

SHIRE OF  
**MERREDIN**  
INNOVATING THE WHEATBELT

# AGENDA

## Ordinary Council Meeting

To be held in Council Chambers Corner  
King & Barrack Streets, Merredin  
Tuesday, 21 May 2024  
Commencing 4.00pm



# Notice of Meeting



Dear President and Councillors,

The next Ordinary Meeting of the Council of the Shire of Merredin will be held on Tuesday, 21 May 2024 in the Council Chambers, corner of King and Barrack Streets, Merredin. The format of the day will be:

2:00pm Briefing Session

4:00pm Council Meeting

JOHN MERRICK  
TEMPORARY CHIEF EXECUTIVE OFFICER  
17 May 2024

## DISCLAIMER

### **PLEASE READ THE FOLLOWING IMPORTANT DISCLAIMER BEFORE PROCEEDING:**

Statements or decisions made at this meeting should not be relied or acted on by an applicant or any other person until they have received written notification from the Shire. Notice of all approvals, including planning and building approvals, will be given to applicants in writing. The Shire of Merredin expressly disclaims liability for any loss or damages suffered by a person who relies or acts on statements or decisions made at a Council or Committee meeting before receiving written notification from the Shire.

The advice and information contained herein is given by and to Council without liability or responsibility for its accuracy. Before placing any reliance on this advice or information, a written inquiry should be made to Council giving entire reasons for seeking the advice or information and how it is proposed to be used.

<b>Common Acronyms Used in this Document</b>	
CBP	Corporate Business Plan
CEACA	Central East Accommodation & Care Alliance Inc
CEO	Chief Executive Officer
CSP	Community Strategic Plan
CWVC	Central Wheatbelt Visitors Centre
EO	Executive Officer
EMCS	Executive Manager Corporate Services
EMDS	Executive Manager Development Services
EMES	Executive Manager Engineering Services
EMS&C	Executive Manager Strategy & Community
GECZ	Great Eastern Country Zone
GO	Governance Officer
LGIS	Local Government Insurance Services
LPS	Local Planning Scheme
MCO	Media and Communications Officer
MoU	Memorandum of Understanding
MP	Manager of Projects
MRCLC	Merredin Regional Community and Leisure Centre
SRP	Strategic Resource Plan
WALGA	Western Australian Local Government Association
WERO	Wheatbelt East Regional Organisation of Councils



## May Ordinary Council Meeting

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Shire of Merredin  
Ordinary Council Meeting  
4:00pm Tuesday, 21 May 2024



**1. Official Opening**

**2. Record of Attendance / Apologies and Leave of Absence**

**Councillors:**

Cr M McKenzie	President
Cr R Manning	Deputy President
Cr B Anderson	
Cr H Billing	
Cr D Crook	
Cr L O'Neill	
Cr M Simmonds	
Cr P Van Der Merwe	

**Staff:**

J Merrick	T/CEO
L Boehme	EMCS
A Tawfik	EMES
C Brindley-Mullen	EMS&C
P Zenni	EMDS
M Wyatt	EO
A Bruyys	GO

**Members of the Public:**

**Apologies:**

**Approved Leave of Absence:**

**3. Public Question Time**

Members of the public may submit questions up to 2pm on the day of the meeting by emailing [ea@merredin.wa.gov.au](mailto:ea@merredin.wa.gov.au).

**4. Disclosure of Interest**

**5. Applications of Leave of Absence**

## 6. Petitions and Presentations

Nil

## 7. Confirmation of Minutes of Previous Meetings

- 7.1 Ordinary Council Meeting held on 30 April 2024  
Attachment 7.1A

### Voting Requirements

- Simple Majority  Absolute Majority

### Officer's Recommendation

**That the Minutes of the Ordinary Council Meeting held on 30 April 2024 be confirmed as a true and accurate record of proceedings.**

## 8. Announcements by the Person Presiding without Discussion

## 9. Matters for which the Meeting may be Closed to the Public

- 19.1 Adoption of Omnibus Scheme Amendment (Shire of Merredin Local Planning Scheme No 6 Amendment No 8 – Omnibus Amendment)
- 19.2 Adoption of Local Planning Strategy Review (Shire of Merredin Local Planning Strategy - 2024)
- 19.3 Variation of Existing Contract for the Provision of Planning Services – Planwest (WA) Pty Ltd
- 19.4 Acceptance of Tender E-Quotes RFQ19 - 2023/24 Provision of Waste and Recycling Collection Services to the Shire of Merredin

## 10. Receipt of Minutes of Meetings

- 10.1 Minutes of the Annual Electors Meeting held on 23 January 2024.  
Attachment 10.1A
- 10.2 Minutes of the Regional Development Assessment Panel Meeting held on 18 April 2024.  
Attachment 10.2A
- 10.3 Minutes of the Great Eastern Country Zone Meeting held 11 April 2024.  
Attachment 10.3A
- 10.4 Minutes of the Audit Committee Meeting held on 21 May 2024.  
Attachment 10.4A (*to be circulated prior to the meeting*)

### Voting Requirements



Simple Majority



Absolute Majority

### Officer's Recommendation

That Council;

1. RECEIVE the minutes of the Annual Electors Meeting held on 23 January 2024;
2. RECEIVE the minutes of the Regional Development Assessment Panel Meeting held on 18 April 2024;
3. RECEIVE the minutes of the Great Eastern Country Zone Meeting held 11 April 2024;  
and
4. RECEIVE the minutes of the Audit Committee Meeting held on 21 May 2024.

## 11. Recommendations from Committee Meetings for Council Consideration

Nil

**12. Officer's Reports – Development Services**

Nil


**13. Officer's Reports – Engineering Services**

Nil



## 14. Officer’s Reports – Corporate and Community Services

### 14.1 Statement of Financial Activity – April 2024

<h2>Corporate Services</h2> 	
<b>Responsible Officer:</b>	Leah Boehme, EMCS
<b>Author:</b>	As Above
<b>Legislation:</b>	<i>Local Government Act 1995</i> <i>Local Government (Financial Management) Regulations 1996</i>
<b>File Reference:</b>	Nil
<b>Disclosure of Interest:</b>	Nil
<b>Attachments:</b>	Attachment 14.1A – Statement of Financial Activity Attachment 14.1B – Detailed Statements Attachment 14.1C – Capital Works Progress Attachment 14.1D – Investment Report

#### Purpose of Report



Executive Decision



Legislative Requirement

For Council to receive the Statements of Financial Activity and Investment Report for the month of April 2024, and be advised of associated financial matters, including consideration of proposed budget amendments.

#### Background

The Statement of Financial Activity, Detailed Statements, Capital Works Progress and Investment Report are attached for Council’s information.

Additionally, a proposed amendment to the Visitor Centre relocation budgets to move funds from the capital to the operational GL has also been included. This is necessary for payment of invoices that are under \$5,000 and not related to building improvement. The operational account was created during the February Budget Review, however, at the time, we were unsure the total amount that would be required. This has now been expended and further funds are required.

#### Comment

#### Statement of Financial Activity

Regulation 34 of the *Local Government (Financial Management) Regulations 1996* requires the Shire of Merredin (the Shire) to prepare a monthly statement of financial activity for consideration by Council within 2 months after the end of the month of the report. These reports are included at Attachments 14.1A to D inclusive.

### Budget Amendments

The following budget amendments are recommended:

GL/Job	Description	Current Budget	Variation Amount	Revised Budget	Reason
2130293	TOUR – Visitor Centre Relocation Mun	\$5,000	\$5,000	\$10,000	Further funds required for non-capital relocation expenditure
PC036	CBD Redevelopment - Visitor Centre Relocation	\$370,000	(\$5,000)	\$365,000	
PC007	CBD Redevelopment	\$3,381,343	(\$40,000)	\$3,341,343	Funds required for non-capital redevelopment expenditure
New GL	CBD Redevelopment – Operational expenditure	\$0	\$40,000	\$40,000	

The above-mentioned amendments are recommended due to some relocation and redevelopment items not being able to be classified as Capital expenditure. By moving funds from the capital accounts to operational accounts, expenses will be able to be properly treated moving forward.

### Policy Implications

Nil

### Statutory Implications

As outlined in the *Local Government Act 1995* and the *Local Government (Financial Management) Regulations 1996*.

### Strategic Implications

#### ∅ Strategic Community Plan

Theme: 4. Communication and Leadership  
 Service Area Objective: 4.2.2 The Shire is progressive while exercising responsible stewardship of its built, natural and financial resources  
 Priorities and Strategies for Change: Nil

#### ∅ Corporate Business Plan

Theme: 4. Communication and Leadership

Priorities: Nil  
Objectives: 4.2 Decision Making

### Sustainability Implications

∅ Strategic Resource Plan

Compliance with the *Local Government (Administration) Regulations 1996* and to also give Council some direction regarding its management of finance over an extended period of time.

### Risk Implications

The Statement of Financial Activity is presented monthly and provides a retrospective picture of the activities at the Shire. Contained within the report is information pertaining to the financial cost and delivery of strategic initiatives and key projects.

To mitigate the risk of budget over-runs or non-delivery of projects, the Chief Executive Officer (CEO) has implemented internal control measures such as regular Council and management reporting and a quarterly process to monitor financial performance against budget estimates.

Materiality reporting thresholds have been established at 10% or \$10,000 whichever is greater, for operating and capital, to alert management prior to there being irreversible impacts.

It should also be noted that there is an inherent level of risk of misrepresentation of the financials through either human error or potential fraud.

The establishment of control measures through a series of efficient systems, policies and procedures, which fall under the responsibility of the CEO as laid out in the *Local Government (Financial Management Regulations) 1996* regulation 5, seek to mitigate the possibility of this occurring.

These controls are set in place to provide daily, weekly, and monthly checks to ensure that the integrity of the data provided is reasonably assured.

### Financial Implications

The adoption on the Statements of Financial Activity is retrospective. Accordingly, the financial implications associated with adopting this are nil.

In regard to the proposed budget amendments, the movement of funds from the capital account to the operational account does not have any overall impact on the budget.

**Voting Requirements**

Simple Majority

Absolute Majority


**Officer’s Recommendation**

**That Council:**

1. **RECEIVE** the Statements of Financial Activity and Investment Report for the period ending 30 April 2024 in accordance with Regulation 34 of the Local Government (Financial Management) Regulations 1996; and
2. **APPROVES** amendments to the Shire of Merredin 2023/24 Annual Budget as per the following table, pursuant to section 6.8(1(b)) of the Local Government Act 1995:

GL/Job	Description	Current Budget	Variation Amount	Revised Budget	Reason
2130293	TOUR – Visitor Centre Relocation Mun	\$5,000	\$5,000	\$10,000	Further funds required for non-capital relocation expenditure
PC036	CBD Redevelopment - Visitor Centre Relocation	\$370,000	(\$5,000)	\$365,000	
PC007	CBD Redevelopment	\$3,381,343	(\$40,000)	\$3,341,343	Funds required for non-capital redevelopment expenditure
New GL	CBD Redevelopment – Operational expenditure	\$0	\$40,000	\$40,000	

**14.2 List of Accounts Paid – April 2024**

<h2 style="margin: 0;">Corporate Services</h2> 	
<b>Responsible Officer:</b>	Leah Boehme, EMCS
<b>Author:</b>	As above
<b>Legislation:</b>	<i>Local Government Act 1995</i> <i>Local Government (Financial Management) Regulations 1996</i>
<b>File Reference:</b>	Nil
<b>Disclosure of Interest:</b>	Nil
<b>Attachments:</b>	Attachment 14.2A - Payments Listing April 2024

**Purpose of Report**

- Executive Decision
  Legislative Requirement

For Council to receive the schedule of accounts paid for the month of April 2024.

**Background**

The attached list of accounts paid during the month of April 2024, under Delegated Authority, is provided for Council’s information and endorsement.

**Comment**

Nil

**Policy Implications**

Nil

**Statutory Implications**

As outlined in the *Local Government Act 1995* and the *Local Government (Financial Management) Regulations 1996*.

**Strategic Implications**

∅ Strategic Community Plan

Theme: 4. Communication and Leadership

Service Area Objective: 4.2.2 The Shire is progressive while exercising responsible stewardship of its built, natural and financial resources

Priorities and Strategies for Change: Nil

∅ Corporate Business Plan

Theme: 4. Communication and Leadership

Priorities: Nil

Objectives: 4.2 Decision Making

### Sustainability Implications

∅ Strategic Resource Plan

Compliance with the *Local Government (Administration) Regulations 1996* and to also give Council some direction regarding its management of finance over an extended period of time.

### Risk Implications

Council would be contravening the *Local Government Act 1995* and *Local Government (Financial Management) Regulations 1996* should this item not be presented.

### Financial Implications

All liabilities settled have been in accordance with the Annual Budget provisions.

### Voting Requirements



Simple Majority



Absolute Majority

### Officer's Recommendation

That Council RECEIVE the schedule of accounts paid during April 2024 as listed, covering cheques, EFT's, directly debited payments and wages, as numbered and totaling \$1,297,924.09 from the Merredin Shire Council Municipal bank account and \$0 from the Merredin Shire Council Trust bank account.

### 14.3 Differential Rating Strategy 2024/25

<h2>Corporate Services</h2> 	
<b>Responsible Officer:</b>	Leah Boehme, EMCS
<b>Author:</b>	As above
<b>Legislation:</b>	<i>Local Government Act 1995</i> <i>Local Government (Financial Management) Regulations 1996</i>
<b>File Reference:</b>	Nil
<b>Disclosure of Interest:</b>	Nil
<b>Attachments:</b>	Attachment 14.3A – Statement of Objects and Reasons for Differential Rating in 2024/25 Attachment 14.3B – 2024-25 Rates % Increase Comparison

#### Purpose of Report



Executive Decision



Legislative Requirement

For Council to decide the percentage rates yield increase for adoption in 2024/25 and to approve advertising of the proposed differential and minimum rates for the 2024/2025 financial year and invite community feedback on those proposed.

#### Background

##### Process of setting differential and minimum rates:

Local Governments are empowered to impose differential general rates subject to compliance with Section 6.33 of the *Local Government Act 1995*.

Differential rating provides Council with flexibility in the level of rates being raised from specifically identified properties or groups of properties within the community. It is common for Councils to base differential rating for properties on Town Planning Scheme zonings, however other criteria such as land use may be used.

Once a budget deficiency has been determined, and after taking into consideration the objectives of the Strategic Community Plan and Corporate Business Plan, a rating strategy and proposed differential general rates in the dollar can be determined. Rates should not be increased by a fixed amount without due consideration of the deficiency. Unless Ministerial approval is given, the amount expected to be raised through all types of local government rates must be within 90% to 110% of the deficiency of the budget (s6.34). This acts to limit the amount that may be raised by rates, but only in proportion to the expenditure requirement determined by the local government, and not in the manner of a set cap on the maximum level of income which can be raised through rates.

Council is required to give local public notice prior to imposing any differential general rates, or any minimum payment applying to a differential rate category for a minimum of 21 days. Council does, however, have the discretion to vary the rate in the dollar and minimum rate during its budget deliberations without having to re-advertise the changes.

Before local public notice is given, proposed rates should be determined by Council, along with the objects and reasons, providing justification for each differential general rate or minimum payment. It is important that these provide sufficient supporting information to electors and ratepayers, or local governments may be asked to re-advertise by the Minister for Local Government (the Minister).

Differential rating does not currently apply to properties utilising Gross Rental Valuations.

In considering the differential rating, Council must consider the necessary increase to the rates yield that will be required for the 2024/25 financial year.

#### **Considerations:**

The following matters are for Council to consider when determining an appropriate rate increase for the Shire of Merredin (the Shire) in the 2024/25 financial year.

#### *Economic Climate*

The changing economic climate and Consumer Price Index (CPI) rises have had a significant impact, contributing to rising costs for services, materials and supply chain disruptions.

The Shire's Strategic Community Plan 2020-2030 had assumed a minimum annual rate increase of 3% per annum, consisting of 2% CPI and 1% for service changes over time.

Unfortunately, the assumed CPI increases of 2% per annum, was a significant underestimation of the annual CPI impact - with actual CPI increases of 5.1% and 7% CPI respectively in each of the 2021/22 and 2022/23 financial years (using March 2022 – March 2023 figures), leaving a 8.1% shortfall in the assumptions, which has been absorbed. This does not include the CPI increase for March 2023 to March 2024, which has been stated to be a further 5.3%, taking the shortfall to 11.4% (based on 2% rates increases being allocated annually to CPI).

Council's decision to increase the Shire's rates yield for 2023/24 by 9% pulled back a portion of this deficit. Of the 9%, 2% would have covered the budgeted CPI increase, with 7% reducing the overall 11.4% shortfall to 4.4%.

Policy levers which have been applied by Council and the Administration to manage CPI and the zero COVID rates increase in the last few budget years, have included small reductions in service levels, delay of non-essential capital renewals, and draw down on reserves. This continued in the 2023/24 financial year.

It is currently predicted that the upcoming CPI rise (March 2024 to March 2025) will be 2.4%.

#### *Landgate Revaluations*

In the 2023/24 financial year, Landgate completed general revaluations of all gross rental value (GRV) properties within the Shire. The following changes occurred to the level of values for the Shire and will come into force from 1 July 2024:

- Residential: 1212 properties with an average change of 20.4%
- Commercial: 69 properties with an average change of 14.19%
- Industrial: 77 properties with an average change of 31.44%
- Vacant Land: 129 properties with an average change of 1.3%
- Miscellaneous: 12 properties with an average change of 101.58%



Overall, the change to the GRV valuations roll was 20.86% based on 1499 properties.

Rural Unimproved General Valuations have also seen an overall average change for the Shire of 24.55%. This relates to broadacre agricultural properties.

#### *Rate in the Dollar (RID) Calculations*

With the significant increases to property gross rental valuations, it has been necessary to significantly decrease the RID for all rating categories to ensure ratepayers did not feel the full effect of these changes. This also meant that a blanket RID increase was unable to occur, due to this method causing the Shire to have a top RID that is more than double the lowest RID, which is not permitted without Ministerial approval. Section 6.33 (3) of the *Local Government Act 1995* outlines “*In imposing a differential general rate a local government is not to, without the approval of the Minister, impose a differential general rate which is more than twice the lowest differential general rate imposed by it.*”

To ensure the Shire remains compliant, the UV2 - Urban Rural RID will need to decrease further, which would mean that the total yield would decrease by between \$17,000 and \$19,000, depending on the percentage total rates yield selected by Council. This equates to roughly a 0.4% decrease to the total rates yield, so a 4% increase would actually provide the Shire with around a 3.6% increase to total rates yield. To counter this, it is proposed that a small increase be made to the UV1 – Rural category and the UV4 – Special Use Power Generation Categories to make up the difference.

#### *Recreation Services*

The operation of the Merredin Regional Community and Leisure Centre (MRCLC) is an important consideration in relation to the development of the 2024/25 Annual Budget, and therefore the rates yield increase required, with the cost of recreation services expected to increase further in the 2024/25 financial year.

With the Shire now managing the MRCLC, a large number of funds were allocated to the cleaning, maintenance and set-up of the centre, including the Grandstand Bar and Restaurant during the 2023/24 financial year. In 2024/25, it is anticipated that a significant number of capital works may be required to ensure the facility is operating at an appropriate level. A consultant will be engaged early in 2024/25 to develop a Recreation Master Plan that will assist Council and the Administration to identify priorities. As this Plan will not be available until mid-way through the financial year, it is proposed to earmark \$500,000 to capital works at the MRCLC, and then allocate these funds as necessary once the Plan is received and Council have identified the urgent priorities for the centre.

Council should note, the Civic Bowling Club have approached the Shire about replacement of their bowling greens in the 2024/25 financial year, due to the current surface regularly bubbling when it rains. The estimated cost per green is \$173,800 (inc. GST) and the Club are prepared to assist with a portion of the works utilising their own funds. The replacement of these greens is earmarked on the Shire’s replacement schedule for the 2024/25 financial year, however, in the past due dates for items have been pushed back if deemed to not be urgent or financially viable.

It has also been raised that some significant capital works may be necessary at the Merredin District Olympic Swimming Pool during the 2024/25 financial year and beyond.

Currently, the Recreation Facilities Reserve has a balance of \$942,419.79. It would not be advisable to pull all required funds from the reserve, due to the majority of the Shire’s reserves being accessed in the past few years, with no significant funds being reinvested,

however a portion of the required funds may need to be drawn down to ensure the budget can be balanced, without imposing another large increase on rate payers.

#### *Loan Repayment – CBD Redevelopment*

The CBD upgrade project, which is currently in progress has been partly funded with a loan from WA Treasury Corporation (WATC). This was to meet the original Building Better Regions Funds requirements for the Shire to meet at least 50% of the total project costs, matching the federal grant funding of \$2,139,309.

In early 2024, the loan was drawn down with the total loan amount accessed of \$1,480,000, with the annual repayments totalling \$180,200 (split into two repayments of \$90,100 each) due to commence in the 2024/25 financial year.

The value of these repayments equates to an estimated ~3.5% increase to the total rates yield from 2023/24.

#### *Salaries and Wages*

Though the wage case has not yet been released for the coming year, it is predicted that this will be around the CPI rate, which was 5.3% for the period March 2023 to March 2024. The SAT determination of a 4% increase for CEOs and Councillors would also indicate a figure in this area for wage increases. Staff wages are the largest average expenditure for the Shire annually, so an increase such as above will require a substantial financial commitment in the budget. Based on 2024/25 budget, a 4% increase would equate to around \$185,000, a further ~3.5% increase to total rates yield.

#### *Conclusion*

As a result of the above, the Administration consider a minimum ~5% increase to total yield as the base required to help partly offset CPI increases and predicted expenditure above that experienced in 2023/24, which will increase the rates yield by a figure of \$263,432.92.

This does not account for any decreases to income that Council may be considering or increases to current organisation service levels.

#### **Table of Rates:**

The current 2023/24 Table of Rates (Unimproved Valuations) is set out below:

Unimproved Value	Minimum Rate	Rate in \$
UV1 – Rural	\$1,130.00	0.01918
UV2 – Urban Rural	\$1,130.00	0.03712
UV3 – Mining	\$200.00	0.03654
UV4 – Power Generation Gen	\$1,130.00	0.03513
UV5 – Special Use Airstrip	\$1,130.00	0.03513

The Administration has provided, as part of this agenda item below, a number of options for Council to consider in relation to the percentage yield increase that they may choose to apply for the 2024/25 financial year.

It should be noted, to meet the considerations described above, the following total yield increases would be required:

- Minimal CPI offset (estimated 2% for minimum partial off-set, which is below the 2.4% for the 2024 forecast CPI)

- Two full loan repayments – CBD redevelopment (estimated 3.5%)
- Salaries and wages (estimated 3.5%)

*Total: 9%*

Based on the above, a 9% minimum rate yield increase would be required to meet these considerations without reducing current services or capital works. This also assumes that untied financial assistance grants received by the organisation are likely to increase somewhat, to assist in meeting rising service costs.

Should Council choose to adopt a lesser yield increase than the above, this will result in reductions of either service levels across the organisation, or a reduction in capital expenditure (with the exception of committed projects).

It should be noted that reduction in capital is something that has already been implemented over a number of previous financial years, and the remaining capital works have focused on strategically aligned projects, such as grant funded roads and other capital projects (and co-funding where required). This results in less opportunities to delay capital as a policy option than in previous years.

As a result, the most likely opportunity to balance the budget depending on the chosen rates yield would be with reduction across services, varying based on the percentage chosen. This would be dealt with during budget development.

The Administration has stepped out the implications for each of the modelled options, to allow Council to make informed choices about maintaining, or reducing service levels across the organisation.

#### **Options for Consideration of Council:**

##### *Option One: 3% increase to total rates yield*

Should Council choose to apply a 3% increase to the total rates yield, this would result in an increase of \$157,548.91 from the 2023/24 rates yield.

This revenue would cover a portion of the loan repayment required to meet the Shire's commitment to the CBD and Apex Park Projects. Choosing this option does not account for the anticipated capital expenditure that will be required across the organisation, increases to the wage case that will likely occur, effects to expenditure of CPI or the remainder of the loan repayments. A reduction to services across the organisation would likely be required. This figure does not take into account any increase to current service levels across the organisation, or any reduction in income that Council may propose.

The Table of Rates (Unimproved Valuations) for a 3% yield increase is set out below:

Unimproved Value	Minimum Rate	Rate in \$
UV1 – Rural	\$1.160.00	0.01305
UV2 – Urban Rural	\$1.160.00	0.02610
UV3 – Mining	\$200.00	0.02477
UV4 – Power Generation Gen	\$1.160.00	0.02476
UV5 – Special Use Airstrip	\$1.160.00	0.02351

##### *Option Two: 4% increase to total rates yield*

Should Council choose to apply a 4% increase to the total rates yield, this would result in an increase of \$208,589.07 from the 2023/24 rates yield.

This revenue would cover the total of the loan repayments required to meet the Shire’s commitment to the CBD and Apex Park Projects with a small portion (\$28,000) available to allocate towards capital expenditure. Choosing this option does not account for the majority of the anticipated capital expenditure that will be required across the Shire, increases to the wage case that will likely occur, or the effects of CPI on operational expenditure. A reduction to services across the organisation would likely be required. This figure does not take into account any increase to current service levels across the organisation, or any reduction in income that Council may propose.

The Table of Rates (Unimproved Valuations) for a 4% yield increase is set out below:

Unimproved Value	Minimum Rate	Rate in \$
UV1 – Rural	\$1,160.00	0.01318
UV2 – Urban Rural	\$1,160.00	0.02636
UV3 – Mining	\$200.00	0.02533
UV4 – Power Generation Gen	\$1,160.00	0.02530
UV5 – Special Use Airstrip	\$1,160.00	0.02374

*Option Three: 5% increase to total rates yield*

Should Council choose to apply a 5% increase to the total rates yield, this would result in an increase of \$263,432.92 from the 2023/24 rates yield.

This revenue would cover the total of the loan repayments required to meet the Shire’s commitment to the CBD and Apex Park Projects with a slightly larger portion (\$83,000) available to allocate towards capital expenditure. Choosing this option does not account for the majority of the anticipated capital expenditure that will be required across Shire facilities, increases to the wage case that will likely occur, or the effects of CPI on operational expenditure. A reduction to services across the organisation would still likely be required. This figure does not take into account any increase to current service levels across the organisation, or any reduction in income that Council may propose.

The Table of Rates (Unimproved Valuations) for a 5% yield increase is set out below:

Unimproved Value	Minimum Rate	Rate in \$
UV1 – Rural	\$1,160.00	0.01332
UV2 – Urban Rural	\$1,160.00	0.02665
UV3 – Mining	\$200.00	0.02587
UV4 – Power Generation Gen	\$1,160.00	0.02580
UV5 – Special Use Airstrip	\$1,160.00	0.02397

*Option Four: 6% increase to total rates yield*

Should Council choose to apply a 6% increase to the total rates yield, this would result in an increase of \$314,033.59 from the 2023/24 rates yield.

This revenue would cover the total of the loan repayments required to meet the Shire’s commitment to the CBD and Apex Park Projects with a larger portion (\$134,000) available to allocate towards capital expenditure. Choosing this option does not account for a large portion of the anticipated capital expenditure that will be required across the Shire, increases to the wage case that will likely occur, or the effects of CPI on operational expenditure. A reduction to services across the organisation would still likely be required. This figure does

not take into account any increase to current service levels across the organisation, or any reduction in income that Council may propose.

The Table of Rates (Unimproved Valuations) for a 6% yield increase is set out below:

Unimproved Value	Minimum Rate	Rate in \$
UV1 – Rural	\$1,160.00	0.01339
UV2 – Urban Rural	\$1,160.00	0.02679
UV3 – Mining	\$200.00	0.02642
UV4 – Power Generation Gen	\$1,160.00	0.02600
UV5 – Special Use Airstrip	\$1,160.00	0.02419

*Option Five: 7% increase to total rates yield*

Should Council choose to apply a 7% increase to the total rates yield, this would result in an increase of \$365,248.55 from the 2023/24 rates yield.

This revenue would cover the total of the loan repayments required to meet the Shire’s commitment to the CBD and Apex Park Projects with a larger portion (\$185,000) available to allocate towards capital expenditure. Choosing this option does not account for a large portion of the anticipated capital expenditure that will be required across the Shire, increases to the wage case that will likely occur, or the effects of CPI on operational expenditure. A reduction to services across the organisation would still likely be required. This figure does not take into account any increase to current service levels across the organisation, or any reduction in income that Council may propose.

The Table of Rates (Unimproved Valuations) for a 7% yield increase is set out below:

Unimproved Value	Minimum Rate	Rate in \$
UV1 – Rural	\$1,160.00	0.01355
UV2 – Urban Rural	\$1,160.00	0.02710
UV3 – Mining	\$200.00	0.02697
UV4 – Power Generation Gen	\$1,160.00	0.02650
UV5 – Special Use Airstrip	\$1,160.00	0.02442

These options are all presented for the consideration of Council.

Comment
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Rateable properties in the Shire are rated on either GRV or Unimproved Value (UV).

Values are determined by the Valuer General’s Office (VGO). Typically, properties within the town boundary are rated using GRV, which is based on an estimate of what the improved property will generate in rent in a year. GRV properties are revalued every three to five years, based on programs determined by the Valuer-General. A revaluation for the Shire occurred in August 2023.

Other properties in the Shire are rated using unimproved values, based on the capital value of the unimproved (bare) land. UV properties are revalued every year by the VGO. Whilst unimproved values are based on the capital value of the land, land prices are still linked to the land’s capacity to generate annual revenue.

The Shire generates rate revenue by charging a rate-in-the-dollar (rates) against the valuations. The Shire’s UV properties are rated as Rural, Urban Rural, Mining, Power Generation and Special Use Airstrip.

The actual rates yield received in previous years is described in the table below. The 2024/25 rate in the dollar figures have been added for a proposed 5% increase, however this will be subject to change based on Councils decision.

RATE CATEGORY & TYPE	2022-23 Year (actuals)			2023-24 Year (actuals)			2024-25 Year (proposed - 5% example)		
	Rate in \$ (cents)	Min \$	Rates Raised	Rate in \$ (cents)	Min \$	Rates Raised	Rate in \$ (cents)	Min \$	Rates Raised
<b>Gross Rental Value</b>									
Gross Rental Value	0.112602	910	2,308,754	0.125774	910	\$ 2,519,212	0.109400	940	\$ 2,645,222
<b>Unimproved Value</b>									
UV1 Rural	0.017520	1,130	2,126,030	0.015758	1,130	2,320,413	0.013325	1,160	\$ 2,451,224
UV2 Urban Rural	0.033280	1,130	166,846	0.031480	1,130	177,643	0.026650	1,160	\$ 169,334
UV3 Mining	0.032200	200	8,328	0.023000	200	9,354	0.025875	200	\$ 6,886
UV4 Special Zone Power Generation	0.032200	1,130	168,141	0.028900	1,130	181,758	0.025800	1,160	\$ 198,761
UV5 Special Use Airstrip	0.032200	1,130	7,052	0.028900	1,130	7,716	0.023971	1,160	\$ 8,102
			<b>4,785,151</b>			<b>5,216,096</b>			<b>\$ 5,479,529</b>

### Policy Implications

Nil

### Statutory Implications

Section 6.33 of the *Local Government Act 1995* allows for local governments to differentially rate properties.

Section 6.33 (3) of the *Local Government Act 1995* outlines “*In imposing a differential general rate a local government is not to, without the approval of the Minister, impose a differential general rate which is more than twice the lowest differential general rate imposed by it.*”

As the highest UV sub-category rate is less than twice the lowest, Ministerial approval is not required.

Section 6.35 of the *Local Government Act 1995*:

#### 6.35. Minimum payment

(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.*

*[Section 6.35 amended by No. 49 of 2004 s. 61.]*

Section 53 of the *Local Government (Financial Management) Regulations 1996* sets the Prescribed amount in Relation to Minimums.

53. *Amount prescribed for minimum payment (Act s. 6.35(4))*

*The amount prescribed for the purposes of section 6.35(4) is \$200.*

<b>Strategic Implications</b>	
∅ Strategic Community Plan	
Theme:	4. Communication and Leadership
Service Area Objective:	4.2.2 The Shire is progressive while exercising responsible stewardship of its built, natural and financial resources 4.2.3 The Council is well informed in their decision-making, supported by a skilled administration team who are committed to providing timely, strategic information and advice
Priorities and Strategies for Change:	Nil
∅ Corporate Business Plan	
Theme:	4. Communication and Leadership
Priorities:	Nil
Objectives:	Nil
<b>Sustainability Implications</b>	
∅ Strategic Resource Plan	
Nil	
<b>Risk Implications</b>	

Council would be contravening the *Local Government Act 1995* and *Local Government (Financial Management) Regulations 1996* if this item was not presented to Council.

### Financial Implications

Adopting a differential model will result in required rates revenue for the 2024/25 financial year.

### Voting Requirements

Simple Majority

Absolute Majority

### Officer's Recommendation


That Council;

1. **ADOPT** for draft budget purposes, Option \_\_\_\_\_ as stated in the Item, as the differential rate in the dollar and minimum payments for Unimproved Value rated properties for the Shire of Merredin, subject to finalisation of the draft 2024/25 Annual Budget and the establishment of the funding shortfall required from imposition of rates on Gross Rental Value rated properties;
2. **ADVERTISE** its intention to levy differential rates on Unimproved Value properties for the 2024/25 Budget, and advise the public of the availability of the Shire of Merredin's 2024/25 Differential Rating Objects and Reasons (updated to suit the option selected by Council), in accordance with section 6.36 of the Local Government Act 1995; and
3. **NOTES** any public submissions received in response to Item 2 above, will be presented to Council for consideration prior to adoption of the 2024/25 Rates.



## 15. Officer's Reports – Administration

### 15.1 Status Report – May 2024

<h2>Administration</h2>		 <b>SHIRE OF MERREDIN</b> INNOVATING THE WHEATBELT
Responsible Officer:	John Merrick, T/CEO	
Author:	Meg Wyatt, EO	
Legislation:	<i>Local Government Act 1995</i>	
File Reference:	Nil	
Disclosure of Interest:	Nil	
Attachments:	Attachment 15.1A – Status Report – May 2024	

#### Purpose of Report



Executive Decision



Legislative Requirement

For Council to consider the updated Status Report for May 2024.

#### Background

The Status Report is a register of Council Resolutions that are allocated to the Shire of Merredin's (the Shire) Executive Staff for actioning. When the Executive Staff have progressed or completed any action in relation to the Council Resolution, comments are provided until the process is completed or superseded by a further Council Resolution.

#### Comment

In the interest of increased transparency and communication with the community and Council, the Status Report is provided for information.

#### Policy Implications

Nil

#### Statutory Implications

Nil

**Strategic Implications**

∅ Strategic Community Plan

Theme: 4. Communication and Leadership  
Service Area Objective: 4.4 Communications  
4.4.1 The Shire is continuously working to maintain efficient communication, providing open, transparent and factual information, through a variety of channels  
Priorities and Strategies for Change: Nil

∅ Corporate Business Plan

Theme: 4. Communication and Leadership  
Priorities: Nil  
Objectives 4.4 Communications  
4.4.1 The Shire is continuously working to maintain efficient communication, providing open, transparent and factual information, through a variety of channels

**Sustainability Implications**

∅ Strategic Resource Plan

Nil

**Risk Implications**

Nil

**Financial Implications**

Nil

**Voting Requirements**

Simple Majority  Absolute Majority

**Officer's Recommendation**

**That Council RECEIVES the Status Report on Council Resolutions for May 2024.**

## 15.2 Appointment to Council Committees

### Administration



Responsible Officer:	John Merrick, T/CEO
Author:	Meg Wyatt, EO
Legislation:	Nil
File Reference:	Nil
Disclosure of Interest:	Nil
Attachments:	Nil

#### Purpose of Report



Executive Decision



Legislative Requirement

For Council to appoint a Councillor delegate to the Rural Water Council Committee that has not yet had a Councillor appointed to it.

#### Background

At the October 2023 Ordinary Council Meeting, Council appointed Councillors to the below committees:

- Shire of Merredin Audit Committee
- Eric Hind Scholarship Committee
- Shire of Merredin Local Emergency Management Committee (LEMC)
- Western Australian Local Government Association Great Eastern Country Zone (GECZ)
- Wheatbelt East Regional Organisation of Councils (WEROC)
- Wheatbelt North Regional Road Group (RRG)
- Central East Aged Care Alliance Inc (CEACA)

The above committees were considered urgent and needed to have Councillors appointed to them before a review of the committees could be completed.

The Administration conducted a review of the committees and briefed Council on the remaining committees during the Briefing Session held 23 January 2024. At this Briefing Session it was decided not to appoint a delegate to the Rural Water Council of WA Committee. However, after further review, Council decided that it was in the Shire's best interest to have a delegate on this Committee as one of the Strategic focuses for the Shire is water.

### Comment

Council must now appoint a Councillor delegate to this Committee. Once appointed the Administration will advise the Committee of the representatives.

### Policy Implications

Nil

### Statutory Implications

*Local Government Act 1995.*

### Strategic Implications

∅ Strategic Community Plan

Theme: Nil

Service Area Objective: Nil

Priorities and Strategies for Change: Nil

∅ Corporate Business Plan

Theme: Nil

Priorities: Nil

Objectives: Nil

### Sustainability Implications

∅ Strategic Resource Plan

Nil

### Risk Implications

Nil

### Financial Implications

Nil

### Voting Requirements

Simple Majority

Absolute Majority

### Officer's Recommendation

**That Council In accordance with section 5.10 and 5.11A of the Local Government Act 1995 appoint Councillor Crook as the delegate to the Rural Water Council of WA Committee.**

**16. Motions of which Previous Notice has been given**

Nil

**17. Questions by Members of which Due Notice has been given**

Nil

**18. Urgent Business Approved by the Person Presiding or by Decision**

Nil

**19. Matters Behind Closed Doors**

**19.1 Adoption of Omnibus Scheme Amendment (Shire of Merredin Local Planning Scheme No 6 Amendment No 8 – Omnibus Amendment)**

**19.2 Adoption of Local Planning Strategy Review (Shire of Merredin Local Planning Strategy - 2024)**

**19.3 Variation of Existing Contract for the Provision of Planning Services – Planwest (WA) Pty Ltd**

**19.4 Acceptance of Tender E-Quotes RFQ19 - 2023/24 Provision of Waste and Recycling Collection Services to the Shire of Merredin**

**20. Closure**

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