) which may be imposed under subsection (3) by way of an additional charge; and*
- (f) *provide for any other matter relating to the payment of rates or service charges.*

[Section 6.45 modified: SL 2020/57 1M.]

The following amendments were made to Section 6.45 of the *Local Government Act 1995* effective 8 May 2020 as follows:

Local Government (COVID-19 Response) Order 2020 SL 2020/57

Section 6.45 (options for payment of rates or service charges)

(1) In this clause —

financial hardship policy, in relation to a local government, means a policy addressing the manner in which the local government will deal with financial hardship that may be suffered by ratepayers and other persons who are required to make payments to the local government.

(2) Section 6.45 is modified as set out in this clause in relation to payment by instalments of a rate or service charge imposed by a local government in the 2020/21 financial year.

(3) The local government cannot impose an additional charge (including an amount by way of interest) under section 6.45(3) in respect of payment by instalments made by an excluded person.

(4) If the local government has not adopted a financial hardship policy, the maximum rate of interest that may be imposed by the local government under section 6.45(3) is 3%.

Subclause (4) applies despite the Local Government (Financial Management) Regulations 1996 regulation 68.

Further amendments were made to Section 6.45 of the Local Government Act 1995 effective 1 June 2021:

Local Government (COVID-19 Response) Amendment Order 2021 SL 2021/66

Section 6.45 modified (options for payment of rates or service charges)

section 6.45 -

- (a) the 2020/21 financial year; or*
- (b) the 2021/22 financial year.*

6.47. Concessions

Subject to the Rates and Charges (Rebates and Deferrals) Act 1992, a local government may at the time of imposing a rate or service charge or at a later date resolve to waive a rate or service charge or resolve to grant other concessions in relation to a rate or service charge.*

** Absolute majority required.*

6.51. Accrual of interest on overdue rates or service charges

(1) A local government may at the time of imposing a rate or service charge resolve to impose interest (at the rate set in its annual budget) on —*

- (a) a rate or service charge (or any instalment of a rate or service charge); and*
- (b) any costs of proceedings to recover any such charge, that remains unpaid after becoming due and payable.*

** Absolute majority required.*

- (2) *The rate of interest that may be set by the local government under this section is not to exceed the rate for the time being prescribed as the maximum rate of interest that may be set for the purposes of this section.*
- (3) *Accrued interest is, for the purpose of its recovery, taken to be a rate or service charge, as the case requires, that is due and payable.*
- (4) *If a person is entitled under the Rates and Charges (Rebates and Deferments) Act 1992 or under this Act (if the local government in a particular case so resolves) to a rebate or deferment in respect of a rate or service charge —*
 - (a) no interest is to accrue in respect of that rate or service charge payable by that person; and*
 - (b) no additional charge is to be imposed under section 6.45(3) on that person.*

The following amendments were made to Section 6.51 of the *Local Government Act 1995* effective 8 May 2020 as follows:

Local Government (COVID-19 Response) Order 2020 SL 2020/57

Section 6.51 modified (accrual of interest on overdue rates or service charges)

- (1) *Section 6.51 is modified as set out in this clause in relation to a resolution made under section 6.51(1) by a local government at the time of imposing a rate or service charge for the 2020/21 financial year.*
- (2) *The resolution —*
 - (a) cannot impose interest in respect of a rate or service charge payable by an excluded person; and*
 - (b) is to specify that the imposition of interest does not apply in respect of a rate or service charge payable by an excluded person.*
- (3) *The rate of interest that may be set by the local government under section 6.51 is not to exceed 8%.*
- (4) *Subclause (3) applies despite the Local Government (Financial Management) Regulations 1996 regulation 70.*

Further amendments were made to Section 6.13 of the Local Government Act 1995 effective 1 June 2021:

Local Government (COVID-19 Response) Amendment Order 2021 SL 2021/66

Section 6.51 modified (accrual of interest on overdue rates or service charges)

section 6.51 -

- (a) for the 2020/21 financial year is not to exceed 8%; and*
- (b) for the 2021/22 financial year is not to exceed 7%.*

Delegation of power

5.42. Delegation of some powers and duties to CEO

- (1) *A local government may delegate* to the CEO the exercise of any of its powers or the discharge of any of its duties under —*
 - (a) this Act other than those referred to in section 5.43; or*
 - (b) the Planning and Development Act 2005 section 214(2), (3) or (5).*

** Absolute majority required*

- (2) *A delegation under this section is to be in writing and may be general or as otherwise provided in the instrument of delegation.*

[Section 5.42 amended: No. 1 of 1998 s. 13; No. 28 of 2010 s. 70.]

5.43. Limits on delegations to CEO - In part:

- (1) *A local government cannot delegate to a CEO any of the following powers or duties —*
(a) *any power or duty that requires a decision of an absolute majority of the council;*

POLICY IMPLICATIONS

The following Council policies are relevant to this item.

CP FIN-3212 Rates and Charges Debt Collection

CP FIN-3214 Sundry Debt Collection

CP FIN-3211 Fees and Charges Pricing Policy

CP GOV-3112 Policy Management Policy

FINANCIAL IMPLICATIONS

The adoption of policy CP/FIN3219 COVID-19 Financial Hardship - Rates and Sundry Debtors has had financial implications for the 2019/20, 2020/21 and 2021/22 financial years. The number of applications received has been less than anticipated and the financial impact on revenue and cash flows from reductions in interest and fees along with extended payment terms is estimated to be approximately \$8,500 to date. Whilst the number of ratepayers and sundry debtors applying for financial hardship under the policy has been less than anticipated, due to the continuing uncertainty surrounding COVID-19, the ongoing financial implications are unknown at this stage.

It should be noted that rates debtors are debts against the property and all amounts deferred under the Policy will ultimately be recovered, with the exception of some pastoral leases. With respect to sundry debtors there is a real risk that amounts owed or deferred will not be recoverable at all. Appropriate provision has been made in the financial accounts for the financial year ended 30 June 2022 to reflect this and will also be taken into account in the preparation of the 2022/23 Budget.

STRATEGIC IMPLICATIONS

Strategic Community Plan 2017-2027

Focus Area 4: Civic Leadership

Goal 4.4: Sustainably maintain the Shire's financial viability

Strategy 4.4.4: Apply best practice financial management to ensure long term sustainability

RISK IMPLICATIONS

Risk: Failure to adequately resource and manage funding requirements which meet the needs of the Shire's service delivery requirements and strategic objectives.

Control: Implementation of LTFP and Annual Budget.

Policies reviewed and updated in accordance with schedule and operational requirements.

Risk: Failure to develop appropriate, meaningful policies which enable the administration to perform in an effective and efficient way.

Control: New policies adopted as required.

Policies reviewed and updated in accordance with schedule and operational requirements.

The risks related to the COVID-19 pandemic will continue to be monitored through application of the Shire's COVID-19 Business Continuity Risk Framework and the ongoing review of essential functions and services as the pandemic continues to progress.

COMMUNITY ENGAGEMENT

Community engagement will include the following:

- Correspondence with ratepayers, business and other community members on a general and individual basis as required.
- Contact with individual rates and sundry debtors at the time their account falls into arrears.

COMMENTS

Shire Officers have adopted a range of options to provide financial relief and assistance to the community in line with and in support of the position adopted by the WALGA State Council, taking into consideration the circumstances unique to the Shire of Wyndham East Kimberley.

The COVID-19 Financial Hardship - Rates and Sundry Debtors policy adopted in 2020 is based on the WALGA Rates Hardship Policy template revised to Council's policy format with amendments to incorporate the inclusion of sundry debtors as well as rates debtors under the policy. Following adoption of the policy, Officers made some minor administrative changes to the policy to align with current Council policies and procedures.

The policy enables the Shire to provide financial relief to ratepayers and sundry debtors on a case by case basis as needed. The criteria for the assessment of financial hardship is applied in accordance with the policy's stated intention to provide fair, equitable, consistent and dignified support to the community.

In accordance with the relevant sections of the *Local Government Act 1995* outlined in the statutory implications section above, requests to waive interest will continue to be presented to Council for consideration as required. Governance oversight of the application of this policy is through the Audit (Finance and Risk) Committee which will continue to receive quarterly updates at its formal meetings.

Whilst the number of applications for financial hardship under the policy has been less than anticipated during the 2020/21 and 2021/22 financial years, Shire officers consider that it is appropriate to continue to have a financial hardship policy in place while the Western Australian Public Health State of Emergency and the *Local Government (COVID-19 Response) Orders* remain in place.

The attached draft policy has been amended to extend its application to include rates and sundry debts incurred for the 2022/23 financial year.

ATTACHMENTS

Attachment 1 - CP/FIN-3219 COVID-19 Financial Hardship - Rates and Sundry Debtors - DRAFT

12.4.4. 2022/23 Budget - Strategic Rating Policy, Rates Modelling and Local Public Notice

| | |
|--------------------------------------|--------------------------------------------------------------------------------------------------------------------------|
| DATE: | 26 April 2022 |
| AUTHOR: | Rates Officer |
| RESPONSIBLE OFFICER: | Felicity Heading, Director Corporate Services |
| FILE NO: | FM.05.22 |
| DISCLOSURE OF INTERESTS: | Nil |
| COUNCIL'S ROLE IN THE MATTER: | Leader - plan and provide direction through policy and practices Regulator - enforce state legislation and local laws |
| VOTING REQUIREMENT: | Simple Majority |

OFFICER'S RECOMMENDATION

That Council:

- 1. Endorse the revised Council Policy CP/FIN-3200 Strategic Rating;***
- 2. Endorse the 2022/23 Rating Model as follows, with the intention of seeking public submissions thereon and thereafter reporting to Council before striking the rates as part of the 2022/23 Budget adoption, subject to receiving Ministerial approval where required by legislation;***

| Differential Rating Category | Total Properties | Total Rateable Value of Properties \$ | Proposed Minimum Payment \$ | Proposed Rate in the Dollar | % of Properties on Minimum Payments | Proposed Concessions | Proposed Rates Revenue Budget 2022/23 \$ |
|------------------------------|------------------|---------------------------------------|-----------------------------|-----------------------------|-------------------------------------|----------------------|------------------------------------------|
| GRV - Residential | 1,710 | 32,826,775 | 1,151 | 0.1500 | 1.29% | | 4,930,341 |
| GRV - Other Vacant | 122 | 508,216 | 1,151 | 0.2326 | 78.69% | | 178,625 |
| GRV - Commercial | 192 | 13,186,549 | 1,151 | 0.1479 | 8.85% | | 1,956,744 |
| GRV - Industrial | 178 | 7,457,086 | 1,151 | 0.1438 | 5.06% | | 1,078,334 |
| GRV - Rural Residential | 26 | 272,424 | 1,151 | 0.1500 | 11.54% | | 42,570 |

| | | | | | | | |
|------------------------------------------------|--------------|--------------------|-------|--------|--------|--|-------------------|
| UV - Rural Residential | 200 | 28,79,000 | 1,151 | 0.0135 | 37.50% | | 490,016 |
| UV - Pastoral | 21 | 10,227,738 | 1,151 | 0.0570 | 0.00% | | 582,981 |
| UV - Commercial/ Industrial | 68 | 12,038,500 | 1,151 | 0.0080 | 33.82% | | 117,085 |
| UV - Agriculture | 80 | 60,935,105 | 1,151 | 0.0120 | 1.25% | | 731,376 |
| UV - Horticulture | 93 | 27,183,000 | 1,151 | 0.0105 | 0.00% | | 285,422 |
| UV - Mining | 65 | 1,840,908 | 1,151 | 0.2836 | 43.08% | | 541,022 |
| UV - Mining Exploration and Prospecting | 41 | 509,393 | 321 | 0.1418 | 19.51% | | 73,009 |
| UV - Other | 5 | 8,960,000 | 1,151 | 0.0068 | 20.00% | | 61,161 |
| TOTALS | 2,801 | 204,924,698 | | | | | |
| Total Budgeted Net Rates Revenue Raised | | | | | | | 10,987,686 |

- 3. Endorse for advertising for a minimum of twenty-one (21) days and seek public submissions on:**
- a. Council Policy CP/FIN-3200 Strategic Rating (Attachment 1) that outlines the principles which underpin the proposed 2022/23 rating model, including the Object of and Reasons for Differential Rates;**
 - b. The 2022/23 Rating Model (Attachment 2) which incorporates the Object of and Reasons for Differential Rates, along with the proposed differential rates and minimum payments to be applied from 1 July 2022 for the 2022/23 financial year in accordance with section 6.36 of the Local Government Act 1995.**

PURPOSE

For Council to review the amendments to Council Policy *CP/FIN-3200 Strategic Rating* and the rating model prepared based on the updated Policy. For Council to further review for advertising and community engagement Council Policy *CP/FIN-3200 Strategic Rating* and the attached rating model.

BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE

Rates revenue is a substantial source of discretionary revenue for the Shire of Wyndham East Kimberley (The Shire), accounting for approximately 52% of the total operating revenue in the

adopted 2021/22 Budget. The *Local Government Act 1995* (the Act) empowers local governments to impose differential general rates and minimum payments on rateable land.

The Shire has adopted a differential general rate and general minimum payments for a number of years. The imposition of differential rates is a conscious decision by the Council to distribute the rate burden in its district by imposing a higher impost on some ratepayers and a lower impost on others.

The overall objective of a rating model is to provide for the net funding requirements of the Shire's services, activities, financing costs and the current and future capital requirements of the Shire as outlined in the Strategic Community Plan, Long Term Financial Plan, and Corporate Business Plan. Asset management is a significant challenge for all local governments and any rating model must also support asset renewal and replacement requirements in line with defined service levels.

In accordance with the Act, the Minister for Local Government is authorised to approve the following in relation to rates:

- The imposition of a differential general rate which is twice the lowest differential general rate imposed by a local government;
- A minimum payment on vacant land that does not comply with legislative provisions;
- Changes in the method of valuation of land; and
- Land exempt from rates.

The Department of Local Government, Sport and Cultural Industries has developed a range of policies and application forms to ensure that local governments provide all the necessary information.

The Council adopted a revised Council Policy *CP/FIN-3200 Strategic Rating* during 2014/15 which utilised five (5) principles in the development of the rating methodology being:

1. Equity
2. Incentive
3. Administrative Efficiency
4. Compliance
5. Sustainability.

The differential rates applied ensure greater equity and contribution of rates according to land use, zoning or a combination of these. The 2014/15 financial year was the first year that the differential rating model (including minimum payments) attempted to align with the Town Planning Scheme No. 7 Kununurra and Environs (TPS7) and the Town Planning Scheme No. 6 Wyndham Townsite (TPS6) in an effort to ensure greater equity across the differential rating categories. The Shire of Wyndham East Kimberley Local Planning Scheme No. 9 (LPS9) was gazetted on 19 February 2019 and Council Policy *CP/FIN-3200 Strategic Rating* was amended in April 2019 to incorporate changes to ensure continued alignment of the rating model with the Local Planning Scheme LPS9.

Rates are calculated by multiplying the valuation (either GRV or UV), provided by Landgate (the Valuer General), with a rate in the dollar, imposed by the Council. When Landgate perform a general revaluation of properties, Council can adjust the rate in the dollar to offset significant fluctuations in valuations in order to maintain the overall rate yield (amount of rates collected) and preserve the rate yield per category. It is customary to preserve the ratios between the different rate categories by increasing the yield from each category uniformly on an annual basis to maintain the service levels provided by the Shire. This is the “rate increase” and is subject to much community comment. Please note that this does not mean that the rate in the dollar will increase uniformly.

UV PASTORAL RATING CATEGORY

Western Australia's pastoral rents are reviewed every five years by the Valuer General, in consultation with the Pastoral Lands Board and in accordance with the *Land Administration Act 1997*. New pastoral rents became effective in July 2019 and Shire Officers understand that this was to bring the pastoral rents up to a fair market value. This had a direct impact on the rateable valuation of properties in the UV Pastoral rate category. Annual rent of a pastoral lease is calculated on the unimproved value multiplied by a capitalisation rate. Landgate then multiply the annual rent by a factor of 20 to determine the rateable value of the property.

The Kimberley region saw the greatest rateable value increases as well as the greatest variation, with pastoral leases in the Shire of Wyndham East Kimberley, initially experiencing increases ranging from 18% to over 400% across the affected properties (the Kimberley average was 328%). This resulted in significant increases in rates calculated.

At the Council Briefing on 2 June 2020 the following options were presented to Council for consideration in how to treat the significant valuation increases experienced in the UV Pastoral rating category:

1. Applying current valuation changes with an unchanged rate in the dollar.
2. Adjusting the UV Pastoral Rate in the Dollar to achieve the same rate yield as the 2019/20 Budget.
3. The use of Rate Concessions in managing the UV Pastoral rate increases, of which two scenarios were presented:
 - a. Phasing the rates increase in, with the 2020/21 rates for individual properties being no more than 120% of the 2019/20 rates (service charges, waste charges, and ESL excluded).
 - b. Phasing the rates increase in, with the 2020/21 rates for individual properties being calculated at the 2019/20 rates plus 20% of the total increase (service charges, waste charges, and ESL excluded).

At a special council meeting on 9 June 2020 it was resolved by Council, in accordance with Section 6.47 of the *Local Government Act 1995*, to grant Rate Concessions for the Differential Rating Category UV Pastoral whereby the rates increase for the 2020/21 year for individual properties would be no more than 120% of the 2019/20 rates (service charges, waste charges, and ESL excluded).

Council Decision

Minute Number: 09/06/2020 - 118236 - in part

Moved: Cr T Chafer

Seconded: Cr J Farquhar

Carried: 9/0

That Council:

- 3. In accordance with Section 6.47 of the Local Government Act 1995, endorse the following Rate Concessions under Differential Rating Category UV Pastoral with the intention of granting them as part of the 2020/21 Budget adoption;
(Table Omitted)**
- 4. Endorse that should the 1 July 2020 valuation for any UV Pastoral property be revised down, the concession amount for that property will be recalculated and adjusted for the new valuation so that the revised rates for the 2020/21 financial year will be no greater than 120% of the 2019/20 rates;**

At a special council meeting on 27 July 2021 it was resolved by Council, in accordance with Section 6.47 of the *Local Government Act 1995*, to grant Rate Concessions for the Differential Rating Category UV Pastoral whereby the rates increase for the 2021/22 year for individual properties would be no more than 140% of the 2019/20 rates (service charges, waste charges, and ESL excluded).

Council Decision

Minute Number: 27/07/2021 – 118485

Moved: Cr M McKittrick

Seconded: Cr G Lodge

Decision: 9/0

That Council:

- 1. Pursuant to section 6.47 of the Local Government Act 1995 and regulation 26 of the Local Government (Financial Management) Regulations 1996, grant Rate Concessions with a total value of \$569,058 under Differential Rating Category UV Pastoral as detailed in Confidential Attachment 1; as part of the 2021/22 Budget adoption as per Special Council Meeting on 01 June 2021 (Minute No: 118452-1/6/2021); and**
- 2. Adopt, that should the 1 July 2021 valuation for any UV Pastoral property be revised down, the concession amount for that property will be recalculated and adjusted for the new valuation so that the revised rates for the 2021/22 financial year will be no greater than 140% of the 2019/20 rates.**

Following the 2019 review of pastoral rents which resulted in significant increases to pastoral rating values, many pastoral lease holders lodged objections to the rent increases with the Pastoral Lands Board and to the rating valuations with the Valuer General's Office. On 13 May 2021 the Shire was advised that the Valuer General had allowed the objections to the valuations. As a result of this decision the rateable values of properties in the Shire's UV Pastoral Rating Category reduced significantly with the average increase in valuations across the Kimberley being reduced from 325% to 104%.

The Financial impact to the Shire of these revaluations did not have a significant impact on the 2020/21 or 2021/22 rates as the concession amounts were revised in accordance with Council Resolutions 09/06/2020 - 118236 and 27/07/2021 – 118485.

UV RURAL RESIDENTIAL RATING CATEGORY

All properties valued on an Unimproved Valuation basis are revalued annually by the Valuer General. These revaluations are usually conducted in August each year with the new valuations taking effect from 1 July of the following year. Council usually adopts the rate in the dollar for advertising in March or April each year prior to the new valuation roll being received. Normally variations in valuations on an annual basis are minimal and any changes to the rate in the dollar required to ensure the budgeted yield from each rating category is maintained are generally minor and are implemented following the public submission period.

At the 27 April 2021 Ordinary Council Meeting, Council resolved the following:

Council Decision

Minute Number: 27/04/2021 - 118424 - in part

Moved: Cr M McKittrick

Seconded: Cr G Lodge

Carried: 9/0

That Council:

- 2. Endorse the 2020/21 Rating Model as follows, with the intention of seeking public submissions thereon and thereafter reporting to Council before striking the rates as part of the 2021/22 Budget adoption, subject to receiving Ministerial approval where required by legislation;**

| Differential Rating Category | Total Properties | Total Rateable Value of Properties \$ | Proposed Minimum Payment \$ | Proposed Rate in the Dollar | % of Properties on Minimum Payments | Proposed Rates Revenue Budget 2021/22 \$ |
|-------------------------------|------------------|---------------------------------------|-----------------------------|-----------------------------|-------------------------------------|------------------------------------------|
| GRV - Residential | 1,697 | 32,481,391 | 1,123 | 0.1463 | 1.30% | 4,758,205 |
| GRV - Other Vacant | 124 | 514,841 | 1,123 | 0.2269 | 78.23% | 176,922 |
| GRV - Commercial | 188 | 12,864,449 | 1,123 | 0.1443 | 8.51% | 1,862,045 |
| GRV - Industrial | 178 | 7,457,086 | 1,123 | 0.1403 | 5.06% | 1,052,089 |
| GRV - Rural Residential | 26 | 272,424 | 1,123 | 0.1463 | 11.54% | 41,521 |
| UV - Rural Residential | 200 | 43,920,000 | 1,123 | 0.0111 | 0.00% | 487,512 |

| | | | | | | |
|-----------------------------------------------|-------------|--------------------|-------|--------|--------|-------------------|
| UV - Pastoral | 21 | 21,053,985 | 1,123 | 0.0570 | 0.00% | 425,932* |
| UV - Commercial/ Industrial | 68 | 13,550,080 | 1,123 | 0.0078 | 30.88% | 125,549 |
| UV - Agriculture | 81 | 60,726,109 | 1,123 | 0.0117 | 1.23% | 711,501 |
| UV - Horticulture | 93 | 28,651,000 | 1,123 | 0.0102 | 0.00% | 292,240 |
| UV - Mining | 64 | 1,815,307 | 1,123 | 0.2767 | 43.75% | 520,933 |
| UV - Mining Exploration and Prospecting | 45 | 524,542 | 313 | 0.1383 | 24.44% | 73,861 |
| UV - Other | 5 | 8,975,000 | 1,123 | 0.0066 | 20.00% | 59,368 |
| TOTALS | 2790 | 232,806,214 | | | | 10,587,678 |

* includes proposed concession subject to Council approval

3. Endorse for advertising for a minimum of twenty-one (21) days and seek public submissions on:

- a. Council Policy CP/FIN-3200 Strategic Rating (Attachment 1) that outlines the principles which underpin the proposed 2021/22 rating model, including the Object of and Reasons for Differential Rates;**
- b. The 2021/22 Rating Model (Attachment 3) which incorporates the Object of and Reasons for Differential Rates, along with the proposed differential rates and minimum payments to be applied from 1 July 2021 for the 2021/22 financial year in accordance with section 6.36 of the Local Government Act 1995.**

On 26 May 2021 the annual Unimproved Value (UV) valuation rolls were received from Landgate and loaded into the Shire's rates model for 2021/22. The rolls included significant and varying reductions in values for the UV Rural Residential category due to a large number of sales in the Valentine Falls Estate in 2020. Valuations in this rate category decreased by an average of 35% with decreases for individual properties varying from 0 to 75%.

This meant that the usual method of adjusting the rate in the dollar to achieve the desired total rate yield, whilst also maintaining equitable rates across the rate category, could not be applied as this would result in some ratepayers receiving increases of up to \$1,300 while others received decreases of up to \$2,600.

At the 1 June 2021 Special Council Meeting, Council considered public submissions received and endorsed a revised rating model which included an adjusted rate in the dollar and proposed rate concessions for the UV Rural Residential rating category designed to mitigate the impact of the changes in values to ensure that the rates for individual ratepayers in this category received the intended 1% increase in rates for the 2021/22 financial year.

At the 1 June 2021 Special Council Meeting, Council resolved the following:

Council Decision

Minute Number: 1/6/2021 - 118451

Moved: Cr D Menzel

Seconded: Cr N Brook

Against: Cr A Petherick

Carried: 6/1

That Council:

- 1. Notes the submissions received in relation to the proposed Differential General Rates and Minimum Payments and Strategic Rating Policy, and thanks the respondents for their input;**
- 2. Notes that Budget efficiencies have been identified as part of the 2021/22 Budget process and these efficiencies will be included in the Annual Budget presented to Council for adoption; and**
- 3. Adopt revised Council Policy CP/FIN-3200 Strategic Rating as per Attachment 1.**

Council Decision

Minute Number: 1/6/2021 - 118453

Moved: Cr M Dear

Seconded: Cr J Farquhar

Carried: 7/0

That Council:

- 1. In accordance with Section 6.47 of the Local Government Act 1995, endorse Rate Concessions with a total value of \$782,321 under Differential Rating Category UV Rural Residential as detailed in Confidential Attachment 3, with the intention of granting them as part of the 2021/22 Budget adoption; and**
- 2. Endorse that should the 1 July 2021 valuation for any UV Rural Residential property be revised down, the concession amount for that property will be recalculated and adjusted for the new valuation so that the revised rates for the 2021/22 financial year will be no greater than 101% of the 2020/21 rates.**

Council Decision

Minute Number: 1/6/2021 - 118454

Moved: Cr N Brook

Seconded: Cr M Mckittrick

Against: Cr A Petherick

Carried: 6/1

That Council

- 1. Endorse the 2021/22 Rating Model as follows, with the intention of striking the rates as part of the 2021/22 Budget adoption, subject to receiving Ministerial approval where required by legislation.**

| Differential Rating Category | Total Properties | Total Rateable Value of Properties \$ | Proposed Minimum Payment \$ | Proposed Rate in the Dollar | % of Properties on Minimum Payments | Proposed Concessions | Proposed Rates Revenue Budget 2021/22 \$ |
|------------------------------------------------|------------------|---------------------------------------|-----------------------------|-----------------------------|-------------------------------------|----------------------|------------------------------------------|
| GRV - Residential | 1,697 | 32,493,871 | 1,123 | 0.1463 | 1.30% | | 4,760,031 |
| GRV - Other Vacant | 126 | 520,841 | 1,123 | 0.2269 | 77.78% | | 178,805 |
| GRV - Commercial | 188 | 12,871,625 | 1,123 | 0.1443 | 8.51% | | 1,863,081 |
| GRV - Industrial | 178 | 7,457,086 | 1,123 | 0.1403 | 5.06% | | 1,052,089 |
| GRV - Rural Residential | 26 | 272,424 | 1,123 | 0.1463 | 11.54% | | 41,521 |
| UV - Rural Residential | 200 | 28,935,000 | 1,123 | 0.0439 | 0.00% | 782,321 | 487,926 |
| UV - Pastoral | 21 | 17,364,229 | 1,123 | 0.0570 | 0.00% | 569,058 | 420,703 |
| UV - Commercial/Industrial | 68 | 12,516,580 | 1,123 | 0.0078 | 35.29% | | 117,912 |
| UV - Agriculture | 80 | 60,935,109 | 1,123 | 0.0117 | 1.25% | | 713,093 |
| UV - Horticulture | 93 | 27,215,000 | 1,123 | 0.0102 | 0.00% | | 277,593 |
| UV - Mining | 64 | 1,832,448 | 1,123 | 0.2767 | 43.75% | | 525,518 |
| UV - Mining Exploration and Prospecting | 41 | 490,179 | 313 | 0.1383 | 24.39% | | 68,842 |
| UV - Other | 5 | 8,960,000 | 1,123 | 0.0066 | 20.00% | | 59,368 |
| TOTALS | 2,787 | 211,846,392 | | | | 1,351,379 | |
| Total Budgeted Net Rates Revenue Raised | | | | | | | 10,566,482 |

As part of the rate setting and annual budget process each year, Local Governments in Western Australia are required to seek Ministerial approval for any proposed differential rate that is more than twice the lowest differential rate imposed. Advertising the rates and seeking Ministerial approval is part of the normal process undertaken each year prior to Council adopting its Annual Budget.

On 4 June 2021 applications were submitted to the Minister for Local Government for the differential rates and minimum payments with the expectation that the approvals would be

received prior to Council adopting the 2021/22 Annual Budget at the 29 June 2021 Ordinary Council Meeting.

On 29 June 2021 Ministerial approval was received for all the proposed differential rates and minimum payments with the exception of the differential rate for the UV Rural Residential rating category. This notification was received 19 minutes before the Ordinary Council Meeting was scheduled to start. As the rating model and the annual budget can not be adopted without the required Ministerial approval for all differential rates, the proposal to adopt the 2021/22 Annual Budget was withdrawn from the agenda at the 29 June 2021 Ordinary Council Meeting.

Subsequent to 29 June, amendments to the rating model were made to ensure that the differential rate for the UV Rural Residential rating category met the requirements for Ministerial approval. A revised rating model was presented to Council at a Special Council Meeting on 8 July 2021. At this meeting Council resolved not to endorse the amended rating model and strategic rating policy and requested the CEO to obtain a definitive legal position on the application of concessions within the UV Rural Residential and UV Pastoral rating categories.

At the 8 July 2021 Special Council Meeting, Council resolved the following:

Council Decision

Minute Number: 08/07/2021 – 118470

Moved: Cr D Menzel

Seconded: Cr A Petherick

Carried: 6/0

That Council:

- 1. Does not endorse revised Council Policy CP/FIN-3200 Strategic Rating as per Attachment 1; and**
- 2. Does not endorse the revised 2021/22 Rating Model as follows (Table omitted) as per Attachment 2, with the intention of striking the rates as part of the 2021/22 Budget adoption, subject to receiving Ministerial approval for the UV Rural Residential differential rating category.**
- 3. Request the CEO to obtain a definitive legal position on the application of the concessions within the UV-Rural Residential rating category and the UVPastoral rating category and to clarify the inconsistent treatment of concessions by the Department of Local Government Sport and Cultural Industries with respect to Ministerial approval of differential rates.**

Further clarification was sought from the Department of Local Government, Sport and Cultural Industries regarding the decision not to approve the UV Rural Residential rate in the dollar, and legal advice was sought regarding the proposed application of concessions.

In summary, the response from the Department reaffirmed their decision and that Council's discretionary power to grant concessions is not 'unfettered' and cannot be used to circumvent the requirement to use the valuation of land as the general basis for determining rates.

Legal advice received did not provide a definitive position regarding the use of concessions, and Officers considered it confirmed that the Department was not prepared to change their

decision at this time and that any further action to obtain a more definitive legal position would need to be taken outside the Ministerial approval process.

At the 22 July 2021 Special Council Meeting, Officers presented a revised Rating Model 2021/22 recommending Council endorse a rate in the dollar of 0.0168 for the UV Rural Residential Category. This rate would return the same yield from the category as the 2020/21 financial year without the requirement to apply any concessions. The disparity in individual rates however ranged between increases of \$1,920 and decreases of \$2,580. This rate in the dollar still required Ministerial approval to be obtained in order for the 2021/22 Annual Budget to be adopted.

Cr Mat Dear moved to amend the motion, as he believed that the proposed UV Rural Residential rate in the dollar contained in the Officer Recommendation would lead to unnecessary volatility in the UV Rural Residential rating category and that adopting a UV Rural Residential rate in the dollar of 0.0132 that did not require Ministerial approval would be more appropriate.

At the 22 July 2021 Special Council Meeting, Council resolved the following:

Council Decision

Minute Number: 22/07/2021 – 118472 - in part

Moved: Cr G Lodge

Seconded: Cr M Dear

Carried: 8/0

That Council:

- 2. Endorse the revised 2021/22 Rating Model as follows and as per revised Attachment 2, with the intention of striking the rates as part of the 2021/22 Budget adoption; and***

| Differential Rating Category | Total Properties | Total Rateable Value of Properties \$ | Proposed Minimum Payment \$ | Proposed Rate in the Dollar | % of Properties on Minimum Payments | Proposed Concessions | Proposed Rates Revenue Budget 2021/22 \$ |
|-------------------------------|------------------|---------------------------------------|-----------------------------|-----------------------------|-------------------------------------|----------------------|------------------------------------------|
| GRV - Residential | 1,697 | 32,493,871 | 1,123 | 0.1463 | 1.30% | | 4,760,031 |
| GRV - Other Vacant | 126 | 520,841 | 1,123 | 0.2269 | 77.78% | | 178,805 |
| GRV - Commercial | 188 | 12,871,625 | 1,123 | 0.1443 | 8.51% | | 1,863,081 |
| GRV - Industrial | 178 | 7,457,086 | 1,123 | 0.1403 | 5.06% | | 1,052,089 |
| GRV - Rural Residential | 26 | 272,424 | 1,123 | 0.1463 | 11.54% | | 41,521 |
| UV - Rural Residential | 200 | 28,935,000 | 1,123 | 0.0132 | 37.50% | | 399,164 |
| UV - Pastoral | 21 | 17,364,229 | 1,123 | 0.0570 | 0.00% | 569,058 | 420,703 |

| | | | | | | | |
|-----------------------------------------|-------|-------------|-------|--------|--------|---------|------------|
| UV - Commercial/Industrial | 68 | 12,516,580 | 1,123 | 0.0078 | 35.29% | | 117,912 |
| UV - Agriculture | 80 | 60,935,109 | 1,123 | 0.0117 | 1.25% | | 713,093 |
| UV - Horticulture | 93 | 27,215,000 | 1,123 | 0.0102 | 0.00% | | 277,593 |
| UV - Mining | 64 | 1,832,448 | 1,123 | 0.2767 | 43.75% | | 525,518 |
| UV - Mining Exploration and Prospecting | 41 | 490,179 | 313 | 0.1383 | 24.39% | | 68,842 |
| UV - Other | 5 | 8,960,000 | 1,123 | 0.0066 | 20.00% | | 59,368 |
| TOTALS | 2,787 | 211,846,392 | | | | 569,058 | |
| Total Budgeted Net Rates Revenue Raised | | | | | | | 10,477,720 |

By adopting a rate in the dollar of 0.0132, the total budgeted rates revenue decreased by approximately \$89,000 and the disparity in individual rates changed to increases of up to \$728 and decreases as large as \$2,928.

STATUTORY IMPLICATIONS

Local Government Act 1995

Part 5

Division 6 – Disclosure of financial interests

5.63. Some interests need not be disclosed

- (1) Sections 5.65, 5.70 and 5.71 do not apply to a relevant person who has any of the following interests in a matter —
- (a) an interest common to a significant number of electors or ratepayers; or
 - (b) an interest in the imposition of any rate, charge or fee by the local government; or
 - (c) an interest relating to a fee, reimbursement of an expense or an allowance to which section 5.98, 5.98A, 5.99, 5.99A, 5.100 or 5.101(2) refers...

Local Government Act 1995

Part 6

Division 6 – Rates and service charges

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 under a local planning scheme in force under the Planning and Development Act 2005;
 - (b) the predominant purpose for which the land is held or used as determined by the local government;
 - (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 the 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.

6.35. Minimum payment

- (1) Subject to this section, a local government may impose on any rateable land in its district a minimum payment which is greater than the general rate which would otherwise be payable on that land.
- (2) A minimum payment is to be a general minimum but, subject to subsection (3), a lesser minimum may be imposed in respect of any portion of the district.
- (3) In applying subsection (2) the local government is to ensure the general minimum is imposed on not less than -
 - (a) 50% of the total number of separately rated properties in the district; or
 - (b) 50% of the number of properties in each category referred to in subsection (6), on which a minimum payment is imposed.
- (4) A minimum payment is not to be imposed on more than the prescribed percentage of
 - (a) the number of separately rated properties in the district; or
 - (b) the number of properties in each category referred to in subsection (6), unless the general minimum does not exceed the prescribed amount.
- (5) If a local government imposes a differential general rate on any land on the basis that the land is vacant land it may, with the approval of the Minister, impose a minimum payment in a manner that does not comply with subsections (2), (3) and (4) for that land.
- (6) For the purposes of this section a minimum payment is to be applied separately, in accordance with the principles set forth in subsections (2), (3) and (4) in respect of each of the following categories -
 - (a) to land rated on gross rental value;
 - (b) to land rated on unimproved value; and
 - (c) to each differential rating category where a differential general rate is imposed.

6.36. Local government to give notice of certain rates

- (1) Before imposing any differential general rates or a minimum payment applying to a differential rate category under section 6.35(6)(c) a local government is to give local public notice of its intention to do so.*
- (2) A local government is required to ensure that a notice referred to in subsection (1) is published in sufficient time to allow compliance with the requirements specified in this section and section 6.2(1).*
- (3) A notice referred to in subsection (1)*
 - (a) may be published within the period of 2 months preceding the commencement of the financial year to which the proposed rates are to apply on the basis of the local government's estimate of the budget deficiency;*
 - (b) is to contain -*
 - (i) details of each rate or minimum payment the local government intends to impose;*
 - (ii) an invitation for submissions to be made by an elector or a ratepayer in respect of the proposed rate or minimum payment and any related matters within 21 days (or such longer period as is specified in the notice) of the notice; and*
 - (iii) any further information in relation to the matters specified in subparagraphs (i) and (ii) which may be prescribed; and*
 - (c) is to advise electors and ratepayers of the time and place where a document describing the objects of, and reasons for, each proposed rate and minimum payment may be inspected.*
- (4) The local government is required to consider any submissions received before imposing the proposed rate or minimum payment with or without modification.*
- (5) Where a local government -*
 - (a) in an emergency, proposes to impose a supplementary general rate or specified area rate under section 6.32(3)(a); or*
 - (b) proposes to modify the proposed rates or minimum payments after considering any submissions under subsection (4), it is not required to give local public notice of that proposed supplementary general rate, specified area rate, modified rate or minimum payment.*

6.45. Options for payment of rates or service charges

- (1) A rate or service charge is ordinarily payable to a local government by a single payment but the person liable for the payment of a rate or service charge may elect to make that payment to a local government, subject to subsection (3), by —*
 - (a) 4 equal or nearly equal instalments; or*
 - (b) such other method of payment by instalments as is set forth in the local government's annual budget.*
- (2) Where, during a financial year, a rate notice is given after a reassessment of rates under section 6.40 the person to whom the notice is given may pay the rate or service charge*
 - (a) by a single payment; or*
 - (b) by such instalments as are remaining under subsection (1)(a) or (b) for the remainder of that financial year.*

- (3) A local government may impose an additional charge (including an amount by way of interest) where payment of a rate or service charge is made by instalments and that additional charge is, for the purpose of its recovery, taken to be a rate or service charge, as the case requires, that is due and payable.
- (4) Regulations may —
- (a) provide for the manner of making an election to pay by instalments under subsection (1) or (2); and
 - (b) prescribe circumstances in which payments may or may not be made by instalments; and
 - (c) prohibit or regulate any matters relating to payments by instalments; and
 - (d) provide for the time when, and manner in which, instalments are to be paid; and
 - (e) prescribe the maximum amount (including the maximum interest component) which may be imposed under subsection (3) by way of an additional charge; and
 - (f) provide for any other matter relating to the payment of rates or service charges.

[Section 6.45 modified: SL 2020/57 1M.]

The following amendments were made to Section 6.45 of the *Local Government Act 1995* effective 8 May 2020 as follows:

Local Government (COVID-19 Response) Order 2020 SL 2020/57

Section 6.45 (options for payment of rates or service charges)

- (1) *In this clause —*

financial hardship policy, in relation to a local government, means a policy addressing the manner in which the local government will deal with financial hardship that may be suffered by ratepayers and other persons who are required to make payments to the local government.

- (2) *Section 6.45 is modified as set out in this clause in relation to payment by instalments of a rate or service charge imposed by a local government in the 2020/21 financial year.*

- (3) *The local government cannot impose an additional charge (including an amount by way of interest) under section 6.45(3) in respect of payment by instalments made by an excluded person.*

- (4) *If the local government has not adopted a financial hardship policy, the maximum rate of interest that may be imposed by the local government under section 6.45(3) is 3%.*

Subclause (4) applies despite the Local Government (Financial Management) Regulations 1996 regulation 68.

Further amendments were made to Section 6.45 of the Local Government Act 1995 effective 1 June 2021:

Local Government (COVID-19 Response) Amendment Order 2021 SL 2021/66

Section 6.45 modified (options for payment of rates or service charges)

section 6.45 -

- (a) the 2020/21 financial year; or*
- (b) the 2021/22 financial year.*

6.47. Concessions

Subject to the Rates and Charges (Rebates and Deferments) Act 1992, a local government may at the time of imposing a rate or service charge or at a later date resolve to waive a rate or service charge or resolve to grant other concessions in relation to a rate or service charge.*

** Absolute majority required.*

6.51. Accrual of interest on overdue rates or service charges

- (1) *A local government may at the time of imposing a rate or service charge resolve* to impose interest (at the rate set in its annual budget) on —*
- (a) a rate or service charge (or any instalment of a rate or service charge); and*
 - (b) any costs of proceedings to recover any such charge,*
- that remains unpaid after becoming due and payable.*

** Absolute majority required.*

- (2) *The rate of interest that may be set by the local government under this section is not to exceed the rate for the time being prescribed as the maximum rate of interest that may be set for the purposes of this section.*
- (3) *Accrued interest is, for the purpose of its recovery, taken to be a rate or service charge, as the case requires, that is due and payable.*
- (4) *If a person is entitled under the Rates and Charges (Rebates and Deferments) Act 1992 or under this Act (if the local government in a particular case so resolves) to a rebate or deferment in respect of a rate or service charge —*
- (a) no interest is to accrue in respect of that rate or service charge payable by that person; and*
 - (b) no additional charge is to be imposed under section 6.45(3) on that person.*

The following amendments were made to Section 6.51 of the *Local Government Act 1995* effective 8 May 2020 as follows:

Local Government (COVID-19 Response) Order 2020 SL 2020/57

Section 6.51 modified (accrual of interest on overdue rates or service charges)

- (1) *Section 6.51 is modified as set out in this clause in relation to a resolution made under section 6.51(1) by a local government at the time of imposing a rate or service charge for the 2020/21 financial year.*
- (2) *The resolution —*
- (a) cannot impose interest in respect of a rate or service charge payable by an excluded person; and*
 - (b) is to specify that the imposition of interest does not apply in respect of a rate or service charge payable by an excluded person.*
- (3) *The rate of interest that may be set by the local government under section 6.51 is not to exceed 8%.*
- (4) *Subclause (3) applies despite the Local Government (Financial Management) Regulations 1996 regulation 70.*

Local Government (COVID-19 Response) Amendment Order 2021 SL 2021/66

Section 6.51 modified (accrual of interest on overdue rates or service charges)

section 6.51 -

(a) for the 2020/21 financial year is not to exceed 8%; and

(b) for the 2021/22 financial year is not to exceed 7%.

Local Government (Financial Management) Regulations 1996

52A. Differential general rates — s. 6.33(1)(d)

6.33 (1)(d) For the purposes of section 6.33(1)(d), the following are prescribed characteristics

-

(a) whether or not the land is situated in a townsite as defined in the Land Administration Act 1997 section 3(1);

(b) whether or not the land is situated in a particular part of the district of the local government.

POLICY IMPLICATIONS

The proposed differential general rates and minimum payments in the rate model are based on the Council's revised Policy CP/FIN-3200 Strategic Rating that aligns the rating model closely to LPS9 in terms of land use.

If there are modifications to the differential general rates or minimum payments from those proposed, then Council Policy CP/FIN-3200 Strategic Rating may need to also be amended to reflect the modifications.

FINANCIAL IMPLICATIONS

The differential general rates, minimum payments, and proposed concessions as per the rating model outlined below are expected to yield gross rate revenue of \$10,987,686. This is an increase of \$509,966 or 4.87% over the 2021/22 Budgeted revenue. The rate revenue generated is based on a natural growth of 2.42%, and an average rate in the dollar increase of 2.5% across all Rate Categories, excluding UV Pastoral.

The increasing cost of maintaining Shire infrastructure and providing services without a corresponding increase in rates revenue over several years has required Shire officers, as part of the annual budget process, to critically evaluate the expenditure estimates for efficiencies and possible savings, and to prioritise expenditure. The process of identifying efficiency gains is ongoing and Shire officers continue to seek to provide better value for money for the rates the community pays. The 2022/23 budget will reflect these efficiency gains once finalised.

UV PASTORAL

For the 2022/23 financial year, rates for the UV Pastoral rating category will be calculated based on the full property value as at 1 July 2020. This forms part of the original officer recommendation and subsequent Council Resolutions in 2020/21 and 2021/22 to phase in the 2020/21 property valuation increases over three years to allow leaseholders time to make cash-flow adjustments. The additional revenue generated for 2022/23 from the full application of the change in valuations will be approximately \$162,000.

STRATEGIC IMPLICATIONS

Strategic Community Plan 2017-2027

- Focus Area 4:** PERFORMANCE - Civic Leadership.
- Goal 4.4:** Sustainably maintain the Shire's financial viability.
- Strategy 4.4.3:** Adequately plan for and fund asset maintenance and renewal to deliver planned services.
- Strategy 4.4.4:** Apply best practice financial management to ensure long term sustainability.

RISK IMPLICATIONS

- Risk:** Failure to adequately resource and manage funding requirements which meet the needs of the Shire's service delivery requirements and strategic objectives.
- Control:** Implementation of LTFP and Annual Budget.
Policies updated in accordance with schedule and operational requirements.

COMMUNITY ENGAGEMENT

Engagement will take place in accordance with the Shire's Community Engagement Guidelines.

In accordance with legislative requirements it is proposed to provide local public notice of the proposed rates in the dollar for a period of 21 days and seek public submissions.

Public notification will include the following:-

- Local public notice in the Kimberley Echo on 5 May 2022;
- Local public notice in the May 2022 issue of the Bastion Bulletin;
- A copy of the Notice to Impose Differential General Rates and Minimum Payments for 2022/23 placed on the Coles noticeboard on 2 May 2022;
- A copy of the Notice to Impose Differential General Rates and Minimum Payments for 2022/23 placed on the IGA noticeboard on 2 May 2022;
- A copy of the Notice to Impose Differential General Rates and Minimum Payments for 2022/23 placed on the Wyndham Post Office noticeboard on 2 May 2022;
- The Shire's Facebook page and website on 2 May 2022;
- Media Release on 2 May 2022; and
- A copy of the Notice to Impose Differential General Rates and Minimum Payments for 2022/23, including Council Policy *CP/FIN-3200 Strategic Rating* placed on the Shire's website, public notice boards at the Civic Centres and Libraries in both Kununurra and Wyndham on 2 May 2022.

COMMENTS

The rate setting process is governed by the Council Policy *CP/FIN-3200 Strategic Rating* (the Policy). The rate setting formula is essentially a simple one whereby the amount of rates a property pays is determined by applying a rate in the dollar to the value assigned to the property. However, both parts of this equation have variable aspects to them and these are laid out in the Policy.

The Policy allows for the rate in the dollar to be determined on a differential basis. The Shire rates different land uses differently and also employs the use of minimum rates.

In determining the rate yield (amount of rates collected) “natural growth” is one of the first components considered. It is determined by applying the prior year rate in the dollar to the rates base as amended before any general revaluation is factored in. The Shire has had natural growth of 2.42% for the 2021/22 year to date, which includes a 1.55% increase from the UV Pastoral rating Category due to no concessions being applied.

The rate setting process requires officers to determine a rate in the dollar based on the policy. It is therefore prudent that the policy is amended at the same time as the proposed rates are approved for community consultation.

Rate Concessions:

In the 2020/21 and 2021/22 financial years, Council resolved to grant concessions to the UV Pastoral rating category so as to ease the impact of the 1 July 2020 valuation increases. Shire officers will not be recommending any Rate concessions for the 2022/23 financial year.

Determining a proposed rate in the dollar

While a proposed increase in the rate in the dollar is generally subject to the most scrutiny, there are other aspects of setting the rate in the dollar that need to be highlighted. It is critical to note that the change to the actual rate in the dollar is only one factor of the rate setting process. Other factors comprise of changes to the rates base. These can be changes to the total number of rateable properties, the mix between each rating category and the change in values placed on properties within each rating category.

The changes in property values can happen on an incremental basis or on a periodic basis as part of a general revaluation of municipal properties. It is the combination of these factors that will have to be taken into account in assessing their impact on the rate in the dollar before assessing what increase to apply. The Shire attempts to ensure that the actual dollar value that a ratepayer pays increases as close to the increased percentage as possible.

Consumer Price Index

A significant factor in setting the rate in the dollar is deciding what increment to implement. Traditionally this has been determined with reference to the Consumer Price Index (CPI). This index is not a good measure of the change in the cost of doing business for local government. The CPI is an index determined by the Australian Bureau of Statistics that is the rate of change in prices on a ‘basket of goods’ measured on a quarterly basis. This basket of goods does not generally reflect the components of costs that the Shire incur in delivering our services. This index does however provide an indication of the impact of rising

prices on household income and the state of the economy in broad terms. The Perth CPI increase for the 12 months to December 2021 was 5.66%.

Local Government Cost Index

A more accurate measure of the Shire's cost profile is the Local Government Cost Index (LGCI). This index is based on the 'bundle of goods' relating to local government incorporating ten cost components which provide an accurate indicator of cost movements affecting local governments. The LGCI therefore provides an indication of those changes in costs that relate more closely to the function of local government. The Shire utilises the LGCI forecasts in the WALGA Local Government Economic Briefings. The March 2022 Briefing forecasts a full year increase for 2021/22 of 5.7% with the biggest increases occurring in Non-residential building (11.7%), Non-road infrastructure (11.1%), and Road and bridge construction (8.9%). The forecast increases for 2022/23 and 2023/24 are 2.5% and 2.2% respectively.

Shire Officers also need to consider surrounding circumstances such as the state of the local economy and neighbouring districts when considering their rate in the dollar and any proposed increase. Rates levied across other Kimberley Shire's have also been regarded and with all things considered we believe our rating levels to be fair and reasonable.

Rating Models

Shire Officers have undertaken modelling using various rates. The model shown below is one with a rate increase of 2.5% on all Rate Categories, excluding UV Pastoral, as this provides additional funds to maintain current service levels but will still require the Shire to examine its cost structure to ensure that it is efficient in the delivery of its services. A 2.5% rate increase will again be below the anticipated 5.7% increase to the cost of delivering Shire services. The UV Pastoral Rate category has been excluded from the 2.5% increase as they are already subject to additional increases in rates (between 3% - 171%) due to the 2020/21 revaluations.

The table below is an excerpt of the rating model which reflects the average weekly increase if a 2.5% increase in the rate in the dollar is adopted (excluding UV Pastoral). The full model demonstrating a 2.5% increase in the rate in the dollar is provided in Attachment 2. The full model shows that natural growth will result in a 2.42% increase in total rate revenue (0.87% excluding UV Pastoral) and that a 2.5% increase in the rate in the dollar will result in an additional 2.45% increase in total rate revenue. This is a total increase of 4.87% against the 2021/22 budget.

| Differential Rating Category | Proposed Rates Revenue 2022/23 \$ | Average Rates Payable 2022/23 \$ | Average weekly increase/decrease compared to 2021/22 \$ |
|------------------------------|-----------------------------------------|----------------------------------------|------------------------------------------------------------------|
| GRV - Residential | 4,930,341 | 2,906 | 1.51 |
| GRV - Other Vacant | 178,625 | 2,620 | 3.17 |
| GRV - Commercial | 1,956,744 | 11,070 | 6.58 |
| GRV - Industrial | 1,078,334 | 6,319 | 2.96 |
| GRV - Rural Residential | 42,570 | 1,701 | 0.81 |

| | | | |
|-----------------------------------------|-------------------|--------|--------|
| UV - Rural Residential | 490,016 | 2,582 | 1.19 |
| UV - Pastoral | 582,981 | 27,791 | 148.61 |
| UV - Commercial/ Industrial | 117,085 | 2,014 | 1.03 |
| UV - Agriculture | 731,376 | 9,243 | 4.44 |
| UV - Horticulture | 285,422 | 3,069 | 1.62 |
| UV - Mining | 541,022 | 13,751 | 0.52 |
| UV - Mining Exploration and Prospecting | 73,009 | 2,135 | 0.29 |
| UV - Other | 61,161 | 15,003 | 8.49 |
| TOTALS | 10,987,686 | | |

Other Factors

Shire Officers recognise that the Shire does have relatively high rates. Some of the factors that lead to having higher rates are unavoidable, however the Shire needs to continue to address the cost of service delivery aspects of the operation thoroughly to ensure that rate increases continue to be moderate. Matters that continue to be addressed include Officers compiling detailed forward capital works programs to determine the timing and extent of funds needed to renew our asset base and how we deliver those works. The Shire also needs to establish and document the services that the community value, the service levels required and the ongoing cost of providing those services. The financial strategies as set out in the Long Term Financial Plan are being implemented to ensure that the Shire progresses to a sustainable and consistently moderately rated Shire.

Summary

The rating model outlined above and in Attachment 2 considers a range of factors in determining the rate in the dollar. The revenue that the proposed rate in the dollar will raise will be sufficient for the Shire to meet its statutory obligations and maintain Shire services at current service levels. Shire Officers further consider that an average rate increase of 2.5% is consistent and reasonable in the circumstances. The draft Council Policy CP/FIN-3200 Strategic Rating at Attachment 1 incorporates a 2.5% increase.

ATTACHMENTS

Attachment 1 - Council Policy CP/FIN-3200 Strategic Rating - DRAFT

Attachment 2 - Rating Model 2022/23 - Natural Growth with 2.5% RID Increase

12.4.5. Schedule of Fees and Charges for 2022/23

| | |
|--------------------------------------|--------------------------------------------------------------------------------------------------------------------------|
| DATE: | 26 April 2022 |
| AUTHOR: | Coordinator Finance |
| RESPONSIBLE OFFICER: | Felicity Heading, Director Corporate Services |
| FILE NO: | FM.05.22 |
| DISCLOSURE OF INTERESTS: | Nil |
| COUNCIL'S ROLE IN THE MATTER: | Leader - plan and provide direction through policy and practices Regulator - enforce state legislation and local laws |
| VOTING REQUIREMENT: | Absolute Majority |

OFFICER'S RECOMMENDATION

That Council:

- 1. Pursuant to section 6.16 and 6.18 of the *Local Government Act 1995*, adopt the proposed Schedule of Fees and Charges for 2022/23 outlined in attachment 1 to be effective from either 1 July 2022 or 1 January 2023, whichever date is applicable as indicated in the attachment; and**
- 2. Request the Chief Executive Officer to give local public notice of Council's intention to impose the Schedule of Fees and Charges 2022/23, to apply from 1 July 2022 or 1 January 2023 as applicable, in accordance with section 6.19 of the *Local Government Act 1995*; and**
- 3. Pursuant to Section 6.13 of the *Local Government Act 1995*, adopt a reduced interest rate of 7% to be applied to any amount of money (other than rates and service charges) which is owed to Shire and has been owed for a period of 35 days in accordance with Council Policy CP/FIN-3214- Sundry Debt Collection, subject to:**
 - a. This interest rate cannot be applied to a person who is considered to be suffering financial hardship as a consequence of the COVID-19 Pandemic in accordance with Council Policy CP/FIN-3219 COVID-19 Financial Hardship - Rates and Sundry Debtors.**

PURPOSE

For Council to consider the proposed Schedule of Fees and Charges for 2022/23 to

commence from 1 July 2022 or 1 January 2023 whichever is applicable.

BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE

Council adopts the Schedule of Fees and Charges on an annual basis in accordance with section 6.16(1) of the *Local Government Act 1995*. In terms of this section the Council may impose and recover a fee or charge for any goods or services it provides or proposes to provide, other than a service for which a service charge is imposed. The Council has approximately 500 different fees and charges. Some of these fees and charges can be implemented from 1 July 2022 and it is therefore recommended that the proposed Fees and Charges are adopted prior to the adoption of the annual budget.

All Fees and Charges have been reviewed by Council Officers with recommended changes incorporated in the proposed Schedule of Fees and Charges. If adopted these Fees and Charges will be used by Shire officers when compiling the 2022/23 Annual Budget.

At the Ordinary Council Meeting on 31 March 2022 Council adopted the reviewed Council Policy CP-FIN 3211 Fees and Charges. This policy outlines the principles and pricing basis methodology for the setting of Fees and Charges for the 2022/23 financial year.

The Schedule of Fees and Charges for the 2021/22 financial year was adopted incorporating an average increase of 1.0%. This followed a 0% increase for the 2020/21 financial year.

Council Decision

Minute Number: 22/03/2022 – 118605

That Council adopt the amended CP-FIN-3211 Fees and Charges Pricing Policy.

Moved: Cr T Chafer

Seconded: Cr D Hearty

Decision: 8/0

Council Decision

Minute Number: 118423 - 27/04/2021

That Council:

- 1. Pursuant to section 6.16 and 6.18 of the Local Government Act 1995, adopt the proposed Schedule of Fees and Charges for 2021/22 outlined in attachment 1 to be effective from either 1 July 2021 or 1 January 2022, whichever date is applicable as indicated in the attachment; and***
- 2. Request the Chief Executive Officer to give local public notice of Council's intention to impose the Schedule of Fees and Charges 2021/22, to apply from 1 July 2021 or 1 January 2022 as applicable, in accordance with section 6.19 of the Local Government Act 1995; and***
- 3. Pursuant to Section 6.13 of the Local Government Act 1995, adopt a***

reduced interest rate of 7% to be applied to any amount of money (other than rates and service charges) which is owed to Shire and has been owed for a period of 35 days in accordance with Council Policy CP/FIN-3214-Sundry Debt Collection, subject to:

- a. This interest rate cannot be applied to a person who is considered to be suffering financial hardship as a consequence of the COVID-19 Pandemic in accordance with Council Policy CP/FIN-3219 COVID-19 Financial Hardship - Rates and Sundry Debtors.**

Moved: Cr M Dear

Seconded: Cr J Farquhar

Decision: 9/0

Council Decision

Minute Number: 27/07/2021 – 118491

- 1. Pursuant to section 6.16 of the Local Government Act 1995, adopt the amended Schedule of Fees and Charges for 2021/22 outlined in Attachment 3 to be effective from either 1 July 2021 or 1 January 2022, whichever date is indicated in Attachment 3.**

Moved: Cr D Pearce

Seconded: Cr M Dear

Decision: 9/0

Council Decision

Minute Number: 27/07/2021 – 118494

- 1. Pursuant to section 6.13 and amendments SL 2020/57 and SL 2021/66 to section 6.13 of the Local Government Act 1995 impose an interest rate of 7.0% per annum to be applied to any amount of money (other than rates and service charges) which is owed to Shire and has been owed for a period of 35 days in accordance with Council Policy CP/FIN-3214 Sundry Debt Collection.**
- 2. Pursuant to amendments SL 2020/57 and SL 2021/66 to section 6.13 of the Local Government Act 1995, resolve that the requirement to pay interest on any amount of money (other than rates and services charges) which is owed to the Shire does not apply to a person who is considered to be suffering financial hardship as a consequence of the COVID-19 Pandemic in accordance with Council Policy CP/FIN-3219 COVID-19 Financial Hardship - Rates and Sundry Debtors.**

Moved: Cr G Lodge

Seconded: Cr M Dear

Decision: 9/0

STATUTORY IMPLICATIONS

Local Government Act 1995

Part 6, Division 2 – Annual Budget

6.2. Local government to prepare annual budget

(1) During the period from 1 June in a financial year to 31 August in the next financial year, or such extended time as the Minister allows, each local government is to prepare and adopt, in the form and manner prescribed, a budget for its municipal fund for the financial year ending on the 30 June next following that 31 August.*

** Absolute majority required.*

(4) The annual budget is to incorporate —

(c) the fees and charges proposed to be imposed by the local government...

Local Government Act 1995

Part 6, Division 5 – Financing local government activities

Subdivision 2 - Fees and charges

6.16 Imposition of fees and charges

(1) A local government may impose and recover a fee or charge for any goods and service it provides or proposed 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; or

(b) under section 6.16(2)(d); 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) Regulations 1996

Part 2 – General financial management

5. CEO's duties as to financial management

(1) Efficient systems and procedures are to be established by the CEO of a local government —

(g) to assist in the preparation of budgets, budget reviews, accounts and reports required by the Act or these regulations.

(2) The CEO is to —

(b) assist the council to undertake reviews of fees and charges regularly (and not less than once in every financial year).

19A. Maximum rate of interest prescribed (Act s. 6.13(3))

The maximum rate of interest to be imposed under section 6.13(1) is prescribed as 11%.

Local Government Act 1995

Part 6, Division 4 — General financial provisions

6.13 Interest on money owing to local governments

(1) Subject to any other written law, a local government may resolve to require a person to pay interest at the rate set in its annual budget on any amount of money (other than rates and service charges) which —*

(a) that person owes to the local government; and

(b) has been owed for the period of time referred to in subsection (6).

** Absolute majority required.*

(2) A resolution under subsection (1) is to be included in the annual budget.

(3) The rate of interest that may be set by the local government under this section is not to exceed the rate for the time being prescribed as the maximum rate of interest that may be set for the purposes of this section.

(4) Where a local government imposes interest under subsection (1) on any outstanding amount of money the local government is not to also impose an additional charge in relation to that amount.

(5) Accrued interest is, for the purpose of its recovery, taken to form part of the money owed to the local government on which it is charged.

(6) A local government is not to impose interest on any amount of money under subsection (1) until the money has been owed to the local government for the period of time set by the local government in its annual budget (not being less than 35 days) after the date which is stated on the relevant account for payment as being the date the account was issued.

(7) Regulations may provide for the method of calculation of interest.

[Section 6.13 modified: SL 2020/57 1M.]

The following amendments were made to Section 6.13 of the Local Government Act 1995

effective 8 May 2020:

Local Government (COVID-19 Response) Order 2020 SL 2020/57

8. Section 6.13 modified (interest on money owing to local governments)

(1) Section 6.13 is modified as set out in this clause in relation to a resolution of a local government under section 6.13(1) that is to be included in its 2020/21 annual budget.

(2) The resolution —

(a) cannot require a person who is considered by the local government to be suffering financial hardship as consequence of the COVID-19 pandemic to pay interest; and

(b) is to specify that the requirement to pay interest does not apply to a person who is considered by the local government to be suffering financial hardship as a consequence of the COVID-19 pandemic.

(3) The rate of interest that may be set by the local government under section 6.13 in its 2020/21 annual budget is not to exceed 8%.

(4) Subclause (3) applies despite the Local Government (Financial Management) Regulations 1996 regulation 19A.

Further amendments were made to Section 6.13 of the Local Government Act 1995 effective 1 June 2021:

Local Government (COVID-19 Response) Amendment Order 2021 SL 2021/66

Section 6.13 modified (interest on money owing to local governments)

section 6.13 -

(a) for the 2020/21 financial year is not to exceed 8%; and

(b) for the 2021/22 financial year is not to exceed 7%.

POLICY IMPLICATIONS

The following policies are relevant:

CP-FIN 3211 Fees and Charges Pricing Policy

CP-FIN 3212 Rates and Charges Debt Collection

CP-FIN 3214 Sundry Debt Collection

CP-FIN 3219 Covid-19 Financial Hardship - Rates and Sundry Debtors

STRATEGIC IMPLICATIONS

This matter relates to the following sections of the *Strategic Community Plan 2017-2027*:

| | |
|------------------------|----------------------------------------------------------------------------------------|
| Focus Area 4: | PERFORMANCE - Civic Leadership |
| Goal 4.4: | Sustainably maintain the Shire's financial viability |
| Strategy 4.4.3: | Adequately plan for and fund asset maintenance and renewal to deliver planned services |
| Strategy 4.4.4: | Apply best practice financial management to ensure long term sustainability |

This matter relates to the following sections of the *Corporate Business Plan 2021-2025*:

Service Area: Financial Services

RISK IMPLICATIONS

| | |
|------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Risk: | Failure to adequately resource and manage funding requirements which meet the needs of the Shire's service delivery requirements and strategic objectives. |
| Controls: | Implementation of LTFP and Annual Budget. Policies updated in accordance with schedule and operational requirements. Annual review of Fees and Charges with reference to the cost of services, service levels and extent of subsidisation by general rate revenue. |

FINANCIAL IMPLICATIONS

The setting of fees and charges for 2022/23 has a minor impact on the current financial year in relation to costs associated with implementing the changes to be effective from 1 July 2022. It has significant financial implications for the 2022/23 financial year and the setting of the Annual Budget for 2022/23.

Fees and Charges revenue for the 2021/22 financial year are forecast to be approximately \$8.0m. This is an increase over the budgeted amount of \$6.69m mainly due to the conservative budget adopted for airport revenues due to the unknown ongoing impacts of the COVID-19 pandemic. Assuming the same mix of services are provided for the 2022/23 financial year and average increase of 2.5%, the budgeted yield from Fees and Charges is expected to be approximately \$8.2m for 2022/23.

COMMUNITY ENGAGEMENT

Engagement will take place in accordance with the Community Engagement Guidelines and will include:

Engagement will take place or has taken place in accordance with the Shire's Community Engagement Guidelines and will include:

- Shire officers responsible for fees and charges;
- Councillor briefing conducted during April 2022;
- Feedback from the community will be considered after local public notice has been given;

- Where material changes are made to fees and charges, notices to current debtors who may be affected will be given.

COMMENTS

Determining the proposed Fees and Charges

The proposed Schedule of Fees and Charges 2022/23 has been compiled with reference to Council Policy CP/FIN-3211 Fees and Charges Pricing. The policy acknowledges that there are competing priorities between community service obligations, maintaining infrastructure and ensuring that the community is not unduly burdened. It further acknowledges that there are fees in which the Shire has no discretion as they are regulatory fees set by other legislation. In setting the Fees and Charges, Shire officers attempt to ensure that a fair balance is maintained between the service levels provided, the cost of providing those services and the extent of subsidising the services provided.

Consumer Price Index

A significant factor in setting Fees and Charges is deciding what increment to implement. Traditionally this has been determined with reference to the Consumer Price Index (CPI). This index is not a good measure of the change in the cost of doing business for local government. The CPI is an index determined by the Australian Bureau of Statistics that is the rate of change in prices on a 'basket of goods' measured on a quarterly basis. This basket of goods does not generally reflect the components of costs that the Shire incur in delivering our services. This index does however provide an indication of the impact of rising prices on household income and the state of the economy in broad terms. The Perth CPI increase for the 12 months to December 2021 was 5.66%.

Local Government Cost Index

A more accurate measure of the Shire's cost profile is the Local Government Cost Index (LGCI). This index is based on the 'bundle of goods' relating to local government incorporating ten cost components which provide an accurate indicator of cost movements affecting local governments. The LGCI therefore provides an indication of those changes in costs that relate more closely to the function of local government. The Shire utilises the LGCI forecasts in the WALGA Local Government Economic Briefings. The March 2022 Briefing forecasts a full year increase for 2021/22 of 5.7% with the biggest increases occurring in Non-residential building (11.7%), Non-road infrastructure (11.1%), and Road and bridge construction (8.9%). The forecast increases for 2022/23 and 2023/24 are 2.5% and 2.2% respectively.

Proposed Schedule of Fees and Charges

The proposed Schedule of Fees and Charges for 2022/23 includes an average increase of 2.5% in line with the forecast increase in the LGCI. Shire officers consider this to be a reasonable increase given that it follows increases of 0% in 2020/21 and 1% in 2021/22 against LGCI increases of 1.4% and 5.7%(f) respectively. The proposed increase of 2.5% is also in line with the proposed increase in the rate in the dollar to be advertised for the purposes of determining rate revenue.

ATTACHMENTS

Attachment 1 - Proposed Schedule of Fees and Charges 2022/23

12.5. INFRASTRUCTURE

12.5.1. Increased Security - 57 Riverfig Avenue Kununurra

| | |
|--------------------------------------|-------------------------------------------|
| DATE: | 26 April 2022 |
| AUTHOR: | Coordinator of Assets (Buildings) |
| RESPONSIBLE OFFICER: | Vernon Lawrence, Chief Executive Officer |
| FILE NO: | CP.08.15 |
| DISCLOSURE OF INTERESTS: | Nil |
| COUNCIL'S ROLE IN THE MATTER: | Funder - provide funds or other resources |
| VOTING REQUIREMENT | Absolute Majority |

OFFICER'S RECOMMENDATION

That Council transfers \$30,000 from the Property Reserve to the Municipal Fund Account for the purpose of undertaking security upgrades on Shire buildings at 57 Riverfig Avenue, Kununurra.

PURPOSE

For Council to repurpose funds from a Shire reserve for the purpose of undertaking urgent building works.

BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE

The Shire owns three townhouses at 57 Riverfig Avenue Kununurra which are used for temporary accommodation for contractors as well as permanent staff residences. In response to a number of recent incidents, the Shire is seeking to increase security on these townhouses by means of installing security screens to all openings on the lower levels, however current operational funding is insufficient for these works, which are programmed to be undertaken before the end of the financial year.

Estimates obtained by Shire Officers have indicated that the cost involved for these works will be approximately \$30,000.

STATUTORY IMPLICATIONS

Local Government (Financial Management) Regulations 1996 as that relates to repurposing funds.

POLICY IMPLICATIONS

No policies are directly applicable, however officers will ensure compliance with the Shire's Purchasing Policy for the purpose of obtaining quotations and initiating the works.

STRATEGIC IMPLICATIONS

This matter relates to the following sections of the *Strategic Community Plan 2017-2027*:

Focus Area 3: PROSPERITY - Economic Prosperity

Goal 3.3: Develop and retain skilled people that business need to succeed

Strategy 2.2.1: Provide and maintain infrastructure that promotes sustainable growth and positively impacts the well-being and lifestyle of residents and users

Strategy 4.4.3: Adequately plan for and fund asset maintenance and renewal to deliver planned services

RISK IMPLICATIONS

Risk: Failure to adequately resource and manage funding requirements which meet the needs of the Shire's service delivery requirements and strategic objectives.

Control: Appropriate budget monitoring of operational funds and reserve balances

FINANCIAL IMPLICATIONS

Operational funding is insufficient to cover the cost of the works, therefore funds will need to be reallocated from the Asset Management Reserve.

COMMUNITY ENGAGEMENT

No community engagement is required.

COMMENTS

It is recommended that Council repurposes \$30,000 from the Property Reserve for the purpose of undertaking security upgrades on Shire buildings at 57 Riverfig Avenue, Kununurra.

By increasing security on the townhouses, we will provide better protection for the townhouses against break ins and provide security for the tenants who reside in these units, this will in turn improve staff wellbeing and assist in the retention of staff in the long term.

ATTACHMENTS

Nil

13. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

14. QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

**15. URGENT BUSINESS APPROVED BY THE PERSON PRESIDING OR BY
DECISION**

16. MATTERS BEHIND CLOSED DOORS

17. CLOSURE