

Ordinary Council

AGENDA

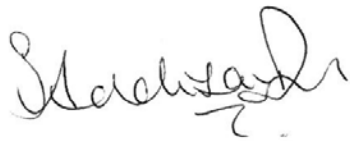
FOR THE MEETING TO BE HELD
WEDNESDAY, 25 NOVEMBER 2020
IN COUNCIL CHAMBERS,
WALLCLIFFE ROAD, MARGARET RIVER
COMMENCING AT 5:30PM

Meeting Notice

Dear Councillor

I advise that an Ordinary Council Meeting of the Shire of Augusta Margaret River will be held in Council Chambers, Wallcliffe Road, Margaret River on Wednesday 25 November 2020, commencing at 5:30pm.

Yours faithfully



STEPHANIE ADDISON-BROWN
CHIEF EXECUTIVE OFFICER

ATTENTION/DISCLAIMER

This agenda has yet to be dealt with by the Council. The Recommendations shown at the foot of each item have yet to be considered by the Council and are not to be interpreted as being the position of the Council. The minutes of the meeting held to discuss this agenda should be read to ascertain the decision of the Council.

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The Shire of Augusta Margaret River advises that anyone who has any application lodged with the Shire of Augusta Margaret River must obtain and should only rely on WRITTEN CONFIRMATION of the outcome of the application and any conditions attaching to the decision made by the Shire of Augusta Margaret River in respect of the application.

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Ordinary Council Meeting

1. **DECLARATION OF OPENING**
2. **ATTENDANCE**
3. **DISCLOSURES OF INTEREST**
4. **PUBLIC QUESTIONS**
 - 4.1. **Response to Previous Public Questions Taken on Notice**
 - 4.2. **Public Question Time**
5. **APPLICATIONS FOR LEAVE OF ABSENCE**
6. **CONFIRMATION OF MINUTES OF PREVIOUS MEETING**
 - 6.1 **Ordinary Council Meeting held 11 November 2020**
7. **DEPUTATIONS**
8. **PETITIONS**
9. **ANNOUNCEMENTS FROM THE PRESIDING MEMBER**
10. **QUESTIONS FROM MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN**
11. **REPORTS OF COMMITTEES AND EMPLOYEE REPORTS**

11.1. Chief Executive Officer

11.1.1 2021 SCHEDULE OF DATES AND VENUES FOR ORDINARY COUNCIL MEETINGS AND COMMITTEE MEETINGS

LOCATION/ADDRESS	Shire of Augusta Margaret River
APPLICANT/LANDOWNER	Shire of Augusta Margaret River
FILE REFERENCE	GOV/61
REPORT AUTHOR	Claire Schiller, Governance Office r/ Council Support
AUTHORISING OFFICER	Ian McLeod, Manager Legal and Governance

IN BRIEF

- Currently, Council conducts business through two Ordinary Meetings of Council per month, occurring on the second and fourth Wednesday of each month (with the exceptions of December and January and school holidays).
- The majority of the meetings are held in Margaret River, three meetings are held annually in Augusta.
- Council currently operates three committees.
- In accordance with regulation 12 of the *Local Government (Administration) Regulations 1996*, at least once each year a local government is to give local public notice of the dates, times and venues at which the Ordinary Council Meetings and Committee meetings are to be held in the next 12 months.

RECOMMENDATION

That Council:

1. Adopts the following schedules of dates, times and venues for 2021:
 - a) Ordinary Meetings of Council;
 - b) Augusta Margaret River Audit and Risk Management Committee meetings;
 - c) Augusta Margaret River Local Emergency Management Committee meetings; and
 - d) Augusta Margaret River Bushfire Advisory Committee meetings.
 2. Advertises a public notice of the schedule of dates, times and venues for 2021 for the Ordinary Councils and Committee meetings, in accordance with the *Local Government (Administration) Regulations 1996 (r.12 (1))*.
-

LOCATION PLAN

Nil

TABLED ITEMS

Nil

BACKGROUND

Ordinary Meetings of Council

At the Ordinary Meeting of Council held 22 February 2006, Council adopted a schedule for Council meeting times and locations. Council business would be conducted through two Ordinary Meetings of Council per month, occurring on the second and fourth Wednesday of each month (with the exceptions of December and January). The location of meetings would rotate between Margaret River, Cowaramup and Augusta, with the majority held in Margaret River, and two meetings held in both Augusta and Cowaramup.

The 2006 format was amended at the Ordinary Meeting of Council held 12 December 2007, when Council adopted the recommendation to reduce the number of offsite meetings to two per year in Augusta and one per year in Cowaramup.

In March 2009, the decision to change the meeting days for Ordinary Council Meetings from Wednesday to Thursday was adopted by Council. In December 2009, Council resolved to revert the meeting days back to a Wednesday as many local community groups and organisation's meeting dates are scheduled to occur on a Thursday evening, thus allowing Councillors to participate in those community group meetings.

In November 2017, Council resolved not to hold Ordinary Council meetings or Committee meetings during school holidays in acknowledgement of the caring responsibilities of Councillors, staff and community members, resulting in deletion of the second meeting in April, the first meeting in July and the second meeting in September. Council also resolved to hold one additional meeting each in Augusta and Cowaramup, a total of three in Augusta, and two in Cowaramup. Council also resolved to hold one daytime meeting to encourage student attendance.

In November 2018 Council resolved that meetings no longer be held in Cowaramup due to several occupational health and safety hazards that were identified with use of the Duggan Pavilion.

Committee Meetings

Council currently operates three committees:

- Augusta Margaret River Audit and Risk Management Committee (ARMC)
- Augusta Margaret River Local Emergency Management Committee (LEMC)
- Augusta Margaret River Bush Fire Advisory Committee (BFAC)

The Instrument of Appointment and Delegations for the following Committees determine the number of meetings to be held each year. As such the:

- ARMC shall meet at least four times per year;
- BFAC shall meet on the third Wednesday in February, May, August and November;
- LEMC shall meet on the second Tuesday in February, May, August and November.

The LEMC is established under the *Local Government Act 1995*, the *Emergency Management Act 1995* and the guidance of the State Emergency Management Committee guidelines (Policy 2.5).

CONSULTATION AND ADVICE

External Consultation

Local Government Act 1995

Local Government (Administration) Regulations 1996

Emergency Management Act 1995

Internal Consultation

- CEO
- Directors
- Managers
- Committee Meeting Minute Secretaries
- Reporting Officers

DISCUSSION / OFFICER COMMENTS

Ordinary Meetings of Council

Currently, Ordinary Meetings of Council are held on the second and fourth Wednesday of each month, with the exceptions of January and December, which each have one meeting only, on the fourth and second Wednesday respectively, and April and July which each have one meeting to allow for no meetings held during the school holidays. The majority of the meetings are held in Council Chambers on Wallcliffe Road, Margaret River. Three meetings are held annually in the Augusta Council Chambers.

Committee Meetings

ARMC

The ARMC is proposed to meet four times in 2021, on the second Wednesday of March, fourth Wednesday of June, September and November, to coincide with relevant Council reporting deadlines, for example the Statutory Compliance Return, Annual Audit Program and Annual Financial Report.

LEMC / BFAC

The LEMC meetings occur on the second Tuesday of February, May, August and November, the BFAC meetings occur on the third Wednesday of February, May, August and November.

Following adoption of the schedules of dates and venues for 2021 for Ordinary Council and Committee meetings, the dates and venues, as agreed upon, will be advertised in the local paper. The Shire is required to give public notice of any change to the date, time or place of a meeting advertised in the schedules for 2021 (*Local Government Act 1995* (s5.25(g) and *Local Government (Administration) Regulations 1996* (r.12 (1))).

STATUTORY ENVIRONMENT / LEGAL IMPLICATIONS

Local Government Act 1995: s.5.3(1)-(2)

- (1) *A council is to hold ordinary meetings and may hold special meetings.*
- (2) *Ordinary meetings are to be held not more than 3 months apart.*

Local Government Act 1995: s5.4

An ordinary or a special meeting of a council is to be held

- (a) *if called for by either*
 - (i) *the mayor or president; or*
 - (ii) *at least 1/3 of the councillors;*
- (b) *in a notice to the CEO setting out the date and purpose of the proposed meeting; or*
- (c) *if so decided by the council.*

Local Government (Administration) Regulations 1996 (r.12 (1a)) (2)

- (1) *At least once each year a local government is to give local public notice of the dates on which and the time and place at which*
 - (a) *the ordinary council meetings; and*
 - (b) *the committee meetings that are required under the Act to be open to members of the public or that are proposed to be open to members of the public*
are to be held in the next 12 months.
- (2) *A local government is to give local public notice of any change to the date, time or place of a meeting referred to in subregulation (1).*

STRATEGIC PLAN / POLICY IMPLICATIONS

Community Strategic Plan 2036 (CSP)

Corporate Business Plan 2020-2024

Key Result Area 5: Effective leadership and Governance

Community Outcome 1: Responsible ownership of outcomes

Strategy 4: Provide Councillors with high quality and current information and training for effective decision making

The Shire's *Reimbursement of Expenses Policy* states that statutory travel costs will be covered in accordance with the *Salaries and Allowances Tribunal on Local Government Chief Executive Officers and Elected Members* under the *Salaries and Allowances Act 1975 Section 7B* and a budget line allocated to Councillor expenses in the annual budget. Councillors' attendance at Council meetings is to be reported in the Shire's Annual Report as per the *Recording of Councillor Attendance at Meetings Policy*.

PLANNING FRAMEWORK

Nil

FINANCIAL IMPLICATIONS

Implications

Incidental travel costs related to travel to and from meeting venues are covered in the *Reimbursement of Expenses Policy* and designated in the annual budget deliberations.

Long Term Financial Plan

Nil

Whole of Lifecycle considerations

Nil

SUSTAINABILITY IMPLICATIONS

Environmental

Nil

Social

Offsite meetings held in Augusta enhance participation by all community members from all parts of the Shire.

Economic

Nil

ADVOCACY

Nil

IMPLICATIONS OF ALTERNATIVE RESOLUTION

Nil

VOTING REQUIREMENTS

Simple Majority

RECOMMENDATION

That Council:

1. Adopts the following Schedules of dates, times and venues for 2021:

a) Ordinary Meetings of Council:

	First meeting of month commencing at 5.30pm	Second meeting of month commencing at 5.30pm
JANUARY	N/A	Wednesday 27 (Margaret River)
FEBRUARY	Wednesday 10 (Margaret River)	Wednesday 24 (Margaret River)
MARCH	Wednesday 10 (Augusta)	Wednesday 24 (Margaret River)
APRIL	No meeting	Wednesday 28 (Margaret River)
MAY	Wednesday 12 (Margaret River)	Wednesday 26 (Margaret River)
JUNE	Wednesday 9 (Augusta)	Wednesday 23 (Margaret River)
JULY	No meeting	Wednesday 28 (Margaret River)
AUGUST	Wednesday 11 (Margaret River)	Wednesday 25 (Margaret River) commencing at 2pm
SEPTEMBER	Wednesday 8 (Augusta)	Wednesday 22 (Margaret River)
OCTOBER	Wednesday 13 (Margaret River)	Wednesday 27 (Margaret River)
NOVEMBER	Wednesday 10 (Margaret River)	Wednesday 24 (Margaret River)
DECEMBER	Wednesday 8 (Margaret River)	N/A

b) Augusta Margaret River Audit and Risk Management Committee meetings:

DATE	VENUE	TIME
Wednesday 24 March	Margaret River Mainbreak Meeting Room	4.30pm
Wednesday 23 June	Margaret River Mainbreak Meeting Room	4.30pm

SHIRE OF AUGUSTA MARGARET RIVER
ORDINARY COUNCIL MEETING 25 NOVEMBER 2020

Wednesday 22 September	Margaret River Mainbreak Meeting Room	4.30pm
Wednesday 24 November	Margaret River Mainbreak Meeting Room	4.30pm

c) Augusta Margaret River Local Emergency Management Committee meetings:

DATE	VENUE	TIME
Tuesday 9 February	Margaret River Council Chambers	4:30pm
Tuesday 11 May	Augusta Council Chambers	4:30pm
Tuesday 10 August	Margaret River Council Chambers	4.30pm
Tuesday 9 November	Margaret River Council Chambers	4:30pm

d) Augusta Margaret River Bush Fire Advisory Committee meetings:

DATE	VENUE	TIME
Wednesday 17 February	Margaret River Council Chambers	6:00pm
Wednesday 19 May	Augusta Council Council Chambers	6:00pm
Wednesday 18 August	Margaret River Council Chambers	6.00pm
Wednesday 17 November	Margaret River Council Chambers	6:00pm

2. Advertises a public notice of the Schedules of dates and venues for 2021 for the Ordinary Council and Committee meetings, in accordance with the *Local Government (Administration) Regulations 1996 (r.12 (1))*.

ADVICE TO APPLICANT / PROPONENT

Nil

ATTACHMENTS

Nil

11.2. Sustainable Development and Infrastructure

11.2. SUSTAINABLE DEVELOPMENT AND INFRASTRUCTURE

Nil

11.3. Corporate and Community Services

11.3.1 WRITE-OFF OF OUTSTANDING RATES

LOCATION/ADDRESS	Lot 226 O'Brien St, Cowaramup
APPLICANT/LANDOWNER	Shire of Augusta Margaret River
FILE REFERENCE	FIN/20 & PTY/11496
REPORT AUTHOR	Vicki Scott, Coordinator Revenue and Customer Service
AUTHORISING OFFICER	Andrew Ross, Manager Corporate Services

IN BRIEF

- Property known as Lot 226 O'Brien St, Cowaramup on Plan 74626 was created in 2012.
- The area of land is 7m² and the Plan approved by granting of Possessory Application.
- Owner of the land from lot creation is a deregistered Company, vested to Australian Securities and Investment Commission (ASIC).
- Shire received communication from ASIC In November 2018 advising they have no intention of selling the land to pay the outstanding rates.
- Differential Rating category of 'Residential Vacant' and minimum payment levied annually.
- Amount of outstanding rates and charges is \$19,204.79 as at 5 August 2020.
- Council is requested to consider write-off of outstanding rates and charges in accordance with section 6.12 of the *Local Government Act 1995* (LG Act).

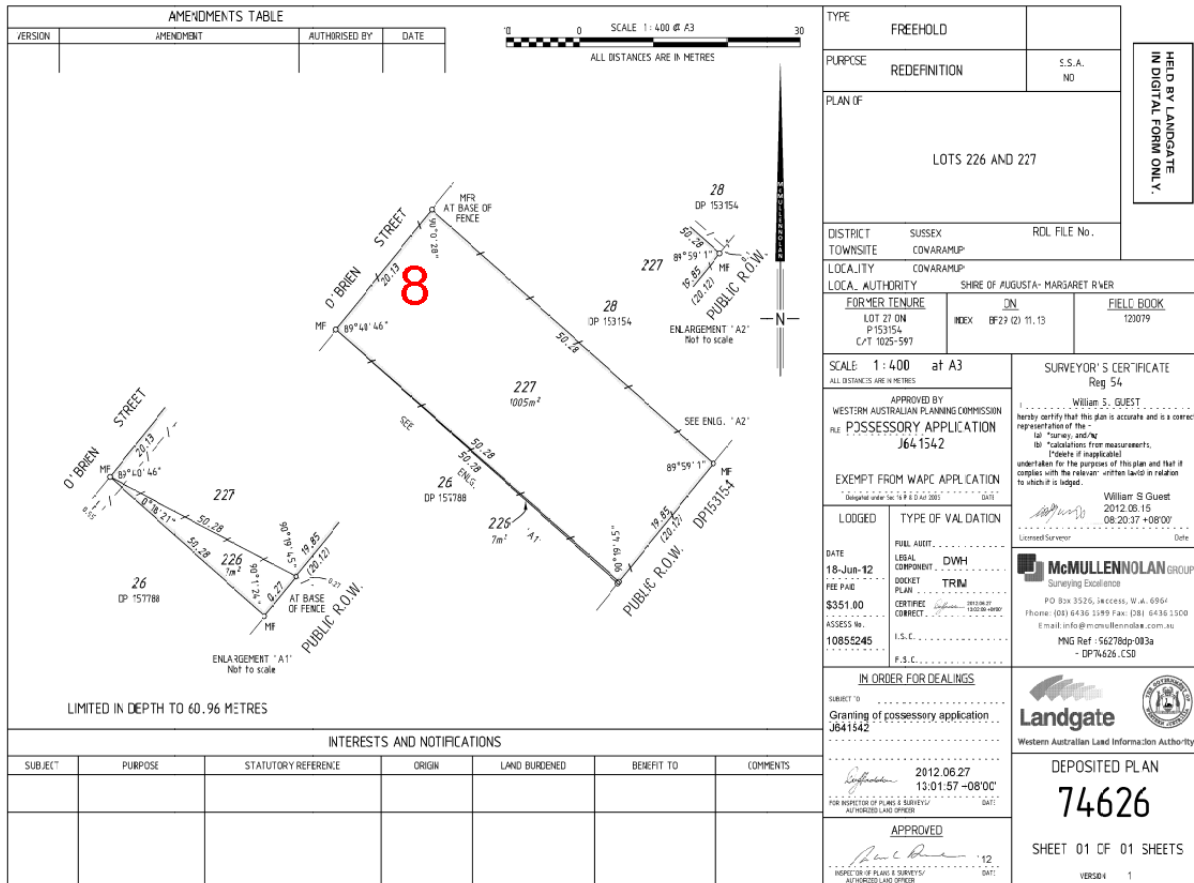
RECOMMENDATION

That Council, pursuant to section 6.12 of the *Local Government Act 1995*, write-off the rates and charges including penalty interest totalling \$19,204.79 as at 5 August 2020.

LOCATION PLAN



**SHIRE OF AUGUSTA MARGARET RIVER
ORDINARY COUNCIL MEETING 25 NOVEMBER 2020**



TABLED ITEMS
Nil

BACKGROUND

The property at Lot 226 O'Brien St, Cowaramup was created by Deposited Plan 74626 approved in 2012 by granting of possessory application. The lot has an area of 7m² and is located between lot 26 and lot 227 O'Brien St, Cowaramup. Possessory applications arise where under the Transfer of Land Act 1893, applicants are able to show possession of land for a period of 12 years where it can be proved there was no legal disability at the time possession commenced or 30 years where it can't be proved.

The owner of Lot 227 O'Brien St, Cowaramup was the possessory applicant of the survey resulting in creation of Lots 226 and 227. Lot 226 was not part of the possessory application, therefore the ownership of the land remains in the name of the de-registered Company.

A possessory interest in real estate, is intent and right of a person to occupy and/or exercise control over a particular plot of land. A possessory interest is distinguished from an interest in the title to property, which may not include the right to immediately occupy the property.

The land became rateable effective 1 August 2012 and the differential rating category of 'Residential Vacant' applies. Landgate's Gross Rental Valuation is \$20.00, which attracts the minimum payment for 'Residential Vacant' annually. Additional charges of Emergency Services Levy and Waste Facility Maintenance rate are also levied annually.

The current owner of Lot 226 has been in possession from the lot creation date in 2012. However, the owner is a deregistered Company regulated by the Australian Securities and Investments Commission (ASIC). ASIC is an independent commission of the Australian Government tasked as the national corporate regulator. ASIC's role is to regulate company and financial services and enforce laws to protect Australian consumers, investors and creditors. ASIC's authority and scope are determined by the *Australian Securities and Investments Commission Act 2001*.

A company is deregistered after it is closed down (e.g. voluntary deregistration), liquidated (by the members, court or creditors) or struck off the register of companies by ASIC (e.g. for outstanding annual review fees).

Once a company is deregistered:

- it ceases to exist as a legal entity and can no longer do anything in its own right;
- property the company owned (other than trust property) vests in ASIC;
- property held by the company on trust vests in the Commonwealth (represented by ASIC);
- the former officeholders no longer have the right to deal with property registered in the company's name;
- any legal proceedings in which the company is a party cannot be continued (in so far as they relate to the deregistered company);
- you cannot start legal proceedings against the company.

Deregistered company property vested in ASIC, means they are the only party legally able to deal with company property after deregistration. On 28 November 2018 the Shire received communication from ASIC, confirming the company is deregistered and advised.

Ordinarily as a result of deregistration:

- a) *all property the company held on trust at deregistered belongs to the Commonwealth;*
- b) *all non-trust property the company owned at deregistration belongs to ASIC; and*
- c) *ASIC is the only party legally able to deal with the company's property.*

While ASIC is vested with the company's interest in the property it is not obliged to fulfil all obligations imposed on, or attached to, the property. The obligation to pay outstanding rates will arise only if ASIC decides to dispose of the property. ASIC can – but is not obliged to – do so at its absolute discretion under s601AE(2) of the Act.

ASIC does not intend paying any outstanding rates on the property or selling the property to satisfy the outstanding rates.

ASIC encourages councils to exercise power of sale under their State legislation. Any notices that must be served by Council on the registered proprietor before exercising power of sale can be served on the company, care of ASIC's Property Law Group.

The processes to exercise power of sale and take possession of the land for recovery of rates and service charges is undertaken in accordance with the Department of Local Government, Sport and Cultural Industries Local Government Operational Guideline Number 22 "Possession of land for recovery of rates and service charges". This guideline also sets out the many step by step processes to be followed after Council has resolved to sell land in order to meet legal requirements.

The Guideline also outlines the options available to the Shire in taking possession of land, such as:

Option 1 – Exercise the provisions of Section 6.64 of the *Local Government Act 1995*

- Sale of land to recover unpaid rates and service charges.

Option 2 – Exercise the provisions of Section 6.74 of the *Local Government Act 1995*

- Apply to the Minister to have the land re-vested in the Crown in the right of the State.

Option 3 – Exercise the provisions of Section 6.75 of the *Local Government Act 1995*

- Make application for the land to be vested in the local government.

Given the land is currently vested to ASIC and is an area of (7m²), located between the boundaries of Lot 26 and Lot 227 O'Brien St, Cowaramup. It is not proposed to proceed with Options 1, 2 or 3 listed

above. It is proposed to proceed with write-off outstanding rates and charges, including penalty interest totalling \$19,204.79 at 5 August 2020, in accordance with section 6.12 of the LG Act.

CONSULTATION AND ADVICE

External

- ASIC
- Landgate (Dealings Land Titles Operations)
- Department of Finance

Internal

- Manager Corporate Services
- Manager Planning and Development
- Manager Legal and Governance

DISCUSSION / OFFICER COMMENTS

The following table lists the annual rates levied, including the Emergency Services Levy, Waste Facility Maintenance rate and penalty interest from 1 August 2012.

Table 1. Outstanding rates

Year	Rates, Waste Facility Maintenance, ESL	Interest	Total
2012/13	\$ 999.25	\$ 61.34	\$ 1,060.59
2013/14	\$ 1,361.00	\$ 258.38	\$ 2,679.97
2014/15	\$ 1,409.00	\$ 415.85	\$ 4,504.82
2015/16	\$ 1,459.00	\$ 657.04	\$ 6,620.86
2016/17	\$ 1,498.00	\$ 857.01	\$ 8,975.87
2017/18	\$ 1,539.00	\$ 1,217.18	\$ 11,732.05
2018/19	\$ 1,584.00	\$ 1,428.19	\$ 14,744.24
2019/20	\$ 1,599.00	\$ 1,262.55	\$ 17,605.79
2020/21	\$ 1,599.00		\$ 19,204.79
Total	\$ 13,047.25	\$ 6,157.54	

The current owner of the land is a deregistered Company regulated by ASIC. The Shire has been in regular communication with ASIC in an attempt to resolve the matter. Our last communication received from ASIC was to advise the Shire they have no intention of paying the outstanding rates or selling the property to satisfy the outstanding rates debt.

The Shire corresponded with Landgate (Dealings Land Titles Operations), Perth regarding the ownership and exclusion of Lot 226 from the possessory application. The response received was that Lot 226 was not part of the possessory application, therefore the ownership of the land remains in the name of the de-registered Company.

Department of Finance advised no Land Tax was due and payable on the land.

The Department of Local Government, Sport and Cultural Industries Operational Guideline Number 22 "Possession of land for recovery of rates and service charges", sets the out the options available to the Shire such as:

Option 1 – Exercise the provisions of Section 6.64 of the *Local Government Act 1995*

- Sale of land to recover unpaid rates and service charges.

Option 2 – Exercise the provisions of Section 6.74 of the *Local Government Act 1995*

- Apply to the Minister to have the land re-vested in the Crown in the right of the State.

Option 3 – Exercise the provisions of Section 6.75 of the *Local Government Act 1995*

- Make application for the land to be vested in the local government.

Given the land is currently vested to ASIC and is an area of (7m²), located between the boundaries of Lot 26 and Lot 227 O'Brien St, Cowaramup. It is not proposed to proceed with Options 1, 2 or 3 listed above.

It is recommended Council approves the write-off of outstanding rates, waste facility maintenance rates and penalty interest totalling \$19,204.79 in accordance with section 6.12 of the LG Act.

STATUTORY ENVIRONMENT / LEGAL IMPLICATIONS

Local Government Act 1995

6.12. Power to defer, grant discounts, waive or write off debts

- (1) Subject to subsection (2) and any other written law, a local government may —
- (a) when adopting the annual budget, grant* a discount or other incentive for the early payment of any amount of money; or
 - (b) waive or grant concessions in relation to any amount of money; or
 - (c) write off any amount of money, which is owed to the local government.

* Absolute majority required.

- (2) Subsection (1)(a) and (b) do not apply to an amount of money owing in respect of rates and service charges.
- (3) The grant of a concession under subsection (1)(b) may be subject to any conditions determined by the local government.
- (4) Regulations may prescribe circumstances in which a local government is not to exercise a power under subsection (1) or regulate the exercise of that power.

6.64. Actions to be taken

- (1) If any rates or service charges which are due to a local government in respect of any rateable land have been unpaid for at least 3 years the local government may, in accordance with the appropriate provisions of this Subdivision take possession of the land and hold the land as against a person having an estate or interest in the land and —
 - (a) from time to time lease the land; or
 - (b) sell the land; or
 - (c) cause the land to be transferred to the Crown; or
 - (d) cause the land to be transferred to itself.
- (2) On taking possession of any land under this section, the local government is to give to the owner of the land such notification as is prescribed and then to affix on a conspicuous part of the land a notice, in the form or substantially in the form prescribed.
- (3) Where payment of rates or service charges imposed in respect of any land is in arrears the local government has an interest in the land in respect of which it may lodge a caveat to preclude dealings in respect of the land, and may withdraw caveats so lodged by it.

6.74. Power to have land revested in Crown if rates in arrears 3 years

- (1) If land is —
 - (a) rateable land; and
 - (b) vacant land; and

- (c) *land in respect of which any rates or service charges have been unpaid for a period of at least 3 years, the local government in whose district the land is situated may apply in the form and manner prescribed to the Minister to have the land revested in the Crown in right of the State.*
- (2) *The Minister is to consider the application and the circumstances surrounding the application and may grant or refuse the application.*
- (3) *If the application is granted the Minister is to execute a transfer or conveyance of the land to the Crown and is to deliver the transfer or conveyance to the Registrar of Titles or the Registrar of Deeds and Transfers, as the case requires, for registration.*
- (4) *Upon the delivery of the transfer or conveyance Schedule 6.3 clause 8 has effect in relation to the exercise of the power referred to in subsection (1).*

6.75. Land to be vested in local government

- (1) *Where, at the expiration of 12 years from the taking of possession of any rateable land by a local government under section 6.64 —*
 - (a) *all rates and service charges due and payable in respect of the land have not been paid; and*
 - (b) *the land has not, under the provisions of this Subdivision, been —*
 - (i) *sold by the local government; or*
 - (ii) *transferred to the local government; or*
 - (iii) *transferred to the Crown, by operation of this section the fee simple in the land is to be transferred to the local government subject to —*
 - (c) *easements in favour of the public which affect the land; and*
 - (d) *the rights of the Crown in right of the State or Commonwealth or a department, agency, or instrumentality of the Crown in right of the State or Commonwealth; and*
 - (e) *rates and taxes (other than local government rates and service charges) due on the land, but free from other encumbrances.*
- (2) *Schedule 6.3 has effect in relation to a transfer under this section.*

STRATEGIC PLAN / POLICY IMPLICATIONS

Community Strategic Plan 2036 (CSP)

Corporate Business Plan 2020-2024

Key Result Area 5: Effective Leadership and Governance

Community Outcome 2: Effective and integrated strategy, planning, financial and asset management

Strategic Response: Develop long term informing strategy including asset and financial management aligned to the Community Strategic Plan.

Service level strategy/plan: Calculate, administering and collecting property rates

PLANNING FRAMEWORK

Nil

FINANCIAL IMPLICATIONS

Implications

The write-off of rates, service charges and penalty interest will result in reduced cash receipts and increased operating expenditure of \$19,204.79.

Long Term Financial Plan

Nil

Whole of Lifecycle considerations

Nil

SUSTAINABILITY IMPLICATIONS

Environmental

Nil

Social

The collection of rates and services charges levied, enables the Shire to provide for quality facilities, community buildings, recreational areas and efficient administrative services to our entire Community and its many visitors.

Economic

The recovery of rates and service charges levied by the Shire assists it to achieve its strategic values.

ADVOCACY

Nil

IMPLICATIONS OF ALTERNATIVE RESOLUTION

Nil

VOTING REQUIREMENTS

Absolute Majority

RECOMMENDATION

That Council, pursuant to section 6.12 of the *Local Government Act 1995*, write-off the rates and charges including penalty interest totalling \$19,204.79 as at 5 August 2020.

ADVICE TO APPLICANT / PROPONENT

Nil

ATTACHMENTS

1. Correspondence from AISC

11.3.2 DRAFT GL27 COMMUNITY, ECONOMIC, ENVIRONMENTAL AND EVENTS FUNDING POLICY

LOCATION/ADDRESS	Shire of Augusta Margaret River
APPLICANT/LANDOWNER	Shire of Augusta Margaret River
FILE REFERENCE	GOV/38 & COR/11
REPORT AUTHOR	James Shepherd, Director Corporate and Community Services
AUTHORISING OFFICER	Stephanie Addison-Brown, Chief Executive Officer

IN BRIEF

- The Shire's GL 29 Icon Events Sponsorship Policy was adopted by Council in 2014 (OM2014/64).
- The Shire's CCSP 10 Financial Assistance Policy was last reviewed in 2017(OM2017/237).
- The Shire's GL 20 Donations and Community Grants Policy was last reviewed in 2017 (OM2017/119).
- Financial assistance is provided to the community by the Shire of Augusta Margaret River up to a maximum of 5% of annual rates revenue.
- An internal working group was formed to review the provision of external funding across the organisation and to create a funding framework to ensure equity and improve governance across all requests for financial assistance.
- Draft GL27 Community, Economic, Environmental and Events Funding Policy has amalgamated the provision of external grants, donations and in-kind support into one new policy that replaces Council Policies CCS10, GL29 and GL20 and aligns funding programs with adopted Shire Strategies.

RECOMMENDATION

That Council:

1. Revokes CCS 10 Financial Assistance Policy (OM2017/237).
 2. Revokes GL29 Icon Events Sponsorship (OM2014/64).
 3. Revokes GL20 Donations and Community Grants Policy (OM2017/119).
 4. Endorses Draft GL27 Community, Economic, Environmental and Events Funding Policy (as shown in Attachment 1) for three weeks of community consultation.
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LOCATION PLAN

Nil

TABLED ITEMS

Nil

BACKGROUND

The provision of funding and financial assistance to external organisations and individuals assist the Shire of Augusta Margaret River to enhance social, environmental, cultural and economic outcomes aligned with the Strategic Plan. In response to changing priorities across the organisation team budgets have been amended over time to achieve desired outcomes.

Over time various funding streams have been created with their own specific objectives, funding amounts and funding criteria. When looked at holistically there is a lack of consistency across funding priorities, eligibility, criteria, assessment, Shire recognition, acquittal and reporting requirements. One of the primary objectives of combining these funding programs into a single policy is to enable the Shire to deliver its funding programs to the community in a fair, open and transparent way.

Currently financial assistance provided to the community by the Shire of Augusta Margaret River equates to approximately 4.5% of annual rates revenue, it is proposed to increase this amount to a

maximum of 5% of annual rates revenue. The intent is to provide a maximum funding amount spread across the various funding programs with the final budget allocations made each year as part of the annual budget process.

With three financial policies due for review, an internal working group was formed to collate and review all funding streams across the organisation available to external groups. The intent was to create a funding framework to guide the realignment of the various programs offered by the Shire that provide financial assistance to the community. The framework has been developed to provide a consistent approach to the way the Shire manages all financial assistance and event requests. It sets out the parameters of support for each funding stream with separate, specific criteria for each. Details on eligibility, assessment criteria, expected outcomes and key dates will be identified in the individual funding program guidelines.

CONSULTATION AND ADVICE

External Consultation

Nil

Internal Consultation

Internal financial assistance and funding working group

Manager Corporate Services

Manager Legal and Governance

DISCUSSION / OFFICER COMMENTS

Policy determination is a key role of the Council (Section 2.7 (2)(b) of the *Local Government Act 1995*). The formation of the GL27 Community, Economic, Environmental and Events Funding Policy meets with the Goals of the Community Strategic Plan in providing Effective leadership and governance.

The implementation of the Policy ensures:

- Transparency and accountability to the community.
- Fairness and equity to all applicants.
- A maximum amount of funding available within each funding program.
- Specific and relevant criteria are applied to each funding program.
- Guidelines are in place to assist applicants to complete and lodge applications.
- Funding rounds are established and advertised to facilitate activities throughout each financial year.
- Applications are assessed and payment of funds authorised by delegated officers appointed by the Chief Executive Officer.
- Effective reporting mechanisms and administrative procedures advise Council of the type and total value of financial assistance provided for the financial year.

The intent of GL27 - Community, Economic, Environmental and Events Funding Policy is that it will determine the maximum funding available for the financial year preventing ad-hoc requests and lobbying of Council to support unbudgeted expenditure.

Icon Events Policy, Financial Assistance Policy and the Donations and Community Grants Policy

On 23 April 2014, Council adopted an Icon Events Policy (OM2014/62) to facilitate funding of major events that are large scale, deemed to be of state, national and/or international significance and demonstrate the ability to generate economic activity (tourism, trade, investment). The policy states a maximum of 1% of rates income can be allocated to major events sponsorship each financial year.

CCSP10 Financial Assistance Policy was adopted at the Ordinary Council Meeting held 27 September 2017 (OM2017/237). The policy specifies six streams of financial support (listed below), some of which included events in their funding priorities.

1. Sponsorship
2. Donation
3. Waiver of Fees and Charges
4. Community Development Grants
5. Council Contributions

6. Interest Free Loans

The wording of the current policy (CCSP10 Financial Assistance Policy) excludes applicants from accessing multiple funding streams within the financial year, however it does not preclude applicants from accessing funds from other Shire budget areas at the same time.

GL 20 Donations and Community Grants Policy was last reviewed in 2017 (OM2017/119). Although the policy stipulates a residual fund to be identified for “disaster” and “emergency” type appeals it also had a provision for donations and community grants, thus effectively allowing for potential duplication in relation to community grants.

The working group identified inconsistencies and inequity across the various sources of financial assistance as the key issues that required addressing. To address these issues all the current funding streams were collated for the purpose of realignment and the development of a consistent approach to access to and the delivery of funds. Realignment of the funding streams provides applicants with a single point of truth to guide them to the most appropriate funding option for their project/event, activity or service.

Environmental Elements of Sustainability Strategy, Environmental Management Fund and Environmental Stewardship Grant

In December 2017 Council adopted the Environmental Elements of Sustainability Strategy which outlined the Shire’s strategic framework to incorporate the environment as a factor influencing its operations, programs and services. Within the Strategy Council established an aspiration to allocate up to 3% of annual rate revenue towards environmental and sustainability projects. The proposed adjustments to funding for the Environmental Management Fund (EMF), Environmental Stewardship Grant and Community Organisation Operating Grants – Sustainability Focus, along with the Shire’s internal EMF program increases this allocation to up to 2% of annual rates revenue.

Realignment of the existing funding streams into six funding streams

Funding Stream	Funding Programs	Funding Pool	Change in Funding*	% of Rate Revenue (Rounded)
Community	<ul style="list-style-type: none"> • Community Development Grants • Community Events • Community Halls Grants • Donations 	\$80,000 \$80,000 \$70,000 \$20,000	+\$60,000 -\$ 7,500 No change -\$ 5,400	1.1%
Arts and Culture	<ul style="list-style-type: none"> • Heart Grants 	\$150,000	No change	0.7%
Major Events	<ul style="list-style-type: none"> • Major Events Grants 	\$150,000	+\$ 6,500	0.7%
Sustainable Events and Economy	<ul style="list-style-type: none"> • Sustainable Economy Grants 	\$75,000	New Program	0.3%
Sustainable Environment	<ul style="list-style-type: none"> • Environmental Management Fund Grant • Environmental Stewardship Grant 	\$150,000 \$ 10,000	+\$50,000 +\$ 4,000	0.7%
Community and Sustainable Environment	<ul style="list-style-type: none"> • Community Organisation Operating Grants – Community Focus • Community Organisation Operating Grants – Sustainability Focus 	\$180,000 \$170,000	No change +\$20,000	1.5%
Totals		\$1,135,000	+\$127,600	5%

Table 1: Realignment of the Shire’s Financial Assistance Funding Streams
*Change in Funding is based against the 2020-21 financial year allocations

Community

A total funding pool of \$250,000 representing 1.1% of rates to support the delivery of objectives and strategies within the Strengthening Community Capacity Plan, Creative Culture Plan, Strengthening Youth Plan, Public Health Plan, Sustainable Events Strategy and Sustainable Economy Strategy.

This funding category has been created by amalgamating several budgets across the organisation that provided donations, grants and sponsorship. Within this funding category, four (4) distinct streams of funding can be accessed: Community Development Grants, Community Event Grants, Community Hall Grants and Donations. The major realignments within this funding category are:

1. The merger of Community Development Fund Grants and Local Events into one program but with separate funding allocated to each program. This eliminates confusion over which fund to apply for and has resulted in standardised funding priorities, eligibility, criteria, assessment, Shire recognition and acquittal requirements.
2. The removal of the former Council Contribution funding stream. Historically Council Contributions were a way for the community to access funds that did not fit within the existing funding structure. Most of the funds were used to support community groups activate Shire facilities, however no cap to funding was in place and due to the diversity of the applications it became very difficult to equitably assess against the limited criteria. Events were removed from Council Contribution eligibility in 2019-20 due to inconsistencies with eligibility and assessment when reviewed alongside Community Development Fund and Local Event applications.
3. The amalgamation of the two separate donations budgets to standardise the process.

The proposed changes in funding have been established to reflect the current trends in demand for Community Development and Community Event Grants. The allocation to support the Shire Community Halls Committees remains unchanged; without this financial support the activities provided for the community through these local Community Halls Committees would not go ahead. This would result in many, locally provided and locally supported community activities being discontinued. The proposed change to the funding pool available for Donations is balanced by the increase in the allocation towards Community Development activities which represents a more appropriate source of funds for many of the currently funded activities.

The overall change in funds allocated for Community based activities, programs and events is a net increase of up to \$47,100 per annum.

Art and Culture

A total funding pool of \$150,000 representing 0.7% of rates to support the HEART Grants and the delivery of objectives within the Creative Culture Plan and activation of the HEART. Changes to the HEART Grants will be implemented to better reflect their purpose, being to off-set venue hire for events and activities hosted at the Margaret River HEART. This reflects no change to the current funding program or funding allocation.

Major Events

Rebranding of the current Icon Event Program to align within the new streamline policy and Sustainable Events Strategy. A total of \$150,000 representing 0.7% of rates to support for major events that attract visitors, generate economic activity and promote the region. The Sustainable Events Strategy forms the basis of the program criteria and is the informing document for applicants.

The current Icon Events Policy allows for Council to allocate up to 1% of rates annually to support iconic events held in the Shire. The proposed allocation of \$150,000 (0.7% of rates) is an increase in funding in relation to the value of applications received in recent financial years and is intended to provide greater incentive for major events that meet the objectives of the Shire's Sustainable Events Strategy, Sustainable Economy Strategy, Creative Culture Plan and Public Health Plan to submit applications as the Shire recovers from the effects of the COVID19 pandemic.

Sustainable Events and Economy

A new funding stream and program designed to support delivery of the outcomes of the Shire's Sustainable Economy Strategy. A total funding pool of \$75,000 representing 0.3% of rates.

This is a new funding program that will provide funding opportunities through criteria based on the objectives of the Shire's Sustainable Economy Strategy when adopted. An initial proposed allocation of up to \$75,000 is provided on a matched funding basis meaning that the fund will support investment of a minimum of \$150,000 into the local economy.

Sustainable Environment

A total funding pool of \$160,000 representing 0.7% of rates, comprised of the existing Environmental Management Fund (EMF) and the Environmental Stewardship Grants. Funds support the delivery of the Environmental Elements of Sustainability Strategy.

The proposed increase in funding provides an additional \$50,000 to the Shire's EMF Fund for external groups and an additional \$4,000 to the Environmental Stewardship Grant funding program. When combined with the Shire's internally delivered EMF component of \$100,000 and the allocation of \$170,000 to support Community Organisations delivering sustainability focussed outcomes the total funding allocation for the delivery of activities, programs and services to support the Shire's Environmental Elements of Sustainability Strategy increases to approximately 2% of rates revenue.

Community and Sustainable Environment

A total funding pool of \$350,000 representing 1.5% of rates to support delivery of the strategies, actions and objectives within the Shire's Environmental Elements of Sustainability Strategy, Climate Action Plan, Strengthening Community Capacity Plan, and Creative Culture Plan.

Community Organisation Operating Grants were created in response to ad-hoc requests for funding. Occasionally the Shire and Councillors are approached directly outside of funding rounds and the budget process to consider support via a financial contribution towards a local initiative or service. Over time several agreements have been approved and implemented to the benefit of the community. Pooling these funds together to create a grant funding stream accessible by all ensures a unified process, equal access to available funding across the whole community, prevents future ad-hoc requests and facilitates accurate budget development for each financial year.

These programs provide financial contributions towards operating expenses for community not-for-profit organisations engaged in community or environmentally focussed activities.

The proposed funding allocations represent no change to the current funding for community focussed organisations whilst a proposed increase of \$20,000 is allocated towards sustainability focussed organisations.

Fee Waivers

Fee waivers are available to community members for:

- Shire Fees and Charges that are not due to the Shire as an Australian Tax under Australian law in respect of a service.
- Events that occur as a result of natural disasters.
- National celebrations.

The Shire may also, at its own discretion, determine an individual application on its merits.

Approval of waivers are governed by the Instrument of Delegation. Fee Waiver Guidelines will determine eligibility, criteria, assessment and reporting requirements.

Interest Free Loans - Community Loan Reserve

Interest Free Loans were included in the CCSP 10 Financial Assistance Policy and are funded from the Community Loan Reserve for the purpose of:

- Establishing new facilities (preferably multi-purpose to allow for community organisations to expand operations and or services which as a result will have significant benefits to the community and its members).
- Capital improvements to Shire facilities open and used for attendance by the local community which encourage participation (ie: Sporting associations or clubs).
- Projects for permanent improvements or items considered to be fixed to a structure erected on Council owned or controlled land.
- Structural renovations or improvements of a fixed nature.

Historically Interest Free Loans applications have predominantly come from sporting and recreation groups. As a result, the procedure required applicants to submit their application to the Sports and

Recreation Advisory Committee for review at their meeting. A recommendation would then be submitted to an Ordinary Council Meeting for Council approval and issue of the funds.

In 2019, the Sport and Recreation Advisory Committee was dissolved with the advent of the Local Government elections. When the new Council was formed, the committee status was reviewed and reformed as the Sport and Recreation Reference Group. As reference groups have no delegated authority under the *Local Government Act 1995* to make recommendations to Council this has necessitated a new process for the submissions, authorisation and distribution of funds. New guidelines determining eligibility, criteria, assessment, Shire recognition and reporting requirements will be developed.

Interest Free Loans have been removed from the new policy as they sit outside the scope of the new funding streams. It is proposed that applications that successfully meet the criteria will be submitted to Council for consideration as a Council Decision with an absolute majority is required to expend funds that are held in reserve.

The realignment for the funding streams renders the CCSP10 Financial Assistance Policy, GL29 Icon Events Sponsorship and GL20 Donations and Community Grants Policy obsolete. To facilitate the adoption of the new draft policy GL27 Community, Economic, Environmental and Events Funding Policy these policies now need to be revoked to enable the new policy to be advertised for public comment prior to endorsement.

STATUTORY ENVIRONMENT / LEGAL IMPLICATIONS

Local Government Act 1995

Local Government (Rules of Conduct) Regulations 2007

STRATEGIC PLAN / POLICY IMPLICATIONS

Community Strategic Plan 2036 (CSP)

Corporate Business Plan 2020-2024

Key result area 5: Effective leadership and governance

Community Outcome 2: Effective and integrated strategy, planning, financial and asset management

Strategic Response: Ensure Shire policies and planning promote equal and equitable opportunities, specifically for gender and cultural values

Key result area 5: Effective leadership and governance

Community Outcome 5: A culture of innovation, quality and continuous improvement

Strategic Response: Foster a culture of innovation and continuous improvement to meet the speed of change in the Shire

Action: Identify and develop process improvement strategies for the Corporate and Community

Services Directorate, with a focus on contract management and grant funding coordination in 2019-20

Goal 1: Valuing, protecting and enhancing the natural environment

Community Outcome 1: Ecology and biodiversity protection

Strategic Response 1: Develop partnerships with governments and the community to identify ecological values, inform best management practice and protect the biodiversity of the shire

Service level strategy 1.1.1.1: Priority project: Coordinate and implement the delivery of the Environmental Management Fund to deliver improved environmental outcomes including community delivery through grants.

PLANNING FRAMEWORK

Nil

FINANCIAL IMPLICATIONS

Implications

The draft policy GL27 Community, Economic, Environmental and Events Funding Policy provides for an allocation of up to 5% of rates revenue to support applications within all funding programs. This represents a maximum increase of 0.5% which will be incorporated into the annual budget process following the successful adoption of the policy.

Long Term Financial Plan

Nil

Whole of Lifecycle considerations

Nil

SUSTAINABILITY IMPLICATIONS

Environmental

The Policy supports the outcomes of the Shire's Environmental Elements of Sustainability Strategy and Climate Action Plan whilst also incorporating the sustainability objectives for specific funding programs within the Sustainable Events Strategy and Sustainable Economy Strategy when complete.

Social

The Policy and supporting documentation provide equal access and support to the local community, increases awareness around financial assistance available from the Shire and aligns financial support with the Creative Culture Plan, Strengthening Community Capacity Plan, and Sustainable Events Strategy.

Economic

This Policy supports good financial management practices as an overarching policy objective and will align to the Sustainable Economy Strategy where relevant and when complete.

ADVOCACY

Nil

IMPLICATIONS OF ALTERNATIVE RESOLUTION

Council may choose not to revoke the old policies and to reject this draft policy. The implication of such a resolution would be the continued inequity in the access and distribution of financial assistance within the community.

VOTING REQUIREMENTS

Simple Majority

RECOMMENDATION

That Council:

1. Revokes CCS 10 Financial Assistance Policy (OM2017/237).
2. Revokes GL29 Icon Events Sponsorship (OM2014/64).
3. Revokes GL20 Donations and Community Grants Policy (OM2017/119).
4. Endorses Draft GL27 Community, Economic, Environmental and Events Funding Policy (as shown in Attachment 1) for three weeks of community consultation.

ADVICE TO APPLICANT / PROPONENT

Nil

ATTACHMENTS

1. CCS 10 Financial Assistance Policy (OM2017/237)
2. GL29 Icon Events Sponsorship (OM2014/64)
3. GL20 Donations and Community Grants Policy (OM2017/119)
4. Draft GL27 Community, Economic, Environmental and Events Funding Policy.
5. Community, Economic, Environmental and Events Funding Framework.

- 13. MOTIONS FOR CONSIDERATION AT NEXT MEETING**

- 14. NEW BUSINESS OF AN URGENT NATURE**
 - 14.1. Members**

 - 14.2. CEO**

- 15. CONFIDENTIAL BUSINESS**

- 16. CLOSURE OF MEETING**