



Minutes

**Ordinary Council Meeting
Thursday 24 August 2023**

Council Chambers, 15 Adam Street, Nannup

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MINUTES

1. DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS/ACKNOWLEDGMENT OF COUNTRY:

Shire President Cr Dean declared the meeting open at 4:30 p.m and welcomed the public gallery.

Shire President acknowledged the traditional custodians of the land, the Wardandi and Bibbulmun people; paying respects to Elders past, present, and emerging.

2. ATTENDANCE/APOLOGIES:

2.1 ATTENDANCE

Councillors	Officers
Cr Tony Dean (Shire President)	David Taylor – Chief Executive Officer
Cr Vicki Hansen (Deputy President)	Jonathan Jones – Manager Infrastructure
Cr Chris Buckland	Sarah Dean – Governance, Risk & Assurance Officer
Cr Patricia Fraser	
Cr Ian Gibb	
Cr Charles Gilbert	
Cr Bob Longmore	

Public Gallery
Wayne Leece, Isabel Green, Jim Green.

2.2 APOLOGIES

Kellie Jenkins – Deputy Chief Executive Officer and Manager Corporate Services

3. PUBLIC QUESTION TIME:

Nil.

4. MEMBERS ON LEAVE OF ABSENCE AND APPLICATIONS FOR LEAVE OF ABSENCE:

4.1 APPROVED LEAVE OF ABSENCE:

Cr Brown is on an approved leave of absence.

4.2 APPLICATION FOR A LEAVE OF ABSENCE:

EXECUTIVE RECOMMENDATION:

That Cr Buckland be granted a leave of absence from the 28 September 2023 Ordinary Council Meeting.

EXECUTIVE RECOMMENDATION:

That Cr Vicki Hansen be granted a leave of absence for the period 30 September 2023 to 20 October 2023.

COUNCIL RESOLUTION MOVED EN BLOC 23113

MOVED: CR LONGMORE

SECONDED: CR FRASER

That Cr Chris Buckland be granted a leave of absence from the 28 September 2023 Ordinary Council Meeting and that Cr Vicki Hansen be granted a leave of absence for the period 30 September 2023 to 20 October 2023.

CARRIED

TOTAL VOTES FOR: 7

Cr Buckland, Cr Dean, Cr Fraser, Cr Gibb, Cr Gilbert, Cr Hansen, Cr Longmore.

TOTAL VOTES AGAINST: 0

5. CONFIRMATION OF MINUTES:

5.1 Shire of Nannup Ordinary Council Meeting – 27 July 2023

EXECUTIVE RECOMMENDATION:

That the Minutes from the Ordinary Meeting of Council held 27 July 2023 be confirmed as a true and correct record (attachment 5.1).

COUNCIL RESOLUTION 23114

MOVED: CR LONGMORE

SECONDED: CR FRASER

That the Minutes from the Ordinary Meeting of Council held 27 July 2023 be confirmed as a true and correct record.

CARRIED

TOTAL VOTES FOR: 7

Cr Buckland, Cr Dean, Cr Fraser, Cr Gibb, Cr Gilbert, Cr Hansen, Cr Longmore.

TOTAL VOTES AGAINST: 0

5.2 Local Drug Action Group Meeting – 9 August 2023

EXECUTIVE RECOMMENDATION:

That the Minutes from the Shire of Nannup Local Drug Action Group meeting held 9 August 2023 be received (attachment 5.2).

COUNCIL RESOLUTION 23115

MOVED: CR HANSEN

SECONDED: CR FRASER

That the Minutes from the Shire of Nannup Local Drug Action Group meeting held 9 August 2023 be received (attachment 5.2).

CARRIED

TOTAL VOTES FOR: 7

Cr Buckland, Cr Dean, Cr Fraser, Cr Gibb, Cr Gilbert, Cr Hansen, Cr Longmore.

TOTAL VOTES AGAINST: 0

5.3 Bush Fire Advisory Committee – 31 July 2023

EXECUTIVE RECOMMENDATION:

That the Minutes from the Shire of Nannup Bush Fire Advisory Committee meeting held 31 July 2023 be received (attachment 5.3).

COUNCIL RESOLUTION 23116

MOVED: CR HANSEN

SECONDED: CR BUCKLAND

That the Minutes from the Shire of Nannup Bush Fire Advisory Committee meeting held 31 July 2023 be received (attachment 5.3).

CARRIED

TOTAL VOTES FOR: 7

Cr Buckland, Cr Dean, Cr Fraser, Cr Gibb, Cr Gilbert, Cr Hansen, Cr Longmore.

TOTAL VOTES AGAINST: 0

5.4 Bush Fire Advisory Committee Annual General Meeting – 31 July 2023

EXECUTIVE RECOMMENDATION:

That the Minutes from the Shire of Nannup Bush Fire Advisory Committee Annual General Meeting held 31 July 2023 be received (attachment 5.4).

<p>COUNCIL RESOLUTION 23117</p> <p>MOVED: CR GILBERT</p> <p>SECONDED: CR BUCKLAND</p> <p>That the Minutes from the Shire of Nannup Bush Fire Advisory Committee Annual General Meeting held 31 July 2023 be endorsed (attachment 5.4).</p> <p style="text-align: right;">CARRIED</p> <p>TOTAL VOTES FOR: 7</p> <p>Cr Buckland, Cr Dean, Cr Fraser, Cr Gibb, Cr Gilbert, Cr Hansen, Cr Longmore.</p> <p>TOTAL VOTES AGAINST: 0</p>
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Council changed the wording of the officer recommendation to be endorsed as Bush Fire Control Officer positions need Council endorsement to be finalised.

6. ANNOUNCEMENTS FROM PRESIDING MEMBER:

Nil.

7. DISCLOSURE OF INTEREST:

Chief Executive Officer David Taylor declared a financial interest in agenda item 13.2 – CONFIDENTIAL ITEM – Chief Executive Officer Annual Performance Appraisal: Selection of Consultant.

The Shire of Nannup Disclosure of Interest Register is on our website [here](#).

8. QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN:

Nil.

9. PRESENTATIONS/DEPUTATIONS/PETITIONS:

Nil.

10. REPORTS BY MEMBERS ATTENDING COMMITTEES:

Meeting	Date	Councillor
Local Drug Action Group	9 August	Hansen
Warren Blackwood Alliance of Councils	8 August	Dean, Hansen
Warren Blackwood Alliance of Councils – Climate Change Impact Reference Group	8 August	Dean, Hansen
Lower Blackwood Land Conservation District Committee	8 August	Fraser
WALGA South West Regional Road Group	31 July	Gibb
Nannup Chamber Commerce & Industry	2 August	Gibb

11. REPORTS OF OFFICERS:

AGENDA NUMBER & SUBJECT:	11.1 – Delegated Planning Decisions for July 2023
LOCATION/ADDRESS:	Various
NAME OF APPLICANT:	Various
FILE REFERENCE:	TPL18
AUTHOR:	Erin Gower – Development Services Officer
REPORTING OFFICER:	David Taylor – Chief Executive Officer
DISCLOSURE OF INTEREST:	Nil
DATE OF REPORT:	02 August 2023
PREVIOUS MEETING REFERENCE:	Nil
ATTACHMENT:	11.1.1 – Register of Delegated Development Approvals

BACKGROUND:

To ensure the efficient and timely processing of planning related applications, Council delegates authority to the Chief Executive Officer to conditionally approve Applications for Development Approval that meet the requirements of both Local Planning Scheme No.4 (LPS4) and adopted Council policy.

Delegated planning decisions are reported to Council on a monthly basis to ensure that Council has an appropriate level of oversight on the use of this delegation. A Register of Delegated Development Approvals, detailing those decisions made under delegated authority in July 2023 is presented in Attachment 11.1.1.

COMMENT:

As shown in the attachment, each application has been advertised in accordance with LPS4 and Council's adopted Local Planning Policy *LPP5 Consultation* as detailed in the Policy Implications section of this report.

During July 2023, four (4) development applications were determined under delegated authority. The table below shows the number and value of development applications determined under both delegated authority and by Council for June 2023 compared to June 2022:

	July 2022	July 2023
Delegated Decisions	1 (\$4,500)	4 (\$408,000)
Council Decisions	0	0
Total	1 (\$4,500)	4 (\$408,000)

100% of all approvals issued in the month of July were completed within the statutory timeframes of either 60 or 90 days.

STATUTORY ENVIRONMENT:

Planning and Development Act 2005, Local Government Act 1995 and LPS4.

Regulation 19 of the *Local Government (Administration) Regulations 1996* requires that a written record of each delegated decision is kept.

POLICY IMPLICATIONS:

Applications for Development Approval must be assessed against the requirements of LPS4 and Local Planning Policies adopted by Council. These Policies include Local Planning Policy *LPP5 Consultation* which details the level and scope of advertising required for Applications for Development Approval.

Each application processed under delegated authority has been processed and advertised, and has been determined to be consistent with the requirements of all adopted Local Planning Policies.

FINANCIAL IMPLICATIONS:

The required planning fees have been paid for all applications for Development Approval processed under delegated authority.

STRATEGIC IMPLICATIONS:

Nil.

VOTING REQUIREMENTS:

Simple Majority

OFFICER RECOMMENDATION:

That Council receives the report on Delegated Development Approvals for July 2023 as per Attachment 11.1.1.

COUNCIL RESOLUTION 23118

MOVED: CR GILBERT

SECONDED: CR FRASER

That Council receives the report on Delegated Development Approvals for July 2023 as per Attachment 11.1.1.

CARRIED

TOTAL VOTES FOR: 7

Cr Buckland, Cr Dean, Cr Fraser, Cr Gibb, Cr Gilbert, Cr Hansen, Cr Longmore.

TOTAL VOTES AGAINST: 0

AGENDA NUMBER & SUBJECT:	11.2 – 2023 Sponsorship of Blackwood Valley Wine Show
LOCATION/ADDRESS:	Nannup Shire
NAME OF APPLICANT:	Shire of Nannup
FILE REFERENCE:	ASS 5
AUTHOR:	Nicole Botica – Economic & Community Development Coordinator
REPORTING OFFICER:	David Taylor – Chief Executive Officer
DISCLOSURE OF INTEREST:	Nil
DATE OF REPORT	09 August 2023
ATTACHMENTS:	11.2.1 – Letter from Blackwood Valley Wine Industry Association

BACKGROUND:

The Blackwood Valley Wine Industry Association covers four Shires in the region including Nannup, Balingup, Boyup Brook and Bridgetown. For the past 20 years, they have conducted an annual wine show, which Nannup sponsored in 2015 and 2020 through the Community Grant Scheme.

Over the past two years the Shire of Nannup has increased sponsorship investment and hosted the event. The sponsorship included naming rights for the two most prestigious trophies.

The wine show provides an opportunity to highlight the premium wines being produced by smaller wineries and growers across the state as well as promoting the Blackwood Valley Wine Region.

The event has successfully been held at the Nannup Community Meeting Room and Function Centre. The location, facilities, accommodation and services provided throughout the week have been noted as outstanding, and so the committee wishes to retain the existing format in Nannup. The sponsorship request for 2023 is \$4,700 and comprises of the following:

Community Meeting Room, four days:	\$116 p/day ~ \$464
Function Centre, four days:	\$200 p/day ~ \$800
Accommodation for judges: (Holberry House for seven judges for two nights)	\$140 p/night ~ \$1,960
Accommodation for associate judges: (Poppies Place for four associate judges for two nights)	\$180 p/night ~ \$1,440

COMMENT:

The Blackwood Valley Wine Industry Association is an industry-driven association representing grape growers and wine producers within the Blackwood Valley Region. Their main purpose is to showcase the premium wines being tailor-made by boutique producers and offer the public the chance to taste them.

They are seeking space to host the event that will cater to the event program and includes a judging room, storage space with access to a glass washer and a kitchen space. Their request is for the following:

1. Use of the Nannup Function Centre for four days
2. Use of the Community Meeting Room for four days
3. Accommodation for seven judges for two days
4. Accommodation for four associate judges for two days

The Sponsorship proposition includes:

- Recognition as a major sponsor
- Naming rights of two of the most prestige trophies being:
 - Shire of Nannup Most Successful Boutique Exhibitor
 - Shire of Nannup Best Wine of Show
- 3 x Mixed cartons of show wines
- Use of the Shire logo on all event promotional material and entry forms
- Use of Shire promotional banners, Experience Nannup
- Exclusive promotional opportunities within the Shire of Nannup including Social Media shout outs using #Nannup.

STATUTORY ENVIRONMENT:

Nil

POLICY IMPLICATIONS:

FNC 3 – Community Groups and Donations

FINANCIAL IMPLICATIONS:

Total Shire contribution is \$3,000

STRATEGIC IMPLICATIONS:

Extract from the 2021-2036 Nannup Community Strategic Plan

Our Community

1.1 Who we are

We will retain our pride in being small, unique and friendly town that is a vibrant and engaging place to live

Our Economy

2.2 Tourism and attraction

We will work together to attract people, investment and innovation to our Shire

VOTING REQUIREMENTS:

Simple Majority

OFFICER RECOMMENDATION:

That Council support the request to sponsor the event in Nannup to the amount of \$3000 (ex GST).

Cr Buckland moved an alternative motion:

COUNCIL RESOLUTION 23119

MOVED: CR BUCKLAND

SECONDED: CR FRASER

That Council support the request to sponsor the Blackwood Valley Wine Industry Association event in Nannup to the amount of \$4664 (excluding GST).

CARRIED

TOTAL VOTES FOR: 7

Cr Buckland, Cr Dean, Cr Fraser, Cr Gibb, Cr Gilbert, Cr Hansen, Cr Longmore.

TOTAL VOTES AGAINST: 0

Cr Buckland changed the officer recommendation to demonstrate the support of the Council for the Blackwood Valley Wine Industry Association event being held in Nannup.

AGENDA NUMBER & SUBJECT:	11.3 – Payment of Accounts – July 2023
LOCATION/ADDRESS:	Shire of Nannup
NAME OF APPLICANT:	N/A
FILE REFERENCE:	FNC 8
AUTHOR:	Robin Lorkiewicz – Finance Coordinator
REPORTING OFFICER:	Kellie Jenkins – Manager of Corporate Services & Deputy Chief Executive Officer
DISCLOSURE OF INTEREST:	None
PREVIOUS MEETING REFERENCE:	None
DATE OF REPORT	14 August 2023
ATTACHMENT:	11.3.1 – Payment of Accounts – July 2023

BACKGROUND:

To advise Council of payments made from the municipal fund or trust fund for the period 1 July 2023 to 31 July 2023.

COMMENT:

If Council would like to ask questions about the payment of accounts, prior notice of these questions will enable officers to provide detailed explanation in response at the Council meeting.

Municipal Account

Accounts paid by EFT	16028 to 16153	\$679,876.51
Accounts paid by cheque	20601-20603	\$10,419.75
Accounts paid by Direct Debit	12512.1 to 12610.21	\$95,489.65
<i>Sub Total Municipal Account</i>		<u>\$785,785.91</u>

Trust Account

Accounts paid by EFT	-	\$0.00
<i>Sub Total Trust Account</i>		<u>\$0.00</u>
Total Payments		<u>\$785,785.91</u>

STATUTORY ENVIRONMENT:

Regulation 13(2) of the *Local Government (Financial Management) Regulations 1996*, requires a local government to prepare a list of accounts approved for payment under delegated authority showing the payee's name; the amount of the payment; and sufficient information to identify the transaction and the date of the meeting of the Council to which the list is to be presented.

POLICY IMPLICATIONS:

Nil.

FINANCIAL IMPLICATIONS:

As indicated in Payment of Accounts.

STRATEGIC IMPLICATIONS:

Nil.

VOTING REQUIREMENTS:

Simple majority

OFFICER RECOMMENDATION:

That Council endorse the payment of accounts totalling \$785,785.91 for the period 1 July 2023 to 31 July 2023 as per Attachment 11.3.1.

COUNCIL RESOLUTION 23120

MOVED: CR BUCKLAND

SECONDED: CR HANSEN

That Council endorse the payment of accounts totalling \$785,785.91 for the period 1 July 2023 to 31 July 2023 as per Attachment 11.3.1.

CARRIED

TOTAL VOTES FOR: 7

Cr Buckland, Cr Dean, Cr Fraser, Cr Gibb, Cr Gilbert, Cr Hansen, Cr Longmore.

TOTAL VOTES AGAINST: 0

AGENDA NUMBER & SUBJECT:	11.4 – Qualified Audit Opinion on Land, Building and Infrastructure Assets for the financial year ending 30 June 2023
LOCATION/ADDRESS:	Shire of Nannup
NAME OF APPLICANT:	N/A
FILE REFERENCE:	FNC1
AUTHOR:	Kellie Jenkins – Manager Corporate Services/ Deputy Chief Executive Officer
REPORTING OFFICER:	Kellie Jenkins – Manager Corporate Services/ Deputy Chief Executive Officer
DISCLOSURE OF INTEREST:	Nil
DATE OF REPORT:	17 August 2023
PREVIOUS MEETING REFERENCE:	Nil
ATTACHMENT:	Nil

BACKGROUND:

The Office of the Auditor General for Western Australia (OAG) performed the statutory audit of the Annual Financial Statements for the year ended 30 June 2022. The Annual Financial Statements along with the Audit Opinion were presented and noted at the Shire of Nannup (Shire) Audit Committee on 19 May 2023, and was presented at the Ordinary Council Meeting on 25 May 2023. The overall result of the audit was positive for the Shire with a qualified audit opinion.

As part of the Statutory Audit process of the Annual Financial Statements, the OAG is required to report on any matters relating to Legal and Regulatory Requirements that come to their attention. For the Shire's Annual Financial Statements for the year ended 30 June 2022, the OAG's opinion is that the financial report is a fair representation of the Shire's results and financial position other than Infrastructure assets reported at the carrying value of \$100,707,176 in the financial report as at 30 June 2022 has not been revalued as required by Regulation 17A(4)(b) of the *Local Government (Financial Management) Regulations 1996* since financial year ending 30 June 2017. Consequently, the OAG was unable to determine the extent to which the carrying amount of Infrastructure is misstated, as it was impracticable to do so. Additionally, the OAG was unable to determine whether there may be any consequential impact on Revaluation Surplus and Note 21 (d) Total Assets by Function and Activity.

The OAG advised a qualified audit opinion was not unique to the Shire with several other Local Governments also receiving a qualified audit opinion in relation to Asset revaluation for the year ending 30 June 2022.

COMMENT:

Management completed a management revaluation of the Shire's Infrastructure assets for the financial year ending 30 June 2022; however, the OAG did not accept the revaluation due to the following reasons:

- Management valuation assumptions and methodology were unclear.
- Audit sample testing – unable to verify unit cost to the source documents.
- On 31 March 2023 the OAG accelerated outstanding Local Government financial audit opinions to be finalised by 18 April 2023. The revaluation was holding up the audit, therefore Management reversed the revaluation under pressure from the OAG.

Management is preparing the Annual Financial Statements for the financial year ending 30 June 2023. As required by Regulation 17A(4)(b) of the *Local Government (Financial Management) Regulations 1996*, Land, Building, and Infrastructure Assets are to be revalued. Land and Building were last revalued in the financial year ending 30 June 2018. Infrastructure Assets were last revalued in the financial year ending 30 June 2017.

Due to the limited time available and unavailable staff to undertake the revaluation, management decided to seek quotes from contractors to complete the revaluation. One quote was received, and two contractors advised they would not be able to provide a quote due to the limited time constraints and unavailable staff of the Shire to assess RAMM software which is the software system used to maintain Infrastructure asset class and type. Management have decided not to proceed to complete the revaluation from contractors because it is cost prohibitive.

Management contacted the OAG to advise them that due to limited time constraints and unavailable staff to undertake the revaluation, the revaluation would begin late August 2023. The OAG responded that as we are now in August 2023, the question is whether the valuer can determine a fair value of the relevant assets as at 30 June 2023. (which should be based on circumstances as at 30 June 2023) now. This would depend on, for example, whether the Shire has a record of:

- the assets' condition as at 30 June 2023;
- relevant prices/costs for comparison as at 30 June 2023.

Further, there is a need to exercise judgement. Sometimes, if it is expected that the condition of the assets now would not be significantly different from the condition as at 30 June 2023, an auditor may allow a revaluation months later to be accepted. Sometimes, an auditor may not accept it where the assets' condition has not been inspected for some time (around 5 years) and any decline in the condition cannot possibly be concluded to have been existing at 30 June 2023, or whether it occurred at a later date.

Additionally, the OAG proposed that the most efficient and cost-effective approach to sign off the Annual Financial Report for year ending 30 June 2023 and Annual Audit by early December 2023 would be to issue a qualified opinion on Land, Building and Infrastructure and the upcoming revaluations can be reflected in the Financial Annual Report for year ending 30 June 2024.

Management have considered the OAG advise and considering the revaluation has no impact on the Shire Operations nor does it provide Management with any additional value on its existing maintenance of its assets recommends Council accept the qualified audit opinion on Land, Building and Infrastructure Assets for the financial year ending 30 June 2023.

STATUTORY ENVIRONMENT:

Local Government (Financial Management) Regulations 1996

POLICY IMPLICATIONS:

ADM 17 Asset Management Policy.

FINANCIAL IMPLICATIONS:

It is estimated that a revaluation of the Shires assets will be up to \$150,000. Considering the excessive cost management would like the time to ensure value for money and ensure the revaluation provides suitable asset information for an Asset Management Plan.

STRATEGIC IMPLICATIONS:

Extract from Strategic Community Plan 2021-2031

Our Shire: We listen to our community, are transparent, and act with integrity.

6.4 We are one

We will strive to make decisions and deliver outcomes that are in the best interest of the majority of the community.

VOTING REQUIREMENTS:

Simple Majority

OFFICER RECOMMENDATION:

Council requests the Chief Executive Officer to accept the Office of the Auditor General for Western Australia's approach to issue a qualified audit opinion on Land, Building and Infrastructure Assets for the financial year ending 30 June 2023.

COUNCIL RESOLUTION 23121

MOVED: CR HANSEN

SECONDED: CR GIBB

Council requests the Chief Executive Officer to accept the Office of the Auditor General for Western Australia's approach to issue a qualified audit opinion on Land, Building and Infrastructure Assets for the financial year ending 30 June 2023.

CARRIED

TOTAL VOTES FOR: 7

Cr Buckland, Cr Dean, Cr Fraser, Cr Gibb, Cr Gilbert, Cr Hansen, Cr Longmore.

TOTAL VOTES AGAINST: 0

AGENDA NUMBER & SUBJECT:	11.5 - Adoption of 2023/24 Annual Budget
LOCATION/ADDRESS:	Shire of Nannup
NAME OF APPLICANT:	Shire of Nannup
FILE REFERENCE:	FNC15
AUTHOR:	Kellie Jenkins – Manager Corporate Services/ Deputy Chief Executive Officer
REPORTING OFFICER:	Kellie Jenkins – Manager Corporate Services/ Deputy Chief Executive Officer
DISCLOSURE OF INTEREST:	Nil
DATE OF REPORT:	17 August 2023
PREVIOUS MEETING REFERENCE:	Nil
ATTACHMENT:	11.5.1 – Proposed 2023/24 Annual Budget.

BACKGROUND:

The 2023/24 Budget has been compiled in accordance with presentations made to Councillors at the Budget workshop held on 11 May 2023 and Councillor tour held on 22 June 2023.

COMMENT:

The draft budget includes information required by the *Local Government Act 1995*, *Local Government (Financial Management) Regulations 1996* and Australian Accounting Standards.

The 2023/24 Annual Budget is structured in the following format:

- 2023/24 Statutory Statements and Notes
- Capital, Carry Forwards and Non-Recurrent Project Budget
- Schedule of Fees and Charges.

Capital and Non-Recurrent Expenditure

The budget proposes new capital and non-recurrent expenditure totalling \$4,662,744. Of this sum, \$165,000 is proposed to be funded through rates with the remaining \$4,497,744 funded through reserves, sale of assets, Government grants and contributions and borrowings.

Waste Management Levy

In accordance with Section 66 of the *Waste Avoidance and Resource Recovery Act 2007*, applies the minimum payment provisions of Section 6.35 of the *Local Government Act 1995*, and adopts a Waste Infrastructure rate to cover costs associated with the management of the Waste Management Facility for 2023/24:

	Rate in the dollar	Minimum Rate
Gross Rental Valuation Properties (GRV)	0.0040	\$148
Unimproved Valuation Properties (UV)	0.0010	\$148

Differential Rates

The budget rate in the dollar increase for 2023/24 is 4%, with an additional 4% on differential categories of Planation and Short Term Accommodation. This increase is considered reasonable in light of national inflation currently running at around 7%, which has impacted significantly on both operating and capital costs. The budget increase is considered to reflect Council's desire to contain rate increases and avoid adding to cost of living pressures faced by many ratepayers.

Revaluation

The Valuation of Land Act 1978 empowers the Valuer General (Landgate) to conduct general valuations on a GRV basis within Western Australia at such times and frequency as is considered necessary (currently every 3 years) and or UV properties annual. Values are determined relative to sales and rentals at 1 August of the preceding year.

Landgate undertook its last review of GRV valuation as at 1 August 2021 with new values begin effective from 1 July 2022. The next GRV valuation is due to occur on 1 August 2024. Landgate undertook its last annual review of UV valuations on 1 August 2022, with these valuations proposed to take effective from 1 July 2023.

The 2022 revaluation of properties valued on a UV basis resulted in an overall average increase of 19.84%.

Landgate advise that strong market conditions, in part attributed to Covid-19 pandemic influences, that were experienced through 2021 were still evident through 2022 and at the date of valuation. Demand for commercial scale agricultural property was evident resulting in significant increased values achieved for medium to larger scale holdings. Demand for smaller Rural Residential lifestyle properties extended to medium sized holdings.

Council at the Special Council Meeting held on 1 June 2023 resolved to publish the following budget differential rates and minimum rate for the 2023/24 financial year.

Rate Category	Rate in the dollar	Minimum Rate
Gross Rental Valuation (GRV) Properties		
GRV General	0.097188	\$1,163
GRV Industrial	0.104130	\$1,246
GRV Short Term	0.108135	\$1,294
Unimproved Valuation (UV) Properties		
UV General	0.004710	\$1,092
UV Mining	0.004710	\$1,092
UV Plantations	0.004710	\$1,092

The budget differential rates were advertised for public comment on 8 June 2023 for more than the minimum period of 21 days with the closing date for submissions being 30 June 2023. At the close of submissions two (2) submissions were received and Council resolved at the Ordinary Council Meeting held on 27 July 2023 to:

1. Notes that submissions received regarding the proposed differential rates and minimum payments for 2023/24 financial year have been considered.
2. Advise the submitters that no change is proposed to be made to the differential rates.
3. Offer a 3% concession off general rates levied to Gross Rental Valuation – Short Term property owners who complete a statutory declaration that their property is also their primary place of residence.
4. Offer a concession off general rates levied to Unimproved Value – Plantation property owners who complete a statutory declaration and demonstrate that a portion of their properties arable land (excludes bush and undeveloped land) is not used for plantation as per below;
 - a. 4.0% concession to owners who demonstrate 75%+ of the arable area is not used for plantation.
 - b. 2.5% concession to owners who demonstrate between 50% - 75% of the arable area is not used for plantation.
 - c. 1.0% concession to owners to demonstrate between 25% - 50% of the arable land is not used for plantation.
5. Properties applying for a concession relating to Part 3 and 4 of this motion need to have applied within 35 days of rates being raised.

Based on current valuation information, the budget differential rates will raise approximately \$2.2M million in rates in the 2023/24 financial year representing an additional \$240,037 or 12.1% compared to the previous financial year budget.

Rates Concessions

Gross Rental Valuation – Short Term Concession

A concession of 3% off general rates levied to Gross Rental Valuation – Short Term property owners who complete a statutory declaration that their property is also their primary place of residence.

To be eligible for concession owners of properties need to apply within 35 days of the rates being raised.

Unimproved Value – Plantation Concession

A concession off general rates levied to the Unimproved Value – Plantation property owners who complete a statutory declaration and demonstrate that a portion of their properties arable land (excludes bush and undeveloped land) is not used for plantation as per below;

- 4.0% concession to owners who demonstrate 75%+ of the arable area is not used for plantation.
- 2.5% concession to owners who demonstrate between 50% - 75% of the arable area is not used for plantation.
- 1.0% concession to owners to demonstrate between 25% - 50% of the arable land is not used for plantation.

To be eligible for concession owners of properties need to apply within 35 days of the rates being raised.

Rate Interests – late payment and four instalment payment plan

In accordance with Sections 6.13 and 6.45 of the *Local Government Act 1995*, the Shire is able to charge up to 11% interest on overdue rates and 5.5% interest on instalments.

The budget proposes for the late penalty interest and interest on four instalment payment plans to remain at 7% and 5.5%, respectively. The Budget proposes late penalty interest will not be charged until 1 January 2024.

Changes to Reserves

Regulation 27 of the *Local Government (Financial Management) Regulations 1996* requires a local government to disclose the objects of, and reasons for any change of use or purpose of reserves. The budget proposes a change to the Plant, Recreation, Asset Management, Main Street Upgrade, Infrastructure, Community Bus and Footpath reserves.

The Plant Reserve was established to set aside funds for the purchase of major plant purchases. The budget proposes the new purpose of the Plant reserve to fund the replacement or new acquisition of plant and associated equipment.

The Recreation Reserve was established to fund future enhancements to recreation facilities. The budget proposes the Recreation Reserve to be consolidated with Infrastructure Reserve in 2023/24 to replace a few reserves and is expected to be closed by 30 June 2024. As a result, \$583 will be transferred from the Recreation Reserve into the Infrastructure Reserve.

The Asset Management Reserve was established to be used for works on Council buildings as determined by the Asset Management Plan. The budget proposes the new purpose of the Asset Management reserve to fund the improvement or development of Buildings.

The Main Street Upgrade Reserve was established to fund works to support the Main Street Upgrade project. The budget proposes the Main Street Upgrade Reserve to be consolidated

with Infrastructure Reserve in 2023/24 to replace a few reserves and is expected to be closed by 30 June 2024. As a result, \$61 will be transferred from the Main Street Upgrade Reserve into the Infrastructure Reserve.

The Infrastructure Reserve was established to set aside funds to provide support to future budgets to minimise the impact of the loss of capital grants as and when required. The budget proposes the new purpose of the Infrastructure Reserve to fund the improvement or development of infrastructure.

The Community Bus Reserve was established to fund future capital upgrades. The budget proposes the Community Bus Reserve be consolidated with Plant Reserve in 2023/24 to replace a few reserves and is expected to be closed by 30 June 2024. As a result, \$31,175 will be transferred from the Community Bus Reserve into the Plant Reserve.

The Footpaths Reserve was established for the preservation of footpaths. The budget proposes the Footpath Reserve to be consolidated with Infrastructure Reserve in 2023/24 to replace a few reserves and is expected to be closed by 30 June 2024. As a result, \$30,350 will be transferred from the Footpaths Reserve into the Infrastructure Reserve.

Materiality

Regulation 34 of the *Local Government (Financial Management) Regulations 1996* requires that a Statement of Financial Activity be prepared each month reporting on the sources and application of funds as set out in the Annual Budget.

Further, the statement is to report material variances between the amended Budget and actual sources and application of funds.

Each financial year, a local government is required to adopt a percentage or value, calculated in accordance with Australian Accounting Standards, to be used for reporting material variances.

In reference to Australian Accounting Standards Board (AASB) 101 Presentation of Financial Statements, and in consideration of the special characteristics of the finances of the Shire, it appears reasonable to continue to apply a level of materiality at Variances +/- 10% or \$30,000, whichever is greater.

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 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 detail the form and content of the Budget. The 2023/24 Budget as presented meets statutory requirements.

POLICY IMPLICATIONS:

Nil.

FINANCIAL IMPLICATIONS:

Specific financial implications are as outlined in the discussion section of this report and as itemised in the 2023/24 draft Budget attached for adoption.

To finance the expenditure and capital works in the draft Budget after allowing for all other sources of income such as grants, fees and charges and interest on investments, the Shire will require \$2,229,450 from general rates and minimum rates.

STRATEGIC IMPLICATIONS:

Extract from Strategic Community Plan 2021-2031

Our Shire: We listen to our community, are transparent, and act with integrity.

6.4 We are one - We will strive to make decisions and deliver outcomes that are in the best interest of the majority of the community.

Incorporate and deliver balanced outcomes including social, environmental, and financial, through triple bottom line decision making.

VOTING REQUIREMENTS:

Absolute Majority required for officer recommendation 1 and 2 of 3

Simple Majority required for officer recommendation 3 of 3.

OFFICER RECOMMENDATION 1 OF 3:

That Council adopts the 2023/24 Annual Budget as detailed in Appendix 11.5.1.

OFFICER RECOMMENDATION 2 OF 3:

That Council, in accordance with Section 66 of the *Waste Avoidance and Resource Recovery Act 2007*, applies the minimum payment provisions of Section 6.35 of the *Local Government Act 1995*, and adopts a Waste Infrastructure rate to cover costs associated with management of the Waste Management Facility for 2023/24:

- a. GRV Properties – Rate in the dollar: 0.0040 Cents, minimum \$148
 b. UV Properties – Rate in the dollar: 0.0010 Cents, minimum \$148.

OFFICER RECOMMENDATION 3 OF 3:

That Council, in accordance with regulation 34(5) of the *Local Government (Financial Management) Regulations 1996*, and AASB 101 Presentation of Financial Statements, endorses the application of a materiality level for the reporting of variances in the Statement of Financial Activity at Variances +/- 10% or \$30,000, whichever is greater for the 2023/24 financial year.

COUNCIL RESOLUTION 23122

MOVED: CR FRASER

SECONDED: CR LONGMORE

That Standing Orders be suspended.

CARRIED

TOTAL VOTES FOR: 7

Cr Buckland, Cr Dean, Cr Fraser, Cr Gibb, Cr Gilbert, Cr Hansen, Cr Longmore.

TOTAL VOTES AGAINST: 0

COUNCIL RESOLUTION 23123

MOVED: CR BUCKLAND

SECONDED: CR LONGMORE

That Standing Orders be resumed.

CARRIED

TOTAL VOTES FOR: 7

Cr Buckland, Cr Dean, Cr Fraser, Cr Gibb, Cr Gilbert, Cr Hansen, Cr Longmore.

TOTAL VOTES AGAINST: 0

COUNCIL RESOLUTION 23124

MOVED: CR BUCKLAND

SECONDED: CR FRASER

That Council adopts the 2023/24 Annual Budget as detailed in Appendix 11.5.1.

CARRIED BY ABSOLUTE MAJORITY

TOTAL VOTES FOR: 7

Cr Buckland, Cr Dean, Cr Fraser, Cr Gibb, Cr Gilbert, Cr Hansen, Cr Longmore.

TOTAL VOTES AGAINST: 0

COUNCIL RESOLUTION 23125

MOVED: CR BUCKLAND

SECONDED: CR HANSEN

That Council, in accordance with Section 66 of the Waste Avoidance and Resource Recovery Act 2007, applies the minimum payment provisions of Section 6.35 of the Local

Government Act 1995, and adopts a Waste Infrastructure rate to cover costs associated with the management of the Waste Management Facility for 2023/24:

- a. GRV Properties – Rate in the dollar: 0.0040 Cents, minimum \$148
- b. UV Properties – Rate in the dollar: 0.0010 Cents, minimum \$148.

CARRIED BY ABSOLUTE MAJORITY

TOTAL VOTES FOR: 7

Cr Buckland, Cr Dean, Cr Fraser, Cr Gibb, Cr Gilbert, Cr Hansen, Cr Longmore.

TOTAL VOTES AGAINST: 0

COUNCIL RESOLUTION 23126

MOVED: CR GILBERT

SECONDED: CR LONGMORE

That Council, in accordance with regulation 34(5) of the Local Government (Financial Management) Regulations 1996, and AASB 101 Presentation of Financial Statements, endorses the application of a materiality level for the reporting of variances in the Statement of Financial Activity at Variances +/- 10% or \$30,000, whichever is greater for the 2023/24 financial year.

CARRIED

TOTAL VOTES FOR: 7

Cr Buckland, Cr Dean, Cr Fraser, Cr Gibb, Cr Gilbert, Cr Hansen, Cr Longmore.

TOTAL VOTES AGAINST: 0

12 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN:

Nil

13. MEETING MAY BE CLOSED:

COUNCIL RESOLUTION 23127

MOVED: CR HANSEN

SECONDED: CR FRASER

That the meeting be closed to the public.

CARRIED

TOTAL VOTES FOR: 7

Cr Buckland, Cr Dean, Cr Fraser, Cr Gibb, Cr Gilbert, Cr Hansen, Cr Longmore.

TOTAL VOTES AGAINST: 0

The meeting was closed to the public at 5.19 pm.

COUNCIL RESOLUTION 23128

MOVED: CR BUCKLAND

SECONDED: CR LONGMORE

That Standing Orders be suspended.

CARRIED

TOTAL VOTES FOR: 7

Cr Buckland, Cr Dean, Cr Fraser, Cr Gibb, Cr Gilbert, Cr Hansen, Cr Longmore.

TOTAL VOTES AGAINST: 0

COUNCIL RESOLUTION 23129

MOVED: CR BUCKLAND

SECONDED: CR HANSEN

That Standing Orders be resumed.

CARRIED

TOTAL VOTES FOR: 7

Cr Buckland, Cr Dean, Cr Fraser, Cr Gibb, Cr Gilbert, Cr Hansen, Cr Longmore.

TOTAL VOTES AGAINST: 0

AGENDA NUMBER &:	13.1 – CONFIDENTIAL ITEM – Lease of Nannup Bowling Club Green and Clubhouse Facilities to Nannup Bowling Club (Inc.)
LOCATION/ADDRESS:	Shire of Nannup
NAME OF APPLICANT:	Shire of Nannup
FILE REFERENCE:	ADM 36 and RES 3708B
AUTHOR:	David Taylor – Chief Executive Officer
REPORTING OFFICER:	David Taylor – Chief Executive Officer
DISCLOSURE OF INTEREST:	Nil
DATE OF REPORT:	16 August 2023
ATTACHMENTS:	13.1.1 - Lease of Nannup Bowling Club Green and Clubhouse Facilities to Nannup Bowling Club (Inc.)

David Taylor, Jonathan Jones and Sarah Dean left the meeting at 5.30 pm.

AGENDA NUMBER &SUBJECT:	13.2 – CONFIDENTIAL ITEM – Chief Executive Officer Annual Performance Appraisal: Selection of Consultant
LOCATION/ADDRESS:	Shire of Nannup
NAME OF APPLICANT:	Shire of Nannup
FILE REFERENCE:	P254
AUTHOR:	David Taylor – Chief Executive Officer
REPORTING OFFICER:	David Taylor – Chief Executive Officer
DISCLOSURE OF INTEREST:	Nil
DATE OF REPORT:	16 August 2023
ATTACHMENTS:	Nil

COUNCIL RESOLUTION 23132

MOVED: CR BUCKLAND

SECONDED: CR FRASER

That the meeting be reopened to the public.

CARRIED

TOTAL VOTES FOR: 7

Cr Buckland, Cr Dean, Cr Fraser, Cr Gibb, Cr Gilbert, Cr Hansen, Cr Longmore.

TOTAL VOTES AGAINST: 0

The meeting was reopened to the public at 5.38 pm.

14. CLOSURE OF MEETING:

Shire President Cr Dean declared the meeting closed at 5.39 pm.