

# Shire of Wiluna



## **UNCONFIRMED MINUTES**

### **Special Meeting of Council**

**Tuesday 1 June 2021**



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Laura Dwyer  
**Chief Executive Officer**

1 June 2021

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## APPENDICES

<b>APPENDIX 4.1.2</b>	<b>Draft Objectives and Reasons for Differential Rating 2021-22</b>
	<b>CONFIDENTIAL APPENDICES</b>
<b>APPENDIX 5.1A</b>	<b>Fe Limited Proposed RUA</b>
<b>APPENDIX 5.1B</b>	<b>Fe Limited Amended RUA</b>
<b>APPENDIX 5.2A</b>	<b>Blue Cap Mining Pty Ltd Proposed RUA</b>
<b>APPENDIX 5.2B</b>	<b>Blue Cap Mining Pty Ltd Amended RUA</b>

## MINUTES

- 1. Declaration of Opening and Announcement of Visitors**  
The Shire President declared the meeting open at 4.41pm.

- 2. Public Question Time**

Nil

- 3. Record of Attendance**

Jim Quadrio	Shire President
Peter Grundy	Deputy President (Via Zoom)
Tim Carmody	(Via Zoom)
Norma Ward	(Absent)
Ane Koroicure	
Lena Long	(Absent)
Brodie Sawyer	(Via Zoom)

**In Attendance:**

Laura Dwyer	Chief Executive Officer
Russell Barnes	Moore Australia
Tanya Browning	Moore Australia
Samantha Bresciani	Moore Australia

**a) Apologies and Leave of Absence Previously Approved**

Nil

**b) Notations of Interest:**

Nil

- Financial Interest Local Government Act Section 5.60A**
- Proximity Interest Local Government Act Section 5.60B**
- Interest Affecting Impartiality Shire of Wiluna Code of Conduct**

## 4. Reports of Officers and Committees

### 4.1 Chief Executive Officer

#### 4.1.1 2020/21 Rate Instalment Notices Due Dates

Reporting Officer:	Laura Dwyer, Chief Executive Officer
Date of Report:	31 May 2021
Date of Meeting:	1 June 2021
Disclosure of Interest:	Nil

#### **Purpose**

The purpose of this report is to advise Council of an alteration to adopted due dates on 2020/21 rate instalment notices.

#### **Background**

Moore Australia (WA) Pty Ltd were engaged to provide assistance with rating support services, and have drafted the agenda report on behalf of the CEO for Council consideration.

At the time of adopting the 2020/21 annual budget, council resolution 141/20 set out the due dates for payment of rates.

Annual rates notices were issued by the administration office on 10 September 2020, which was almost a week later than originally planned when the 2020/21 budget was adopted to complete the annual rates run and issue rate notices. To comply with section 6.50 of the *Local Government Act 1995* relating to due dates of rates and instalments, and allow 35 days from the date of issue for the first payment, dates were printed on rates notices as due dates for the payment of rates which did not align with resolution 141/20.

The intent with amending the due dates for payment of rates and instalments was to comply with section 6.50 of the *Local Government Act 1995*, however, the above noted alteration of the due dates for the payment of rates and instalments resulted in non-compliance with other sections of the Act and with the *Local Government (Financial Management) Regulations 1996*. The alteration to adopted due dates on 2020/21 rates notices for the payment of rates and instalments was presented for Council information, and approval of the amended due dates at the ordinary meeting held 28 October 2020 (resolution 159/20).

Shortly after resolution 159/20 was adopted, staff responsible for implementing the changed instalment notice dates left the organisation. This resulted in instalment notices not being issued in accordance with the resolution. Subsequent access and usage challenges relating to the rating software were not resolved until March 2021, after which prioritisation was allocated to reconciling closing balances from previous rating software and opening balances of the current rating software, as well as data checks.

#### **Comment**

The alteration to adopted due dates on 2020/21 rates notices for the payment of rates and instalments is presented for Council information, and approval of further amendment to due dates is sought to allow for instalment notices to be issued.

External assistance has been obtained for processing instalment notices on behalf of the Shire in consultation with software providers in order to meet the proposed timeframes.

Proposed dates (allowing minimum of 28 days from proposed issue date to the proposed amended due date of second instalment for 2020/21) are listed below for consideration:

*Option 2: Payment in full by four instalments*

Due dates: 1st instalment 15 October 2020 (covered by initial rate notice issued, no further action required)

2nd instalment 9 July 2021 (notices to be issued no later than 11 June 2021)

3rd instalment 9 September 2021 (notices to be issued no later than 11 August 2021)

4th instalment 9 November 2021 (notices to be issued no later than 11 October 2021)

Instalment interest and fees will be applied as per the 2020/21 adopted budget. Overdue rates notices will also be issued to follow up any overdue rates and charges after 2<sup>nd</sup> instalment notices have been issued.

### **Consultation**

Moore Australia (WA) Pty Ltd  
Chief Executive Officer – Laura Dwyer

### **Statutory Environment**

Section 6.41(2)(b) of the *Local Government Act 1995* sets out a local government must provide rate notices for instalments no less than 28 days before each instalment is due.

Section 6.45 of the *Local Government Act 1995* sets out a local government may provide for rates to be paid by instalments as set out in the annual budget.

Section 6.50 of the *Local Government Act 1995* provides that rates are due on a date determined by the local government, which must not be less than 35 days after the rate issue date contained within rates notices and that rates instalments must not become due for payment at intervals of less than two months.

Regulation 64 of the *Local Government (Financial Management) Regulations 1996* requires a local government to determine the due date for instalments of rates when adopting its annual budget and sets out where a local government does not determine these dates, intervals for instalments will be at three months from the due date of the first instalment.

### **Risk Assessment**

This item has been evaluated against the Shire of Wiluna's Risk Management Strategy, Risk Assessment Matrix. The perceived level of risk is high prior to treatment, the progression of risk management activities aligned with the Risk Management Strategy will reduce the risk to medium.

### **Policy Implications**

The Risk Management Policy outlines the Shire's commitment and approach to managing risks impacting on day-to-day operations and the delivery of strategic objectives.

### **Financial Implications**

Provision is included in the 2020/21 Adopted Budget for Moore Australia (WA) to deliver Statutory Compliance Services, including risk management, in line with the awarded tender. Additional resources for consultancy services relating to this matter are provided for within the 2020/21 adopted budget.

### **Strategic Implications**

Strategic references within the Shire of Wiluna Strategic Community Plan 2018-2028 demonstrate connections between services and the desired outcomes and community vision for the Shire of Wiluna, particularly in relation to Governance services in this instance such as 5.1.3 Provide strategic leadership and governance, 5.2.1 Build a culture of continual improvement across the organisation.

### **Voting Requirements SIMPLE MAJORITY**

<b><i>Council Resolution</i></b>
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**MOVED CR CARMODY**

**SECONDED CR SAYWER**

**That Council:**

- 1. Receive this report in relation to further amendment to adopted due dates on 2020/21 rate notices for the payment of rates instalments; and**
- 2. Approve the amended dates noted below as due dates for the payment of rates and instalments for 2020/21 rates notices:**

**Due dates:     2nd instalment 9 July 2021  
                      3rd instalment 9 September 2021  
                      4th instalment 9 November 2021**

**CARRIED 5/0**

**Resolution 41/2021**

<b>4.1.2. Subject/Applicant:</b>	2021-22 Differential Rates
Reporting Officer:	Laura Dwyer, Chief Executive Officer
Date of Report:	1 June 2021
Date of Meeting:	1 June 2021
Disclosure of Interest:	Nil

### **Purpose**

For the Council to advance the 2021-22 budget process in compliance with the *Local Government Act 1995*, by considering and endorsing for advertising proposed differential rates-in-the-dollar for the 2021-22 rating year.

### **Background**

Moore Australia (WA) Pty Ltd were engaged to provide assistance with differential rating considerations for the 2021-22 draft budget, and have drafted the agenda report on behalf of the CEO for Council consideration.

The Council first imposed differential rating in 2014-15. This practice has continued through to 2020-21.

When applying differential rating, there are certain requirements of the *Local Government Act 1995* which the Shire must comply with, including:

1. The highest rate-in-the-dollar for a particular rating type (UV or GRV) cannot be more than twice the lowest rate-in-dollar for a differential category of the same rating type; and
2. No more than 50% of properties in a differential rating category can be on a minimum payment.

The Act does provide for a local government to apply to the Minister to set rates outside of these parameters in certain instances. Legislation also requires a local government to advertise its intended/proposed differential rates-in-the-dollar and provide a 21 day period for submissions from the public to be received.

It is important to seek the Council's approval in the early stages of preparation of the annual budget to allow sufficient time to advertise proposed differential rates for the budget to be adopted in the new financial year and within the time limits set by legislation. The immediate task to be considered is to approve the proposed rates (and the objectives and reasons for differential rating) so the administration can initiate the statutory process by giving the required notice of the intention to impose differential rates.

At the end of the 21 day submission period, any submissions received are to be considered by the Council and the Council must then:

1. Consider the submissions and make changes to the proposed rates-in-the-dollar and minimums; or
2. Consider the submissions but make no changes.

If the Council wishes to make changes, there is no requirement for a second advertising period.

Alternatively, if there are no submissions at end of 21 day period (or the Council chooses not to change the proposed rates based on those submissions), those rates-



in-the-dollar can be used as the basis for setting and adopting the 2021-22 budget. The Council may also adopt the Budget with rates-in-the-dollar which differ from the advertised ones, as long as its reasons for doing so are noted within the budget document.

### Comment

For the purpose of modelling rates to be advertised in accordance with the requirements of section 6.36 of the Act, the following information has been applied following a pre-budget workshop with Council:

- Calculated a rate increase of 4% for GRV categories and for the UV Rural/Pastoral rating category, which is in line with the Shire's Long-Term Financial Plan that was adopted by the Council on 26 September 2018.
- Calculated a common rate for the UV Mining and UV Exploration and UV Exploration and Prospecting categories.

### Proposed 2021-22 Differential Rates

The proposed differential general rates for 2021-22 are set out in the table below, calculated using current available 2020-21 values, and the objects and reasons therefor are set out in Appendix 4.1.2.

RATE TYPE		Cents in \$	Number of Properties	2020/21 Rateable Value \$	Budgeted Rate Revenue \$
<b>Differential General Rate</b>					
General		10.62600	68	980,128	104,148
Mining		21.25200	6	6,380,000	1,355,878
	<b>Sub -Total</b>		<b>74</b>	<b>7,360,128</b>	<b>1,460,026</b>
Rural		11.24850	28	1,491,435	167,764
Mining		22.49700	444	19,014,242	4,277,634
Exploration/Prospecting		0.00000	0	0	0
	<b>Sub-Total</b>		<b>472</b>	<b>20,505,677</b>	<b>4,445,398</b>
	<b>Total</b>		<b>546</b>	<b>27,865,805</b>	<b>5,905,424</b>
<b>Minimum Payment</b>					
General		490.00	15	7,370	7,350
Mining		490.00	3	60	1,470
	<b>Sub -Total</b>		<b>18</b>	<b>7,430</b>	<b>8,820</b>
Rural		490.00	1	1,409	490
Mining		490.00	275	171,174	134,750
Exploration/Prospecting		490.00	0	0	0
	<b>Sub-Total</b>		<b>276</b>	<b>172,583</b>	<b>135,240</b>
	<b>Total</b>		<b>294</b>	<b>180,013</b>	<b>144,060</b>
<b>Total Rates Levied</b>			<b>840</b>	<b>28,045,818</b>	<b>6,049,484</b>

No differential minimum payments are proposed for 2021-22.

The above table demonstrates compliance with the parameters for differential rating set out in subsections 6.33 (3) and 6.35 (4) of the Act:

- The highest proposed GRV rate is not more than twice the lowest proposed GRV rate
- The highest proposed UV rate is not more than twice the lowest proposed UV rate
- As no differential minimum payments are proposed, there is no rating category in which the proportion of properties on the minimum payment exceeds 50%.

Consequently, the proposed rates can be set by the Council without an application for Ministerial approval once the statutory advertising has occurred, submission period has closed and any submissions received have been considered.

### Objectives and Reasons

The overall objective for differential general rating is an attempt to ensure revenue is collected in accordance with the five principles of rating namely; objectivity, consistency, transparency, equity and efficiency, enabling the Shire to provide facilities, infrastructure and services to the entire community.

In previous years, the Shire had set-out highly detailed explanations which resulted from a complaint claiming that the reasons and objectives in Shire of Wiluna budgets before 2017/18 were not sufficient to comply with the legislation.

The “Objects and Reasons” were subsequently reviewed in 2019-20, and simplified into a tabular form, which was the practice prior to 2017. Further review has been performed to the “Objects and Reasons” in preparing differential rating models for the 2021-22 draft budget, and updated objects and reasons are also set out in Appendix 4.1.2.

### **Consultation**

Councillors  
Chief Executive Officer  
Moore Australia (WA) Pty Ltd

### **Statutory Environment**

Part 6, Division 6, *Local Government Act 1995*.

### **Risk Assessment**

This item has been evaluated against the Shire of Wiluna’s Risk Management Strategy, Risk Assessment Matrix. The perceived level of risk is high prior to treatment, and compliance with statutory requirements in setting differential rates for 2021-22 will reduce the risk to low.

### **Policy Implications**

None identified.

### **Financial Implications**

Rate modelling for the 2021-22 draft budget may be prepared using the parameters set by legislation, as well as using the Shire’s Long-Term Financial Plan adopted by the Council on 26 September 2018 as a guide. Full financial implications cannot be

assessed until the draft 2021-22 budget has been completed and the rate-setting statement has been assessed to consider any shortfall between income and expenditure.

**Strategic Implications**

Strategic references within the Shire of Wiluna Strategic Community Plan 2018-2028 demonstrate connections between services and the desired outcomes and community vision for the Shire of Wiluna, particularly in relation to Governance services in this instance such as 5.1.3 Provide strategic leadership and governance. Rating efforts assist with the funding required to deliver services to the community and to achieve the strategic goals of the Shire.

**Voting Requirements SIMPLE MAJORITY**

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**Officer Recommendation**

**MOVED CR CARMODY**

**SECONDED CR KOROICURE**

**That:**

- 1. The following differential rating categories and rates in dollar be endorsed for advertising as the 2021-22 Notice of Intention to levy differential rates:**

**RATE CATEGORY**

<b>Non-minimum</b>	<b>Rate/\$ ( c)</b>
GRV Wiluna Townsite	10.6260
GRV Mining	21.2520
UV Rural	11.2485
UV Mining/Exploration	22.4970

- 2. The objects and reasons set out in Appendix 4.1.2 of the agenda be cited as the objectives and reasons for the proposed differential rating structure.**

**3.**

**Council Resolution**

**That:**

- 4. The following differential rating categories and rates in dollar be endorsed for advertising as the 2021-22 Notice of Intention to levy differential rates:**

**RATE CATEGORY**

<b>Non-minimum</b>	<b>Rate/\$ ( c)</b>
GRV General	10.6260
GRV Mining	21.2520
UV Rural	11.2485
UV Mining/Exploration	22.4970

- 5. The objects and reasons set out in Appendix 4.1.2 of the agenda be cited as the objectives and reasons for the proposed differential rating structure.**

**CARRIED 5/0**

**Resolution 42/2021**

*The reason for the change was to correct wording under GRV Wiluna Townsite to GRV General.*

## APPENDIX 4.1.2 OBJECTIVES AND REASONS FOR DIFFERENTIAL RATING 2021/22

To provide equity in the rating of properties across the Shire the following rate categories have been determined for the implementation of differential rating:

### Differential General Rate

Description	Characteristics	Objects	Reasons
GRV General	Properties valued on a Gross Rental Value Basis (GRV) which are not within the GRV Mining/Pastoral differential category	The object of the GRV rate is to allow sufficient revenue for the Shire to operate efficiently and provide a diverse range of services.	To achieve the required amount of revenue from the GRV rate category.
GRV Mining	Properties valued on a Gross Rental Value Basis (GRV) which are zoned Pastoral and Mining within the Shire of Wiluna Local Planning Scheme No. 2.	The object of the GRV Mining rate is to raise the necessary revenue for Council to operate efficiently and provide a diverse range of services.	To assist in meeting the additional costs associated with the provision of infrastructure and services to support mining activities.
UV Rural/Pastoral	Properties valued on an Unimproved Value Basis (UV) which are used for pastoral and associated uses	The object of the UV Pastoral rate is to ensure that the proportion of total rate revenue derived from UV Pastoral is comparable with previous years and provides the base rate to assess the other UV rated properties.	To recognise the reduced demand, impact and costs associated with the provision of infrastructure and services to support pastoral activities.
UV Mining/Exploration	Properties valued on an Unimproved Value Basis (UV) which are used for Mining /exploration use.	The objects of the UV Mining/Exploration rates is to raise the necessary revenue for Council to operate efficiently and provide a diverse range of services.	To assist in meeting the additional costs associated with the provision of infrastructure and services to support mining activities.

## 5. Matters Behind Closed Doors

<b>Council Resolution</b>
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**MOVED CR CARMODY**

**SECONDED CR SAWYER**

**That Council:**

**Considers the confidential reports listed below in a meeting closed to the public in accordance with Section 5.23(2) of the Local Government Act 1995:**

**5.1 Fe Limited Road User Agreement**

**This matter is considered confidential under Section 5.23(2)(e)(iii) of the Local Government Act 1995 and Council is satisfied that discussion of this matter would be contrary to the public interest as it deals with a matter that if disclosed would reveal information about the business, professional, commercial or financial affairs of a person relating to a matter to be discussed at the meeting.**

**5.2 Blue Cap Mining Road user Agreement**

**This matter is considered confidential under Section 5.23(2)(e)(ii) of the Local Government Act 1995 and Council is satisfied that discussion of this matter would be contrary to the public interest as it deals with a matter that if disclosed would reveal information that has a commercial value to a person.**

**CARRIED 5/0**

**Resolution 43/2021**

The meeting was closed to the public at 4.53pm.

## 5.1 Fe Limited Road User Agreement

***Officer Recommendation***

**MOVED CR KOROICURE**

**SECONDED CR SAWYER**

That Council;

1. Approve the amended road user agreement letter in attachment 5.1 B between Fe Limited and the Shire of Wiluna on the Sandstone-Wiluna Road as per the terms of the agreement; and
2. Authorise the Chief Executive Officer to execute this agreement with Fe Limited.

**CARRIED /**

***Council Resolution***

That Council;

1. Approve the amended road user agreement letter in attachment 5.1 B between Fe Limited and the Shire of Wiluna on the Sandstone-Wiluna Road as per the terms of the agreement;
2. Authorise the Chief Executive Officer to execute this agreement with Fe Limited; and
3. Authorise the Chief Executive officer to commence discussions within 3 months of expiry of this agreement with Fe Limited to negotiate a new agreement to include support for a temporary workers accommodation in Wiluna to accommodate their workforce.

**CARRIED 5/0**

**Resolution 44/2021**

*The reason for the change, to include point 3.*

## 5.2 Blue Cap Mining Pty Ltd Road User Agreement

### **Council Resolution**

**MOVED CR SAWYER**

**SECONDED CR QUADRIO**

That Council;

1. Approve the amended road user letter of agreement in attachment 5.2 B between Blue Cap Mining Pty Ltd and the Shire of Wiluna on the roads listed as per the terms of the agreement; and
2. Authorise the Chief Executive Officer to execute this agreement with Blue Cap Mining Pty Ltd.

**CARRIED 5/0**

**Resolution 45/2021**

### **Council Resolution**

**MOVED CR CARMODY**

**SECONDED CR KOROICURE**

That Council reopen the meeting to the public.

**CARRIED 5/0**

**Resolution 46/2021**

*The meeting was reopened to the public at 5.15pm.*

## **6. Closure**

The Shire President closed the meeting at 5.15pm