



SHIRE OF WYNDHAM | EAST KIMBERLEY

AGENDA ORDINARY COUNCIL MEETING

27 April 2021

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 COUNCIL CHAMBERS
TO BE HELD ON TUESDAY 27 April 2021 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

That Council confirms the Minutes of the Ordinary Council Meeting held on 30 March 2021

Note: The Minutes of the Ordinary Council Meeting held on 30 March 2021 are provided under separate cover via www.swek.wa.gov.au

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:	27 April 2021
AUTHOR:	Executive Officer to the CEO
RESPONSIBLE OFFICER:	Vernon Lawrence, Chief Executive Officer
DISCLOSURE OF INTERESTS:	NIL

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.

NATURE OF COUNCIL'S ROLE IN THE MATTER

Leader - plan and provide direction through policy and practices

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

FINANCIAL IMPLICATIONS

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

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

COMMUNITY ENGAGEMENT

No community engagement is required.

COMMENTS

An update of actions from the March 2021 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 2021

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

12.2.2. Shire of Wyndham East Kimberley - Economic Development Strategy

DATE:	27 April 2021
AUTHOR:	Senior Economic Development Officer
RESPONSIBLE OFFICER:	Vernon Lawrence, Chief Executive Officer
ASSESSMENT NO:	N/A
FILE NO:	ED.06.4
DISCLOSURE OF INTERESTS:	NIL

VOTING REQUIREMENT

Simple Majority

OFFICER'S RECOMMENDATION

That the Council adopts the Shire of Wyndham East Kimberley Economic Development Strategy.

PURPOSE

The Shire of Wyndham East Kimberley Economic Development Strategy has been developed as a coordinated plan outlining how the Shire intends to increase the prosperity and liveability of the region.

NATURE OF COUNCIL'S ROLE IN THE MATTER

Advocator - advocate and support initiatives on behalf of the community and the Kimberley
Facilitator - bring stakeholders together
Funder - provide funds or other resources
Leader - plan and provide direction through policy and practices
Provider - provide physical infrastructure and essential services
Regulator - enforce state legislation and local laws

BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE

In 2020 NAJA Business Consulting Services (NAJA) was engaged to prepare the Shire of Wyndham East Kimberley Economic Development Strategy. NAJA has engaged with Councillors on a number of occasions:

- To advise the methodology to be utilised to prepare the Strategy;
- To outline community engagement and literature reviews to inform the preparation of the Strategy;
- To present a draft Strategy for Councillors' comments; and
- To present the final Strategy to Councillors.

STATUTORY IMPLICATIONS

Nil

POLICY IMPLICATIONS

Extensive community engagement has been undertaken in accordance with the Shire's Community Engagement Policy, in the preparation of the Strategy.

Policy implications for the Shire will be in the current principles being applied to the engagement with Federal and State government Ministers and senior bureaucrats as the Strategy is implemented.

FINANCIAL IMPLICATIONS

There are no financial implications for the adoption of the Strategy.

STRATEGIC IMPLICATIONS

Strategic Community Plan 2017-2027

Focus Area 3: PROSPERITY - Economic Prosperity

Goal 3.1: To deliver the critical infrastructure that will create the conditions for economic growth across the Shire

Goal 3.2: To be business friendly and the Shire of choice for inward investment in the Kimberley

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

Strategy 3.1.1: Improve the Shire's transport infrastructure, including Wyndham Port and East Kimberley Regional Airport through lobbying, project support and funding opportunities

Strategy 3.1.2: Improve access and transport links to the East Kimberley (air, road and sea)

Strategy 3.1.3: Plan and advocate for infrastructure that supports business

Strategy 3.2.1: Market the East Kimberley as the place to live, visit and do business

Strategy 3.2.2: Develop a viable regional centre as a key to retaining services and supporting population growth

Strategy 3.2.4: Support the identification and development of investment opportunities that create jobs

Strategy 3.3.3: Support greater participation of local Aboriginal people in the workforce and to undertake business ventures

Strategy 3.3.4: Encourage people to stay longer in the Shire by advocating and supporting improved access to childcare and education

Strategy 4.1.1: Advocate and lobby effectively on behalf of the community

Strategy 4.1.2: Foster relationships and partnerships with key stakeholders to achieve community outcomes

Corporate Business Plan

CBP Action: #550 - Economic Development Planning

Develop and implement an Economic Development Plan to provide direction for the promotion of economic and employment growth within the Shire. Annual tasks to include Implementing the priorities actions of the Economic Development Plan.

RISK IMPLICATIONS

Risk:

Failure to provide effective advocacy for the Shire and the Region to develop projects, support industry and provide opportunities for all.

Control:

The Economic Development Strategy provides a pathway to improving the prosperity and liveability in the region. The key priorities have been identified in the Strategy. Some of these will lead to the development of informing strategies that will lead to other actions, such as identification of funding opportunities. Some strategies relate to capital works projects which will require funding from State and Federal governments or through partnership arrangements with the private sector.

COMMUNITY ENGAGEMENT

Extensive community engagement was undertaken by NAJA during the preparation of the Strategy.

COMMENTS

The Strategy has been informed by a comprehensive literature review, an on-line survey of residents, a number of facilitated workshops and interviews with a diverse range of stakeholders. Councillors and Shire Administration staff have been engaged throughout the preparation of the Strategy.

The Strategy identifies significant sectors for growth, identifies drivers for change, outlines challenges and opportunities under various industry sectors, and the process of annual reviews of the document.

A prospectus is in the final stages of preparation. It will be an accompanying document to the Strategy that is intended to unlock individual investment opportunities. The Prospectus will provide a high-level overview in greater detail on specific investment-ready “transformative” projects.

ATTACHMENTS

Attachment 1 - Shire of Wyndham East Kimberley Economic Development Strategy

12.2.3. Memorandum of Understanding - MG Corporation

DATE:	27 April 2021
AUTHOR:	Senior Economic Development Officer
RESPONSIBLE OFFICER:	Vernon Lawrence, Chief Executive Officer
ASSESSMENT NO:	N/A
FILE NO:	ED.05.3
DISCLOSURE OF INTERESTS:	Nil

VOTING REQUIREMENT

Simple Majority

OFFICER'S RECOMMENDATION

That Council authorises the Shire President and the Chief Executive Officer to sign, on behalf of the Shire, the Memorandum of Understanding between the Shire and MG Corporation.

PURPOSE

To seek Council approval for the execution of the MOU between the Shire and MG Corporation that will allow for a collaborative approach in advancing increased local Indigenous participation in the East Kimberley economy.

NATURE OF COUNCIL'S ROLE IN THE MATTER

Advocator - advocate and support initiatives on behalf of the community and the Kimberley
Facilitator - bring stakeholders together
Funder - provide funds or other resources
Leader - plan and provide direction through policy and practices
Provider - provide physical infrastructure and essential services
Regulator - enforce state legislation and local laws

BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE

MG Corporation represents the Traditional Owners of the land in and around Kununurra. The attached Memorandum of Understanding (MOU) is the product of negotiations between SWEK and MG Corporation for a number of years.

STATUTORY IMPLICATIONS

Nil

POLICY IMPLICATIONS

The MOU gives effect to the Corporate Business Plan Action #362: Aboriginal Enterprise Development.

FINANCIAL IMPLICATIONS

Nil at this stage

STRATEGIC IMPLICATIONS

Strategic Community Plan 2017-2027

Focus Area 4: PERFORMANCE - Civic Leadership

Goal 3.1: To deliver the critical infrastructure that will create the conditions for economic growth across the Shire

Strategy 3.3.3: Support greater participation of local Aboriginal people in the workforce and to undertake business ventures

Strategy 4.1.2: Foster relationships and partnerships with key stakeholders to achieve community outcomes

Corporate Business Plan

CBP Action: #362: Aboriginal Enterprise Development

RISK IMPLICATIONS

Risk:

Failure to resource a change in material funding from State and Federal funding arrangements.

Control:

There is a greater ability for SWEK, in partnership with MG Corporation, to secure State and Federal government funds for projects that support Indigenous jobs outcomes. Further, MG Corporation's ability to access funds from sources such as the Indigenous Advancement Strategy (Federal) is enhanced through projects that will arise from the implementation of the MOU.

COMMUNITY ENGAGEMENT

No community engagement is required.

COMMENTS

This MOU is the overarching document that will drive the collaborative working relationship between SWEK and MG Corporation. Individual projects that will result from the

implementation of this MOU will be subject to separate agreements that will “sit” under this MOU.

Should Council endorse the signing of this MOU, the management of the MOU (Section 8.0: Management) and any projects that arise from this MOU, will be through a high-level Steering Committee comprising at least two persons (and no more than three persons) from each party. It is expected SWEK will be represented on the Steering Committee by the Director Infrastructure and the Senior Economic Development Officer.

It is important that SWEK and MG Corporation work collaboratively to foster the participation of Indigenous people in the East Kimberley economy. The Shire has the work program and tools at its disposal to facilitate Indigenous business development and jobs outcomes in the region. These outcomes are also key policy settings for the Federal and State governments. As such, this MOU puts SWEK and MG Corporation in a very strong position to unlock funding opportunities for projects that will not only benefit the local Indigenous people, but the local community in general and enhance the Shire’s ability to deliver services and amenities to the community.

ATTACHMENTS

Confidential Attachment 1 - Memorandum of Understanding - MG Corporation.

12.3. PLANNING AND COMMUNITY DEVELOPMENT

12.3.1. Quarterly Progress and Performance Report (Q3)

DATE:	27 April 2021
AUTHOR:	Senior Projects Officer
RESPONSIBLE OFFICER:	Nick Kearns, Director Planning and Community Development
FILE NO:	CM.10.13
DISCLOSURE OF INTERESTS:	Nil

VOTING REQUIREMENT

Simple Majority

OFFICER'S RECOMMENDATION

That Council receives the Quarterly Progress and Performance Report for January to March 2021 (Q3) at Attachment 1.

PURPOSE

For the Council to receive the January to March 2021 Quarterly Progress and Performance Report against the Corporate Business Plan.

NATURE OF COUNCIL'S ROLE IN THE MATTER

Leader - plan and provide direction through policy and practices

BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE

The Corporate Business Plan (CBP) is the 4-year strategic service and project delivery program for the Shire. It is aligned to the strategic direction and priorities set within the 10-year Strategic Community Plan.

The purpose of the CBP is to demonstrate the operational capacity of the Shire to achieve its aspirational outcomes and objectives over the medium-term and is reviewed annually to ensure priorities are achievable and effectively timed.

The current CBP was adopted by Council at the 28 July 2020 Ordinary Council Meeting (**Minute No: 118281**).

The Shire produces Quarterly Progress and Performance Reports to provide an update of progress made in the applicable quarter towards the services and projects in the Corporate

Business Plan and the achievement of the strategic goals set out in the Strategic Community Plan. Performance reporting assists with continuous improvement and the achievement of community outcomes and improvements to Shire services.

The report gives details of how the Shire is progressing as an organisation against the services that the Shire has committed to deliver to the community and tracks the utilisation of these services by the community. It also provides an update on projects that are being undertaken to enhance services.

The quarterly report reflects the progress of individual actions of the CBP which are linked to the Strategic Community Plan. This ensures each staff member is working towards achieving those specific directions that the Council has prioritised.

The Officer responsible for an action or task in the CBP is required to provide an update each quarter, giving an indication of how the action is progressing. This information is collated to provide an overview of how the organisation is performing to the CEO, Directors and Council to ensure that performance is being appropriately monitored and managed.

Quarterly progress reports are used to assist with the annual review of the CBP, to prioritise projects and services capturing Council's decision making, planning and evaluation.

STATUTORY IMPLICATIONS

The *Local Government Act 1995* provides a framework for the operations of local governments in Western Australia. *Section 1.3 (2)* states:

This Act is intended to result in:

- a) Better decision making by local governments;*
- b) Greater community participation in the decisions and affairs of local governments;*
- c) Greater accountability of local governments to their communities; and*
- d) More efficient and effective government.*

The Shire's Corporate Business Plan and quarterly progress reports are in line with the Western Australian Government's Integrated Planning and Reporting Framework which requires planning and reporting on local government activities.

POLICY IMPLICATIONS

The Quarterly Progress and Performance Report supports the following policy objectives:

CP/COM-3100 - Community Engagement Policy

The Community Engagement Policy aims to improve the outcomes and benefits of effective community engagement including:

- Increased community awareness about services, planning and program delivery.
- Increased awareness of the needs, priorities and diversity of the community, which in turn ensures that service provision and planning functions are aligned appropriately.
- Council and the community working together to address local issues where appropriate.

FINANCIAL IMPLICATIONS

The attached quarterly report includes a quarterly financial summary.

STRATEGIC IMPLICATIONS

Strategic Community Plan 2017-2027

Focus Area 1: 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 4.2.3: Ensure community awareness of issues, activities and decisions affecting the Shire

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

Strategy 4.3.2: Create a culture that encourages innovation, collaboration, best practice and organisational discipline to improve efficiency, effectiveness and productivity

Corporate Business Plan

CBP Action: #53 - Ensure compliance with the Integrated Planning and Reporting Framework

CBP Task: Provide quarterly CBP progress reports

RISK IMPLICATIONS

Risk: Failure to create and maintain an organisational culture which promotes a safe and positive work environment, fosters employee satisfaction, motivates employees to perform and increases organisational effectiveness.

Control: The Corporate Business Plan Progress and Performance Report provides a mechanism for tracking progress of actions and projects. Regular reporting of progress to CEO, Directors and Council will ensure that performance is monitored and managed through the Integrated Planning and Reporting Framework.

Risk: Failure to make Council decisions which allow for efficient and effective use of operational resources to deliver services which meet the needs of the community and region, comply with statutory requirements and promote economic and social development.

Control: Ensure that the Corporate Business Plan captures Council direction and decisions and directs the organisation to deliver those services and projects. The organisation will report to Council at the end of each quarter to monitor the implementation of operational priorities and activities and report on the achievement of the Corporate Business Plan and Strategic Community Plan goals.

COMMUNITY ENGAGEMENT

The Shire provides the community and Council with reports and updates regarding the achievements against the Corporate Business Plan on an ongoing basis. Some of these mechanisms include:

- Quarterly Progress Reports made available on the Shire’s website.
- Ongoing Council reports.
- Elected Members’ Information Bulletin updates.
- Newsletters.
- Website updates.
- Media releases.

COMMENTS

The Quarterly Progress and Performance Report is generated from the Shire’s integrated planning and reporting process. It is a guide to future refinements to the Shire’s Corporate Business Plan (CBP), particularly with respect to the first year priorities and actions and is proposed to be further refined to better monitor performance against core service delivery. It is considered that these refinements to the reporting will also be a useful resource for the Chief Executive Officer in reviewing operational performance and organisational structure and complements agreed KPI’s and for Councillors to more accurately see how the organisation, as a whole, is performing.

A summary of progress on actions by quarter is provided in the tables over. They show that Officers have indicated that most actions have been started (and in progress or complete), which is a good indication that officers have initiated work to progress most actions. It is notable too, that there has been good progress on a number of town revitalisation projects, including the construction of the shared loop path and foreshore trail, as well as street tree planting in Wyndham. Some delays have, nevertheless, been reported on some actions, although most of these will flow into Q4 and none, at this stage, are forecast to move to the 2021/22 financial year.

Action status by Quarter	Q1	Q2	Q3	Q4
Percentage on time (as reported)	97%	90%	75%	
Percentage on budget (as reported)	98%	100%	95%	
Complete	3%	3%	5%	
Not started	9%	5%	2%	
In progress	88%	92%	93%	
On hold	0%	0%	0%	
Deferred	0%	0%	0%	

Progress of CBP actions against the Strategic Community Plan 2017-2027 within the quarter is summarised in the table below:

Strategic Community Plan 2017-2027 Focus Areas	Actions completed	Actions in progress	Actions not started, on hold or deferred
1 Healthy vibrant active communities (People) <i>Improving liveability through social and recreational opportunities, a range of inclusive community services and activities, and valuing our diversity.</i>		100%	
2 Enhancing the environment (Place) <i>We value our Kimberley lifestyle and natural environment. We will work to improve the liveability of our towns and their connection to our surrounding environment.</i>	4%	96%	
3 Economic prosperity (prosperity) <i>For the Shire to be open for business with a growing and successful economy and jobs for all.</i>	13%	80%	7%
4 Civic leadership (Governance) <i>We will deliver services to the community efficiently, provide leadership and governance that is future thinking, transparent and accountable.</i>		100%	

It is recommended that the report at Attachment 1 be received..

ATTACHMENTS

Attachment 1 - Quarterly Progress and Performance Report - January to March 2021 (21Q3)

12.4. CORPORATE SERVICES

12.4.1. Monthly Financial Report March 2021

DATE:	27 April 2021
AUTHOR:	Financial Accountant
RESPONSIBLE OFFICER:	Felicity Heading, Director Corporate Services
FILE NO:	FM.09.26
DISCLOSURE OF INTERESTS:	Nil

VOTING REQUIREMENT

Simple Majority

OFFICER'S RECOMMENDATION

That Council receives the Monthly Financial Report for the period ended 31 March 2021.

PURPOSE

For Council to receive the Monthly Financial Report for the period ended 31 March 2021.

NATURE OF COUNCIL'S ROLE IN THE MATTER

Regulator - Responsible for the enforcement of statutory requirements.

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 23 June 2020 Ordinary Council Meeting, the Council resolved the following:

Council Decision

Minute Number: 23/06/2020-118260

**Moved: Cr D Menzel
Seconded: Cr M Dear**

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.

Carried 9/0

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

At the 15 December 2020 Ordinary Council Meeting Council resolved to accept the 2019/2020 Annual Report including the Annual Financial Statements as follows:

Council Decision

Minute No: 118361

That Council:

- 1. Accepts the 2019/2020 Annual Report (including the Annual Financial Statements and Associated Notes) as presented.**
- 2. Convenes the Annual General Meeting of Electors to be held on 2 February 2021 at the Kununurra Council Chambers (commencing at 5pm).**
- 3. Requests that the Chief Executive Officer, pursuant to sections 5.29 and 5.55 of the Local Government Act 1995, provides the requisite statutory local public notice of the acceptance of the 2019/2020 Annual Report and the time and date of the Annual General Meeting of Electors.**
- 4. Requests that the Chief Executive Officer publish the Annual Report on the Shire's website within 14 days after it has been accepted.**

Moved: Cr J Farquhar

Seconded: Cr N Brook

Decision: 6/0

At the annual General Meeting of Electors held on 2 February 2021 the following was resolved:

Decision

Minute Number: 02/02/2021 – 118155

Moved: M Northover

Seconded: Cr M McKittrick

That the 2019-20 Annual Report, including the Shire President's Report, Chief Executive Officer's Report and Annual Financial Statements and Auditor's Report be received.

Carried: 7/0

At the 23 February 2021 Ordinary Council Meeting Council resolved to adopt changes to the Municipal Fund Budget for 2020/21 arising from changes to the cash position estimated at the time of the preparation of the budget and the actual cash position achieved following the finalisation of the Annual Financial Statements for the year ended 30 June 2020 as follows:

Council Decision:

Minute Number: 23/02/2021 - 118388

That Council:

- 1. Adopts the changes to the Municipal Fund Budget 2020/21 and Reserves as detailed in Attachment 1 and Attachment 2; and**
- 2. Approves the transfer of an additional amount of \$277,077 to the Drainage Reserve.**

Moved: Cr T Chafer

Seconded: Cr J Farquhar

Decision:9 /0

At the 23 February 2021 Ordinary Council Meeting Council resolved to adopt amendments to the Municipal Fund Budget for 2020/21 arising from the 2020/21 Mid-Year Budget Review process as follows:

Council Decision:

Minute Number: 23/02/2021 - 118389

That Council:

- 1. Receives the 2020/21 Mid-Year Budget Review Report for the period ended 31 December 2020;**
- 2. Approves the budget amendments as detailed in Attachment 1 and Attachment 2;**
- 3. Approves the transfer of \$14,500 from the Foreshore Reserve to fund the preparation of the Swim Beach Plan and Report;**
- 4. Approves the transfer of \$10,000 from the Child Care Reserve for building maintenance for the Kununurra Child Care;**
- 5. Approves the transfer of an additional \$60,910 from the Goomig Farmland Road Reserve to fund repairs to Moonamang Road;**
- 6. Approves the transfer of \$35,000 from the COVID-19 Response Reserve to fund the purchase of a generator for the Kununurra Landfill; and**
- 7. Approves the transfer of an additional \$25,000 from the Airport Reserve for Apron Lighting at East Kimberley Regional Airport.**

Moved: Cr D Pearce

Seconded: Cr T Chafer

Decision:9/0

STATUTORY IMPLICATIONS

Local Government Act 1995, Section 6.4.

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

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 Shires 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

Comments in relation to budget to actual variances are included as notes in the Financial Report attached.

It should be noted that the budget figures in the Monthly Financial Report have been updated to include final carry forward figures and end of year adjustments for the year ended 30 June 2020 along with changes to the 2020/21 budget arising from the mid-year budget review process.

The final position for the 2019/20 financial year was reported in the 2019/20 Annual Financial Statements included in the Annual Financial Report for 2019/20 which was presented to Council at the 15 December 2020 Ordinary Council Meeting and received at the Annual Meeting of Electors on 2 February 2021.

Changes to the 2020/21 budget arising from changes in the cash position following finalisation of the 2019/20 Annual Financial Statements and amendments to the 2020/21

budget arising from the mid-year budget review were adopted by Council at the 23 February 2021 Ordinary Council Meeting.

The Covid-19 pandemic has had an impact on the financial position of the Shire as at 30 June 2020. Revenue and debt collections have reduced significantly with this being off-set by operational savings and the receipt of 2020/21 Federal Assistance Grants in advance. The full financial implications of Covid-19 are unknown at this stage, however estimates of the longer term impact have been considered in the preparation of the 2020/21 budget. Shire Officers and the Executive Management Team continue to closely monitor the cash flow of the Shire and have modified internal processes to assist in this regard.

ATTACHMENTS

Attachment 1 - Monthly Financial Report March 2021

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

DATE:	27 April 2021
AUTHOR:	Creditors Officer
RESPONSIBLE OFFICER:	Felicity Heading, Director Corporate Services
FILE NO:	FM.09.26
DISCLOSURE OF INTERESTS:	Nil

VOTING REQUIREMENT

Simple Majority

OFFICER'S RECOMMENDATION

That Council receive the lists of accounts paid from the Municipal and Trust funds for March 2021, being:

Municipal EFT 140101 - 140360 (08/03/2021-31/03/2021)	\$ 1,750,929.41
Municipal Cheque 52010 (05/03/2021)	\$ 42.20
Trust EFT 502147- 502163 (02/03/2021 - 31/03/2021)	\$ 7,956.45
Payroll (10/03/2021 - 31/03/2021)	\$ 444,592.05
Direct Bank Debits (01/03/2021-31/03/2021)	\$ 96,983.25
Total - March 2021	\$ 2,300,503.36

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*.

NATURE OF COUNCIL'S ROLE IN THE MATTER

Regulator - Responsible for the enforcement of statutory requirements.

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 2020/21 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 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

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 2021

12.4.3. Schedule of Fees and Charges for 2021/22

DATE:	27 April 2021
AUTHOR:	Director Corporate Services
RESPONSIBLE OFFICER:	Felicity Heading, Director Corporate Services
FILE NO:	FM.05.22, FM.08.11
DISCLOSURE OF INTERESTS:	Nil

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 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.**

PURPOSE

For Council to consider the proposed Schedule of Fees and Charges for 2021/22 to commence from 1 July 2021 or 1 January 2022 whichever is applicable.

NATURE OF COUNCIL'S ROLE IN THE MATTER

Leader - plan and provide direction through policy and practices

Regulator - enforce state legislation and local laws

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 700 different fees and charges. Some of these fees and charges can be implemented from 1 July 2021 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 2021/22 Annual Budget.

At the Ordinary Council Meeting on 30 March 2021 Council adopted the amended *CP-FIN 3211 Fees and Charges Policy*. This policy outlines the principles and pricing basis methodology for the setting of Fees and Charges for the 2021/22 financial year.

Council Decision

Minute Number: 30/03/2021 – 118407

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

Moved: Cr T Chafer

Seconded: Cr N Brook

Decision: 9/0

At the Ordinary Council Meeting on 24 March 2020 Council resolved the following:

Council Decision

Minute Number: 24/03/2020 -118190

Moved: Cr T Chafer

Seconded: Cr M McKittrick

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 2020/21 outlined in Attachment 1 to be effective from either 1 July 2020 or 1 January 2021, whichever date is applicable as indicated in the Attachment, subject to:***
 - ***All Fees and Charges that have been increased by 1.5% from the 2019/20 Fee and Charge be amended to reflect a 0% increase; and***
2. ***Request the Chief Executive Officer to give local public notice of Council's intention to impose the Schedule of Fees and Charges 2020/21, to apply from 1 July 2020 or 1 January 2021 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, impose interest at 9% on 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.***

Carried 9/0

At the Ordinary Council Meeting on 26 May 2020 Council resolved the following:

Council Decision

Moved: Cr T Chafer

Seconded: Cr G Lodge

Minute Number: 26/05/2020 - 118232 (in part)

1. ***Pursuant to section 6.16 and 6.18 of the Local Government Act 1995, adopt the amended Schedule of Fees and Charges for 2020/21 outlined in attachment 1 to be effective from either 1 July 2020 or 1 January 2021, 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 2020/21, to apply from 1 July 2020 or 1 January 2021 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, impose interest at 8% on any amount of money (other than rates and service charges) which is owed to the Shire and has been owed for a period of 35 days in accordance with Council Policy CP/FIN-3214-Sundry Debt Collection.***
4. ***Pursuant to amendment SL 2020/57 (clause 8) to Section 6.13 of the Local Government Act 1995, 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 is not required to pay interest on any amount of money (other than rates and services charges) which is owed to the Shire.

Carried: 8/0

At the Ordinary Council Meeting on 23 June 2020 Council resolved the following:

Council Decision

Minute Number: 23/06/2020 - 118254

Moved: Cr G Lodge

Seconded: Cr J Farquhar

That Council:

1. Pursuant to section 6.16 of the Local Government Act 1995, adopt the amended Schedule of Fees and Charges for 2020/21 outlined in Attachment 2 to be effective from either 1 July 2020 or 1 January 2021, whichever date is indicated in Attachment 2.

Carried: 9/0

Council Decision

Minute Number: 23/06/2020 - 118258

Moved: Cr G Lodge

Seconded: Cr J Farquhar

That Council:

- 1. Pursuant to section 6.13 of the Local Government Act 1995, impose interest at 8.0% per annum on 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 amendment SL 2020/57 (clause 8) to section 6.13 of the Local Government Act 1995, 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 is not required to pay interest on any amount of money (other than rates and services charges) which is owed to the Shire.**

Carried: 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 as follows:

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.*

POLICY IMPLICATIONS

The following policies are relevant. They have been reviewed and were adopted at the 30 March 2021 Ordinary Council Meeting with minor amendments:

CP-FIN 3211 Fees and Charges Pricing Policy

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

FINANCIAL IMPLICATIONS

The setting of fees and charges for 2021/22 has a minor impact on the current financial year in relation to costs associated with implementing the changes to be effective from 1 July 2021. It has significant financial implications for the 2021/22 financial year and the setting of the Annual Budget for 2021/22.

Fees and Charges for the 2020/21 financial year are forecast to be approximately \$100,000 less than budgeted at \$5.9 million. This is a significant reduction from previous years due to the financial impacts of Covid-19 particularly on airport revenues. As the level of economic recovery for the 2021/22 financial year is still unknown, conservative estimates of revenue have been used in preparing the budget. Assuming the same mix of services are provided for the 2021/22 financial year and average increase of 1.0% the budgeted yield from Fees and Charges is expected to be approximately \$6.15 m for 2021/22.

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.

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.

COMMUNITY ENGAGEMENT

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 2021;
- 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 2021/22 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. In addition to this, the impact of the COVID-19 has meant that the calculation of the CPI has been confounded due to the inclusion of government stimulus and support packages and changes in spending habits resulting in a re-weighting of the components of the CPI to a greater degree than normally occurs. The Perth CPI for the 2020/21 Financial Year is forecast to increase by 1.5% and then at an average of 1.83% per annum between 2021-22 and 2023-24.

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 forecast for the remainder of the 2020/21 year is 1.3%. This is despite the impacts of the Covid-19 pandemic during the 2020/21 financial year. The forecast increase in the LGCI is 1.4% for the 2021/22 financial year and 2.0% for 2022/23. These increases reflect an expected increase in wage, construction and machinery and equipment costs as the economic recovery gathers pace.

Economic impacts of Covid-19

COVID-19 has had a major impact on the local economy during the 2020/21 financial year and subsequently on the 2021/22 budget deliberations. The local economy continues to feel the effects of the pandemic, however, should one of the key regional projects such as the airport infrastructure upgrades and/or the cotton gin become a reality there will be a considerable increase in confidence in the economy. The March 2021 WALGA Economic Briefing forecasts that while the Western Australian economy is recovering well, the recovery is still fragile with a high degree of uncertainty remaining. Possible future impacts include

increases in the cost of infrastructure projects as a result of increases in construction activity and labour costs and capacity constraints affecting other sectors of the economy.

In reviewing the Fees and Charges, Shire officers have undertaken careful consideration of the impacts of the Covid-19 pandemic on the local community. The proposed Schedule of Fees and Charges incorporates a modest increase of 1.0% on average. Officers believe that this increase is reasonable in the current economic climate and following a 0% increase in fees and charges in the 2020/21 financial year. This increase also equates to the proposed increase in the rate in the dollar to be advertised for the purposes of determining rate revenue.

Penalty Interest rate

Officers have received preliminary advice that the *Local Government (Covid-19 Response) Orders* will be amended to extend to the 2021/22 financial year and that the maximum penalty interest rate allowed will be reduced from 8% to 7%. These changes will be confirmed prior to the adoption of the 2021/22 budget but as the penalty interest rate is published in the Schedule of Fees and Charges for advertising, Officers have included a rate of 7% in the proposed Schedule of Fees and Charges and in the recommendation.

ATTACHMENTS

Attachment 1 - Proposed Schedule of Fees and Charges 2021-22

12.4.4. 2021/22 Budget - Strategic Rating Policy, Rates Modelling and Local Public Notice

DATE:	27 April 2021
AUTHOR:	Rates Officer
RESPONSIBLE OFFICER:	Felicity Heading, Director Corporate Services
ASSESSMENT NO:	FM.05.22
DISCLOSURE OF INTERESTS:	Nil

VOTING REQUIREMENT

Simple Majority

OFFICER'S RECOMMENDATION

That Council:

1. Endorse the revised Council Policy *CP/FIN-3200 Strategic Rating*;
2. Endorse the 2021/22 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	2,790	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 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 2021 for the 2021/22 financial year in accordance with section 6.36 of the *Local Government Act 1995*.

4. Hold a Special Council Meeting on 1 June 2021 to:

- a. Consider Public Submissions received in relation to the Proposed Differential General Rates and Minimum Payments and Strategic Rating Policy;
- b. Endorse Council Policy CP/FIN-3200 Strategic Rating Including the 2021/22 Rating Model, with the intention of striking rates as part of the 2021/22 Budget adoption;
- c. Request the CEO, or their delegate to seek Ministerial approval where required by legislation.

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.

NATURE OF COUNCIL'S ROLE IN THE MATTER

Leader - plan and provide direction through policy and practices

Regulator - enforce state legislation and local laws

BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE

Strategic Rating principles and policy

Rates revenue is a substantial source of discretionary revenue for the Shire of Wyndham East Kimberley, accounting for approximately 54% of the total operating revenue in the adopted 2020/21 Budget. The *Local Government Act 1995* (the Act) empowers local governments to impose differential general rates and minimum payments on rateable land.

The Shire of Wyndham East Kimberley 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, Heritage, Culture and the Arts 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 (these continued to be applied in the current planning considerations) 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 rating differential 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, the Shire can adjust the rate in the dollar to offset significant fluctuations in valuation 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.

Pastoral lease revaluations

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 is 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 experiencing increases ranging from 18% to over 400% across the affected properties (Kimberley average is 328%).

This resulted in significant increases in rates calculated and in order to reduce the impact of this on the UV Pastoral ratepayers, at its Special Council Meeting on 9 June 2020 Council granted concessions to the value of \$830,643 for the 2020/21 Financial year to the Ratepayers in the UV Pastoral Rating Category.

Council Decision

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

Moved: Cr T Chafer

Seconded: Cr J Farquhar

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;**
- 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;**

(Table with details of rates concessions is included in the minutes)

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.

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 (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 and in Attachment 2 are expected to yield gross rate revenue of \$11,361,823 before proposed concessions of \$774,145 are applied resulting in a net total rate revenue of \$10,587,678. This is an increase of \$169,417 or 1.63% over the 2020/21 Budgeted revenue. The rate revenue generated is based on a natural growth of 0.14%, proposed additional revenue from the UV Pastoral category of 0.55% (due to valuation changes in 2020/21), and an average rate in the dollar increase of 1.0% across all Rate Categories, excluding UV Pastoral.

The impact of 0% rate increases in the 2018/19, 2019/20 and 2020/21 financial years has required Shire officers, as part of the 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 aim to continue to seek to provide better value for money for the rates the community pays. The 2021/22 budget will reflect these efficiency gains once finalised. In addition to this the financial impacts of the Covid-19 Pandemic are being considered as part of the 2021/22 budget process.

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 6 May;
- Local public notice in the May issue of the Bastion Bulletin;

- A copy of the Notice to Impose Differential General Rates and Minimum Payments for 2021/22 placed on the Coles noticeboard on 1 May;
- A copy of the Notice to Impose Differential General Rates and Minimum Payments for 2021/22 placed on the IGA noticeboard on 1 May;
- A copy of the Notice to Impose Differential General Rates and Minimum Payments for 2021/22 placed on the Wyndham Post Office noticeboard on 1 May
- The Shire’s Facebook page and website on 1 May;
- Media Release on 1 May;
- A copy of the Notice to Impose Differential General Rates and Minimum Payments for 2021/22, 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 1 May.

COMMENTS

Rate setting process

The rate setting process is governed by the Council Policy *CP/FIN-3200 Strategic Rating*. 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 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 0.14% for the 2020/21 year to date.

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.

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. This 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 increase percentage as possible.

In deciding what increase to apply to the rate in the dollar there are a number of indicators that can be used in order to ensure objectivity in the process. The most popular one is the Consumer Price Index (CPI). 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 give the Shire an indication of the impact rising prices has on household income and the state of the economy in broad terms.

The impact of the COVID-19 Pandemic has meant that the calculation of the CPI has been confounded due to the inclusion of government stimulus and support packages and changes in spending habits resulting in a re-weighting of the components of the CPI to a greater degree than normally occurs. There is also significant variation between the weighted average of capital cities CPI and the Perth CPI with the CPI percentage change for Perth for the 12 months to December 2020 being -0.1 compared to an increase in the weighted average for all capital cities of 0.9%. This was mainly due to the household electricity credit provided by the WA government. The Perth CPI for the 2020/21 Financial Year is forecast to increase by 1.5% and then at an average of 1.83% per annum between 2021-22 and 2023-24.

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 forecast for the remainder of the 2020/21 year is 1.3%. The Shire raised rates by 0% in relation to this in the 2020/21 budget. This means that on average the purchasing power of funds available for the Shire to continue to maintain current service levels has decreased by an estimated 1.3% for the 2020/21 year. This is on top of a 1.2% decrease in 2019/20 and a 1.7% decrease in the 2018/19 year due to the 0% rate increases adopted in these years and represents a cumulative decrease of 4.2% over three years. The forecast increase in the LGCI is 1.4% for the 2021/22 financial year and 2.0% for 2022/23. These increases reflect an expected increase in wage, construction and machinery and equipment costs as the economic recovery gathers pace. Where the Shire sets a rate yield increase of less than the LGCI, it will have to find operational savings to ensure current service levels are maintained.

Economic impacts of COVID-19

COVID-19 has had a major impact on the local economy during the 2020/21 financial year and subsequently the 2021/22 budget deliberations. The local economy continues to feel the effects of the pandemic, however, should one of the key regional projects such as the airport infrastructure upgrades and/or the cotton gin become a reality there will be a considerable increase in confidence in the economy. The March 2021 WALGA Economic Briefing forecasts that while the WA economy is recovering well, the recovery is still fragile with a high degree of uncertainty remaining. Possible future impacts include increases in the cost of infrastructure projects as a result of increases in construction activity and labour costs and capacity constraints affecting other sectors of the economy.

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 1.0% on all Rate Categories, excluding UV Pastoral, as this provides additional funds to maintain current service levels but still requires the Shire to examine its cost structure to ensure that it is efficient in the delivery of its services. A 1.0% rate increase will again be below the anticipated increase to the cost of delivering Shire services. The UV Pastoral Rate category has been excluded from the 1% increase because of a proposed additional 20% increase in Rates due to the 2019/20 revaluations.

The table below is an excerpt of the rating model which reflects the average weekly increase if a 1.0% increase in the rate in the dollar is adopted (excluding UV Pastoral). The full model demonstrating a 1.0% increase in the rate in the dollar is provided in Attachment 2.

The full model shows that natural growth will result in a 0.14% increase in total rate revenue and that the 1.0% increase in the rate in the dollar will result in an additional 1.49% increase in total rate revenue. This is a total increase of 1.63% against the 2020/21 budget.

Differential Rating Category	Proposed Rates Revenue 2021/22 \$	Average Rates Payable 2021/22 \$	Average weekly increase/decrease compared to 2020/21 \$
GRV - Residential	4,758,205	2,825.97	0.52
GRV - Other Vacant	176,922	2,518.19	0.47
GRV - Commercial	1,862,045	10,721.38	2.00
GRV - Industrial	1,052,089	6,165.57	1.18
GRV - Rural Residential	41,521	1,658.78	0.31
UV - Rural Residential	487,512	2,437.56	0.42
UV - Pastoral*	425,932	17,592.10	51.74
UV - Commercial/ Industrial	125,549	2,169.49	0.53
UV - Agriculture	711,501	8,879.73	1.46
UV - Horticulture	292,240	3,142.37	0.59
UV - Mining	520,933	13,596.92	2.55
UV - Mining Exploration and Prospecting	73,861	2,071.12	0.40
UV - Other	59,368	14,561.25	4.24

TOTALS	10,587,678		
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* includes proposed concession subject to Council approval

Rate Concessions for UV pastoral rated properties:

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).

For the purposes of the rate model outlined above and in Attachment 2, Shire Officers have assumed proposed rate concessions on the UV Pastoral rating category whereby the rate increase for individual properties is no more than 140% of the 2019/20 rates (service charges, waste charges, and ESL excluded). Under s6.47 of the *Local Government Act 1995*, any resolution to grant a concession in relation to a rate or service charge, must be done at the time of imposing the rate or service charge. Any concessions endorsed as part of this report will also need to be adopted as part of the budget adoption process.

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 would 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 1.0% is consistent and reasonable in the circumstances. The draft Council Policy CP/FIN-3200 Strategic Rating at Attachment 1 incorporates a 1.0% increase.

ATTACHMENTS

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

Attachment 2 - Rating Model 2021/22 - 1.0% Increase

12.5. INFRASTRUCTURE

12.5.1. AD HOC Funeral Director's Licence - Imelda Adamson Agars

DATE:	27 April 2021
AUTHOR:	Business Support Officer (Infrastructure)
RESPONSIBLE OFFICER:	Director Infrastructure; Stuart Dyson
FILE NO:	PH.12.11
DISCLOSURE OF INTERESTS:	Nil

VOTING REQUIREMENT

Simple Majority

OFFICER'S RECOMMENDATION

That Council approves the issuing of an AD HOC Funeral Director's licence to Imelda Adamson Agars in accordance with the Cemeteries Act 1986 to conduct a burial in the Wyndham Cemetery.

PURPOSE

To consider Imelda Adamson Agars application for an AD HOC Funeral Director's Licence.

NATURE OF COUNCIL'S ROLE IN THE MATTER

Provider - provide physical infrastructure and essential services

BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE

Imelda Adamson Agars has previously conducted funerals under licence for the Shire of Wyndham East Kimberley in 2007 to 2010 and has all of the necessary insurances in place.

STATUTORY IMPLICATIONS

Cemeteries Act 1986.

Division 3 - Licensing of funeral directors.

16. *Licences*

A funeral director's licence:

(a) *is valid for the conduct of funerals at the cemetery or cemeteries specified in*

- the licence;*
- (b) *is valid for such period not exceeding one year from the day on which the licence is issued as the Board determines, unless the licence is sooner suspended or cancelled; and*
 - (c) *is not transferable.*

17. Applications for licences

- (1) *An application for a funeral director's licence in respect of a cemetery shall be made to the Board responsible for the care, control and management of the cemetery in the manner required by the Board and shall be lodged with the Board together with the appropriate fee.*
- (2) *An applicant who satisfies the Board that the applicant:*
 - (a) *is of good repute and is fit to hold a funeral director's licence; and*
 - (b) *has suitable facilities and equipment for handling and storing dead bodies and conducting funerals, shall be entitled to be issued with a funeral director's licence.*

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

The Undertakers (Funeral Directors) AD HOC Licence Fee is \$90.

STRATEGIC IMPLICATIONS

Strategic Community Plan 2017-2027

Focus Area 2: PLACE - Enhancing the environment

Goal 2.2: Provide sustainable public infrastructure that serves the current and future needs of the community

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

RISK IMPLICATIONS

Risk:

Failure to provide community services which meet the needs and expectations of the community to support social cohesion and participation.

Control: Appropriately consider ways to enable community needs to be met whilst complying with Legislative requirements and processes.

COMMUNITY ENGAGEMENT

No community engagement is required.

COMMENTS

The applicant has applied for this licence to enable her to pay her respects to Richard (Dick) Edward Daniels who passed away on 1/4/2021 in Wyndham. Mr Daniels was her mentor whilst learning in the funeral industry and wishes to conduct his funeral service for him.

The Shire has extensive records from the applicant to establish her character and ability to provide this service appropriately and in accordance with requirements of the Cemeteries Act.

ATTACHMENTS

Attachment 1 - Email from Imelda Adamson Agars

Attachment 2 - Application for Funeral Director's Licence

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

16.1. RESTRICTED TENDER EOI01-20/21: KUNUNURRA WATER PLAYGROUND - DESIGN AND CONSTRUCT

DATE:	27 April 2021
AUTHOR:	Senior Procurement and Contracts Officer
RESPONSIBLE OFFICER:	Nick Kearns, Director Planning & Community Development
FILE NO:	CM.16.379
DISCLOSURE OF INTERESTS:	Nil.

This item is to be considered behind closed doors as per the *Local Government Act 1995* section 5.23(2)(c):

5.23. Meetings generally open to public

(2) *If a meeting is being held by a council or by a committee referred to in subsection (1)(b), the council or committee may close to members of the public the meeting, or part of the meeting, if the meeting or the part of the meeting deals with any of the following —*

- (a) *a matter affecting an employee or employees; and*
 - (b) *the personal affairs of any person; and*
 - (c) *a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting; and*
 - (d) *legal advice obtained, or which may be obtained, by the local government and which relates to a matter to be discussed at the meeting; and*
 - (e) *a matter that if disclosed, would reveal —*
 - (i) *a trade secret; or*
 - (ii) *information that has a commercial value to a person; or*
 - (iii) *information about the business, professional, commercial or financial affairs of a person, where the trade secret or information is held by, or is about, a person other than the local government; and*
 - (f) *a matter that if disclosed, could be reasonably expected to —*
 - (i) *impair the effectiveness of any lawful method or procedure for preventing, detecting, investigating or dealing with any contravention or possible contravention of the law; or*
 - (ii) *endanger the security of the local government's property; or*
 - (iii) *prejudice the maintenance or enforcement of a lawful measure for protecting public safety; and*
 - (g) *information which is the subject of a direction given under section 23(1a) of the Parliamentary Commissioner Act 1971; and*
 - (h) *such other matters as may be prescribed.*
- (3) *A decision to close a meeting or part of a meeting and the reason for the decision are to be recorded in the minutes of the meeting.*

VOTING REQUIREMENT

Simple Majority

PURPOSE

To consider submissions received for Restricted Tender EOI01-20/21 and to make recommendation for award of contract.

16.2. REQUEST FOR APPLICATIONS T06-20/21: PROVISION OF BUILDING MAINTENANCE SERVICES

DATE:	27 April 2021
AUTHOR:	Senior Procurement and Contracts Officer
RESPONSIBLE OFFICER:	Stuart Dyson, Director Infrastructure
FILE NO:	CM.16.383
DISCLOSURE OF INTERESTS:	Nil.

This item is to be considered behind closed doors as per the *Local Government Act 1995 section 5.23(2)(c)*:

5.23. *Meetings generally open to public*

(2) *If a meeting is being held by a council or by a committee referred to in subsection (1)(b), the council or committee may close to members of the public the meeting, or part of the meeting, if the meeting or the part of the meeting deals with any of the following —*

- (a) *a matter affecting an employee or employees; and*
 - (b) *the personal affairs of any person; and*
 - (c) *a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting; and*
 - (d) *legal advice obtained, or which may be obtained, by the local government and which relates to a matter to be discussed at the meeting; and*
 - (e) *a matter that if disclosed, would reveal —*
 - (i) *a trade secret; or*
 - (ii) *information that has a commercial value to a person; or*
 - (iii) *information about the business, professional, commercial or financial affairs of a person, where the trade secret or information is held by, or is about, a person other than the local government; and*
 - (f) *a matter that if disclosed, could be reasonably expected to —*
 - (i) *impair the effectiveness of any lawful method or procedure for preventing, detecting, investigating or dealing with any contravention or possible contravention of the law; or*
 - (ii) *endanger the security of the local government's property; or*
 - (iii) *prejudice the maintenance or enforcement of a lawful measure for protecting public safety; and*
 - (g) *information which is the subject of a direction given under section 23(1a) of the Parliamentary Commissioner Act 1971; and*
 - (h) *such other matters as may be prescribed.*
- (3) *A decision to close a meeting or part of a meeting and the reason for the decision are to be recorded in the minutes of the meeting.*

VOTING REQUIREMENT

Simple Majority

PURPOSE

To consider applications received for T06-20/21 and to appoint a panel of pre-qualified suppliers for the provision of building maintenance services.

16.3. REQUEST FOR APPLICATIONS T08-20/21 PROVISION OF PLUMBING AND RETICULATION SERVICES

DATE:	27 April 2021
AUTHOR:	Senior Procurement and Contracts Officer
RESPONSIBLE OFFICER:	Stuart Dyson, Director Infrastructure
FILE NO:	CM.16.391
DISCLOSURE OF INTERESTS:	Nil.

This item is to be considered behind closed doors as per the *Local Government Act 1995* section 5.23(2)(c):

5.23. Meetings generally open to public

(2) *If a meeting is being held by a council or by a committee referred to in subsection (1)(b), the council or committee may close to members of the public the meeting, or part of the meeting, if the meeting or the part of the meeting deals with any of the following —*

- (a) *a matter affecting an employee or employees; and*
 - (b) *the personal affairs of any person; and*
 - (c) *a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting; and*
 - (d) *legal advice obtained, or which may be obtained, by the local government and which relates to a matter to be discussed at the meeting; and*
 - (e) *a matter that if disclosed, would reveal —*
 - (i) *a trade secret; or*
 - (ii) *information that has a commercial value to a person; or*
 - (iii) *information about the business, professional, commercial or financial affairs of a person, where the trade secret or information is held by, or is about, a person other than the local government; and*
 - (f) *a matter that if disclosed, could be reasonably expected to —*
 - (i) *impair the effectiveness of any lawful method or procedure for preventing, detecting, investigating or dealing with any contravention or possible contravention of the law; or*
 - (ii) *endanger the security of the local government's property; or*
 - (iii) *prejudice the maintenance or enforcement of a lawful measure for protecting public safety; and*
 - (g) *information which is the subject of a direction given under section 23(1a) of the Parliamentary Commissioner Act 1971; and*
 - (h) *such other matters as may be prescribed.*
- (3) *A decision to close a meeting or part of a meeting and the reason for the decision are to be recorded in the minutes of the meeting.*

VOTING REQUIREMENT

Simple Majority

PURPOSE

To consider applications received for T08-20/21 and to appoint a panel of pre-qualified suppliers for the provision of plumbing and reticulation services.

17. CLOSURE