SHIRE OF LAVERTON

MINUTES

OF THE ORDINARY MEETING OF COUNCIL

HELD AT 5:03PM ON THURSDAY 25 JULY 2019
IN THE SHIRE OF LAVERTON COUNCIL CHAMBERS AT
9 MACPHERSON PLACE, LAVERTON WA 6440

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ATTACHMENT NO	DESCRIPTION	DISTRIBUTION
OMC190725-8.1.A	Minutes of Ordinary Meeting of Council 27 June 2019	Previously
OMC190725-8.2.A	Minutes of Audit and Risk Committee Meeting 25 July 2019	Attached
OMC190725-11.1.1.A	List of accounts for payment for June 2019	Attached
OMC190725-11.1.2.A	Shire of Laverton Budget for the year ended 30 June 2020 including 2019/20 Schedule of Fees and Charges and Budget Executive Summary	Separately
OMC190725-11.3.1.A	Draft Regional Price Preference Policy	Attached
OMC190725-11.4.1.A	Election Timetable	Attached
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OMC190725-14.1.1.A	Confidential Attachment – CEO Performance Review 2019	Separately

MINUTES

OF THE ORDINARY MEETING OF COUNCIL
HELD AT 5:03PM ON THURSDAY 25 JULY 2019
IN THE SHIRE OF LAVERTON COUNCIL CHAMBERS

1. DECLARATION OF OPENING

The Shire President, Cr Patrick Hill, declared the meeting open at 5:03pm and read aloud the disclaimer.

2. ANNOUNCEMENT OF VISITORS

Nil.

3. RECORD OF ATTENDANCE

3.1 PRESENT

Cr Patrick Hill	President
Cr Shaneane Weldon	Deputy President
Cr Rex Ryles	Councillor
Cr Robin Prentice	Councillor
Cr Deanne Ross	Councillor
Cr Rex Weldon	Councillor
Mr Peter Naylor	Chief Executive Officer
Mr Les Vidovich	Executive Manager Technical Services
Mr Phil Marshall	Deputy Chief Executive Officer

3.2 APOLOGIES

Nil

3.3 LEAVE OF ABSENCE PREVIOUSLY APPROVED

Cr Deanne Ross	For August 2019 Ordinary Meeting of Council ***Resolution OMC190627.01***

4. APPLICATIONS FOR LEAVE OF ABSENCE

There were no new applications for Leave of Absence.

5. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil.

6. PUBLIC QUESTION TIME

There were no new Public Questions.

7. NOTICE OF ITEMS TO BE DISCUSSED BEHIND CLOSED DOORS

Agenda Item 14.1 CEO Performance Appraisal was listed for discussion behind closed doors at this meeting.

8. CONFIRMATION OF MINUTES

8.1 ORDINARY MEETING OF COUNCIL 27 JUNE 2019 (FILE REF: 0793)

VOTING REQUIREMENTS

Simple majority decision of Council required.

OMC190725.01 COUNCIL DECISION/OFFICER RECOMMENDATION

MOVED: **Cr S Weldon** **SECONDED:** **Cr P Hill**

That the Minutes of the Ordinary Meeting of Council held on 27 June 2019, be confirmed as a true and correct record of proceedings.

SIMPLE MAJORITY	X	VOTES FOR	6	VOTES AGAINST	0

8.2 AUDIT AND RISK COMMITTEE MEETING – 25 JULY 2019 (FILE REF: 0207)

SUBMISSION TO:	Ordinary Meeting of Council, 25 July 2019
DISCLOSURE OF INTEREST:	The author has no financial interest in this matter
OWNER/APPLICANT:	Not applicable
AUTHOR:	Tiffany Farlow, EA to the Chief Executive Officer
SENIOR OFFICER:	Peter Naylor, Chief Executive Officer
PREVIOUS MEETING REFERENCE:	Not applicable

MATTER FOR CONSIDERATION

Minutes of the Audit and Risk Committee meeting which was held on 25 July 2019.

ATTACHMENTS

OMC190725-8.2.A Minutes of the Audit and Risk Committee Meeting of 25 July 2019

APPLICANT'S SUBMISSION

Not applicable.

BACKGROUND

An Audit and Risk Committee Meeting was held on 25 July 2019 and Council therefore needs to receive the Minutes of this Audit and Risk Committee Meeting and consider the Committee's recommendations to Council.

The recommendation to Council arising from the Audit and Risk Committee Meeting is as follows:

ARC190725-02 COMMITTEE DECISION/OFFICER RECOMMENDATION

MOVED:	Cr D Ross	SECONDED:	Cr R Prentice

That the Council endorse the comments and recommendations emanating from the Auditor's report dated 12 April 2019 as contained within Table 1 of this report and take the following action:

1. **Publish this report on the Council's website in accordance with Clause 7.12A(5) of the *Local Government Act 1995*; and**

2. **Forward a copy of the report to the Department of Local Government, Sport and Cultural Industries in accordance with Section 7.12A(4)(b) of the *Local Government Act 1995* by 19 August 2019.**

SIMPLE MAJORITY	X	VOTES FOR	6	VOTES AGAINST	0

The Minutes of the Audit and Risk Committee Meeting held on 25 July 2019 are now presented to Council for consideration (Attachment OMC190725-8.2.A).

STATUTORY ENVIRONMENT

Local Government Act 1995

Section 2.7(2) – Provides that Council is to oversee the allocation of local government finances and resources and to determine the local government policies.

Section 3.1 – Provides that the general function of the local government is to provide for the good government of persons in its district.

Sections 7.1.A, B &C - Outline the rules for the establishment and conduct of the Audit and Risk Committee.

POLICY IMPLICATIONS

Council has no policies in respect to this matter.

FINANCIAL IMPLICATIONS

There are no financial implications in respect to this report.

STRATEGIC IMPLICATIONS

There are no strategic implications in respect to this report.

CONSULTATION

Nil.

COMMENT

The Audit and Risk Committee is comprised of the full Council so it is expected that the recommendations of the Committee will be adopted by Council.

VOTING REQUIREMENTS

Simple decision of Council required.

OMC190725.02 COUNCIL DECISION/OFFICER RECOMMENDATION

MOVED: **Cr P Hill** **SECONDED:** **Cr S Weldon**

That Council endorses the the comments and recommendations from the Auditor's report dated 12 April 2019 (as contained in Table 1 of Agenda Item 4.1.1 of the Audit and Risk Committee Meeting held on 25 July 2019) and takes the following action:

1. **Publishes that report on the Council's website in accordance with Clause 7.12A(5) of the *Local Government Act 1995*; and**
2. **Forwards a copy of the report to the Department of Local Government, Sport and Cultural Industries in accordance with Section 7.12A(4)(b) of the *Local Government Act 1995* by 19 August 2019.**

SIMPLE MAJORITY	X	VOTES FOR	6	VOTES AGAINST	0

9. PETITIONS/DEPUTATIONS/PRESENTATIONS

Prior to the commencement of the meeting, Council received a presentation from Mr Llew Withers (consultant) and Mr Dave Hadden (SOL – Environmental Health Officer) on the progress of the Shire of Laverton Health Profile and Plan.

10. ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION

Reports from the President and/or Elected Members may be tabled at the meeting.

10.1 PRESIDENT'S REPORT (FILE REF: 0198)

There was no report tabled by the President for this meeting.

10.2 ELECTED MEMBERS' REPORTS (FILE REF: 198)

There were no reports tabled by Elected Members for this meeting.

11. COUNCIL BUSINESS

11.1 FINANCE AND ADMINISTRATION BUSINESS

11.1.1 ACCOUNTS PAID AS AT 30 JUNE 2019 (FILE REF: 1276)

SUBMISSION TO:	Ordinary Meeting of Council, 25 July 2019
DISCLOSURE OF INTEREST:	The author has no financial interest in this matter
OWNER/APPLICANT:	Shire of Laverton
AUTHOR:	Isaac Stout, Accounts Officer
SENIOR OFFICER:	Phil Marshall, Deputy Chief Executive Officer
PREVIOUS MEETING REFERENCE:	Not applicable

MATTER FOR CONSIDERATION

The presentation of a list of accounts paid in June 2019 in accordance with Council Delegation 21.

ATTACHMENTS

OMC190725-11.1.1.A List of accounts for payment for June 2019

APPLICANT'S SUBMISSION

Not applicable.

BACKGROUND

In accordance with Delegation 21, the Chief Executive Officer has approved the accounts listed in Attachment OMC190725–11.1.1.A for payment in June 2019.

STATUTORY ENVIRONMENT

Local Government (Financial Management) Regulations 1996)

Reg. 34(2)(c) – Each statement of financial activity is to be accompanied by documents containing such other supporting information as is considered relevant by the local government.

POLICY IMPLICATIONS

Council has no policies in respect to this matter.

FINANCIAL IMPLICATIONS

The recommendation of this report has no financial implications for Council.

STRATEGIC IMPLICATIONS

Civic Leadership Objective - A financially strong and knowledgeable Shire, leading an empowered community

CONSULTATION

Not applicable.

COMMENT

This report continues to "refine" processes as part of the implementation of the new Synergysoft accounting software to provide Council with the appropriate level of information in accordance with legislative requirements.

VOTING REQUIREMENTS

Simple majority decision of Council required.

OMC190725.03 COUNCIL DECISION/OFFICER RECOMMENDATION

MOVED: **Cr S Weldon** **SECONDED:** **Cr D Ross**

That Council endorses the list of payments for the month of June 2019 made under Delegation 21 as per Attachment OMC190725–11.1.1.A totalling $3,284,478.65 and summarised as follows:

Direct Debit Payments	**DDPAY1201-DDPAY1203, DD638.1-638.9, DD652.1, DD655.1, DD657.1, DD661.1, DD662.1-662.9, DD696.1, DD704.1, DD707.1, DD708.1, DD717.1, DD718.1, DD719.1, DD737.1, DD737.2, DD737.3, DD738.1 DD738.2, DD738.3**	**$262,826.60**
EFT Payments	**EFT1251-EFT1428**	**$2,957,764.34**
Trust Payments	**13338-13338**	**$500.00**
Cheques	**13333-13348**	**$63,387.71**
	Total Payments	**$3,284,478.65**

SIMPLE MAJORITY	X	VOTES FOR	6	VOTES AGAINST	0

11.1.2 ADOPTION OF 2019-2020 BUDGET (FILE REF: 1201)

SUBMISSION TO:	Ordinary Meeting of Council, 25 July 2019
DISCLOSURE OF INTEREST:	The author has no financial interest in this matter
OWNER/APPLICANT:	Shire of Laverton
AUTHOR:	Phil Marshall, Deputy Chief Executive
SENIOR OFFICER:	Peter Naylor, Chief Executive Officer
PREVIOUS MEETING REFERENCE:	Ordinary Meeting of Council held on 23 May 2019 (please refer to detail under Background section)

MATTER FOR CONSIDERATION

Council to consider adopting the 2019/20 Budget and also approve:

- Differential and minimum rates;
- Rate payment discount, instalment interest rate, fee and penalty interest rate;
- Rubbish collection charges;

- The Schedule of Fees and Charges;
- The materiality percentage for monthly reporting of variances; and
- 2019/20 Budget Executive Summary.

ATTACHMENTS

OMC190725-11.1.2.A Shire of Laverton Budget for the year ended 30 June 2020, 2019/20 Schedule of Fees and Charges and Budget Executive Summary (One Document)

APPLICANT'S SUBMISSION

The proposal to Impose Differential Rates was advertised in June 2019 and the following submission was received from McMahon Mining Title Services Pty Ltd.

"SUBMISSION - DIFFERENTIAL RATING 2019/20

Thank you for the opportunity to make a submission regarding the proposed rates for 2019-20.

We note that valuations provided by the Valuer General are used in calculating mining tenement rates, and these valuations are based on the rent imposed by the Department of Mines, Industry Regulation and Safety. Any increases in the rent therefore result in an increase in valuations and in turn an automatic increase in rates.

Effective from 1 July 2018, the Department increased the rent rate by 1.5% for exploration licences and 6% for all other mining tenements. From 1 July 2019, the Department will increase exploration licence rents by a further 1.5% and the rent of all other mining tenements by a further 6%. Enclosed for reference is a copy of the Department's schedule of Fees and Charges for 2019-20.

The resource sector is already one of the most significant contributors to the State's economy, with the WA Government receiving royalty revenue totalling $5.8 billion in 2017–18 – a major proportion of the State's annual revenue. It is also one of the most significant employers in the State, with the WA minerals sector directly employing over 120,000 people in 2018.

To encourage the continued contributions made by the resources sector to the State economy it is critical that all government fees are set so as to reduce the cost of doing business in the State in the face of significant international competition wherever possible, and increase and incentivise investment in local exploration to discover vital new resources for the whole of the State.

We note that the Shire has proposed an increase in the rate in dollar and the minimum for UV Mining for 2019-20. We write to ensure any increase in rates due to the increase in rents is taken into account in your budget modelling, and ask that you consider maintaining or reducing the rates for mining tenements for the 2019-20 year."

STEPHANIE MORAN INTERNAL CONSULTANT
MCMAHON MINING TITLE SERVICES PTY LTD
(08) 6467 7997 (w) | 0439 858 242 (m)
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UNIT 28, 168 GUILDFORD RD, MAYLANDS WA 6051
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The submission needs to be addressed and the following response will be provided to McMahon Mining Title Services Pty Ltd and as their letter is couched with the emphasis on the State Government matters and apart from asking the Council to consider these matters before making a decision with differential rating.

The response:

"Thank you for your submission.

The Council is mindful of any impact upon the community before applying a differential rate within the Shire.

The concern for the Council is the propensity to meet the needs of the community (mining is included in our community definition) and as such the needs of the Laverton community come first, as the State Government gains royalties from the mining industry which are then spread across their budget as they see the needs within the state.

The Shire of Laverton is building and working on strategic planning on ensuring that the community has the necessary and appropriate infrastructure in place to meet the needs of the community now and into the future.

The Council is working closely with various mining companies and rates are being utilised for the benefit of the mining companies and community alike with examples including the Mt Weld Road, Lake Wells Rd and upgrade of the airport as mining companies gain all weather access to the Council's airport.

The Council would welcome your contact should you have any further questions."

BACKGROUND

The following motions were passed at the Ordinary Meeting of Council held on 23 May 2019:

OMC190523.06 COUNCIL DECISION/OFFICER RECOMMENDATION

MOVED: **Cr R Ryles** SECONDED: **Cr S Weldon**

That Council:

1. **In accordance with Section 6.36 of the *Local Government Act* 1995, gives local public notice advising that Council intends to impose the following differential rates and minimums for the 2019/2020 financial year:**

2018/2019 Financial Year					
Pastoral Leases UV Rate in $	Mining Leases UV Rate in $	Townsite GRV Rate in $	Mining GRV Rate in $	UV Minimum $	GRV Minimum $
9.79¢	16.56¢	11.61¢	8.97¢	315	315

2. **Approves the 2019/2020 Rates – Objects and Reasons Statement as set out in Attachment OMC190523-11.1.4.A.**

3. **Affirms that the recommended increase in rates of 3.5% has been made after considering the Shire of Laverton Long Term Financial Plan, current economic conditions and retaining the differential rate structure in respect to rate revenue.**

i Ordinary Meeting of Council 23 May 2019 - Resolution OMC190523.06

OMC190523.07 COUNCIL DECISION/OFFICER RECOMMENDATION

MOVED: **Cr R Prentice** SECONDED: **Cr R Weldon**

That Council approves the 'Draft 2019/2020 Schedule of Fees & Charges' as outlined in Attachment OMC190523-11.1.5.A for inclusion in the 2019/2020 Budget.

ii Ordinary Meeting of Council 23 May 2019 - Resolution OMC190523.07

The following is the commentary from the report to Council on the differential rates for ease of reference:

"The Council further discussed the fees and charges and the draft budget at the Council meeting dated 27th June 2019 and following these discusssions, the draft budget and the fees and charges have been set upon the consensus of those discussions.

If it is Council's intention to impose differential rates for the 2019/2020 financial year, this requires timely consideration to ensure statutory advertising requirements are completed before the Budget is adopted. This involves giving local public notice for a period of 21 days of Council's intention to impose differential rates and inviting comment on this matter. Council has utilised the differential rating approach for a number of years now and, as a result, the concept appears to be well received in general as well as a truly tried and tested practice.

In embarking on this process, there is a requirement for the local government to set down a statement of its "Objects and Reasons" and for these to be available for inspection by any elector or ratepayer following the advertising referred to above. A consequential requirement after the Budget has been adopted, is for a brief statement of the Objects and Reasons of any differential rates to accompany the rate notice (Local Government (Financial Management) Regulations 56(4)). The objects and reasons for imposing differential rates are outlined in Attachment OMC190523-11.1.4.A.

It should be noted that Council is not bound by the advertised rate in the dollar when it adopts the Budget. Council has the ability to amend the differential rates without further advertising, after considering any submissions or additional information at the time of adopting the Budget. The advertised differential rate for the current budget was higher than that adopted for the 2018/2019 financial year.

The recommendation of this report is to impose differential rates in 2019/2020 and to increase by an average of 3.5% on last year's actual rates for the purposes of advertising. The proposed increase for the minimum rate charge is also based on the 3.5% increase but rounded to the nearest $1, up from $304 to $315.

These proposed increases have been based on the required increases indicated as being necessary in the Shire's Long Term Financial Plan for the Shire to maintain its financial viability shown at 2%. It should also be recognised that overall rate revenue will increase as the values to be used effective from 1 July 2019 have been reviewed by the Valuer General (Landgate). On average, unimproved values have been adjusted in a range of 3.2% to 3.5%. The movement in Gross Rental Values is static at this stage given that Council is due a GRV revaluation in the coming year which will apply to the 2020/2021 budget.

The anticipated revenue from rates for 2019/2020, based on the proposed increase of 3.5% is $4,983,000 compared to the current actual figure of $4,815,212.

These estimates are based on the information currently available to staff via our rating system and may be subject to change given any significant movement in Mining and Exploration tenements to apply in 2019/2020, which have yet to be received at this stage. None of the differential rates is more than twice the lowest differential general rate, therefore Ministerial approval will not be required."

Since that report, the Valuer General has provided revaluations across the mining tenements which have increased the rates up to $5,386,900

STATUTORY ENVIRONMENT

Local Government Act 1995

- Section 6.2 requires a local government to prepare and adopt an annual budget by 31 August (*absolute majority required*).
- Section 6.12 confers a power to defer, grant discounts, waive or write off debts *(absolute majority required).*
- Section 6.16 allows a local government to impose and recover a fee or charge for any goods or services it provides or proposes to provide (*absolute majority required*).
- Section 6.32 states that a local government in order to make up the budget deficiency is to impose a general rate on rateable land that may be imposed uniformly or differentially. A local government may also impose a minimum payment (*absolute majority required*).
- Section 6.33(1) provides that a local government may impose differential general rates according to a number of characteristics.
- Section 6.33(3) states that a local government cannot, without the approval of the Minister, impose a differential general rate that is more than twice the lowest differential general rate imposed.
- Section 6.35 states a local government may impose a minimum rate that is greater than the general rate that would be applied for the land and outlines the requirements for this minimum rate).

- Section 6.36 requires that a local government, before imposing any differential general rates, provides at least 21 days local public notice of its intention to do so and to consider any submissions received before imposing the proposed rate or minimum payment with or without modification.
- Sections 6.45 and 6.47 allow a local government to levy fees and interest, grant a discount for early payment and to waive or grant other concessions in relation to a rate or service charge (*absolute majority required* for s.6.45 – discounts).
- Section 6.51 allows a local government to charge interest on a rate or service charge that remains unpaid after it is due and payable (*absolute majority required*).

Local Government (Administration) Regulations 1996

- Regulation 19DA requires that a local government is to ensure that a corporate business plan is made in respect to each financial year after 30 June 2013.

Local Government (Financial Management) Regulations 1996

- Regulation 17 states that a reserve account is to have a title that clearly identifies the purpose for which the money in the account is set aside.
- Regulation 23(a) requires the annual budget to include the objects and reasons of any differential rates imposed.
- Regulation 26 requires that the annual budget is to include details for each discount, incentive, concession and waiver to be allowed.
- Regulation 27 sets out the detail accompanying notes to the budget are to contain.
- Regulation 34(5) states that each financial year a local government is to adopt a percentage or value, calculated in accordance with AAS5, to be used in statements of financial activity for reporting material variances.
- Regulation 64(1) sets out the local government is to determine the due date of instalments after the first instalment.
- Regulation 67 enables an additional charge to be imposed where payment of rates is made by instalments.
- Regulation 68 states that the maximum interest rate, under section 6.45(3) for instalments, is 5.5%.
- Regulation 70 states that the maximum interest rate for overdue rates under section 6.51(1), is 11%.

Waste Avoidance and Resource Recovery Act 2007

- Section 67 enables a local government to impose an annual charge in respect of premises provided with a waste service by the local government.

POLICY IMPLICATIONS

Policy 03.08 Budget – Preparation: Outlines the steps and timetable leading to the adoption of the Budget. (The relevance of this policy is now questioned and will be addressed through the entire Policy review and in essence the program for the forthcoming budget shall be addressed at the mid-year budget review).

FINANCIAL IMPLICATIONS

The Budget outlines planned expenditure and revenue and determines the financial parameters for the Shire to operate within for the 2019/20 financial year. The proposed budget for the year is balanced with all revenue to be received during the year and the estimated brought forward surplus being expended on meeting operating expenditure demands, the capital works programme and transfers to reserves for future year's expenditure.

STRATEGIC IMPLICATIONS

The Shire's adopted Integrated Strategic Planning (ISP) framework has provided direct input into the formulation for the 2019/20 Budget with all 'Actions' contained within the Corporate Business Plan considered in the preparation of the draft Budget.

CONSULTATION

The proposed differential rates for 2019/20 were advertised for public comment in an advertisement placed in the "Kalgoorlie Miner" in June 2019. Ratepayers and electors were invited to provide submissions to be received by 5 pm on Monday 01 July 2019.

Submission was received from McMahon Mining Title Services Pty Ltd and their submission is dealt with under submission in this report.

COMMENT

Draft Budget

The forecast budget result for 2018/19 assumes a surplus of $3,960,158 and is included in the draft budget. As the annual financial statements have not been completed, this forecasted result is subject to change and any changes will be addressed at the mid-year budget review.

Changes to the Draft Budget

Following the briefing sessions on the budget, staff have since converted the document into the statutory format which means that it now includes allocation of depreciation, profit and loss on sale assets and other non-cash items.

The Draft Budget including the Statutory Budget document and the Cash Budget are contained within Attachment OMC190725-11.1.2.A.

Differential General Rate and Rate Setting

In considering the differential rating proposal at the Ordinary Meeting of 23 May 2019, (Minute OMC190523.06), Council opted to pursue a general approach of increasing minimums and the rate in the dollar by 3.5% for advertising purposes prior to considering the draft budget.

This strategy resulted in the following impacts to the various rates in the dollar:

GRV	– town site	11.61¢
	– mining	8.97¢
UV	– pastoral	9.79¢
	– mining	16.56¢
All minimums		$315.00

This is in line with the *Long Term Financial Plan, however this plan needs to be revisited (planned for 2020/21) as the figures included are no longer relevant*. The proposed increase for the minimum rate charge is also based on a 3.5% increase, but rounded to the nearest dollar. This will see the minimum rate rise from $304.00 to $315.00 per assessment.

Rates income in 2019/20 will lift by $571,680 (up 11.87%), to realise a yield of $5,386,900

However, rating calculations are by no means a consistent and straight forward affair. The result depends on a number of inputs including the following:

- The number of properties
- Valuation amendments (to both GRV & UV) movement in values supplied by the valuer general
- Revaluations (to both GRV & UV) if applicable in a particular year
- The number of minimums
- The rate in the dollar across the various differential categories
- The amount of the minimum rate.

In 2019/20 input factors have different characteristics to those of the previous financial year. This has been recorded through a combination of factors as described below:

- Increases vary for all other rates in the dollar.
- A 3.50% increase to all minimums
- A 11.87%% overall rates yield increase
- A 27.86% increase in UV mining valuations
- A 2.27% decrease in GRV town site valuations

The 11.87% overall rates yield increase is principally due to the 27.86% % gain in the mining leases UV sector which is imposed by the Valuer General and the mining companies can lodge an objection to the valuation. One company has already enquired about how the valuer general comes to a decision on the valuation and unfortunately we cannot shed any light on how the valuation is derived.

Finally and as with previous years, the scope of the mining sector's contribution to the Shire's rating effort, is quite apparent. This is evidenced by the remarkable statistic that almost 93% of the Shire's rate income for 2019/20 will derive from the GRV and UV mining rates.

Table 1 – Comparison of Rate Yields 2018/19 and 2019/20

Budgeted 2018/19

General	2018/19 Valuation	No of Properties	2018/19 Rate in $	Min Rate	Cash Budget $
GRV – Town Site	2,447,648	177	0.1132	304	277,072
GRV – Mining	12,580,500	12	0.0875	304	1,100,794
UV – Pastoral	581,775	17	0.0955	304	55,560
UV – Mining	17,120,347	763	0.1616	304	2,766,648
Minimums					
GRV – Town Site	16,767	48	-	304	14,897
GRV – Mining	20	1	-	304	304
UV – Pastoral	3,000	3	-	304	912
UV – Mining	334,435	348	-	304	105,792
UV – Mining Shared	13,343	21	-	152	6384
Total - The final rates income received for 2018/19 was $4,815,242 and used in calculations					**$4,328,363**

Budgeted 2019/20

General	2019/20 Valuation	No of Properties	2019/20 Rate in $	Min Rate	Cash Budget $
GRV – Town Site	2,393,204	177	0.1161	315	277,850
GRV – Mining	12,580,500	12	0.0897	315	1,128,470
UV – Pastoral	581,775	17	0.0979	315	56,954
UV – Mining	21,890,480	750	0.1656	315	3,625,060
Minimums					
GRV – Town Site	17,014	49	-	315	15,435
GRV – Mining	20	1	-	315	315

UV – Pastoral	1600	3	-	315	945
UV – Mining	330,328	341	-	315	107,415
UV – Mining Shared	1,420	12	-	158	1,896
Total					**$5,386,900**

The following is commentary on the basis for recommending the rates income be extended to capture the valuation increase within the mining sector which has resulted in an increase of $571,680.

What has changed from last year's budget?

- The Council has had an increase of approx. $20,000.00 in insurance premiums.
- The Councils wages and salaries and on costs have been increased by approx. $100,000.00 following the national wage increase of 2.75%.
- The council has provided a complete budget for the running of the swimming pool and with the engagement of a full time swimming pool manager has incurred an additional cost of $50,000 in wages and salaries
- The Council is developing the airport for the increased use by mining companies which is tied into the upgrade of Mt Weld Rd (contribution from the mining companies) which has resulted in an increase in expenditure in this year's budget of approx. $300,000 which is the Council's cost to the budget from rate funding.
- Medical Services – the Council has sought contributions from various mining companies to support the doctors' service at the hospital. To ensure equity and consistency to all mining companies, the council will fund the complete service from the rate base which equates to $105,000.00.
- TV Hut – the Council has an agreement in place where the mining companies who have equipment located within the hut that they pay for 50% of the electricity costs in the Council owned facility. This has been removed and will be paid from the rate base which equals approximately $6,000.00 per annum.
- The Council has by agreement with a mining company quarantined their rates which total approx. $350,000 (in the 2019/20 financial year) to be placed against the public road which leads to the mining operations.

In summing up, the Council has and will be returning $461,000.00 (made up of $$350,000 for road, $105,000 for medical services and $6,000 for TV Hut) to the mining companies. This reduces the rate increase to $77,690.00 which equates to an overall increase in the mining rates of 1.60% and not the straight line effect of 11.87%.

The trend is that the housing and pastoral rates will continue to move downwards, whereas, the mining sector will influence the rate base with fluctuations within valuations. The Council is not working in isolation and is keen to engage where ever possible with the mining industry to ensure equity and an outcome which is mutually agreeable for the benefit of the entire community.

Rates, Discounts, Penalties and Instalments

It had always been necessary to seek the approval of the Minister for Local Government to implement a differential rate that is more than twice the lowest differential rate (section 6.33(3)). However, a change in rating philosophy in 2013 regarding the rating of pastoral properties now means that the rate in the dollar for UV pastoral properties is not less than half of the rate in the dollar for UV mining leases. Consequently, applications to the Minister for Local Government for differential rating approval are no longer necessary.

The discount for payment of rates within 28 days of the date of service is the same approach as in recent years. Also, ratepayers are being specifically advised they can pay direct to the Shire's bank account as a means of effecting early payment. Penalty interest for rates not paid by the due date and rate payment instalment options are the same as last year. These details are:

- 5% discount on rates paid in full within 28 days of the date of service.
- 11% penalty interest to be charged on rates outstanding after the due date for which the instalment option has not been taken up.
- Rates can be paid in four instalments 2 months apart provided there are no outstanding rates from the previous year. An instalment charge of $5 is applicable to the second, third and fourth instalments as is instalment interest of 5.5%.

Fees and Charges

At the Ordinary Meeting of Council held on 23 May 2019, Council approved (Minute OMC192305.07) the recommended 2019/20 Schedule of Fees and Charges for inclusion in the draft 2019/20 Budget.

Most fees and charges did not change however increases in the following areas are worthy of mention:

- Sanitation Charges (rubbish removal)
- The Town Hall fees have been raised to reflect the refurbished building and to maintain the facility to a standard
- The Swimming Pool has been amended to reflect the new facility and also allow spectators and others to enter free of charge to encourage participation.

Materiality Limit

Regulation 34(5) of the *Local Government (Financial Management) Regulations 1996*, requires that each financial year a local government is to adopt a percentage or value, calculated in accordance with AAS5, to be used in statements of financial activity for reporting material variances. AAS5 is the abbreviation for Australian Accounting Standard number 5, Materiality.

AAS5 states that *'information is material if its omission, misstatement or non-disclosure has the potential to adversely affect decisions about the allocation of scarce resources made by users of the financial report of the discharge of accountability by the management or governing body of the entity'*. AAS5 also states that *'quantitative thresholds used as guidance for determining the materiality of an amount of an item must, of necessity, be drawn at arbitrary levels. Materiality is a matter of professional judgement influenced by characteristics of the entity and the perceptions as to who are, or are likely to be, the users of the financial reports, and their information needs'*.

Council re approved the materiality limit of plus or minus 10% or $10,000 at its 2017/18 Budget meeting on 30 August 2016 (Minute SMC160911). As legislation requires this process to be done each financial year, it is recommended it be endorsed as part of the annual budget adoption process.

Draft Budget Executive Summary & Budget Information Brochure

In 2013 and 2014 and as a thrust towards enabling public awareness of the budget document at an earlier stage, both of the following documents were presented to the Budget meeting:

- Draft Budget Executive Summary
- Budget Information Brochure

The Budget Executive Summary has been prepared to explain in simple terms the budget details (outcomes) based on a cash budget. This document has always been part of the material prepared for Council for reporting purposes as part of the budget process.

The Budget Information Brochure in fact contains the same data as the Executive Summary however also includes a *"Message from the President"*. This brochure has traditionally been directed at the public via circulation with rates assessments and publication in the "*Sturt Pea*". Realistically, only one document is necessary for Council's consideration and this year, the Budget Executive Summary is contained within Attachment OMC190725-11.1.2.A inclusive of the "Message from the President" and is included in the list of recommendations below for approval/endorsement.

Summary

The Budget document as presented to Council is complete in its format (Attachment OMC190725-11.1.2.A), however with information relating to the 2018/19 financial year still being compiled and subject to end of financial year audit scrutiny, the brought forward position from 2018/19 is likely to change. An explanatory text associated with the Budget has been prepared and is included with the budget documentation. Once adopted by Council, the Budget will be provided to the Department of Local Government, Sport and Cultural Industries as is required by the *Local Government Act 1995*.

To complete the budget process for 2019/20, there are a number of formal decisions required and these are detailed in the officer recommendations following.

VOTING REQUIREMENTS

Absolute majority of Council for recommendations 1, 2, 3, 4, 5
Simple majority of Council for recommendation 6

OMC190725.04 COUNCIL DECISION/OFFICER RECOMMENDATION 1

MOVED: **Cr R Prentice** **SECONDED:** **Cr D Ross**

That Council by absolute majority:

1. **In accordance with section 6.36 of the *Local Government Act 1995,* acknowledges the submission received from McMahon Mining Title Services Pty Ltd in response to Council's invitation to comment on the Differential Rating Proposals for 2019/20;**
2. **In accordance with the Department of Local Government, Sport and Cultural Industries *"Rating Policy – Differential General Rates"* and *"Rating Policy – Minimum Payments Guidelines",* adopts the 2019/20 Rates "Objects and Reasons" for the 2019/20 financial year.**
3. **Pursuant to section 6.32 of the *Local Government Act 1995,* impose the following differential and minimum rates for the year ended 30 June 2020:**

	Rate in $	Minimum
Gross Rental Values		
• **Town Site**	**11.61¢**	**$315**
• **Mine Site**	**8.97¢**	**$315**
Unimproved Value		
• **Pastoral**	**9.79¢**	**$315**
• **Mining**	**16.56¢**	**$315**
• **Mining (shared tenements)**	**16.56¢**	**$158**

ABSOLUTE MAJORITY	VOTES FOR	VOTES AGAINST
X	6	0

OMC190725.05 COUNCIL DECISION/OFFICER RECOMMENDATION 2

MOVED: **Cr R Prentice** **SECONDED:** **Cr D Ross**

That Council by absolute majority:

1. **In accordance with Section 6.46 of the *Local Government Act 1995*, offer a five (5) percent discount on current rates paid in full within 28 days of the date of service being 09 September 2019 (i.e. discount cut-off date is 16 September 2019).**

2. In accordance with Section 6.45(1)(b) of the *Local Government Act 1995*, offer the following options for the payment of rates:

- **Option 1 – Payment in full by a single instalment by the due date of 09 September 2019.**
- **Option 2 – Payment in four equal instalments at intervals of nine weeks.**

3. Determine the four instalment dates for instalment payment options as follows:

- **First instalment due by 09 September 2019**
- **Second instalment due by 11 November 2019**
- **Third instalment due by 13 January 2020**
- **Fourth instalment due by 13 March 2020**

4. In accordance with Section 6.45(3), (FM Reg. 68) of the *Local Government Act 1995*, impose a 5.5% interest rate, to apply to the second, third and fourth instalments.

5. In accordance with Section 6.45(3), (FM Reg. 67) of the *Local Government Act 1995*, impose an administration fee of $5.00 to the second, third and fourth instalments.

6. In accordance with Section 6.51(1), (FM Reg. 70) of the *Local Government Act 1995*, impose a late payment penalty interest rate of 11% on rates that have not been paid by the due date and where instalment option 2 has not been taken up.

ABSOLUTE MAJORITY	VOTES FOR	VOTES AGAINST
X	6	0

OMC190725.06 COUNCIL DECISION/OFFICER RECOMMENDATION 3

MOVED: Cr R Prentice **SECONDED:** Cr D Ross

That Council by absolute majority in accordance with Section 67 of the *Waste Avoidance and Recovery Act 2007*, impose the following receptacle charge for 2019/20:

- **Domestic and commercial rubbish removal - per bin per service $238.00**

ABSOLUTE MAJORITY	VOTES FOR	VOTES AGAINST
X	6	0

OMC190725.07 COUNCIL DECISION/OFFICER RECOMMENDATION 4

MOVED: **Cr R Prentice** **SECONDED:** **Cr D Ross**

That Council by absolute majority in accordance with Section 6.16 of the *Local Government Act 1995*, adopt the Schedule of Fees and Charges as presented in the Budget for the year ending 30 June 2020 as contained in Attachment OMC190725-11.2.1.A.

ABSOLUTE MAJORITY	X	VOTES FOR	6	VOTES AGAINST	0

OMC190725.08 COUNCIL DECISION/OFFICER RECOMMENDATION 5

MOVED: **Cr R Prentice** **SECONDED:** **Cr D Ross**

That Council by absolute majority in accordance with section 6.2 of the *Local Government Act 1995*, adopt the annual Budget for the year ended 30 June 2020, as contained in Attachment A.

ABSOLUTE MAJORITY	X	VOTES FOR	6	VOTES AGAINST	0

OMC190725.09 COUNCIL DECISION/OFFICER RECOMMENDATION 6

MOVED: **Cr R Prentice** **SECONDED:** **Cr D Ross**

That Council, in accordance with regulation 34(5) of the *Local Government (Financial Management) Regulations 1996*, adopt a percentage of plus or minus 10%, and $10,000 to be used for the reporting of variances of actual expenditure and revenue to budgeted expenditure and revenue in the monthly report of financial activity for 2019/20.

SIMPLE MAJORITY	X	VOTES FOR	6	VOTES AGAINST	0

11.2 ENVIRONMENTAL HEALTH & BUILDING SERVICES BUSINESS

There is no Environmental Health & Building Services business listed for this meeting.

11.3 WORKS AND SERVICES BUSINESS

5:40pm Cr Rex Ryles declared a financial interest in Agenda Item 11.3.1 and left the meeting.

11.3.1 DRAFT REGIONAL PRICE PREFERENCE POLICY

SUBMISSION TO:	Ordinary Meeting of Council, 25 July 2019
DISCLOSURE OF INTEREST:	The author has no financial interest in this matter
OWNER/APPLICANT:	Shire of Laverton
AUTHOR:	Les Vidovich, Executive Manager Technical Services
SENIOR OFFICER:	Peter Naylor, Chief Executive Officer
PREVIOUS MEETING REFERENCE:	Resolution OMC190523.08 of Ordinary Meeting of Council held 23 May 2019

MATTER FOR CONSIDERATION

The purpose of this report is for Council to consider the adoption of a Regional Price Preference Policy following the required advertising process in accordance with the *Local Government (Functions and General) Regulations 1996*.

ATTACHMENTS

OMC190725-11.3.1.A Draft Regional Price Preference Policy

APPLICANT'S SUBMISSION

Not applicable.

BACKGROUND

At its Ordinary Meeting of Council held on 23 May 2019 it was endorsed:

OMC190523.08 COUNCIL DECISION/OFFICER RECOMMENDATION

MOVED: **Cr S Weldon** SECONDED: **Cr R Prentice**

That Council, advertise its Draft Regional Price Preference Policy in accordance with Part 24E of the *Local Government (Functions and General) Regulations 1996* for a minimum period of four weeks in the 'West Australian' newspaper, with the item being brought back to a future Ordinary Meeting of Council for consideration once the advertised period is closed and any submissions are received.

SIMPLE MAJORITY	VOTES FOR	VOTES AGAINST
X	5	0

The draft regional price preference policy was advertised in *"The West Australian"* newspaper on Saturday 15 June 2019 for a four week period, and when submissions closed on 12 July 2019 no public comments on the proposal had been received.

The aim of a regional price preference is to stimulate economic activity and growth in the region by giving added weight to the use of competitive local businesses in supplying goods or services. Under the proposed policy, a price preference will be applied to any quotation or tenders received by Council from a Local Business/Contractor located within the Shire of Laverton.

The policy does not automatically appoint a local organisation who supplies the lowest quote after the price preference has been applied. There are a range of additional measures including a selection criteria that will be taken into account when determining an appropriate supplier.

A 'Local Business/Contractor' is defined in the policy as being a business with a permanent office in the Shire of Laverton for at least six months prior to prices being sought and the business must have permanent staff based in the area.

STATUTORY ENVIRONMENT

The *Local Government (Functions and General) Regulations 1996* allows non-metropolitan local governments the opportunity to offer a price preference to Local and Regional suppliers when deciding on quotations or tenders to accept.

Local Government (Functions and General) Regulations 1996

Part 4A — Regional Price Preference

Regulation 24A. – Application of this Part

The provisions of Part 4 may be varied in accordance with this Part, if the local government is located outside the metropolitan area and intends to give a regional price preference in accordance with this Part.

Regulation 24B. – Terms used

(1) In this Part -

Regional price preference, in relation to a tender submitted by a regional tenderer, involves assessing the tender as if the proposed tender price were discounted in accordance with regulation 24D;

Regional tenderer means a supplier of goods or services who satisfies the criteria in sub regulation (2).

(2) A supplier of goods or services who submits a tender is regarded as being a regional tenderer for the purposes of this Part if —

(a) That supplier has been operating a business continuously out of premises in the appropriate region for at least 6 months before the time after which further tenders cannot be submitted; or

(b) Some or all of the goods or services are to be supplied from regional sources.

Regulation 24C. Regional price preference may be given

A local government located outside the metropolitan area may give a regional price preference to a regional tenderer in accordance with this Part.

Regulation 24D. Discounts permitted for regional price preferences

(1) A preference may be given to a regional tenderer by assessing the tender from that regional tenderer as if the price bids were reduced by —

(a) Up to 10% — where the contract is for goods or services, up to a maximum price reduction of $50 000; or

(b) Up to 5% — where the contract is for construction (building) services, up to a maximum price reduction of $50 000; or

(c) Up to 10% — where the contract is for goods or services (including construction (building) services), up to a maximum price reduction of $500 000, if the local government is seeking tenders for the provision of those goods or services for the first time, due to those goods or services having been, until then, undertaken by the local government.

(2) Although goods or services that form a part of a tender submitted by a tenderer (who is a regional tenderer by virtue of regulation 24B (2) (b)) may be —

(a) Wholly supplied from regional sources; or

(b) Partly supplied from regional sources, and partly supplied from non-regional sources,

Only those goods or services identified in the tender as being from regional sources may be included in the discounted calculations that form a part of the assessments of a tender when a regional price preference policy is in operation.

(3) Despite sub regulation (1), price is only one of the factors to be assessed when the local government is to decide which of the tenders it thinks would be most advantageous to that local government to accept under regulation 18(4).

Regulation 24E. Regional price preference policies for local governments

(1) Where a local government intends to give a regional price preference in relation to a process, the local government is to —

(a) Prepare a proposed regional price preference policy (if no policy has yet been adopted for that kind of contract); and

(b) Give State-wide public notice of the intention to have a regional price preference policy and include in that notice —

(i) The region to which the policy is to relate; and

(ii) Details of where a complete copy of the proposed policy may be obtained; and

(iii) A statement inviting submissions commenting on the proposed policy, together with a closing date of not less than 4 weeks for those submissions; and

(c) Make a copy of the proposed regional price preference policy available for public inspection in accordance with the notice.

(2) A regional price preference policy may be expressed to be —

(a) For different regions in respect of different parts of the contract, or the various contracts, comprising the basis of the tender;

(b) For different goods or services within a single contract or various contracts;

(c) For different price preferences in respect of the different goods or services, or the different regions, that are the subject of a tender or tenders (subject to the limits imposed by regulation 24D),

Or for any combination of those factors.

(3) A region specified under this Part —

(a) Must be (or include) the entire district of the local government; and

(b) Cannot include a part of the metropolitan area.

(4) A policy cannot be adopted by a local government until the local government has considered all submissions that are received in relation to the proposed policy and, if that consideration results in significant changes to the proposed policy, then the local government must again give State-wide public notice of the altered proposed regional price preference policy.

Regulation 24F. Adoption and notice of regional price preference policy

(1) A policy cannot be adopted by a local government until at least 4 weeks after the publication of the State-wide notice of the proposed policy.

(2) An adopted policy must state —

(a) The region or regions within which each aspect of it is to be applied; and

(b) The types and nature of businesses that may be considered for each type of preference; and

(c) Whether the policy applies to —

(i) Different regions in respect of different parts of the contract, or the various contracts, comprising the basis of the tender;

(ii) Different goods or services within a single contract or various contracts;

(iii) Different price preferences in respect of the different goods or services, or the different regions, that are the subject of a tender or tenders,

Or to any combination of those factors.

(3) An adopted policy cannot be applied until the local government gives State-wide notice that it has adopted that policy.

(4) The local government is to ensure that a copy of an adopted regional price preference policy is —

(a) Included with any specifications for tenders to which the policy applies; and

(b) Made available in accordance with regulation 29 of the *Local Government (Administration) Regulations 1996.*

Regulation 24G. Adopted regional price preference policy, effect of

A local government that has adopted a regional price preference policy in relation to a certain type of contract may choose not to apply that policy to a particular tender in the future for a contract of that type but, unless it does so, the policy is to apply to all like tenders.

POLICY IMPLICATIONS

This new policy will establish guidelines to promote local business partnerships within the Shire of Laverton by giving consideration to regional suppliers in the procurement of goods and/or services via tender or formal quotations.

FINANCIAL IMPLICATIONS

There are no financial implications for the Shire of Laverton from the recommendation of this report.

STRATEGIC IMPLICATIONS

This agenda item is pertinent to Council's endorsed Strategic Community Plan (2016 -2026) that has identified the following outcome and strategy:

2.2.1 - Continue to work with industry for the economic development of the district.

CONSULTATION

In accordance with the *Local Government (Functions and General) Regulations 1996*, a Draft Regional Price Policy cannot be adopted by a local government until at least four weeks after the publication of a state-wide notice of the proposed policy. The draft policy was advertised in *'The West Australian'* newspaper for a four week period and no public submissions or comments were received.

COMMENT

The proposed purchasing policy will provide guidance to the Council and all of its staff in respect to the provision of a preference for local suppliers when a purchasing decision is made.

This policy will allow a quoted or tendered price from a 'Local Business or Contractor' to be reduced for the purposes of comparison with submissions from outside the region, in most circumstances to a maximum price reduction of up to $50,000.

VOTING REQUIREMENTS

Simple majority decision of Council required.

OMC190725.10 COUNCIL DECISION/OFFICER RECOMMENDATION

MOVED: Cr R Weldon **SECONDED: Cr R Prentice**

That Council, in accordance with part 4A of the *Local Government (Functions and General) Regulations 1996*, adopt the introduction of the draft Regional Price Preference Policy 02.25 as attached at OMC190725-11.3.1.A.

SIMPLE MAJORITY	X	VOTES FOR	5	VOTES AGAINST	0

5:43pm Cr Rex Ryles rejoined the meeting and the Presiding Person read aloud the Council Decision.

11.3.2 BANDYA ROAD CULVERT INSTALLATION - SLK 32 (FILE REF: 0272)

SUBMISSION TO:	Ordinary Meeting of Council, 25 July 2019
DISCLOSURE OF INTEREST:	The author has no financial interest in this matter
OWNER/APPLICANT:	Not applicable
AUTHOR:	Les Vidovich. Executive Manager Technical Services
SENIOR OFFICER:	Peter Naylor, Chief Executive Officer
PREVIOUS MEETING REFERENCE:	Not applicable

MATTER FOR CONSIDERATION

This report is seeking for Council to approve the selection criteria and calling of tenders for the installation of Culverts on Bandya Road at SLK 32 (Gum Creek).

ATTACHMENTS

Nil

APPLICANT'S SUBMISSION

Not applicable

BACKGROUND

Council has been successful in obtaining $224,067 through the State Blackspot Program to install culverts at a creek crossing on Bandya Road during 2019/20. The proposal to install culverts on Bandya Road at SLK 32 (Gum creek) was identified following a road safety audit which was performed by Shawmac Consulting Civil and Traffic Engineers back in July 2015.

The main nature of concern identified in the road safety audit was that the vertical geometry on the approach to the creek crossing restricted sight distance to the creek bed which is significantly lower than the general road level approaching the creek. This has the potential to be hazardous to road users due to restricted sight lines, particularly at times of flash flooding from upstream storm events or at night if water is on the over the creek crossing bed.

Food indicators and signage to Australian standards are also proposed to be installed on this section of road to assist users during times of flooding.

STATUTORY ENVIRONMENT

In accordance with the Tender Regulations of the *Local Government Act 1995*, Councils are required to call tenders for works where the value of works will exceeds $150,000.

Local Government Act (1995)

Section 3.57 - Requires a local government to invite tenders before entering into a contract of a prescribed kind for the supply of goods or services.

Local Government (Functions and General) Regulations (1996)

Part 4 - Provision of Goods and Services – Provides the detail of when tenders are required to be called and the process for dealing with and awarding tenders.

POLICY IMPLICATIONS

Council's Policy 02.18 Purchasing and (if adopted) Policy 02.25 Regional Price Preference, will be applied by staff when calling for tenders.

FINANCIAL IMPLICATIONS

This project is 75% ($224,067) funded through the State Blackspot Program with Council funding the remaining 25% allocation ($112,033). A total amount of $336,100 has been assigned to complete the installation of the culverts on Bandya Road, however an exact cost won't be known until the tender process is completed.

STRATEGIC IMPLICATIONS

This Shire of Laverton's Strategic Community Plan identifies a safe and efficient transport network as a desired focus and outcome.

CONSULTATION

Consultation in respect to this project has occurred between the Shire of Laverton's Chief Executive Officer, Executive Manager Technical Services and Engineering Technical Officer.

COMMENT

Installing culverts and modifying the vertical and horizontal geometry of the road will resolve the concerns identified in the road safety audit. It is planned that the project will be managed by staff at the Shire of Laverton and is expected to take 4 to 5 months to complete.

Its proposed that the advertising will commence once the detailed design is completed, with the item returning back to an Ordinary Meeting of Council for determination once advertised.

The Request for Tender package will include all relevant documention as per legislative compliance and will incorporate the relevant selection criteria and weightings to be applied during the tender analysis. Permission to advertise this tender is now sought from Council.

VOTING REQUIREMENTS

Simple majority decision of Council required.

OMC190725.11 COUNCIL DECISION/OFFICER RECOMMENDATION

MOVED: **Cr D Ross** **SECONDED:** **Cr R Prentice**

That Council:

1. Approves the Selection Criteria and Weightings as follows:

A:	**Organisational Experience and Capacity** (a) Provide details of similar work; (b) Provide reference sheet; (c) Provide referees;	**40%**

B:	**Experience with Working in Remote Regional Locations** (d) Nominate specific examples in previous projects reference sheet; (e) Provide details of the organisation's Occupational Health and Safety records;	**20%**
C:	**Key Personnel Experience and Overall Capacity** (f) Provide details of past relevant experience of key staff; (g) Provide CV's or, as a minimum, employment history; (h) Provide referees;	**40%**

2. Endorses the calling (advertising) of Tenders for the installation of culverts on Bandya Road at SLK 32 (Gum Creek) with a further report to be provided for consideration at an additional Ordinary Meeting of Council after the Tender period has closed.

SIMPLE MAJORITY	X	VOTES FOR	6	VOTES AGAINST	0

11.4 PLANNING AND DEVELOPMENT BUSINESS

11.4.1 CONDUCT OF THE 2019 LOCAL GOVERNMENT ORDINARY ELECTIONS (FILE REF: 1218)

SUBMISSION TO:	Ordinary Meeting of Council, 25 July 2019
DISCLOSURE OF INTEREST:	The author has no financial interest in this matter
OWNER/APPLICANT:	Not applicable
AUTHOR:	Peter Naylor, Chief Executive Officer
PREVIOUS MEETING REFERENCE:	Not applicable

MATTER FOR CONSIDERATION

This report provides information on the 2019 Council elections and recommends that the Shire of Laverton conduct an in-person election.

ATTACHMENTS

OMC190725-11.4.1.A Election Timetable

APPLICANT'S SUBMISSION

Not applicable.

BACKGROUND

The Ordinary Election for 2019 is set for Saturday 19 October 2019. The Election timetable is provided for Councillors' information (Attachment OMC190725-11.4.1.A).

Council also has the opportunity to consider whether to conduct the election by postal voting, with the Electoral Commission as Returning Officer, or to conduct an in-house election and appoint the Chief Executive Officer (CEO) (or other person) as Returning Officer, as has been the case in the past. If Council decides to hold a Postal Election, the Electoral Commission's agreement must be obtained by ***31 July 2019.***

STATUTORY ENVIRONMENT

Local Government Act 1995

Section 2.7(2) – Provides that Council is to oversee the allocation of local government finances and resources and to determine the local government policies.

Section 3.1 – Provides that the general function of the local government is to provide for the good government of persons in its district.

Section 4.20 - CEO to be returning officer unless other arrangements made.

Section 4.61 - Choice of methods of conduction of election.

POLICY IMPLICATIONS

Council has no policies in respect to this matter.

FINANCIAL IMPLICATIONS

Allowance has been provided for in the 2019/2020 Budget for the 2019 Council Elections.

STRATEGIC IMPLICATIONS

This item aligns with the Shire's Civic Leadership Objective – A financially strong and knowledgable Shire, leading an empowered community.

CONSULTATION

Nil.

COMMENT

The 2019 ordinary election is for five (5) positions. Councillors whose terms are expiring in October this year are:

- Cr Robin Prentice
- Cr Deanne Ross
- Cr Rex Ryles
- Cr Rex Weldon
- Cr Rosemary Street (previously resigned – vacancy carried forward)

Four of the positions are for 4 year terms, expiring October 2023, and one for a two year term, expiring October 2021.

Given that Council has held successful in-person elections for a number of years and the fact that it is unlikely that a Postal Election will increase voter participation, it is recommended that an in-person election be conducted.

VOTING REQUIREMENTS

Simple majority decision of Council required.

OMC190725.12 COUNCIL DECISION/OFFICER RECOMMENDATION

MOVED: **Cr D Ross** **SECONDED:** **Cr S Weldon**

That Council resolves that the 2019 Ordinary Election be conducted as an in-person election and that the Shire of Laverton Chief Executive Officer be appointed Returning Officer for the election.

SIMPLE MAJORITY	X	VOTES FOR	6	VOTES AGAINST	0

11.4.2 WA LOCAL GOVERNMENT ASSOCIATION – ANNUAL GENERAL MEETING WEDNESDAY 7 AUGUST 2019 (FILE REF: 1090)

SUBMISSION TO:	Ordinary Meeting of Council, 25 July 2019
DISCLOSURE OF INTEREST:	The author has no financial interest in this matter
OWNER/APPLICANT:	WA Local Government Association
AUTHOR:	Peter Naylor, Chief Executive Officer
PREVIOUS MEETING REFERENCE:	Not applicable

MATTER FOR CONSIDERATION

Invitation extended to Council to formally nominate voting delegates (2) for the WA Local Government Association AGM to be held on Wednesday 7 August 2019, and also for Council to consider the various items on the agenda for the WALGA AGM.

ATTACHMENTS

OMC190725-11.4.2.A Voting Delegates
OMC190725-11.4.2.B AGM Agenda

APPLICANT'S SUBMISSION

Not applicable.

BACKGROUND

The 2019 WA Local Government Association Annual General Meeting (AGM) will be held at the Perth Convention & Exhibition Centre on Wednesday 7 August 2019, commencing at 1:30pm. The AGM is part of the Annual WA Local Government Week Convention from Wednesday 7 to Friday 9 August 2019 (inclusive).

Council is being represented at the Local Government Week Convention by the Shire President, Cr Patrick Hill, and the Chief Executive Officer.

STATUTORY ENVIRONMENT

Local Government Act 1995

Section 2.7(2) – Provides that Council is to oversee the allocation of local government finances and resources and to determine the local government policies.

Section 3.1 – Provides that the general function of the local government is to provide for the good government of persons in its district.

POLICY IMPLICATIONS

Council has no policies in respect to this matter.

FINANCIAL IMPLICATIONS

Council makes provision on the annual budget for Councillors and the CEO to attend the Convention.

STRATEGIC IMPLICATIONS

The recommendation of this report has no strategic implications for Council.

CONSULTATION

Nil.

COMMENT

Pursuant to the WALGA Constitution, Council is entitled to register two (2) voting delegates for the AGM.

The following motions from the AGM Agenda are summarised for Council to consider. A full copy of the AGM with the Member Motions is attached as Attachment OMC190725-11.4.2.B.

Agenda Item	*Local Government*	*Motion Title*
3.1	Shire of Gingin	Coastal Erosion

MOTION

That WALGA advocate to the Federal and State Governments with respect to the importance of responding to the increasing challenges faced by Coastal Councils, and develop policy initiatives to include:

1. Introduction of a national funding formula to provide the resources necessary to manage and maintain the coast effectively on behalf of all Australians, including the funds needed to increase the adaptive capacity of Councils to address climate impacts.
2. Allocation of additional Financial Assistance Grants to address coastal hazards, and broadening of the range of 'disabilities' listed under Financial Assistance Grants to include factors such as the vulnerability of coastal areas and communities to coastal hazards.
3. Development of an intergovernmental agreement on the Coastal Zone that will provide a co-ordinated national approach to coastal governance through and in cooperation with Australian state, territory and local governments and clearly define the roles and responsibilities of each tier of government in relation to coastal zone management.

4. Creation of a National Coastal Policy, the basis of which is formed by the intergovernmental agreement on the Coastal Zone, that outlines the principles, objectives and actions to be taken to address the challenges of integrated coastal zone management for Australia.
5. An increase in funding for Australian climate science research programs conducted by CSIRO and other research bodies, including the restoration of funding for the National Climate Change Adaption Research Facility or establishment of a similar body, and continuing support for CoastAdapt. This is essential to ensure that appropriate guidance in responding to coastal hazards is accessible by Australia's coastal Councils so that coastal communities and assets are adequately prepared to address the adverse effects of climate change impacts.

Agenda Item	*Local Government*	*Motion Title*
3.2	City of Kwinana	Department of Housing Leasing Residential Property to Charitable Organisations

MOTION

WALGA advocate to the Minister for Housing to:

1. Cease the policy of the Department of Housing leasing their housing assets to charitable/not for profit organisations who are then eligible for charitable Local Government rate exemptions; or
2. Provide Local Governments with a rate equivalent payment annually as compensation for the loss of rates income; or
3. Include in the lease agreements with charitable institutions that they must pay Local Government rates on behalf of the Department of Housing recognising the services Local Government provides to its tenants.

Agenda Item	*Local Government*	*Motion Title*
3.3	Shire of Manjimup	Motorist Taxation Revenue and Spending in WA

MOTION

To support the independent position of the RAC, that WALGA call on the State and Federal Government to:

1. Provide a fairer distribution of funding from revenue collected from Western Australian motorists (consistently a minimum of 50%) to remediate Western Australia's $845m road maintenance backlog and tackle the increasing costs of congestion and road trauma, to deliver productivity and liveability outcomes; and
2. Hold an inquiry into road user pricing as part of a broader reform of motorist taxation that would remove revenue raising fees and charges, and / or hypothecate money collected for the provision of transport infrastructure and services.

Agenda Item	*Local Government*	*Motion Title*
3.4	Shire of Bridgetown-Greenbushes	Biosecurity Groups

MOTION

That WALGA revokes its current policy position of not supporting the establishment and operations of Recognised Biosecurity Groups (RBGs) and that the decision on whether to support RBGs is to rest with individual Local Governments.

Agenda Item	*Local Government*	*Motion Title*
3.5	Shire of Dardanup	WALGA Members Support for Waste to Energy

MOTION

That WALGA continue to support Western Australia's Waste Avoidance and Resource Recovery Strategy 2030 and seek firm commitments from the State Government about how the waste avoidance, resource recovery and diversion from landfill targets will be achieved, including local options for reprocessing, recycling and waste to energy.

In particular these commitments should clearly indicate how the State Government will cease the proliferation of landfills in the non-metropolitan areas which are predominantly taking metropolitan waste or waste generated elsewhere in the state including mining and construction camps. These commitments should encourage alternative options and outline what incentives the Government will put in place to reduce, and eventually eliminate, our reliance on landfill.

Agenda Item	*Local Government*	*Motion Title*
3.6	Shire of Mundaring	Membership of Development Assessment Panels

MOTION

That WALGA investigate increasing Local Government membership in Development Assessment Panels.

Agenda Item	*Local Government*	*Motion Title*
3.7 Shire of Dundas	Review of The *Mining Act 1978*	

MOTION

That:

1. WALGA requests that the Hon. Bill Johnston, Minister for Mines and Petroleum, undertakes a review of the outdated *Mining Act 1978* and that the revision address FIFO and DIDO, and its impact on local communities; and
2. The Mining application process includes a mandatory MOU with the Local Government which would be overseen by the Auditor General to ensure fairness to the Community by having the mining company contribute to local infrastructures as a Legacy project.

Agenda Item	*Local Government*	*Motion Title*
3.8 Shire of Dundas	Financial Assistance Grant	

MOTION

That WALGA requests the Hon. Minister of Local Government and Communities David Templeman to assist all Local Governments to Lobby the Federal Government to retain the Financial Assistance Grant at one percent of the of Commonwealth Taxation Revenue.

Agenda Item	*Local Government*	*Motion Title*
3.9 City of Bayswater	Third Party Appeal Rights	

MOTION

1. That there be an amendment to the Third Party Appeals Process Preferred Model, being that third parties in addition to Local Governments are able to make an appeal.
2. That there be an amendment to the Third Party Appeals Process Preferred Model, being that third parties are able to appeal decisions made by the Western Australian Planning Commission and the State Administrative Tribunal, in addition to Development Assessment Panels.

VOTING REQUIREMENTS

Simple majority decision of Council required.

OMC190725.13 COUNCIL DECISION/OFFICER RECOMMENDATION

MOVED: **Cr S Weldon** **SECONDED:** **Cr R Weldon**

That Council:

1. **Registers Cr Patrick Hill and the Chief Executive Officer as voting delegates for Shire of Laverton at the WA Local Government Association Annual General Meeting to be held on Wednesday 7 August 2019.**
2. **Having considered the various AGM Agenda items, acknowledges that additional information on each item may be brought forward at the Meeting, whilst the matters are being deliberated, and this additional information may have an impact on how the Council delegates, in consultation, cast their final votes.**

SIMPLE MAJORITY	X	VOTES FOR	6	VOTES AGAINST	0

12. ELECTED MEMBERS' MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

There were no motions from Elected Members of which previous notice has been given.

13. NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF THE MEETING

OMC190725.14 COUNCIL DECISION/PROCEDURAL MOTION

MOVED: **Cr R Prentice** **SECONDED:** **Cr S Weldon**

That Council accept:

- **Item 13.1.1**

as a late item of an urgent nature to be considered by decision of the meeting.

SIMPLE MAJORITY	X	VOTES FOR	6	VOTES AGAINST	0

13.1.1 GOLD ROYALTY RATE (FILE REF: TBA)

SUBMISSION TO:	Ordinary Meeting of Council, 25 July 2019
DISCLOSURE OF INTEREST:	The author has no financial interest in this matter
OWNER/APPLICANT:	Not applicable
AUTHOR:	Cr Patrick Hill, Shire President
PREVIOUS MEETING REFERENCE:	Not applicable

MATTER FOR CONSIDERATION

See Background and Comments sections.

ATTACHMENTS

Nil

APPLICANT'S SUBMISSION

Not applicable.

BACKGROUND

The Shire President addressed the meeting on recent media in the *'Kalgoorlie Miner'* newspaper regarding the introduction of a Gold Royalty Rate and a differing perspective being presented by the Shires within the Goldfields region.

STATUTORY ENVIRONMENT

Local Government Act 1995

Section 2.7(2) – Provides that Council is to oversee the allocation of local government finances and resources and to determine the local government policies.

Section 3.1 – Provides that the general function of the local government is to provide for the good government of persons in its district.

POLICY IMPLICATIONS

Council has no policies in respect to this matter.

FINANCIAL IMPLICATIONS

The recommendations of this report have no financial implications for the Shire.

STRATEGIC IMPLICATIONS

The recommendations of this report have no strategic implications for the Shire.

CONSULTATION

Nil.

COMMENT

The Shire President suggested that a collaborative approach was most probably the best way forward to minimise damage to the excellent working relationship which the Shire of Laverton has with local mining companies.

VOTING REQUIREMENTS

Simple majority decision of Council required.

OMC190725.18 COUNCIL DECISION/OFFICER RECOMMENDATION

MOVED: **Cr R Ryles** **SECONDED:** **Cr R Prentice**

The Shire of Laverton urges GVROC to facilitate the formation of a working group with collective representation from the local government sector, mining sector, local mining interests, local members of parliament, the GEDC and the RDAGE to investigate and lobby for the implementation of taxation incentives and other possible benefits for business and communities (in general) in remote areas of the State to encourage growth in regional Western Australia.

SIMPLE MAJORITY	X	VOTES FOR	6	VOTES AGAINST	0

14. ITEMS FOR CONSIDERATION BEHIND CLOSED DOORS

Items in this section of the Agenda are presented to Council for consideration behind closed doors in accordance with the provisions of Section 5.23 of the *Local Government Act 1995* as listed below:

Section 5.23 of the *Local Government Act 1995* - Meetings generally open to public

(1) Subject to subsection (2), the following are to be open to members of the public -

(a) all council meetings and

(b) all meetings of any committee to which a local government power or duty has been delegated.

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

(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.

14.1 APPROVAL TO CONSIDER ITEMS BEHIND CLOSED DOORS

OMC190725.19 COUNCIL DECISION/PROCEDURAL MOTION

MOVED: **Cr R Ryles** **SECONDED:** **Cr R Weldon**

That this meeting be closed to members of the general public at 05:56pm and that Council move behind closed doors to consider:

14.1.1 Chief Executive Officer – Annual Performance Review (File Ref: 1187)

SIMPLE MAJORITY	VOTES FOR	VOTES AGAINST
X	6	0

5:55pm Mr Peter Naylor declared a Financial Interest in Item 14.1.1 as Council were conducting his annual performance and employment contract review and there was a possible financial benefit to him following the review process.

5:55pm Mr P Naylor, Mr P Marshall and Mr L Vidovich left the meeting.

5:56pm The meeting moved behind closed doors.

14.1.1 CHIEF EXECUTIVE OFFICER ANNUAL PERFORMANCE REVIEW 4 JUNE 2019 (FILE REF: 1187)

OMC190725.20 COUNCIL DECISION/PROCEDURAL MOTION

MOVED: **Cr R Weldon** **SECONDED:** **Cr R Prentice**

That Council endorses:

1. **An increase to the Total Rewards Package for the Chief Executive Officer (CEO), as per Confidential Attachment OMC190725-14.1.1.A, to a total value of $244,925 and with the Regional Isolation Allowance being increased to $40,000;**
2. **An amendment to Clause 7, Annual Review of Remuneration Package, as per Note 3 of Confidential Attachment OMC190725-14.1.1.A:**

   A variation to clause 7 of the CEO Contract of Employment relating to annual review of the remuneration package so as to introduce a clause that provides for an automatic increase adjustment to the cash salary by either 3% or the CPI for Perth to March, immediately preceding the review period, whichever is the lesser;
3. **The CEO Contract of Employment with the Shire of Laverton being extended by12 months, now expiring on 3 December 2021, as per Note 4 of Confidential Attachment OMC190725-14.1.1.A;**
4. **An Addendum being prepared for the CEO Contract of Employment with the Shire of Laverton to adequately reflect points 1, 2 and 3 of this resolution.**

SIMPLE MAJORITY	VOTES FOR	VOTES AGAINST
X	6	0

6:15pm Mr Peter Naylor rejoined the meeting and the Presiding Person read the decision of Council aloud to Mr Naylor and congratulated him.

14.2 APPROVAL TO COME OUT FROM BEHIND CLOSED DOORS

OMC190725.21 COUNCIL DECISION/PROCEDURAL MOTION

MOVED: **Cr R Ryles** **SECONDED:** **Cr R Prentice**

That Council come out from behind closed doors and that this meeting be reopened to members of the general public at 6:22pm.

SIMPLE MAJORITY	X	VOTES FOR	6	VOTES AGAINST	0

15. NEXT MEETING

The next Ordinary Meeting of Council will be held on Thursday, 22 August 2019 at the Shire of Laverton Council Chambers, commencing at 5.00pm.

16. CLOSURE OF MEETING

There being no further business, the President declared the meeting closed at 6:25pm.

17. CERTIFICATION OF MINUTES

I, Patrick Hill, hereby certify that the Minutes of the Ordinary Meeting of Council held on 25 July 2019 are confirmed as a true and correct record, as per the Council resolution of the Ordinary Meeting of Council held on 22 August 2019.

SIGNED: _____ **DATED:** **22 AUGUST 2019**