

SHIRE OF SHARK BAY MINUTES

16 AUGUST 2024

SPECIAL COUNCIL MEETING



SHARK BAY DUGONG



16 AUGUST 2024



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The unconfirmed minutes of the Special meeting of the Shark Bay Shire Council held in the Council Chamber at the Shark Bay Recreation Centre, Francis Street, Denham, on Friday 16 August 2024, commencing at 11.05 am.

PURPOSE I advise that a special meeting of Council is called in accordance with Section 5.4 (a), (i) of the Local Government Act 1995, to resolve the following item:

1. Adoption of Council Plan – Corporate Business Plan; and
2. Adoption of the 2024/2025 Budget.

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1.0 DECLARATION OF OPENING

The President declared the Special Council meeting open at 11.05 am.

2.0 ACKNOWLEDGEMENT TO COUNTRY

I would like to acknowledge the Malgana Peoples as the traditional custodians of the land and sea in and around the Shire of Shark Bay.

I pay my respects to their Elders past, present and emerging.

3.0 ATTENDANCES AND APOLOGIES

ATTENDANCES

Cr C Cowell	President
Cr P Stubberfield	Deputy President
Cr E Fenny	
Cr G Ridgley	
Cr M Smith	
Cr M Vankova	
Mr D Chapman	Chief Executive Officer
Ms D Wilkes	Deputy Chief Executive Officer
Mr B Galvin	Works Manager
Mrs R Mettam	Executive Assistant

APOLOGIES

Cr L Bellottie

VISITORS

4.0 PUBLIC QUESTION TIME

The President opened public question time at 11.06 am as there were no visitors in the gallery the President closed public question time at 11.06 am.

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5.0 COUNCIL PLAN – CORPORATE BUSINESS PLAN 2023-2033 – 2024 REVIEW
CM00001 / CM00017

Author

Chief Executive Officer

Disclosure of Any Interest

Nil

Moved Cr Ridgley

Seconded Cr Smith

Council Resolution

That Council adopt, by absolute majority, the minor review of the Shire of Shark Bay Council Plan 2023-2033 (2024 Review), as attached, as required by Section 5.56 of the Local Government Act 1995.

6/0 CARRIED BY ABSOLUTE MAJORITY

Background

Section 5.56 of the *Local Government Act 1995* requires local governments to plan for the future of the district. As part of this planning, Regulations 19C and 19DA of the *Local Government (Administration) Regulations 1996* require local governments to develop a strategic community plan for a period of at least 10 financial years and a corporate business plan for at least 4 financial years.

All Western Australian local governments are required by current legislation to plan for the future, comprising a strategic community plan and corporate business plan. With the current local government reform process underway, foreshadowed changes to the legislation include the plan for the future being amended to a requirement to prepare a council plan. The shire took this integrated approach early and adopted the Shire of Shark Bay Council Plan 2023-2033 at its Ordinary Council Meeting held on 28 June 2023, comprising the legislative requirements for the corporate business plan and strategic community plan.

Comment

Council Plan 2023-2033 (2024 Review)

In accordance with statutory requirements, the strategic community plan is reviewed and updated on a 4-year cycle including community consultation, with a desktop review to be undertaken every 2 years.

Statutory requirements also require the corporate business plan to be reviewed and updated annually to assess the progress of projects and realign the plan's actions and priorities based on current information and available funding. The annual review has been undertaken, facilitating alignment with current priorities and resources. The updated Shire of Shark Bay Council Plan 2023-2033 (2024 Review) is attached under separate cover.

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Capital Projects

Several capital projects are forecast to be undertaken during the life of the Corporate Business Plan 2024/2025 – 2027/2028, resulting in additional capital expenditure. The projects include new, expansion, upgrade and renewal of assets and are detailed in the forecast capital expenditure provided in the Long-Term Financial Plan 2024/2025 – 2038/2039.

Consultation

Moore Australia WA

Attachments

Shire of Shark Bay Council Plan 2023-2033 (2024 Review).

STATUTORY ENVIRONMENT

Local Government Act 1995

5.56. Planning for the future

- (1) A local government is to plan for the future of the district.
- (2) A local government is to ensure that plans made under subsection (1) are in accordance with any regulations made about planning for the future of the district.

Local Government (Administration) Regulations 1996

19BA. Terms used

19C. Strategic community plans, requirements for (Act s. 5.56)

- (1) A local government is to ensure that a strategic community plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending 30 June 2013.
- (2) A strategic community plan for a district is to cover the period specified in the plan, which is to be at least 10 financial years.
- (3) A strategic community plan for a district is to set out the vision, aspirations and objectives of the community in the district.
- (4) A local government is to review the current strategic community plan for its district at least once every 4 years.
- (5) In making or reviewing a strategic community plan, a local government is to have regard to —
 - (a) the capacity of its current resources and the anticipated capacity of its future resources; and
 - (b) strategic performance indicators and the ways of measuring its strategic performance by the application of those indicators; and
 - (c) demographic trends.
- (6) Subject to subregulation (9), a local government may modify its strategic community plan, including extending the period the plan is made in respect of.

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- (7) A council is to consider a strategic community plan, or modifications of such a plan, submitted to it and is to determine* whether or not to adopt the plan or the modifications.

**Absolute majority required.*

- (8) If a strategic community plan is, or modifications of a strategic community plan are, adopted by the council, the plan or modified plan applies to the district for the period specified in the plan.
- (9) A local government is to ensure that the electors and ratepayers of its district are consulted during the development of a strategic community plan and when preparing modifications of a strategic community plan.
- (10) A strategic community plan for a district is to contain a description of the involvement of the electors and ratepayers of the district in the development of the plan or the preparation of modifications of the plan.

19DA. Corporate business plans, requirements for (Act s. 5.56)

- (1) A local government is to ensure that a corporate business plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending 30 June 2013.
- (2) A corporate business plan for a district is to cover the period specified in the plan, which is to be at least 4 financial years.
- (3) A corporate business plan for a district is to —
- (a) set out, consistently with any relevant priorities set out in the strategic community plan for the district, a local government's priorities for dealing with the objectives and aspirations of the community in the district; and
 - (b) govern a local government's internal business planning by expressing a local government's priorities by reference to operations that are within the capacity of the local government's resources; and
 - (c) develop and integrate matters relating to resources, including asset management, workforce planning and long-term financial planning.
- (4) A local government is to review the current corporate business plan for its district every year.
- (5) A local government may modify a corporate business plan, including extending the period the plan is made in respect of and modifying the plan if required because of modification of the local government's strategic community plan.
- (6) A council is to consider a corporate business plan, or modifications of such a plan, submitted to it and is to determine* whether or not to adopt the plan or the modifications.
- (7) If a corporate business plan is, or modifications of a corporate business plan are, adopted by the council, the plan or modified plan applies to the district for the period specified in the plan.

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POLICY IMPLICATIONS

There are no policy implications associated with this item.

FINANCIAL IMPLICATIONS

The corporate business plan sets out the actions for the next 4 years to achieve the objectives in the council plan. The major projects over this time are expected to be funded by a combination of grant and/or reserve funds, with the balance of actions will be funded from operations. All project expenditure and income will be included in the relevant budget for consideration and adoption by council.

STRATEGIC IMPLICATIONS

Council Plan 2023-2033

Outcome 6: A strategically focused, unified Council, functioning efficiently

Outcome 7: A Transparent, resilient organisation demonstrating leadership and governance

RISK MANAGEMENT

This is a high-risk item for the shire. Should this recommendation not be adopted it will be in breach of the *Local Government Act 1995* and associated regulations. Changes can be made to the documents once adopted however council consideration is required and public notice of changes must be given.

Voting Requirements

Absolute Majority Required

Signature

Chief Executive Officer

D Chapman

Date of Report

13 August 2024

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6.0 ADOPTION OF 2024/2025 STATUTORY BUDGET
FM52425

Author

Deputy Chief Executive Officer

Disclosure of Interest

Nil

Moved

Cr Fenny

Seconded

Cr Stubberfield

Council Resolution

That Council adopt EN BLOC Item 6.0 Part 1 to Part 5 with the officer's amendment for Part 2 – General Rates, Minimum Payments, Instalment Payment Arrangements, Discounts, Interest and Incentive Prize

6/0 CARRIED BY ABSOLUTE MAJORITY

PART 1 - BUDGET FOR 2024/2025

Adopted by Council Resolution

Pursuant to the provisions of Section 6.2 of the *Local Government Act 1995* and Part 3 of the *Local Government (Financial Management) Regulations 1996*, council adopt the Budget as attached for the Shire of Shark Bay for the 2024/2025 financial year which includes the following:

- **Statement of Comprehensive Income.**
- **Statement of Cash Flows.**
- **Statement of Financial Activity.**
- **Notes to and Forming Part of the Budget.**

6/0 CARRIED BY ABSOLUTE MAJORITY

PART 2 - General Rates, Minimum Payments, Instalment Payment Arrangements, Discounts and Interest

Officer Recommendation

For the purpose of yielding the deficiency disclosed by the Municipal Fund Budget adopted at Recommendation 1 above, council, pursuant to Sections 6.32, 6.33, 6.34 and 6.35 of the *Local Government Act 1995* impose the following differential general rates and minimum payments on Gross Rental and Unimproved Values.

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Rates Category	Minimum Rates (\$)	Rate in the Dollar (\$)
GRV	950.00	0.10633
GRV – Other	950.00	0.11696
UV	950.00	0.15750
UV - Pastoral	950.00	0.10500
UV – Mining/Exploration	950.00	0.21000

2. Pursuant to Section 6.45 of the *Local Government Act 1995* and regulation 64(2) of the *Local Government (Financial Management) Regulations 1996*, council nominates the following due dates for the payment in full by instalments:

- Option 1 (Full Payment)

Full amount of rates and charges including arrears, to be paid on or before 27 September 2024 or 35 days after the date of issue appearing on the rate notice whichever is the later.

- Option 2 (Two Instalments)

- First instalment to be made on or before 27 September 2024 or 35 days after the date of issue appearing on the rate notice whichever is later, including all arrears and half the current rates and service charges; and
- Second instalment to be made on or before 31 January 2025, or 4 months after the due date of the first instalment, whichever is later.

- Option 3 (Four Instalments)

- First instalment to be made on or before 27 September 2024 or 35 days after the date of issue appearing on the rate notice, whichever is later, including all arrears and a quarter of the current rates and service charges;
- Second instalment to be made on or before 29 November 2024, or 2 months after the due date of the first instalment, whichever is later;
- Third instalment to be made on or before 31 January 2025, or 2 months after the due date of the second instalment, whichever is later; and
- Fourth instalment to be made on or before 4 April 2025, or 2 months after the due date of the third instalment, whichever is later.

3. Pursuant to Section 6.45 of the *Local Government Act 1995* and regulation 67 of the *Local Government (Financial Management) Regulations 1996*, council adopts

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an instalment administration charge where the owner has elected to pay rates (and service charges) through an instalment option of \$12 for each instalment.

4. Pursuant to Section 6.45 of the Local Government Act 1995 and regulation 68 of the *Local Government (Financial Management) Regulations 1996*, council adopts an interest rate of 5.0% where the owner has elected to pay rates and service charges through an instalment option.
5. Pursuant to Section 6.51(1) and subject to Section 6.51(4) of the *Local Government Act 1995* and regulation 70 of the *Local Government (Financial Management) Regulations 1996*, council adopts an interest rate of 11.0% for rates (and service charges) and costs of proceedings to recover such charges that remains unpaid after becoming due and payable.
6. Pursuant to Section 6.47 of the *Local Government Act 1995*, Council offers a concession to two properties on application by the relevant ratepayer. One in recognition of the use of a portion of the land for charitable purposes and the other for use of the land as a landing point.

OFFICER AMENDMENT TO PART 2 - ADDITION OF INCENTIVE PRIZE

PART 2 - GENERAL RATES, MINIMUM PAYMENTS, INSTALMENT PAYMENT ARRANGEMENTS, DISCOUNTS, INTEREST AND INCENTIVE PRIZE

Adopted by Council Resolution

For the purpose of yielding the deficiency disclosed by the Municipal Fund Budget adopted at Recommendation 1 above, council, pursuant to Sections 6.32, 6.33, 6.34 and 6.35 of the *Local Government Act 1995* impose the following differential general rates and minimum payments on Gross Rental and Unimproved Values.

Rates Category	Minimum Rates	Rate in the Dollar
	(\$)	(\$)
GRV	950.00	0.10633
GRV – Other	950.00	0.11696
UV	950.00	0.15750
UV - Pastoral	950.00	0.10500
UV – Mining/Exploration	950.00	0.21000

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8. Pursuant to Section 6.45 of the *Local Government Act 1995* and regulation 64(2) of the *Local Government (Financial Management) Regulations 1996*, council nominates the following due dates for the payment in full by instalments:
 - **Option 1 (Full Payment)**

Full amount of rates and charges including arrears, to be paid on or before 27 September 2024 or 35 days after the date of issue appearing on the rate notice whichever is the later.
 - **Option 2 (Two Instalments)**
 - First instalment to be made on or before 27 September 2024 or 35 days after the date of issue appearing on the rate notice whichever is later, including all arrears and half the current rates and service charges; and
 - Second instalment to be made on or before 31 January 2025, or 4 months after the due date of the first instalment, whichever is later.
 - **Option 3 (Four Instalments)**
 - First instalment to be made on or before 27 September 2024 or 35 days after the date of issue appearing on the rate notice, whichever is later, including all arrears and a quarter of the current rates and service charges;
 - Second instalment to be made on or before 29 November 2024, or 2 months after the due date of the first instalment, whichever is later;
 - Third instalment to be made on or before 31 January 2025, or 2 months after the due date of the second instalment, whichever is later; and
 - Fourth instalment to be made on or before 4 April 2025, or 2 months after the due date of the third instalment, whichever is later.
9. Pursuant to Section 6.45 of the *Local Government Act 1995* and regulation 67 of the *Local Government (Financial Management) Regulations 1996*, council adopts an instalment administration charge where the owner has elected to pay rates (and service charges) through an instalment option of \$12 for each instalment.
10. Pursuant to Section 6.45 of the *Local Government Act 1995* and regulation 68 of the *Local Government (Financial Management) Regulations 1996*, council adopts an interest rate of 5.0% where the owner has elected to pay rates and service charges through an instalment option.
11. Pursuant to Section 6.51(1) and subject to Section 6.51(4) of the *Local Government Act 1995* and regulation 70 of the *Local Government (Financial Management) Regulations 1996*, council adopts an interest rate of 11.0% for rates (and service charges) and costs of proceedings to recover such charges that remains unpaid after becoming due and payable.
12. Pursuant to Section 6.47 of the *Local Government Act 1995*, Council offers a concession to two properties on application by the relevant ratepayer. One in recognition of the use of a portion of the land for charitable purposes and the other for use of the land as a landing point.
13. Grant an incentive for the payment of the 2023/2024 rates and charges by the single payment due date by way of a lottery draw for the prizes of:

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- i. **First Prize – Gift voucher of \$500 to be spent at any Shark Bay business.**
- ii. **Second Prize – Gift voucher of \$200 to be spent at any Shark Bay business.**
- iii. **Third Prize – Gift voucher of \$100 to be spent at any Shark Bay business.**

6/0 CARRIED BY ABSOLUTE MAJORITY

PART 3 – SPECIFIED AREA RATES

Adopted by Council Resolution

Pursuant to Section 6.32(1)(b) of the *Local Government Act 1995*, council impose specified area rates as follows:

Rates Category	Rate in the Dollar (\$)
Specified Area Rate – Monkey Mia Bore maintenance/ replacement (Assessment 2024)	0.01063

6/0 CARRIED BY ABSOLUTE MAJORITY

PART 4 – FEES AND CHARGES FOR 2024/2025

Adopted by Council Resolution

That Council, pursuant to Section 6.16 of the *Local Government Act 1995* and other relevant legislation, Council adopts the 2024/2025 Fees and Charges included as an Attachment

6/0 CARRIED BY ABSOLUTE MAJORITY

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PART 5 – MATERIAL VARIANCE REPORTING FOR 2024/2025

Adopted by Council Resolution

That Council, in accordance with regulation 34(5) of the *Local Government (Financial Management) Regulations 1996*, adopt the level to be used in statements of financial activity in 2024/2025 for reporting material variances shall be greater than 5% and \$20,000.

6/0 CARRIED BY ABSOLUTE MAJORITY

Background

The draft 2024/2025 budget has been compiled based on the principles contained in the Shire of Shark Bay Council Plan 2023-2033. The 2024/2025 draft budget has been prepared in accordance with the presentations made to councillors at the budget workshops held on 29 May 2024 and 7 August 2024.

The proposed differential general rates were approved by the council on 26 June 2024 and advertised for public comment. No submissions were received by 22 July 2024 when the public comment period closed.

Comment

The budget has been prepared to include information required by the *Local Government Act 1995*, *Local Government (Financial Management) Regulations 1996* and Australian Accounting Standards. The main features of the draft budget include:

- The budget has been prepared with a 10.9% increase in total rate yield in line with the forward financial plans contained in the Plan for the Future.
- Fees and charges have also been increased by 13.3% and are itemised in the draft budget. The majority of forecast increase is from an expected increase in private works
- Household waste charges are proposed to increase by 4.1% and are itemised in the proposed schedule of fees and charges.
- The recurrent operating budget exclusive of depreciation includes an overall increase in estimated expenditure of 27.0% (although individual line items may vary from this based on specific factors affecting each of these) and continues the focus on improved service delivery to the community.
- A capital works program totalling \$12.2m for investment in infrastructure, land and buildings, plant and equipment and furniture and equipment is planned. Expenditure on housing is the major component of this \$7.3 in line with Council's strategy to address the housing shortage within the district.
- Loan borrowings of \$2m to fund essential workers accommodation are proposed.
- No new Reserve Accounts are proposed.
- Councillor fees, allowances and expenses for 2024/2025 were adopted by council at its 24 April 2024 Ordinary Council Meeting (Resolution FM52425) and are included in the budget document.
- An estimated surplus of \$3.4m is anticipated to be brought forward from 30 June 2024. However, this is unaudited and may change. Any change will be addressed as part of a future budget review.

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- Principal additional grant funding for the year is estimated from:
 - Social Housing Economic Recovery Package Funding – \$3,136,055.
 - Department of Fire and Emergency Service Funding - \$2,622,053.
 - Department of Planning, Lands and Heritage Funding - \$187,000.
 - Gascoyne Development Commission Funding - \$200,000.
 - Local Roads and Community Infrastructure Program Funding - \$294,620.
 - Department of Transport - \$157,000.
 - Roads to Recovery - \$523,140.
 - Regional Road Group - \$365,671.
 - Beats in the Bay - \$50,750.
- The draft 2024/2025 budget continues to deliver on other strategies adopted by the council and maintains a high level of service across all programs while ensuring an increased focus on road and associated infrastructure as well as improving housing supply in the district and renewing all assets at sustainable levels.

Statutory Environment

Section 6.2 of the *Local Government Act 1995* requires that not later than 31 August in each financial year, or such extended time as the Minister allows, each local government is to prepare and adopt, (Absolute Majority required) in the form and manner prescribed, a budget for its municipal fund for the financial year ending on the next following 30 June.

Divisions 5 and 6 of Part 6 of the *Local Government Act 1995* refer to the setting of budgets and raising of rates and charges. The *Local Government (Financial Management) Regulations 1996* details the form and content of the budget. The draft 2024/2025 budget as presented is considered to meet statutory requirements. Section 67 of the *Waste Avoidance and Resource Recovery Act 2007* enables a local government to impose an annual charge in respect of premises provided with a waste service by the local government.

Section 7B(2) of the *Salaries and Allowances Act 1975* requires the Tribunal, at intervals of not more than 12 months, to inquire into and determine –

- the amount of fees to be paid to Council members;
- the amount of expenses to be reimbursed to Council members;
- the amount of allowances to be paid to Council members.

The Determination on Local Government Chief Executive Officers and Elected Members requires local governments to set an amount within the relevant range determined for fees, expenses or allowances.

Section 5.98 of the *Local Government Act 1995* sets out fees, expenses and reimbursements etc payable to Council members as determined by the Tribunal. Section 5.98A of the *Local Government Act 1995* sets out fees etc payable to sets out allowances which may be paid to deputy Presidents or deputy Mayors up to a percentage determined by the Tribunal (Absolute Majority required). Section 5.99 provides a local government may pay an annual fee in lieu of fees for attending meetings, as determined by the Tribunal (Absolute Majority required).

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Section 5.99A sets out a local government may pay an annual allowance for Council members in lieu of reimbursement of expenses, as determined by the Tribunal (Absolute Majority required).

Regulations 30, 31, 32, and 34ACA of the *Local Government (Administration) Regulations 1996* set the limits, parameters and types of allowances that can be paid to Council members.

Policy Implications

There are no known policy implications for this matter.

Financial Implications

Specific financial implications are as outlined in the body of this report and as itemised in the draft 2024/2025 Budget attached for adoption.

Strategic Implications

Strategic Community Plan 2020 - 2030

- Outcome 7: A transparent, resilient organisation demonstrating leadership and governance.
- o Strategy 7.2 Provide appropriate services to the community in a professional manner.

Risk Management

This item has been evaluated against the Shire's Risk Management Framework, Risk Assessment Matrix. The perceived level of risk is High prior to treatment. The adoption of the recommendations as presented will result in reassessed Low level of risk.

Consultation

Moore Australia WA

Attachments

Shire of Shark Bay 2024/2025 Statutory Budget, including Shire of Shark Bay Schedule of Fees and Charges 2024/2025

Voting Requirement

Recommendation 1 – Absolute Majority Required

Recommendation 2 – Absolute Majority Required

Recommendation 3 – Absolute Majority Required

Recommendation 4 – Absolute Majority Required for some of the parts of the recommendation

Recommendation 5 – Simple Majority Required

Signature

Deputy Chief Executive

D Wilkes

Chief Executive Officer

D Chapman

Date of Report

13 August 2024

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7.0 CLOSURE OF MEETING

As there was no further business, the President closed the Special Council meeting at 11.16am.