

**AGENDA  
SPECIAL COUNCIL MEETING**

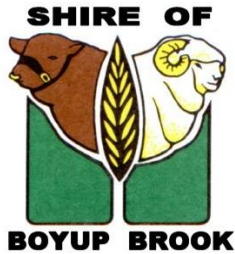
to be held on

**Tuesday 31 August 2021**

Commencing at 6.00pm

Shire of Boyup Brook Council Chambers, Boyup Brook

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## NOTICE OF SPECIAL ORDINARY COUNCIL MEETING

To:-

Cr Richard F Walker – Shire President  
Cr Helen C O'Connell – Deputy Shire President  
Cr Sarah E G Alexander  
Cr Steele Alexander  
Cr Philippe Kaltenrieder  
Cr Darren E King  
Cr Kevin J Moir  
Cr Adrian Price

A Special Council Meeting of the Shire of Boyup Brook will be held on Tuesday 31 August 2021 in the Council Chambers, Shire of Boyup Brook, Abel Street, Boyup Brook – commencing at 6.00pm for the purpose of dealing with the Annual Budget 2020/21.



Dale Putland  
**Chief Executive Officer**

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**1 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS**

We acknowledge and pay our respects to the traditional custodians of the land on which we meet and work.

**2 RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE PREVIOUSLY APPROVED**

PRESENT:	Shire President	Richard F Walker
	Deputy Shire President	Helen C O'Connell
	Councillor	Sarah E G Alexander
		Philippe Kaltenrieder
		Darren E King
		Kevin J Moir
		Adrian Price
	Chief Executive Officer	Dale Putland
	Wayne Butler	Manager Works & Services
	Finance Manager	Ben Robinson
	Carolyn Mallett	Senior Finance Officer
	Executive Assistant	Maria Lane

LEAVE OF ABSENCE:

APOLOGIES: Cr Steele Alexander

MEMBERS OF PUBLIC:

**3 PUBLIC QUESTION TIME**

**4 APPLICATIONS FOR LEAVE OF ABSENCE**

## 5 REPORTS

### 5.1 Adoption of 2021-22 Annual Budget

<b>Location:</b>	Not applicable
<b>Applicant:</b>	Not applicable
<b>File:</b>	FM/9/005
<b>Disclosure of Officer Interest:</b>	None
<b>Date:</b>	28 August 2021
<b>Authors:</b>	D Long – Finance Consultant
<b>Authorizing Officer:</b>	Dale Putland – Chief Executive Officer
<b>Attachments:</b>	Proposed 2021-2022 Annual Budget

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#### **SUMMARY**

The purpose of this report is for Council to consider and adopt the 2021-2022 Annual Budget.

#### **BACKGROUND**

The following draft Annual Budget is presented to Council, as a balanced budget, for consideration and adoption.

The 2021-2022 Annual Budget has been prepared in accordance with Section 6.2 of the Local Government Act 1995 and the Local Government (Financial Management) Regulations Part 3, Regulations 22 to 33.

#### **COMMENT**

The 2021-2022 Annual Budget comprises the following information-

1. Budget Statement of Comprehensive Income By Nature/Type for the Year Ending 30 June 2022.
2. Budget Statement of Comprehensive Income By Program for the Year Ending 30 June 2022.
3. Budget Statement of Cash Flows for the Year Ending 30 June 2022
4. Budget Rate Setting Statement by Program for the Year Ending 30 June 2022.
5. Budget Rate Setting Statement by Nature/Type for the Year Ending 30 June 2022.
6. Budget Statement of Financial Activity for the Year Ending 30 June 2022.
7. Notes to the Budget.
8. Detailed Operating & Non-Operating Statements.

***Budget Highlights – Operating Activities***

General Purpose Funding

The proposed budget is presented with the total amount raised in rates for 2021-22 increasing by 4.5%.

Law, Order & Public Safety

An allocation of \$66,411 has been set aside for bushfire mitigation activities, with funding of \$41,411 from DFES.

Recreation & Culture

An allocation of \$40,000 has been set aside as Council's contribution to construction of the UBAS toilets at Dinninup.

Economic Services

An allocation of \$30,000 has been set aside for data collection on all Shire buildings that will assist with the development of a Buildings Asset Management Plan.

Other Property & Services

An allocation of \$674,747 has been set aside for Rylington Park operations. These costs are offset by revenue generated from Rylington park operations of \$725,250.

***Budget Highlights – Investing Activities***

Buildings

An allocation of \$15,000 has been set aside for the replacement of flooring at the lesser hall. This will be funded from Local Roads and Community Infrastructure funding.

An allocation of \$13,644 has been set aside for installation of sliding doors at the swimming pool. Grant funding of \$6,822 has been secured to offset the cost.

An allocation of \$55,000 has been set aside for upgrade the gym to 24 hour access. This will be funded from Local Roads and Community Infrastructure funding.

An allocation of \$52,000 has been set aside for the replacement of flooring at the swimming pool. This will be funded from Local Roads and Community Infrastructure funding.

An allocation of \$108,900 has been set aside for various renewal and upgrade works at the Flax Mill. This will be funded from Local Roads and Community Infrastructure funding.

An allocation of \$55,000 has been set aside for the replacement of the roof and gutters to the house at Rylington Park. This will be funded by a transfer from the Rylington Park Working Capital Reserve.

An allocation of \$15,000 has been set aside for the installation of a new chemical shed at Rylington Park. This will be funded by a transfer from the Rylington Park Working Capital Reserve.

Plant & Equipment

An allocation of \$7,500 has been set aside for replacement of pump and motor at the swimming pool.

An allocation of \$143,000 has been set aside for the replacement of light vehicles and small plant and equipment.

An allocation of \$706,500 has been set aside for the replacement of heavy plant and equipment.

The replacement of plant and equipment will be funded from \$62,500 in proceeds from the trade in of existing plant and equipment, with the remaining balance funded from general revenue.

An allocation of \$71,500 has been set aside for the replacement of plant and equipment at Rylington Park. This will be funded by a transfer from the Rylington Park Working Capital Reserve.

Road Infrastructure

An allocation of \$449,401 has been set aside for Roads to Recovery projects, with matching funding from the Commonwealth Government.

An allocation of \$1,597,000 has been set aside for Regional Road Group Projects, with \$931,400 of grant funding coming from the Regional Road Group funding pool.

An allocation of \$421,050 has been set aside for Council's own road construction projects.

An allocation of \$170,000 has been set aside for special bridge projects that will be undertaken by Main Roads WA.

Footpath Infrastructure

An allocation of \$143,850 has been set aside for footpath construction.

Airstrip Infrastructure

An allocation of \$49,575 has been set aside for animal proof fencing at the airstrip, with matching funding from the Regional Airports Scheme program.

Drainage Infrastructure

An allocation of \$49,875 has been set aside for replacement of rural drainage infrastructure.

Parks & Ovals Infrastructure

An allocation of \$11,300 has been set aside for upgrade works to the Sandakan Memorial, with \$5,090 in grant funding from the Commonwealth Government.

Recreation Infrastructure

An allocation of \$84,464 has been set aside for upgrade to swimming pool infrastructure, including shade sails, pool hand rails, reticulation, access ramp to the pool deck, and a new chlorine system. This will be funded from Local Roads and Community Infrastructure funding.

An allocation of \$150,000 has been set aside for piping and trenching works to connect the sports oval to the old Water Corporation reservoir, with \$100,000 in funding proposed to come from the Commonwealth Government.

An allocation of \$230,000 has been set aside for sports oval floodlighting works, with a mix of funding from the State Government, Community Groups and the Shire.

Other Infrastructure

An allocation of \$621,820 has been set aside for the construction of a viewing tower, with \$421,820 in funding proposed to come from the Commonwealth Government, \$100,000 from the community, \$50,000 from the Rylington Park Community Projects Reserve, and \$50,000 from the Shire.

An allocation of \$25,000 has been set aside for the installation of a water tank for the ablutions at Rylington Park. This will be funded by a transfer from the Rylington Park Working Capital Reserve.

**CONSULTATION**

Internal – Senior Executives, Councillors

External - Nil

**STATUTORY OBLIGATIONS**

*Local Government Act (1995) s.6.2. (1)* states that each Local Government is to prepare an annual budget prior to 31 August, unless an extension from the Minister is granted.



**POLICY IMPLICATIONS** - Nil

**BUDGET/FINANCIAL IMPLICATIONS**

The 2021-22 budget is presented as a balanced budget.

**STRATEGIC IMPLICATIONS** - Nil

**VOTING REQUIREMENTS**

Absolute Majority

**OFFICER RECOMMENDATION – Item 5.1**

***That Council Pursuant to Section 6.2 of the Local Government Act 1995 and the Local Government (Financial Management) Regulations Part 3, Regulations 22 to 33, adopt the 2021-22 Annual Budget (as contained in Attachment 5.1) for the Shire of Boyup Brook, including the following-***

- (a) Budget Statement of Comprehensive Income by Nature/Type for the year ending 30 June 2022 showing a net result of (\$497,188);***
- (b) Budget Statement of Comprehensive Income by Program for the year ending 30 June 2022 showing a net result of (\$497,188);***
- (c) Budget Statement of Cash Flows for the year ending 30 June 2022;***
- (d) Budget Rate Setting Statement by Program for the year ending 30 June 2022 showing an amount required to be raised from general rates of \$3,141,714;***
- (e) Rates;***
- (f) Net Current Assets;***
- (g) Reconciliation of Cash;***
- (h) Asset Acquisitions;***
- (i) Asset Disposals;***
- (j) Asset Depreciation;***
- (k) Borrowings;***
- (l) Cash Backed Reserves;***
- (m) Fees and Charges;***
- (n) Grant Revenue;***
- (o) Revenue Recognition;***
- (p) Elected members Remuneration;***
- (q) Other Information;***
- (r) Major Land Transactions;***
- (s) Trading Undertakings & Major Trading Undertakings;***
- (t) Interest in Joint Ventures;***
- (u) Trust information;***
- (v) Significant Accounting Policies;***
- (w) Detailed Operating and Non-Operating workpapers;***

**5.2 Valuations and General Rates for 2021-2022 Annual Budget**

<b>Location:</b>	Not applicable
<b>Applicant:</b>	Not applicable
<b>File:</b>	FM/9/005
<b>Disclosure of Officer Interest:</b>	None
<b>Date:</b>	28 August 2021
<b>Authors:</b>	D Long – Finance Consultant
<b>Authorizing Officer:</b>	Dale Putland – Chief Executive Officer
<b>Attachments:</b>	Proposed 2021-2022 Annual Budget

**SUMMARY**

The purpose of this report is for Council to give consideration to the adoption of applicable valuations and the imposition of general rates on rateable property.

**BACKGROUND**

Section 6.32 of the *Local Government Act 1995* states:

*6.32. Rates and service charges-*

- (1) *When adopting the annual budget, a local government*
- (a) *in order to make up the budget deficiency, is to impose\* a general rate on rateable land within its district, which rate may be imposed either:*
    - (i) *uniformly; or*
    - (ii) *differentially; and*
  - (b) *may impose\* on rateable land within its district*
    - (i) *a specified area rate; or*
    - (ii) *a minimum payment; and*
  - (c) *may impose\* a service charge on land within its district.*
- \* Absolute majority required.*
- (2) *Where a local government resolves to impose a rate it is required to:*
- (a) *set a rate which is expressed as a rate in the dollar of the gross rental value of rateable land within its district to be rated on gross rental value; and*
  - (b) *set a rate which is expressed as a rate in the dollar of the unimproved value of rateable land within its district to be rated on unimproved value.*

**COMMENT**

Following the draft budget workshops held on 17 June 2021 and 26 August 2021, the following general rates are presented for Council's consideration.

The deficiency of expenditure over income for the purpose of striking the rate for the 2021-2022 financial year amounts to \$3,141,714

\$3,141,714 to be raised by way of rates will impact as follows-

- (a) Rates levied will result in \$135,427 additional revenue when compared to the rates levied in the 2020-2021 financial year.

Every year, the unimproved value (UV) of each property is reassessed by the State's Valuer Generals Office. The gross rental valuation (GRV) of each property for country local governments is reassessed by the State's Valuer Generals Office every five (5) years. The Shire's UV properties were revalued effective 1 July 2021.

The following valuations are currently recorded in Council's 2021-22 rate book-

- (a) Unimproved Valuations (UV) - \$343,888,907, of which \$34,399,910 are minimum values;
- (b) Gross Rental Valuations (GRV) - \$3,681,117, of which \$236,247 are minimum values.

The Shire bases the determination of annual property rates payable upon the unimproved values (UV) for rural properties and the gross rental values (GRV) for non-rural properties; with the values set by the Valuer General. The Shire applies a rate in the dollar charge for each valuation category, which is multiplied against a property's valuation.

The rate in the dollar for the 2020-2021 financial year was set, for UV properties at 0.7409 cents, and for GRV properties at 13.3700 cents. This becomes the base rate in the dollar when determining the following year's rate in the dollar. When properties are revalued, the previous year's rate in the dollar is adjusted in consideration of whether the valuation has increased or decreased. This allows for a revised base rate that would have generated the same amount of revenue using the revalued property valuations. The increase in UV valuations of 7.42% has necessitated an adjustment to the UV rate in the dollar as follows:

1. UV – decrease from 0.7409 cents to 0.6873 cents to account for the valuation increment.

The rates in the dollar proposed in the draft budget are as follows-

- (a) The GRV rate in the dollar for 2021-2022 will increase from 13.3700 cents to 13.9717 cents, equating to a 4.50% increase; and
- (b) UV rate in the dollar for 2021-2022 will increase from 0.6873 cents to 0.7182 cents, equating to a 4.50% increase.

**CONSULTATION**

Internal – Senior Executives and Councillors

External - Nil

**STATUTORY OBLIGATIONS**

*Local Government Act (1995) s.6.2. (1) states that each Local Government is to prepare an annual budget prior to 31 August, unless an extension from the Minister is granted.*

*Local Government Act 1995 s.6.32.*

**POLICY IMPLICATIONS**

Nil

**BUDGET/FINANCIAL IMPLICATIONS**

The 2021-2022 budget is presented as a balanced budget.

**STRATEGIC IMPLICATIONS**

Nil

**VOTING REQUIREMENTS**

Absolute Majority

**OFFICER RECOMMENDATION – Item 5.2**

1. ***That Council adopt the valuations, as supplied by the Valuer General's Office and recorded in the Rate Book, for the 2021-2022 year-***

<b><i>Gross Rental Valuations</i></b>	<b><i>\$ 3,681,117</i></b>
<b><i>Unimproved Valuations</i></b>	<b><i>\$343,888,907</i></b>

2. ***That Council, pursuant to Section 6.32 of the Local Government Act 1995, impose the following general rates for 2021-2022***

<b><i>GRV properties</i></b>	<b><i>13.9717 cents in the dollar</i></b>
<b><i>UV properties</i></b>	<b><i>0.7182 cents in the dollar.</i></b>

**5.3 Minimum Rate Payment for 2021-2022 Annual Budget**

<b>Location:</b>	Not applicable
<b>Applicant:</b>	Not applicable
<b>File:</b>	FM/9/005
<b>Disclosure of Officer Interest:</b>	None
<b>Date:</b>	28 August 2021
<b>Authors:</b>	D Long – Finance Consultant
<b>Authorizing Officer:</b>	Dale Putland – Chief Executive Officer
<b>Attachments:</b>	Proposed 2021-2022 Annual Budget

**SUMMARY**

The purpose of this report is for Council to give consideration to the adoption and imposition of the Minimum Payment on rateable property for 2021-2022.

**BACKGROUND**

Section 6.35 of the *Local Government Act 1995* states:

- (1) *Subject to this section, a local government may impose on any rateable land in its district a minimum payment which is greater than the general rate which would otherwise be payable on that land.*
- (2) *A minimum payment is to be a general minimum but subject to subsection (3), a lesser minimum may be imposed in respect of any portion of the district.*
- (3) *In applying subsection (2) the local government is to ensure the general minimum is imposed on not less than —*
  - (a) *50% of the total number of separately rated properties in the district; or*
  - (b) *50% of the number of properties in each category referred to in subsection (6),*  
*on which a minimum payment is imposed.*
- (4) *A minimum payment is not to be imposed on more than the prescribed percentage of —*
  - (a) *the number of separately rated properties in the district; or*
  - (b) *the number of properties in each category referred to in subsection (6),*  
*unless the general minimum does not exceed the prescribed amount.*
- (5) *If a local government imposes a differential general rate on any land on the basis that the land is vacant land it may, with the approval of*

*the Minister, impose a minimum payment in a manner that does not comply with subsections (2), (3) and (4) for that land.*

- (6) *For the purposes of this section a minimum payment is to be applied separately, in accordance with the principles set forth in subsections (2), (3) and (4) in respect of each of the following categories –*
- (a) *to land rated on gross rental value; and*
  - (b) *to land rated on unimproved value; and*
  - (c) *to each differential rating category where a differential general rate is imposed.*

### **COMMENT**

The following minimum payments are presented for Council's consideration.

The Minimum Payment for both UV and GRV properties is proposed to increase by 4.50%, to \$941 for UV properties and \$1,041 for GRV properties.

The proposed 2021-2022 UV Minimum Payment will be imposed on 409 UV property assessments, being 42.83% of the total UV property assessments. Council will have to monitor future increases in this minimum rate to ensure the number of properties subject to the minimum rate does not exceed 50%, as per the requirements of S6.35(3) of the *Local Government Act 1995*.

The proposed 2021-2022 GRV Minimum Payment will be imposed on 51 GRV property assessments, being 14.61% of the total GRV property assessments.

### **CONSULTATION**

Internal – Senior Executives

External - Nil

### **STATUTORY OBLIGATIONS**

*Local Government Act 1995 s.6.35.*

The imposition of the proposed Minimum Payment complies with the percentage requirements of subclause (3) of Section 6.35.

### **POLICY IMPLICATIONS**

Nil

**BUDGET/FINANCIAL IMPLICATIONS**

The 2021-22 budget is presented as a balanced budget.

**STRATEGIC IMPLICATIONS**

Nil

**VOTING REQUIREMENTS**

Absolute Majority

**OFFICER RECOMMENDATION – Item 5.3**

***That Council, pursuant to Sections 6.32 and 6.35 of the Local Government Act 1995, impose the following Minimum Payment for 2021-2022***

<b><i>GRV properties</i></b>	<b><i>\$1,041 per rateable assessment</i></b>
<b><i>UV properties</i></b>	<b><i>\$941 per rateable assessment</i></b>

**5.4 Payment of Rates Options and Interest Charges for 2021-2022 Annual Budget**

<b>Location:</b>	Not applicable
<b>Applicant:</b>	Not applicable
<b>File:</b>	FM/9/005
<b>Disclosure of Officer Interest:</b>	None
<b>Date:</b>	28 August 2021
<b>Authors:</b>	D Long – Finance Consultant
<b>Authorizing Officer:</b>	Dale Putland – Chief Executive Officer
<b>Attachments:</b>	Proposed 2021-2022 Annual Budget

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**SUMMARY**

The purpose of this report is for Council to give consideration to the-

1. Setting of options for the payment of rates and service charges for the 2021-2022 financial year;
2. Imposition of an administration fee and instalment interest charge for payments made by instalments; and
3. Imposition of a rate of interest on overdue rates and service charges for the 2021-2022 financial year.

**BACKGROUND**

Section 6.45 requires a local government to set the options for the payment of rates or service charges, as well as the ability to impose an administration fee and an instalment interest charge applicable to those payment options.

Section 6.45 of the *Local Government Act 1995* states-

**6.45. Options for payment of rates or service charges**

- (1) *A rate or service charge is ordinarily payable to a local government by a single payment but the person liable for the payment of a rate or service charge may elect to make that payment to a local government, subject to subsection (3), by —*
  - (a) *4 equal or nearly equal instalments; or*
  - (b) *such other method of payment by instalments as is set forth in the local government’s annual budget.*
- (2) *Where, during a financial year, a rate notice is given after a reassessment of rates under section 6.40 the person to whom the notice is given may pay the rate or service charge —*
  - (a) *by a single payment; or*



- (b) *by such instalments as are remaining under subsection (1)(a) or (b) for the remainder of that financial year.*
- (3) *A local government may impose an additional charge (including an amount by way of interest) where payment of a rate or service charge is made by instalments and that additional charge is, for the purpose of its recovery, taken to be a rate or service charge, as the case requires, that is due and payable.*
- (4) *Regulations may —*
  - (a) *provide for the manner of making an election to pay by instalments under subsection (1) or (2); and*
  - (b) *prescribe circumstances in which payments may or may not be made by instalments; and*
  - (c) *prohibit or regulate any matters relating to payments by instalments; and*
  - (d) *provide for the time when, and manner in which, instalments are to be paid; and*
  - (e) *prescribe the maximum amount (including the maximum interest component) which may be imposed under subsection (3) by way of an additional charge; and*
  - (f) *provide for any other matter relating to the payment of rates or service charges.*

Section 6.51 provides for a local government to impose an interest charge on a rate of service charge that remains unpaid after becoming due and payable.

**6.51. Accrual of interest on overdue rates or service charges**

- (1) *A local government may at the time of imposing a rate or service charge resolve\* to impose interest (at the rate set in its annual budget) on —*
  - (a) *a rate or service charge (or any instalment of a rate or service charge); and*
  - (b) *any costs of proceedings to recover any such charge, that remains unpaid after becoming due and payable.*

**\* Absolute majority required.**

**COMMENT**

***Payment options***

The Shire has traditionally offered two payment options-

- Option 1      Payment in full by the due date.
- Option 2      Payment in four equal instalments, being-
  - (a)      Instalment 1 - 25% of the rates and service charges within 35 days of date of issue;
  - (b)      Instalment 2 - 25% of the rates and service charges within 2 months of (a);

- (c) Instalment 3 - 25% of the rates and service charges within 2 months of (b); and
- (d) Instalment 4 - 25% of the rates and service charges within 2 months of (c).

It is suggested that these payment options continue.

***Administration fee and instalment interest charge***

Section 6.45 of the Act permits Council to impose an administration charge where a payment of rate or service charge is made by instalments.

Regulations 67 and 68 of the *Local Government (Financial Management) Regulations 1996* limit how much can be imposed as an administration charge and as an instalment interest charge.

In 2020-21 the Shire has imposed no administration fee on the second, third and fourth instalment payments.

It is suggested that no administration fee apply to the second, third and fourth instalment payments for 2021-22.

The Shire has also previously imposed an instalment interest charge of 5.5% when option 2 is selected by ratepayers.

Regulation 68 of the *Local Government (Financial Management) Regulations 1996* limits the maximum interest component to be imposed as an instalment interest charge to 5.5%. However, the State Government passed the *Local Government Amendment (COVID-19 Response) Act 2020* on 16 April 2020. This Act provided the power to the Minister for Local Government, Heritage, Culture, and the Arts to modify or suspend provisions of the *Local Government Act 1995*. The Minister published an Order on 8 May 2020 that:

1. Limited the percentage of interest charged on rates instalments to 3.0%, unless the local government has a Financial Hardship Policy in place; and
2. Limited the percentage of interest charged on late payment of rates and charges to 8%, aligning it with the rate of interest charged by the Australian Taxation Office.

As Council does not have a Financial Hardship Policy, the maximum instalment interest charge that can be applied is 3.0%.

***Accrual of interest on overdue rates or service charges***

Section 6.51 of the Act permits Council to impose an interest charge on overdue rates or service charges.

Regulation 70 of *Local Government (Financial Management) Regulations 1996* limits the maximum rate of interest that can be imposed on overdue rates or service charges to 11%. However, the State Government passed the *Local Government Amendment (COVID-19 Response) Act 2020* on 16 April 2020. This Act provided the power to the Minister for Local

Government, Heritage, Culture, and the Arts to modify or suspend provisions of the *Local Government Act 1995*. The Minister published an Order on 8 May 2020 that:

1. Limited the percentage of interest charged on rates instalments to 3.0%, unless the local government has a Financial Hardship Policy in place; and
2. Limited the percentage of interest charged on late payment of rates and charges to 8%, aligning it with the rate of interest charged by the Australian Taxation Office.

On 1 June 2021, the Minister published *Local Government (COVID-19 Response) Amendment Order* in the *Government Gazette* reducing the maximum rate of interest on overdue rates to 7%.

As a result of the Ministerial Order, Council can only impose an interest charge of 7.0% on overdue rates or service charges not paid by the due date.

#### **CONSULTATION**

Internal – Senior Executives

External - Nil

#### **STATUTORY OBLIGATIONS**

*Local Government Act 1995* s.6.45, 6.50, 6.51.

Local Government (Financial Management) Regulations 1996, Regulations 67, 68, 70 and 71.

Local Government (COVID-19 Response) Amendment Order 2021.

#### **POLICY IMPLICATIONS**

Nil

#### **BUDGET/FINANCIAL IMPLICATIONS**

The 2021-22 budget is presented as a balanced budget.

#### **STRATEGIC IMPLICATIONS**

Nil

#### **VOTING REQUIREMENTS**

Absolute Majority

**OFFICER RECOMMENDATION – Item 5.4**

***That Council:***

- 1. Pursuant to Section 6.45 of the Local Government Act 1995, offer two payment options for rates and service charges for the 2021-22 financial year, being-***
  - (a.) Option 1 – Payment in full by a single instalment by the due date, being 35 days from the date of issue of the rate notice;***
  - (b.) Option 2 - Payment in four equal instalments, being***
    - (i) Instalment 1 - 25% of the rates and service charges within 35 days of date of issue of the rate notice;***
    - (ii) Instalment 2 - 25% of the rates and service charges within 2 months of (i);***
    - (iii) Instalment 3 - 25% of the rates and service charges within 2 months of (ii); and***
    - (iv) Instalment 4 - 25% of the rates and service charges within 2 months of (iii).***
- 2. Pursuant to Section 6.45 of the Local Government Act 1995, that no administration fee apply to the payment of rates by instalments.***
- 3. Pursuant to Section 6.45 of the Local Government Act 1995, impose an instalment interest charge of 3.0%, which is to apply to Instalments 2, 3 and 4 under payment option 2.***
- 4. Pursuant to Section 6.51 of the Local Government Act 1995, impose a 7.0% rate of penalty interest on overdue rates and service charges that remain unpaid after the due date.***

**6 URGENT BUSINESS BY APPROVAL OF THE PRESIDENT OR A MAJORITY OF COUNCILLORS PRESENT**

**6.1 Review of the Schedule of Fees & Charges**

<b>Location:</b>	<i>Not applicable</i>
<b>Applicant:</b>	<i>Not applicable</i>
<b>File:</b>	<i>FM/10/011</i>
<b>Disclosure of Officer Interest:</b>	<i>None</i>
<b>Date:</b>	<i>31 August 2021</i>
<b>Authors:</b>	<i>Ben Robinson – Finance Manager</i>
<b>Authorizing Officer:</b>	<i>Carolyn Mallett – Acting D/CEO</i>
<b>Attachments:</b>	<i>Draft 2021-22 Schedule of Fees &amp; Charges</i>

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**SUMMARY**

This matter is put before Council to undertake a review of and adopt the Schedule of Fees & Charges to come into effect in 2021-22.

**BACKGROUND**

As it was in 2020-21, Council's 2021-22 Schedule of Fees & Charges (the Schedule), is to be reviewed separately in the annual budget preparation process.

Council's Long Term Financial Plan 2017-2027 (the LTFP), 'assumes' that fees and charges will increase annually by 3.0%. Note that at Special Council Meeting 02 April 2020 it was resolved (Res 44/20) that there be a 0% increase in Fees & Charges for the 2020-21 financial year.

For reference purposes the attached Schedule shows the Fees & Charges that were imposed in 2020-21, and charges proposed for 2021-22. The proposed charges represent the 2020-21 imposed charges with a 3.0% increase, plus newly proposed charges.

Proposed new Fees & Charges in 2021-22 include:

- Re-instate previously imposed Administration fee on Instalment Arrangements for Instalments 2, 3 and 4 of \$14.00
- Statutory Fee for Infringement Enforcement Final Demand \$24.80
- Statutory Fee for Infringement Enforcement Registry Certificate \$21.10
- Statutory Fee for Infringement Enforcement Registry Registration Fee \$79.50

- Note that Dog Registrations after 31 May in any year, for that registration year be ½ of the Registration Fee
- Reinstate previously imposed Application fee to keep more than the prescribed number of dogs (currently 2), reduced to \$80.00
- New Application Fee to keep more than the prescribed number of cats (currently 2) of \$80.00
- New Cat Breeding Application fee for approval or renewal to breed cats of \$100.00 per cat
- New Vehicle Impound Fee of \$150.00
- New breakdown of Sustenance Fees, varying rates
- New Vet Fees, Microchipping, Sterilisation Fees At Cost + 30%
- New Ranger Inspection Fee – Dangers Dog/Kennel of \$50.00
- New Mobile Food Vendor Licence of \$195.00
- New Medical Fees – File Copy of Records for Third Parties of \$160.00, Work Cover Case Conference \$330.00, Consumables \$20.00, \$30.00, \$40.00
- New Degassing of White Goods at Transfer Station of \$30.00
- New Cleaning Charges for hired facilities of \$50.00 per hour
- New Fee for leaving lights on following conclusion of event at sporting facilities of \$100.00
- New Water Aerobics – 10 Class Pass of \$63.00
- New Flax Mill Storage Key Bond of \$25.00

For those fees that are statutory in nature (e.g. – development application fees, building fees, swimming pool inspection fees, FOI fees, etc), Council is without discretion to set fees other than that permitted by the applicable legislation. However, at this point there have been no increases to those Fees & Charges.

#### **COMMENT**

All fees are reviewed annually. Often the fee will not cover the cost of providing a service (the subject of the fee), with a portion of the service costs being funded from other (General Purpose) revenues streams e.g. rates.

#### **CONSULTATION**

Section managers and key personnel within the organisation were approached for input into the proposed 2021-22 Fees & Charges.

#### **STATUTORY OBLIGATIONS**

Regulation 5 (2)(b) of the *Local Government (Financial Management) Regulations 1996* states:

(2) *The CEO is to –*

*(b) assist the Council to undertake reviews of fees and charges regularly (and not less than once in every financial year);*

Section 6.16(1) and (2) of the *Local Government Act 1995* states:

*(1) A local government may impose\* and recover a fee or charge for any goods or service it provides or proposes to provide, other than a service for which a service charge is imposed.*

*\* Absolute majority required.*

*(2) A fee or charge may be imposed for the following —*

*(a) providing the use of, or allowing admission to, any property or facility wholly or partly owned, controlled, managed or maintained by the local government;*

*(b) supplying a service or carrying out work at the request of a person;*

*(c) subject to section 5.94, providing information from local government records;*

*(d) receiving an application for approval, granting an approval, making an inspection and issuing a licence, permit, authorisation or certificate;*

*(e) supplying goods;*

*(f) such other services as may be prescribed.*

Section 6.17(1) of the *Local Government Act* states:

*In determining the amount of a fee or charge for a service or for goods a local government is required to take into consideration the following factors —*

*(a) the cost to the local government of providing the service or goods;*

*(b) the importance of the service or goods to the community; and*

*(c) the price at which the service or goods could be provided by an alternative provider.*

#### **POLICY IMPLICATIONS**

Nil

#### **BUDGET/FINANCIAL IMPLICATIONS**

The draft 2021-22 Annual Budget will include income streams that will have been derived using the attached draft Schedule of Fees & Charges.

#### **STRATEGIC IMPLICATIONS**

Every effort has been made to identify those appropriate areas where the user pays cost recovery principle might reasonably be applied.

**SUSTAINABILITY IMPLICATIONS**

The fees are determined having regard to the cost of providing the service, the scope of the service and the anticipated preparedness of a person to pay the fee.

**VOTING REQUIREMENTS**

Simple Majority

**OFFICER RECOMMENDATION – Item 6.1**

**That Council endorses for adoption at the time of adopting the 2021-22 Annual Budget, the 2021-22 Schedule of Fees & Charges as per the Attachment.**

**7 CLOSURE OF MEETING**

There being no further business the Presiding Member thanked all for their attendance and declared the meeting closed at