



**Shire of Derby /
West Kimberley**

MINUTES

Ordinary Council Meeting Thursday, 30 May 2019

Date: Thursday, 30 May 2019

Time: 5.30 pm

**Location: Council Chambers
Clarendon Street
Derby**



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**MINUTES OF SHIRE OF DERBY / WEST KIMBERLEY
ORDINARY COUNCIL MEETING
HELD AT THE COUNCIL CHAMBERS, CLARENDON STREET, DERBY
ON THURSDAY, 30 MAY 2019 AT 5.30 PM**

- PRESENT:** Cr Geoff Haerewa (Shire President), Cr Paul White (Deputy Shire President), Cr Denise Andrews, Cr Chris Kloss, Cr Peter McCumstie, Cr Iris Prouse, Cr Andrew Twaddle
- IN ATTENDANCE:** Wayne Neate (Acting Chief Executive Officer), Danielle Hurstfield (Manager Administration and Governance), Noel Myers (Manager Planning), Ross Sullivan (Manager Community Services), Gary Martin (Consultant), Carlie McCulloch (Governance Officer)
- VISITORS:** Nil
- GALLERY:** Chris Travers, Vivienne Bysterveld, Terri Buckley, Tony Gavranich, Peter Jackson, Steen Nixon
- APOLOGIES:** Nil
- APPROVED LEAVE OF ABSENCE:** Cr Peter Coggins
- ABSENT:** Nil

1 DECLARATION OF OPENING, ANNOUNCEMENTS OF VISITORS

The meeting was opened at 5.35pm by Shire President, Geoff Haerewa.

2 ATTENDANCE VIA TELEPHONE/INSTANTANEOUS COMMUNICATIONS

In accordance with regulation 14A of the Local Government (Administration) Regulations 1996 Council must approve (by Absolute Majority) the attendance of a person, not physically present at a meeting of Council, by audio contact. The person must be in a 'suitable place' as approved (by absolute majority) by Council. A 'suitable place' means a place that is located in a townsite or other residential area and 150km or further from the place at which the meeting is to be held.

APPROVE REMOTE ATTENDANCE

RESOLUTION 39/19**Moved:** Cr Iris Prouse**Seconded:** Cr Chris Kloss**That Council, BY AN ABSOLUTE MAJORITY:**

- 1. APPROVES Cr Peter McCumstie and Cr Denise Andrews attendance at the Council Meeting held 30 May 2019 via telephone communication in accordance with regulation 14A(1) of the *Local Government (administration) Regulations 1996*;**
- 2. APPROVES Perth and Fitzroy Crossing, Western Australia, as a suitable place for Councillor attendance in accordance with regulation 14A(4) of the *Local Government (Administration) Regulations 1996*.**

In Favour: Crs Geoff Haerewa, Paul White, Chris Kloss, Iris Prouse and Andrew Twaddle**Against:** Nil**CARRIED BY ABSOLUTE MAJORITY CARRIED 5/0****3 DISCLOSURE OF INTERESTS**

Section 5.65 and 5.70 of the *Local Government Act 1995* requires an Elected Member or officer who has an interest in any matter to be discussed at a Committee/Council Meeting that will be attended by the Elected Member or officer must disclose the nature of the interest in a written notice given to the Chief Executive Officer before the meeting; or at the meeting before the matter is discussed.

An Elected Member who makes a disclosure under section 5.65 or 5.70 must not preside at the part of the meeting relating to the matter; or participate in; or be present during, any discussion or decision making procedure relating to the matter, unless allowed by the Committee/Council. If Committee/Council allow an Elected Member to speak, the extent of the interest must also be stated.

3.1 Declaration of Financial Interests

Nil

3.2 Declaration of Proximity Interests

Nil

3.3 Declaration of Impartiality Interests

Nil

4 APPLICATIONS FOR LEAVE OF ABSENCE

MOTION

RESOLUTION 40/19**Moved: Cr Paul White****Seconded: Cr Chris Kloss****That Cr Peter Coggins be granted a leave of absence from the Ordinary Council Meeting held on Thursday 30 May 2019.**

In Favour: Crs Geoff Haerewa, Paul White, Chris Kloss, Peter McCumstie, Iris Prouse and Andrew Twaddle

Against: Nil

CARRIED 6/0

5 RESPONSES TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

6 PUBLIC TIME

6.1 Public Question Time

Chris Travers – Sutherland Street, noticed works have started and thanked the Shire. Sought clarification about footpath being put in as the street has high pedestrian use.

Acting Chief Executive Officer Wayne Neate confirmed there is budget for a footpath in next year's budget and confirmed that works will go ahead next year.

Vivienne Bysterveld - Drain behind scallywags and kids throwing rocks, can the Shire look at closing it off somehow? Shire President said the question will be taken on notice and answer provided back to the community.

5.40pm - Cr Denise Andrews entered the meeting via telephone.

6.2 Public Statements

Nil

7 PETITIONS, DEPUTATIONS, PRESENTATIONS AND SUBMISSIONS

Nil

8 ANNOUNCEMENTS BY PRESIDING PERSON WITHOUT DISCUSSION

Nil

9 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS**RESOLUTION 41/19****Moved: Cr Paul White****Seconded: Cr Chris Kloss**

That the Minutes of the Ordinary Meeting of the Shire of Derby/West Kimberley held at the Council Chambers, Clarendon Street, Derby, on 18 April 2019, the Compliance and Strategic Review Committee Meeting held at the Council Chambers, Clarendon Street, Derby, on 18 April 2019 and the Compliance and Strategic Review Committee Meeting held at the Council Chambers, Clarendon Street, Derby, on 16 May 2019 be CONFIRMED.

In Favour: Crs Geoff Haerewa, Paul White, Denise Andrews, Chris Kloss, Peter McCumstie, Iris Prouse and Andrew Twaddle

Against: Nil

CARRIED 7/0**10 RECOMMENDATIONS AND REPORTS OF COMMITTEES**

Nil

REPORTS

11 EXECUTIVE SERVICES

Nil

12 CORPORATE SERVICES

12.1 ACCOUNTS FOR PAYMENT - APRIL 2019

File Number: 5110 - Accounts Payable

Author: Tenille Parasiliti, Finance Officer

Responsible Officer: Wayne Neate, Acting Chief Executive Officer

Authority/Discretion: Information

SUMMARY

For Council to note the list of accounts paid under delegated authority during the month of April 2019.

DISCLOSURE OF ANY INTEREST

Nil

BACKGROUND

Council has delegated to the Chief Executive Officer the exercise of its power to make payments from the Shire's municipal and trust funds. In accordance with regulation 13 of the Local Government (Financial Management) Regulations 1996, a list of accounts paid by the Chief Executive Office is to be provided to Council.

STATUTORY ENVIRONMENT

Local Government (Financial Management) Regulations 1996

12. Payments from municipal fund or trust fund, restrictions on making

12(1) A payment may only be made from the municipal fund or a trust fund –

- (a) if the local government has delegated to the Chief Executive Officer the exercise of its power to make payments from those funds – by the CEO: or
- (b) otherwise, if the payment is authorised in advance by a resolution of the council.

The Chief Executive Officer has delegated authority to make payments from the municipal and trust fund.

13. Payments from municipal fund or trust fund by CEO, CEO's duties as to etc.

(1) If the local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing for each account paid since the last such list was prepared –

- (a) the payee's name; and
- (b) the amount of the payment; and
- (c) the date of the payment; and
- (d) sufficient information to identify the transaction.

(2) A list of accounts for approval to be paid is to be prepared each month showing –

- (a) for each account which requires council authorisation in that month –
 - (i) the payee's name; and
 - (ii) the amount of the payment; and
 - (iii) sufficient information to identify the transaction; and
- (b) the date of the meeting of the council to which the list is to be presented.

(3) A list prepared under subregulation (1) or (2) is to be –

- (a) presented to the council at the next ordinary meeting of the council after the list is prepared; and
- (b) recorded in the minutes of that meeting.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

All expenditure from the municipal fund was included in the annual budget as adopted or revised by Council.

STRATEGIC IMPLICATIONS

GOAL	OUTCOME	STRATEGY
4: Good governance and an effective organisation Leadership that provides strategic direction for the community, supported by efficient and effective service delivery	4.4: Financial sustainability and accountability for performance	4.4.4: Provide resources to support the Shire’s operations and to meet planning, reporting and accountability requirements

RISK MANAGEMENT CONSIDERATIONS

RISK	LIKELIHOOD	CONSEQUENCE	RISK ANALYSIS	MITIGATION
Legal & Compliance: In accordance with section 6.8 of the Local Government Act 1995, a local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure is authorised in advance by an absolute majority of Council	Rare	Minor	Low	Expenditure to only be incurred in accordance with budget parameters, which have been structured on financial viability and sustainability principles

CONSULTATION

Internal consultation within the Corporate Services Department.

COMMENT

All municipal fund expenditure included in the list of payments is incurred in accordance with the 2018-19 Annual Budget as adopted by Council at its meeting held 30 August 2018 (Minute No. 077/2018 refers) and subsequently revised or has been authorised in advance by the President or by resolution of Council as applicable.

The table below summarises the payments drawn on the funds during the month. Lists detailing the payments made are appended as an attachment.

**REPORT TO COUNCIL
APRIL 2019**

FUND	DETAILS	AMOUNT
MUNICIPAL ACCOUNT		
EFT Payments	EFT 46406 - 46548	1,303,702.55
Municipal Cheques	CHQ 54742 - 54749	51,495.88
Direct Debits	Fees & Charges, Credit Card Payments, Payroll, Payroll Liabilities	819,065.89
Manual Cheques		NIL
TRUST ACCOUNT		
Trust Cheques		NIL
TOTAL		\$2,174,264.32

Creditors Outstanding as at 31/04/2019

\$1,158,999.15

VOTING REQUIREMENT

Simple majority

ATTACHMENTS

1. April 2019 Payments List 

RESOLUTION 42/19

Moved: Cr Chris Kloss

Seconded: Cr Iris Prouse

That Council NOTES the list of accounts for April 2019 paid under Delegated Authority in accordance with regulation 13(1) of the Local Government (Financial Management) Regulations 1996 attached to this report, totalling \$2,174,264.32

In Favour: Crs Geoff Haerewa, Paul White, Denise Andrews, Chris Kloss, Peter McCumstie, Iris Prouse and Andrew Twaddle

Against: Nil

CARRIED 7/0

12.2 DIFFERENTIAL RATES AND RATES MODELLING 2019/20**File Number: 5174****Author: Myra Henry, Manager Finance****Responsible Officer: Wayne Neate, Acting Chief Executive Officer****Authority/Discretion: Review****SUMMARY**

For Council to consider the Statement of Objects and Reasons and proposed Differential Rates and Minimum Payments for the 2019/2020 financial year for the purpose of advertising and seeking public submissions as required by the Local Government Act 1995.

DISCLOSURE OF ANY INTEREST

Nil.

BACKGROUND

In accordance with section 6.36 of the Local Government Act 1995, where a local government intends to impose differential rates, or a minimum payment applying to a differential rate category, it is required to give local public notice of its intention to do so. The public notice is to invite submissions to the proposal for a period of not less than twenty one days. The Council is required to consider any submissions received prior to it formally imposing the proposed differential rates in the dollar and associated minimum payments, with or without modification.

As it is intended that differential rates will be imposed as part of the Council's 2019/2020 annual budget, this report seeks the Council's endorsement to provide public notice of the proposed differential rates in the dollar and associated minimum payments as recommended in this report.

It is important that Council adopts an adequate rating structure to ensure it continues to maintain and increase its own income sources, so as to finance the services needed by the community.

For the 2019/2020 year it is proposed the following rate in the dollar increases:

- Increase in the general GRV rate in the dollar by 6.00% to 13.3772 cents in the dollar;
- Increase in the general UV rate in the dollar by 6.00% to 22.9955 cents in the dollar;
- Increase in the pastoral UV rate in the dollar by 6.00% to 6.8300 cents in the dollar;
- Increase the mining UV rate in the dollar by 6.00% to 28.4327 cents in the dollar;
- Increase in minimums by 6.00% from \$969 to \$1027;
- Adoption of a 2.0% discount for the early payment of rates.

Pursuant to section 6.33 of the Local Government Act 1995, a local government may determine to impose differential rates according to a range of characteristics, including the purpose for which land is zoned, the purpose for which land is held or used, or whether the land is vacant land. As part of its 2018/2019 adopted budget, Council imposed differential rates and associated minimum payments in line with the above characteristics.

A synopsis of the adopted rating categories as per the Statement of Objects and Reasons is provided as follows:

Gross Rental Value (GRV)

The Local Government Act 1995 determines that properties of a Non-Rural purpose be rated using the Gross Rental Valuation (GRV) as the basis for the calculation of annual rates. The Valuer General determines the GRV for all properties within the Shire of Derby/West Kimberley every five years and assigns a GRV. The most recent general revaluation was completed during 2015/2016 and is effective from 1 July 2016. Interim valuations are provided monthly to Council by the Valuer General for properties where changes have occurred (i.e. subdivisions or strata title of property, amalgamations, building constructions, demolition, additions and/or property rezoning). In such instances Council recalculates the rates for the affected properties and issues interim rates notices.

All GRV properties within the Shire of Derby/West Kimberley are categorised as follows:

- GRV General Rate – are all properties within the town site;
 - GRV Residential – consist of properties with predominant residential use;
 - GRV Commercial – properties used for commercial or town centre purposes or non-residential vacant land;
 - GRV Industrial – properties used for industrial and non-residential vacant land;
 - GRV Special Rural - properties used for special rural purpose;
 - GRV Other Location – properties used for other purposes that do not fall within other GRV categories;

All GRV properties are rated using the same rate in the Dollar.

Unimproved Value (UV)

Properties that are predominantly of a rural purpose are assigned an Unimproved Value that is supplied and updated by the Valuer General on an annual basis.

The Shire of Derby/West Kimberley UV properties are categorised as follows;

- UV General Rate – are all properties outside the town site;
 - UV Commercial – consists of properties that are used for commercial purposes
 - UV Islands – consists of any rateable islands currently only Cockatoo Island.
 - UV Locations – within this rate code there are assessments that has specific properties, and are charged rates on the usable land only.
 - UV Concession Raised – this consists of any properties that Council resolve to offer any concession too.
- UV Mining – consists of properties that used for mining, exploration or prospecting purposes.
- UV Pastoral – consists of properties that exclusively for pastoral use.

The Rate in the Dollar set for the UV – Pastoral category forms the basis for calculating all other UV Differential Rates. All UV General Rates are rated the same value, UV Mining and Pastoral are rated at a different rate. The reason the Council has adopted a lower rate in the dollar for properties predominately used for pastoral properties is that the Council is of the view that there

have been large calculation increase over the past few years for pastoral properties and the lower rate in the dollar will create a more equitable level of contribution for this property type when comparing to neighbouring Shires. Where UV pastoral is rated a lower rate Council chooses to rate UV mining has the higher rate to reflect the higher road infrastructure maintenance costs to Council as a result of frequent very heavy vehicle use over extensive lengths of Shire roads throughout the year. The differential rates for 2019/2020 for UV Properties including mining and pastoral properties will be increased by 6.00%.

Minimum Rates

The setting of minimum rates within rating categories is an important method of ensuring that all properties contribute an equitable rate amount. A minimum rate of \$1027 is being proposed for all rate categories. The minimum levels are uniform for all properties, and are set by taking into account the level of service to be supplied to each area.

Council currently does not impose specified area rates.

A discount is recommended at the level of 2.0% for the 2019/2020 year.

It is considered important that Council continue to review and adjust its rates and other sources of income. WALGA have produced a report noting that the adoption of the general CPI rate is not a good indication of inflation for local governments as a large portion of cost increases in local government is concerned with infrastructure and transport costs which are considerably higher than the standard CPI for a family. Rates increases are crucial to fund the replacement and maintenance of assets as identified within the Plan for the Future of the District, Long Term Financial Plan and Corporate Business Plan.

In 2012/2013 the Council adopted a Long Term Financial Plan which outlined the Rating Strategy required to ensure the long term sustainability of the Shire and implement the Corporate Business Plan. The % increase in the Long Term Financial Plan and Corporate Business Plan was for an increase of 9.2% per year from 2013-2014 to 2016-2017 and then reduce to a 6.2% increase for the remainder of the Plan. Since the 2012-2013 financial year there has been significant changes to Council operations and also increases in operating expenditure and some capital expenditure has been higher expected. Therefore the projected 6.20% increase for 2019-2020 is required and a rate in the dollar increase of 6.00% is considered more appropriate.

There are increasing expectations from the community that the Council will act in a wide variety of fields providing additional services and in the majority of cases this involves additional costs. Therefore Council needs to increase its rates and other sources of income in order to maintain assets and services for the future.

GRV Properties - Proposed Rates

The rates model includes a new GRV rate in the dollar of 13.3772 cents in the dollar for residential properties, and other GRV properties, including those classified/coded as commercial or industrial properties. This is a 6.00% increase in the rate in the dollar from the previous year.

A complete revaluation of all GRV properties was completed during 2015/2016 and implemented in the 2016/2017 financial year. This revaluation resulted in a significant decrease in the value of properties in Derby. The next revaluation of GRV properties will be completed in 2020/2021. The condition of the property market in Derby at that time will be a contributing factor to the valuation process as it was in 2010/2011 and 2015/2016.

UV Properties - Proposed Rate (other than Mining and Pastoral)

The rate in the dollar for UV properties, except those coded as being predominately used for mining and pastoral, is proposed at 22.9955 cents in the dollar for these properties, which is a 6.00% increase over the previous year's level.

Mining Properties - Proposed Differential Rate

It is considered important that mining properties adequately contribute to Council's rate income as they are heavy users of Council's road system, and contribute to its deterioration at a far higher level than other ratepayers. Because of this it is not unusual for Councils throughout Australia to adopt higher rates for mining properties and other heavy users of road systems, than that which applies to other properties. Therefore the proposed rate in the dollar for Mining is to be set at 28.4327 which is a 6.00% increase from the previous year.

Pastoral Properties - Proposed Differential Rate

It is proposed that the rate in the dollar for pastoral properties be set at 6.8300 cents in the dollar. This differential rate was reduced heavily during 2010 in recognition of high property valuations that were received in prior years.

Many Councils use differential rates on a multitude of different use properties. For the information of Councillors the Shire of Broome has 16 different classifications for rates while the Shire of Wyndham-East Kimberley has 5 different rates classifications. It is proposed that the Shire of Derby/West Kimberley have 4 classifications for the 2019/2020 year.

Minimum Rate

It is proposed that these also be increased by 6.00% from \$969 to \$1027 for the 2019/2020 financial year. This level is not considered high compared to the extensive level of services provided by the Shire of Derby/West Kimberley as well as comparing it to other Councils throughout the State.

Discount System/Scheme

Council introduced a discount system in the 2002/2003 financial year.

There are positive benefits to ratepayers who can pay early and remains cost neutral to those who cannot.

Earlier payments can help Council's cash flow and possibly debt recovery however there is often a loss (of forgone income) to the Council of utilising such a scheme.

Given the level of costs of replacing major capital assets that need to be addressed, forgoing a large amount of income is not considered the most appropriate action. The foregone income for 2011/2012 was \$51,265, in 2012/2013 was \$58,888, in 2013/2014 was \$71,406, in 2014/2015 was \$69,240, in 2015/2016 was \$69,902, in 2016/2017 was \$77,392, 2017/18 was \$74,241 and 2018/19 it was 71,268.

The Council will have an outstanding rates ratio of approximately 24% at the end of the 2018/2019 financial year. The implementation of a greater discount for early payment would be unlikely to improve this figure.

When considering utilising such a discount scheme, Council should take into account the practical application of such schemes as well as ensuring they are in accordance with the Local Government Act 1995. The proposal for the 2019/2020 year is the same as that which applies in a number of other Councils in WA, which being the discount only applies where the rates and all arrears are paid in full by the due date which is 35 days from the date of the service of the rate notice.

No discount applies where the instalment payment option is used, nor does the discount apply to rubbish service charges. As mentioned, this is the same as that which applies in many other Councils.

The amount of the discount will be shown on each rate notice. It is proposed that a discount of 2.0% apply.

The attached spreadsheet displays the current year rates and the proposed rates for next financial year.

STATUTORY ENVIRONMENT:

Sections 6.25 to 6.82 of the Local Government Act 1995 refer to rates and service charges. However, this report more specifically refers to the following sections of the Act;

6.28. Basis of Rates

- 1) *The Minister is to —*
 - a) *determine the method of valuation of land to be used by a local government as the basis for a rate; and*
 - b) *publish a notice of the determination in the Government Gazette.*
- 2) *In determining the method of valuation of land to be used by a local government the Minister is to have regard to the general principle that the basis for a rate on any land is to be —*
 - a) *where the land is used predominantly for rural purposes, the unimproved value of the land; and*
 - b) *where the land is used predominantly for non rural purposes, the gross rental value of the land.*
- 3) *The unimproved value or gross rental value, as the case requires, of rateable land in the district of a local government is to be recorded in the rate record of that local government.*
- 4) *Subject to subsection (5), for the purposes of this section the valuation to be used by a local government is to be the valuation in force under the Valuation of Land Act 1978 as at 1 July in each financial year.*
- 5) *Where during a financial year —*
 - a) *an interim valuation is made under the Valuation of Land Act 1978; or*
 - b) *a valuation comes into force under the Valuation of Land Act 1978 as a result of the amendment of a valuation under that Act; or*
 - c) *a new valuation is made under the Valuation of Land Act 1978 in the course of completing a general valuation that has previously come into force, the interim valuation, amended valuation or new valuation, as the case requires, is to be used by a local government for the purposes of this section.*

6.33. Differential General Rates

- (1) *A local government may impose differential general rates according to any, or a combination, of the following characteristics —*
 - (a) *the purpose for which the land is zoned, whether or not under a local planning scheme or improvement scheme in force under the Planning and Development Act 2005; or*

- (b) a purpose for which the land is held or used as determined by the local government; or*
 - (c) whether or not the land is vacant land; or*
 - (d) any other characteristic or combination of characteristics prescribed.*
- (2) Regulations may —*
 - (a) specify the characteristics under subsection (1) which a local government is to use; or*
 - (b) limit the characteristics under subsection (1) which a local government is permitted to use.*
- (3) 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.*
- (4) If during a financial year, the characteristics of any land which form the basis for the imposition of a differential general rate have changed, the local government is not to, on account of that change, amend the assessment of rates payable on that land in respect of that financial year but this subsection does not apply in any case where section 6.40(1)(a) applies.*
- (5) A differential general rate that a local government purported to impose under this Act before the Local Government Amendment Act 2009 Section 39(1)(a) came into operation 1 is to be taken to have been as valid as if the amendment made by that paragraph had been made before the purported imposition of that rate.*

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.*

6.36. Local Government to Give Notice of Certain Rates

- (1) *Before imposing any differential general rates or a minimum payment applying to a differential rate category under section 6.35(6)(c) a local government is to give local public notice of its intention to do so.*
- (2) *A local government is required to ensure that a notice referred to in subsection (1) is published in sufficient time to allow compliance with the requirements specified in this section and section 6.2(1).*
- (3) *A notice referred to in subsection (1) —*
- (a) *may be published within the period of 2 months preceding the commencement of the financial year to which the proposed rates are to apply on the basis of the local government's estimate of the budget deficiency; and*
 - (b) *is to contain —*
 - (i) *details of each rate or minimum payment the local government intends to impose; and*
 - (ii) *an invitation for submissions to be made by an elector or a ratepayer in respect of the proposed rate or minimum payment and any related matters within 21 days (or such longer period as is specified in the notice) of the notice; and*
 - (iii) *any further information in relation to the matters specified in subparagraphs (i) and (ii) which may be prescribed; and*
 - (c) *is to advise electors and ratepayers of the time and place where a document describing the objects of, and reasons for, each proposed rate and minimum payment may be inspected.*
- (4) *The local government is required to consider any submissions received before imposing the proposed rate or minimum payment with or without modification.*
- (5) *Where a local government —*
- (a) *in an emergency, proposes to impose a supplementary general rate or specified area rate under section 6.32(3)(a); or*
 - (b) *proposes to modify the proposed rates or minimum payments after considering any submissions under subsection (4), it is not required to give local public notice of that proposed supplementary general rate, specified area rate, modified rate or minimum payment.*

POLICY IMPLICATIONS

AF20 - Rating Administration Policy

In accordance with the Department of Local Government and Communities "Rating Policy - Differential Rates", for the Minister to grant approval under section 6.33(3) Council must satisfy the Minister that consideration has been given to the key values of Objectivity, Fairness and Equity, Consistency, Transparency and Administrative Efficiency.

The following indicates how these values are satisfied by the proposed differential rates:

Objectivity:

- The land on which differential general rates is proposed has been rated according to zoning and land use. No land is proposed for differential general rates based on being vacant land.
- There has been no change to the boundaries of the District in the past five years.
- One differential general rate has been proposed which is more than twice the lowest differential-this being the mining differential rating category compared to the pastoral differential rating category.

Fairness and Equity:

- Council has reviewed its expenditure and considered efficiency measures as part of its budget deliberations. In particular, to improve efficiency and reduce expenditure Council has:
 - Commenced the process to negotiate a new enterprise agreement;
 - Reviewed the need for and remuneration of each position as vacancies arise;
 - Reduced the number of houses leased for staff housing;
 - Deferred capital expenditure where possible;
 - Installed energy efficient fixtures and equipment;
 - Implemented Vendor Marketplace (eQuotes) for procurement below the tender threshold; and
 - Disposed of under-utilised light fleet and plant;
- The objects of imposing differential rates and reasons for each rate are set out in the attached document that will be publically available.
- These objects and reasons clearly explain why each differential general rate is proposed to be imposed.
- The objects and reasons clearly explain why it is proposed to set the differential general rate at that particular rate.
- Where any category of ratepayer is significantly contributing to revenue through fees, charges and other payments, these same costs have not been used as the justification for the difference in differential general rate.
 - There is more than 30 ratepayers who will be subject to the proposed differential rates categories.
 - All submissions from ratepayers will be presented to Council for consideration at a later meeting and the minutes of this meeting, including the responses to ratepayer submissions, will be provided to the Department of Local Government and Communities and the Minister.

Consistency:

- All properties with the same land use characteristics have been rated in the same way.
- The proposed differential rates align with the principles of the rating strategy in the Corporate Business Plan and Long Term Financial Plan, however they differ in application as the proposed increase to rates in the dollar predominantly (6.00%) is slightly lower than the 6.2% increase forecast in the expired Long Term Financial Plan. This reduction is a response to the changing economic conditions in the district and implementation of efficiency measures within the organisation.
- Consideration has been given to rates proposed in neighbouring or similar local government districts.
- Transparency and Administrative Efficiency:
- A document has been prepared clearly describing the object of and reason for each differential general rate. This will be made publically available.
- Public notice will be exhibited on a notice board at Council's offices and at each library within the District. This public notice will also be published in local newspapers.
- The public notice will detail each differential general rate to be imposed, advice ratepayers where to obtain a copy of the objects and reasons, invite submissions from ratepayers on the proposed differential general rates and advise the closing date for submissions.
- After the closing date for submissions, each submission received will be presented to Council for consideration prior to resolving to make application to the Minister for approval of the proposed differential general rates.

FINANCIAL IMPLICATIONS

The 2019/2020 draft annual budget is being developed in line with the rating determinations contained in this report.

Any variation will then determine the projects that may or may not be included in the Budget.

STRATEGIC IMPLICATIONS

GOAL	OUTCOME	STRATEGY
4: Leadership that provides strategic direction for the community, supported by efficient and effective service delivery	4.4: Financial sustainability and accountability for performance	4.4.5: Develop, maintain and monitor rating and property strategies

RISK MANAGEMENT CONSIDERATIONS

RISK	LIKELIHOOD	CONSEQUENCE	RISK ANALYSIS	MITIGATION
Legal & Compliance: Non-compliance with	Unlikely	Moderate	Medium	Accept officer recommendation

the Local Government Act 1995				
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CONSULTATION

Before Council can establish a differential rating model, the proposed differential rates together with the Statement of Objects and Reasons for Differential Rates and Minimum Payments and reasons for each rate must be advertised for a minimum period of 21 days. This period of advertising allows ratepayers to consider the proposed rates and make any submissions prior to Council considering the adoption of differential rates as part of the budget approval process. The advertising process does not prevent Council from amending the rate model at budget adoption.

COMMENT

The Local Government Act 1995 provides for Councils to levy rates to fund the estimated annual budget deficiency for the forthcoming financial year.

The estimated budget deficit for the 2019/2020 financial year has not yet been finalised, as the detailed budget estimates covering various expense and revenue items are currently being prepared. At present, the amount required from rates to fund the outcomes of the draft budget is in excess of the a rate in the dollar increase proposed of 6.00%. Staff are currently revising the draft budget and service levels and are looking at all avenues to reduce the gap, including alternative revenue sources.

Whilst rate modelling has been undertaken using a 6.00% increase, it is important to note that properties valued at unimproved value (UV) are subject to an annual valuation, whereas gross rental valuations (GRV) are conducted every five years. Accordingly, the rate increases on individual properties within the UV land use groups may vary from the general 6.00% increase; albeit the collective value of rates levied within each land use group will generally increase by this percentage.

It is also worthy of noting that section 6.33 (differential rates) and section 6.35 (minimum payment) of the Local Government Act 1995 require that certain ratios be complied with in respect of, amongst others, differential rating comparatives, general minimum payments and the number of properties subject to minimum payments. These matters are also required to be considered as part of the rates modelling process.

In accordance with section 6.36 of the Act (local government to give notice of certain rates), public notice is required to be given where a local government intends to impose differential rates, or a minimum payment applying to a differential rate category. The public notice is to invite submissions to the proposal for a period of not less than twenty one (21) days. The Council is required to consider any submissions received prior to it formally imposing the proposed differential rates in the dollar and associated minimum payments, with or without modification. As in previous years, and unless circumstances require otherwise, it is proposed that any submissions received will be presented to the Council at which time it formally considers its 2019/2020 annual budget.

Whilst not required to do so, it is proposed that in addition to the differential rates in the dollar and associated minimum payments, that the Council also gives public notice of the general rates in the dollar and associated minimum payments. This is simply to provide ratepayers with additional comparative data.

The proposed differential rates in the dollar and associated minimum payments are analogous with related Council determinations, and as such, are recommended for endorsement for public notice purposes. Notwithstanding this however, the Council may determine to amend the advertised rates in the dollar and/or associated minimum payments at which time it formally adopts its budget, without the need for further public notice. Should this occur, the reasons for not adopting the advertised rates in the dollar and/or associated minimum payments are required to be disclosed in the annual budget and also as part of the rates notice; pursuant to regulations 23(b) and 56(4)(b) of the Local Government (Financial Management) Regulations 1996.

In the past Council has adopted rates that are more than twice the minimum differential rate and must therefore seek Ministerial approval, as required by the provisions of the Local Government Act 1995. The Department of Local Government and Communities has been scrutinising local government's differential rating strategies in more detail in recent years and may request modifications to be made, if they are not satisfied that the rating strategy is fair and equitable.

Simple majority is all that is required, as the matter is merely an "In Principle" issue at this time, as the formal adoption of rates is part of the budget resolutions.

VOTING REQUIREMENT

Simple majority

ATTACHMENTS

1. STATEMENT OF OBJECTS AND REASONS 2019/20 
2. Rates Model 2019/20 

RESOLUTION 43/19

Moved: Cr Paul White

Seconded: Cr Iris Prouse

That Council:

1. Supports the proposals included in the rating model as outlined in this report be adopted "in principle" as Council's proposed rating structure for the 2019/2020 financial year, which includes the following proposed rates:-
 - (a) A GRV rate of 13.3772 cents in the dollar for all GRV rated properties;
 - (b) A UV rate of 22.9955 cents in the dollar for all UV rated properties, except those used or coded as used for mining and pastoral purposes;
 - (c) A UV differential rate of 28.4327 cents in the dollar for all those properties predominantly used for mining purposes, or where held as a lease for mining purposes;
 - (d) A UV differential rate of 6.8300 cents in the dollar for all those properties predominantly used for pastoral purposes;
 - (e) A minimum rate of \$1027 for all properties, both GRV valuations and UV valuations.
2. That a provision be included in the budget for the offering of a 2.0% discount on the early payment of rates for the 2019/2020 year.
3. Advertise for public comment, the differential rates and the minimum payments stated in

1 above, as per the requirements of section 6.36 of the Local Government Act 1995.

- 4. If no submissions are received, apply to the Minister for Local Government for approval to impose differential general rates which are more than twice the lowest differential rate, for the 2019/2020 financial year, as per section 6.33(3) of *the Local Government Act 1995*.**

In Favour: Crs Geoff Haerewa, Paul White, Denise Andrews, Peter McCumstie, Iris Prouse and Andrew Twaddle

Against: Cr Chris Kloss

CARRIED 6/1

12.3 BUDGET AMENDMENT

File Number: 5120 - Budget
Author: Myra Henry, Manager Finance
Responsible Officer: Wayne Neate, Acting Chief Executive Officer
Authority/Discretion: Executive

SUMMARY

For Council to consider a budget amendment for the reallocation of funds for the purpose of providing a Business and Master Plan for the Derby Airport.

DISCLOSURE OF ANY INTEREST

Nil.

BACKGROUND

Business and Master planning for the Derby Airport are required following on from the recent upgrades. The development of these plans will allow the airport to maximise its potential income to the Shire of Derby/West Kimberley.

STATUTORY ENVIRONMENT

Local Government Act 1995

6.8. Expenditure from municipal fund not included in annual budget

- (1) *A local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure —*
 - (a) *is incurred in a financial year before the adoption of the annual budget by the local government; or*
 - (b) *is authorised in advance by resolution*; or*
 - (c) *is authorised in advance by the mayor or president in an emergency.*

** Absolute majority required.*

POLICY IMPLICATIONS

There are no policy implications related to this report

FINANCIAL IMPLICATIONS

An increase in funds is required to develop the appropriate plans to maximise the potential of the Derby Airport, however unexpended funds from another area of the budget can be reallocated.

STRATEGIC IMPLICATIONS

GOAL	OUTCOME	STRATEGY
4: Good governance and an effective organisation Leadership that provides	4.4: Financial sustainability and accountability for	4.4.4: Provide resources to support the Shire’s operations and to meet planning, reporting and accountability

strategic direction for the community, supported by efficient and effective service delivery	performance	requirements
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RISK MANAGEMENT CONSIDERATIONS

RISK	LIKELIHOOD	CONSEQUENCE	RISK ANALYSIS	MITIGATION
Organisation's Operations: Development of planning documents to support future operations	Unlikely	Moderate	Medium	In the short term the existing annual budget would continue to apply and proposed amendments would not apply Accept officer recommendation with any amendments (as specified by Council)

CONSULTATION

Liaison with Officers responsible for areas where budget underspend has been identified.

COMMENT

Item 920141 - Major Building Maintenance has a budget of \$40,000 to which no cost has been expended and no cost is forecast for the remaining of the financial year. Item 920142 - Other Property Cost has a budget of \$366,100 with expenditure to date reducing the balance to approximately \$200,000. No further expenditure is forecast for this account.

Officers suggest moving a budget of \$20,000 to account 440112 - Expenses - Strategic Services (Area Promotion) for the purpose of undertaking research as required to develop the Business and Master Plans for the Derby Airport.

VOTING REQUIREMENT

Absolute majority

ATTACHMENTS

Nil

RESOLUTION 44/19**Moved: Cr Andrew Twaddle****Seconded: Cr Chris Kloss****That Council:****1. Adopts the following budget amendments by ABSOLUTE MAJORITY:****(a) Decrease 920142 - Other Property Cost from \$366,100 to \$346,100;****(b) Increase 440112 - Expenses - Strategic Services (Area Promotion) from \$17,000 to \$37,000.**

In Favour: Crs Geoff Haerewa, Paul White, Denise Andrews, Chris Kloss, Peter McCumstie, Iris Prouse and Andrew Twaddle

Against: Nil

CARRIED 7/0 BY ABSOLUTE MAJORITY

12.4 STATEMENT OF FINANCIAL ACTIVITY FOR THE PERIOD ENDING 30 APRIL 2019**File Number: 5152****Author: Myra Henry, Manager Finance****Responsible Officer: Wayne Neate, Acting Chief Executive Officer****Authority/Discretion: Information****SUMMARY**

For Council to note the statement of financial activity for the period ended 30 April 2019 as required by the Local Government Act 1995 ('the Act').

Pursuant to section 6.4 of the Local Government Act 1995 and regulation 34(4) of the Local Government (Financial Management) Regulations 1996 ('the Regulations'), a local government is to prepare, on a monthly basis, a statement of financial activity that reports on the Shire's financial performance in relation to its adopted/amended budget.

This report has been compiled to fulfil the statutory reporting requirements of the Act and associated Regulations, whilst also providing the Council with an overview of the Shire's financial performance on a year to date basis for the period ending 30 April 2019.

DISCLOSURE OF ANY INTEREST

NIL

BACKGROUND

At its meeting held 30 August 2018 (Minute No. 077/2018 refers), Council adopted the annual budget for the 2018-19 financial year. The figures in this report are compared to the adopted budget.

It should be noted that these reports do not represent a projection to the end of year position or that there are funds surplus to requirements. It represents the year to date position to 30 June 2019 and results from a number of factors identified in the report. There are a number of factors that influence any variances, but it is predominately due to the timing of revenue and expenditure compared to the budget estimates. The notes to the statement of financial activity identify and provide commentary on the individual key material revenue and expenditure variances to date.

The following reports are for Council to note for the period ending.

- Summary Graphs – Financial Activity
- Statement of Financial Activity by Program
- Statement of Financial Activity by Nature or Type
- Notes –
 - Significant Accounting Policies
 - Net Current Funding Position
 - Capital – Acquisitions, Funding and Disposal
 - Cash and Investments
 - Receivables

- Payables
- Cash Backed Reserves
- Rating Information
- Information on Borrowings
- Grants and Contributions
- Budget Amendments
- Trust Fund
- Material Variances

Additionally, and pursuant to regulation 34(5) of the Regulations, a local government is required to adopt a material variance reporting threshold in each financial year. At its meeting of 30 August 2018, the Council adopted (Minute No. 077/2018 refers) the following material variance reporting threshold for the 2018-19 financial year:

In accordance with regulation 34(5) of the Local Government (Financial Management) Regulations 1996, and AASB 1031 Materiality, the level to be used in Statements of Financial Activity in 2018-19 for reporting material variances shall be 10%, with a minimum reportable value amount of \$30,000.

STATUTORY ENVIRONMENT:

Section 34 of the Local Government (Financial Management) Regulations 1996 provides:

34. Financial activity statement required each month (Act s. 6.4)

- (1) *A local government is to prepare each month a statement of financial activity reporting on the revenue and expenditure, as set out in the annual budget under regulation 22(1)(d), for that month in the following detail —*
 - (a) *annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c); and*
 - (b) *budget estimates to the end of the month to which the statement relates; and*
 - (c) *actual amounts of expenditure, revenue and income to the end of the month to which the statement relates; and*
 - (d) *material variances between the comparable amounts referred to in paragraphs (b) and (c); and*
 - (e) *the net current assets at the end of the month to which the statement relates.*
- (2) *Each statement of financial activity is to be accompanied by documents containing —*
 - (a) *an explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets; and*
 - (b) *an explanation of each of the material variances referred to in subregulation (1)(d); and*
 - (c) *such other supporting information as is considered relevant by the local government.*
- (3) *The information in a statement of financial activity may be shown —*
 - (a) *according to nature and type classification; or*

- (b) *by program; or*
- (c) *by business unit.*
- (4) *A statement of financial activity, and the accompanying documents referred to in subregulation (2), are to be —*
 - (a) *presented at an ordinary meeting of the council within 2 months after the end of the month to which the statement relates; and*
 - (b) *recorded in the minutes of the meeting at which it is presented.*
- (5) *Each financial year, a local government is to adopt a percentage or value, calculated in accordance with the AAS, to be used in statements of financial activity for reporting material variances.*

POLICY IMPLICATIONS

AF14 – Significant Accounting Policies

AF18 – Sundry Debtors Collection

AF19 – Outstanding Rates Collection

FM4 – Reserve Accounts

FM7 – Cashflow Management

FM8 – Investments

FINANCIAL IMPLICATIONS

Expenditure for the period ending has been incurred in accordance with the 2018/19 Annual Budget as adopted by Council at its meeting held 30 August 2018 (Minute No. 077/2018 refers) budget parameters, which have been structured on financial viability and sustainability principles.

Details of any budget variation in excess of \$30,000 (year to date) follow. There are no other known events which may result in a material non recoverable financial loss or financial loss arising from an uninsured event.

STRATEGIC IMPLICATIONS

GOAL	OUTCOME	STRATEGY
<p>4: Good Governance and an effective organisation</p> <p>Leadership that provides strategic direction for the community, supported by efficient and effective service delivery</p>	<p>4.1: Effective Governance and Leadership</p>	<p>4.1.4: Ensure governance policies and procedures are in accordance with legislative requirements</p>

RISK MANAGEMENT CONSIDERATIONS

RISK	LIKELIHOOD	CONSEQUENCE	RISK ANALYSIS	MITIGATION
Financial:	Possible	Major	High	Risk assessments have

<p>The Shire is exposed to a number of financial risks. Most of these risks exist in respect to recurrent revenue streams which are required to meet current service levels. Any reduction in these revenue stream into the future is likely to have an impact on the Shire’s ability to meet service levels or asset renewal funding requirements, unless the Shire can replace this revenue or alternatively reduce costs.</p>				<p>been completed in relation to a number of higher level financial matters. The timely and accurate completion of monthly financial reporting enabling Council to make fully informed decisions is a control that assists in addressing this risk.</p>
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CONSULTATION

Internal consultation within the corporate services department.

External consultation with Moore Stephens.

In accordance with section 6.2 of the Local Government Act 1995, the annual budget was prepared having regard to the Strategic Community Plan, prepared under section 5.56 of the Local Government Act 1995.

COMMENT

All expenditure included in the financial statements is incurred in accordance with Council’s adopted budget or subsequent approval in advance.

The Statement of Financial Activity is presented monthly, being generated by our off-site Consultants, Moore Stephens, and then printed in our office.

Once the reports are received by Moore Stephens, comments are added to various sections of the report to provide additional information or explanation. Explanations for any material variance identified in the reports are provided in Note 13 – Explanation of Material Variances.

VOTING REQUIREMENT

Simple majority

ATTACHMENTS

- 1. **Monthly Financial Report - April 2019** 

RESOLUTION 45/19

Moved: Cr Iris Prouse

Seconded: Cr Paul White

That Council RECEIVES the Monthly Financial Management Report incorporating the Statement of Financial Activity for the period ending 30 April 2019.

In Favour: Crs Geoff Haerewa, Paul White, Denise Andrews, Chris Kloss, Peter McCumstie, Iris Prouse and Andrew Twaddle

Against: Nil

CARRIED 7/0

13 TECHNICAL SERVICES

Nil

14 DEVELOPMENT SERVICES**14.1 CHANGE OF USE - OFFICE TO ART GALLERY**

File Number: A105325
Author: Noel Myers, Manager Planning
Responsible Officer: Wayne Neate, Acting Chief Executive Officer
Applicant: M & M Norval
Owner: M & M Norval
Proposal: Change of Use; Office to Art Gallery
Location: Lot 276 (No.28) Loch Street, Derby
Authority/Discretion: Administrative

SUMMARY

To consider an application for development approval for a Change of Use from Office to Showroom (Art Gallery) at Lot 276 Loch Street, Derby (subject site).

DISCLOSURE OF ANY INTEREST

Nil

BACKGROUND

- Subject lot is located on the corner of Loch and Johnston Streets;
- The property is the former Department of Agriculture (DoA) building to which the Council has previously granted approval to convert the upper level over to residential uses whilst the former DoA offices on the lower level retained their commercial use (***OCM 17/12/15 – Minute 148/2015***);
- Property is zoned Town Centre under TPS No.5;
- TPS Policy No.8 – Town Centre Development Policy identifies property as being located within the Commercial Precinct;
- All adjoining land uses are commercial in nature;
- Existing development includes three buildings – a substantial two storey building, a brick and concreted roof store building and a steel framed and metal clad shed building.

POLICY IMPLICATIONS

None arising from deliberation of this application

FINANCIAL IMPLICATIONS

Nil

STATUTORY ENVIRONMENT:

- Planning and Development Act 2005;
- Planning and Development (Local Planning Schemes) Regulations 2015;

- Shire of Derby/West Kimberley TPS No.5;
- TPS Policy No. 8 – Town Centre Development Policy

In accordance with Schedule 2 Clause 76(2) of the Planning and Development (Local Planning Schemes) Regulations 2015 and Part 14 of the Planning and Development Act 2005, the applicant will have the right to apply to the State Administrative Tribunal for a review of Council’s determination.

STRATEGIC IMPLICATIONS

GOAL	OUTCOME	STRATEGY
Goal 1: Community wellbeing	Outcome 1.8: Access to learning, cultural and arts opportunities that support community growth and diversity	Strategy 1.8.4: Promote and support community and cultural events
Goal 2: A balance between the natural and built environments	Outcome 2.1: Appropriate development that enhances the unique character and heritage of the Shire’s townships	Strategy 2.1.4: Ensure quality, consistent and responsive development and building assessment approval processes and enforcement

RISK MANAGEMENT CONSIDERATIONS

There are minimal risks to Council and the Shire’s business function when Council exercises its discretionary power to determine a planning application.

CONSULTATION

The plans have been endorsed by the adjoining Johnston Street property owner, the Shire is the adjoining Loch Street property owner.

COMMENT

The application proposes to establish an Art Gallery and Art Workspace from where artworks will be prepared and displayed for sale to the public

The scope of works involved includes:

- The expansion and enclosure of the ground floor area of the existing two storey building to the external perimeter of the existing upper floor. This is to be achieved by the demolition of existing internal walls that forms the existing office space and erecting new walls that will enclose the existing undercroft parking spaces which combine to form a new gallery space, toilets and ancillary facilities;
- Internal alterations to the existing free standing metal shed including installation of a new entrance to create an ‘art workshop’ and art display space;
- A new carport for two car spaces to service the existing residence;
- A new delineated Visitor Parking area including a disability car space for 5 visitor cars;
- A landscaped entry space including pergola/shade structure and fencing.

The addition of 85 m² to the existing ground floor area represents only a small increase to the existing overall development size but the change in use and potential for additional vehicle movements is offset by the provision of new onsite car parking spaces.

The plans have been architecturally designed and will result in a building that is designed to be sympathetic to and reflect some of the proportions of the original building design. Colours and building graphics will be synonymous with the resident artists’ unique and well known style. The further use of corrugated sheeting for entry features and the proposed internal fencing is intended to add aesthetically to the existing built form and seek to tie the three existing individual buildings together in a more cohesive manner. The building works are to be complemented by new hard and soft landscaping to complement the existing generous landscaping of the property. The collective actions should combine to create a landmark building and provide an enhancement to the streetscape of the locality.

DETAILS

The table below summarises the planning assessment of the proposal against the provisions of the Shire’s Local Planning Scheme No. 5 (LPS5), the Shire’s TPS Policy No. 8 – Town Centre Development Policy

In each instance where the proposal requires the discretion of Council, the relevant planning element is discussed in the Detailed Assessment section following from this table.

Planning Element	Use Permissibility/ Deemed-to-Comply	Requires the Discretion of Council
Land Use		Yes
Parking & Access		Yes

Detailed Assessment:

The deemed-to-comply assessment of the element that requires the discretion of Council is as follows:

Land Use	
Deemed-to-Comply Standard	Proposal
Local Planning Scheme No. 5 Use not specifically listed	An ‘Art Gallery’ is not specifically mentioned within Table 2 - Zoning Table, however, the nature and proposed use of the property is regarded as being generally aligned with listed use of ‘Showroom’ which is an ‘AA’ use in the Town Centre Zone.
Parking	
Deemed to Comply Standard	Proposal
Clause 4.13.2 – Unlisted Use. Unlisted Uses have no prescribed parking requirement under Table 4 of LPS5. Council	The application proposes a total of six on-site car parking bays. Four on-site parking bays including provision for

<p>shall determine the number of car parking spaces to be provided having regard to the nature of the proposed development, the number of likely employees, the prevention of obstruction of roads and streets, the orderly and proper planning of the locality and the preservation of amenities.</p>	<p>one allocated accessible car parking space to service the gallery; and Two bays to service the needs of the residents.</p>
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The above elements of the proposal do not meet the specified deemed-to-comply standards and are discussed in the comments section below.

Land Use:

As detailed above, an Art Gallery is not specifically mentioned in Table 4, however, the use is reasonably considered against the definition of a “Showroom”.

LPS5 defines a showroom as meaning:

A building wherein goods are displayed and may be offered for sale by wholesale or retail of foodstuffs, liquor or beverages, items of clothing or apparel, magazines, books or paper products, medical or pharmaceutical products, china, glassware or domestic hardware and items of personal adornment.

A showroom is classified as an AA use within the Town Centre zone which means that the use is not permitted unless Council has issued Development Approval after giving notice of the proposed use - in this case this requires notice of 14 days be given to surrounding landowners who may be potentially affected by the issue of an approval. The plans of the proposed development have been referred directly to the adjacent owner whose property abuts the rear boundary of the lot and they have provided their written support to the development.

The Shire’s Development Services Building is the other property which adjoins the lot and which may be regarded as potentially being affected by the use and this property. The proposed change in the use of the property from office purposes to a more retail commercial activity is however unlikely to have any direct impact upon the Shire’s property and the occupancy of that building.

Development Standards:

The proposal is required to be assessed against the relevant development requirements as set out in the Scheme and any other planning policy.

In this instance the most relevant issue to consider is that of ensuring there is adequate parking to service the needs likely to be generated by the use. There is no reasonable grounds to oppose the proposed land use which is essentially a retail use and is a use that would reasonably be expected to occur within an area zoned Town Centre.

The scheme provisions for parking for a Showroom are not specified within Table 4. Therefore Clause 4.13.2 Unlisted Uses applies. The clause states that:

where a use is not specified, Council shall determine the number of car bays to be provided having regard to the nature of the proposed development, the number of likely employees, the prevention of roads and streets, the orderly and proper planning of the locality and the preservation of amenities.

In this case, some reference and guidance is taken from the Shire of Broome’s (SoB) Town Planning Scheme given there is a much higher prevalence of this type of land use within th Broome townsite and their Scheme is likely to have been developed with the benefit of experience

of the traffic likely to be generated from this type of land use activity. The Council also has the capacity to consider the availability of public parking facilities that are located in the near vicinity of the subject site.

The SoB’s Town Planning Scheme references the proposed land use as an Exhibition Centre, meaning a *premises used for purpose and sale of materials of an artistic and cultural nature*, and applies a parking ration of one bay per 40m². If applied to this proposal, the required on-site parking provision is set out in the following table:

Land Use	Required	Proposed
Gallery Space (ground floor) Nett Floor Area (excludes amenity areas, stairwells etc) 150 m ² @ 1 bay per 40m ²	4 bays	4 bays
Art Workshop (free standing shed) 87m ² @ 1 bay per 40m ²	2 bays	
Residence 2 bays	2 bays	2 bays
Total	8 bays	6 bays

Based on the above assessment, there is a shortfall of 2 bays onsite bays. In considering the adequacy of the parking provision proposed the following is relevant;

- The proposed on-site parking provision improves upon the existing and past situation whereby the previous office use of the building had only provided two onsite carbays,
- There are approximately 20 public carbays within the immediate vicinity of the property that are situated within the Johnston and Loch Street road reserves and this assessment excludes those bays located in front of and directly servicing the retail building located on the corner of Johnston and Clarendon Street and those immediately in front of the Pool;
- The area of the gallery is relatively modest and the nature of the use means that visitors to the property would ‘come and go’ as opposed to occupying available car spaces for extended periods. This rotation of visitors would undoubtedly occur across the course of the opening hours and should ensure that the area is not unduly compromised by the demand generated from the use;
- The lot is located within the Town Centre zone and surrounding land uses are all commercial in nature. As such, there is greater level of acceptance and expectation that there will be a certain level of parking that will be accommodated within the road network;
- The proposed land use is consistent with the zoning and scheme objectives for the area and does not introduce additional vehicle movements that would be contrary to the proper and orderly planning of the area.

In light of the above information, it is considered that there is sufficient on-site and public parking available within the immediate locality to service the needs generated by the business.

SUMMARY:

The proposal to establish an Art Gallery on the site is considered to be consistent with the Scheme Objectives and Policies for the area which includes supporting retail and entertainment uses and the proposed upgrades to the building will create a positive enhancement to the streetscape and amenity of the area. Whilst noting the parking assessment proposes a minor shortfall of on-site parking, it is considered that there is sufficient alternative parking options within the vicinity to service the need generated by the land use and this can be achieved without compromising the proper and orderly planning of the area.

Having regard to the above, it is the recommendation of the Administration that the Council may approve the application subject to the conditions as set out in the Officer Recommendation.

VOTING REQUIREMENT

Simple majority

ATTACHMENTS

1. Site Plan 
2. Floor Plans 
3. Building Elevations 
4. Building Perspectives 

RESOLUTION 46/19

Moved: Cr Paul White

Seconded: Cr Andrew Twaddle

That Council pursuant to Town Planning Scheme No.5 APPROVES the application for a proposed Change of Use from Office to Art Gallery at Lot 276 (No.28) Loch Street, Derby in accordance with plans dated 25 February 2019, subject to the following conditions and associated determination advice notes;

1. This approval relates to the Change of Use from Office to Art Gallery as shown on plans dated 25 February 2019. It does not relate to any other development of the site;
2. The parking bays, driveways and access points servicing the development are to be designed and constructed in accordance with Australian Standard for Off-Street Car Parking (AS/NZS2890.6 as amended) and Off-Street Car Parking for People with Disabilities (AS/NZS289.6 as amended). Such areas are to be constructed, drained and marked prior to the commencement of use and thereafter maintained to the satisfaction of the Director, Technical and Development Services;
3. The vehicle crossover shall be constructed and sealed to Council specifications to connect the site access to the existing road seal and be designed so as to not impact on existing street drainage system and is to grade into the road seal. Such works are to be installed prior to the use and occupation of the approved use;
4. The applicant is responsible for any upgrade or modification to the existing pedestrian access way that may be affected by the installation of the new crossover required by way of Condition 3 above;

Determination Advice Notes:

- If the development the subject of this approval is not substantially commenced within a

period of 2 years, or another period specified in the approval after the date of the determination, the approval will lapse and be of no further effect.

- Where an approval has so lapsed, no development must be carried out without further approval of the local government having first being sought and obtained;
- In respect to Condition 3, please contact Shire's Manager development Services for current Shire specifications and requirements;
- If an applicant or owner is aggrieved by this determination there is a right of review by the State Administrative Tribunal in accordance with the Planning and Development Act 2005 Part 14. An application must be made within 28 days of the determination.

In Favour: Crs Geoff Haerewa, Paul White, Denise Andrews, Chris Kloss, Peter McCumstie, Iris Prouse and Andrew Twaddle

Against: Nil

CARRIED 7/0

15 COMMUNITY AND RECREATION SERVICES

15.1 WEST KIMBERLEY TURF CLUB COMMUNITY GRANT

File Number: 5215

Author: Ross Sullivan, Manager Community Services

Responsible Officer: Wayne Neate, Acting Chief Executive Officer

Authority/Discretion: Administrative

SUMMARY

This item seeks Council’s approval to release the funds associated with the West Kimberley Turf Club’s (the Club) in-principle approved application to the Shire’s 2018-19 Community Grants program and approve the revised scope of works to include the female toilets only.

DISCLOSURE OF ANY INTEREST

Nil

BACKGROUND

The Club submitted an application to the 2018-19 Community Grants round to upgrade their ablution facilities i.e. both male and female toilets at the race course. The scope of that project entailed full refurbishment with a budget of \$74,000 (\$10,000 – Shire) that also included funding from the West Kimberley Community Grants Scheme, Lotterywest and the Club itself.

The application was approved in-principle, pending securement of the other funding sources which was not subsequently achieved. With the only available funding now being through the Shire, the Club has revised the scope of works to prioritise the female toilets and have requested the in-principle approved funds be released in order for them complete the works before this year’s race meets. The Club will also contribute \$5,000 of their own funds to complete the works.

POLICY IMPLICATIONS

The initial application was made through the Community Funding Scheme and assessed against the associated criteria.

FINANCIAL IMPLICATIONS

Funding for the Community Grants Scheme was adopted in the 2018-19 budget with sufficient monies available to meet this application. Please refer attached table listing grants status.

STRATEGIC IMPLICATIONS

GOAL	OUTCOME	STRATEGY
Community wellbeing	Sport, recreation and leisure opportunities that support community health and wellbeing.	Maintain and improve sporting and recreation facilities
A balance between the natural and built environments	Shire buildings and facilities that meet	Ensure Shire buildings, facilities and public amenities are provided and

	community needs	maintained to an appropriate standard
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RISK MANAGEMENT CONSIDERATIONS

RISK	LIKELIHOOD	CONSEQUENCE	RISK ANALYSIS	MITIGATION
Community: Poor condition of facilities creating negative perceptions affecting attendance at Derby events.	Likely	Moderate	Medium	Assist clubs improve facilities through access to the Community Grants Scheme

CONSULTATION

Discussions have been held between the Shire’s officers and the Club who have provided written confirmation of the project’s re-scoping.

COMMENT

The Club submitted an application to the 2018-19 Community Funding Scheme that sought to fully refurbish the ablutions at the race course. It was supported in-principle, pending contributions from other funding sources which was not ultimately achieved. They have reviewed the scale of work possible utilising the Shire Community Grant and their own contribution to prioritise the female toilets.

Appropriate infrastructure is fundamental to creating a positive experience for those attending public social functions such race meets and can reflect somewhat on both Derby and the Club’s ability successfully host such events. Notwithstanding their importance related to health and hygiene, poor ablution facilities can negatively affect patrons overall experience of events and influence subsequent future attendance numbers.

The Club holds a lease with the Shire over the reserve what is known as the Derby Racecourse. By virtue of being the lessor, the facilities ultimately default to the Shire and in recognition that the area is often used by the community for a variety of events including weddings, expos, music and the like, there are benefits to the broader community for the work to be undertaken.

Given that Council has previously determined the project warranted in-principle support and this revised scope essentially addresses the same need albeit confined to just the female toilets, it is recommended that the funds be released to the Club to carry out the works.

VOTING REQUIREMENT

Simple majority

ATTACHMENTS

1. **Turf Club Financial Contribution** 
2. **2018/19 - Community/Development Grants List** 

RESOLUTION 47/19

Moved: Cr Paul White

Seconded: Cr Chris Kloss

That Council:

- 1. Recognises the revised scope of the ablution upgrade; and**
- 2. Approves the release of \$10,000 to the West Kimberley Turf Club from the 2018-19 Community Grants Scheme.**

In Favour: Crs Geoff Haerewa, Paul White, Denise Andrews, Chris Kloss, Peter McCumstie, Iris Prouse and Andrew Twaddle

Against: Nil

CARRIED 7/0

15.2 DISPOSAL OF ASSETS - WEST KIMBERLEY TURF CLUB

File Number: 5115
Author: Ross Sullivan, Manager Community Services
Responsible Officer: Wayne Neate, Acting Chief Executive Officer
Authority/Discretion: Administrative

SUMMARY

This item seeks Council’s approval for release of the four room accommodation block to the West Kimberley Turf Club following the advertised notice of intent to dispose where no submissions were received.

DISCLOSURE OF ANY INTEREST

Nil

BACKGROUND

Council resolved to advertise the notice of intention to dispose of the ex-Curtin Accommodation Block 2 at the 28 February 2019 Ordinary Council Meeting as per Minute number 015/2019

COUNCIL DECISION/OFFICER RECOMMENDATION:

MINUTE NO. 015/2019

Moved: Cr Kloss **Seconded: Cr Prouse**

That Council advertise notice of intention to dispose of the ex-Curtin Accommodation Block 2 to the Derby Turf Club in accordance with Section 3.58 of the *Local Government Act 1995*.

CARRIED: 7/0

The notice was placed in the Babbling Boabs and at the conclusion of the advertising period no submissions were received.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

GOAL	OUTCOME	STRATEGY
Community wellbeing	Sport, recreation and leisure opportunities that support community health	Maintain and improve sporting and recreation facilities.

	and wellbeing.	
A balance between the natural and built environments.	Shire buildings and facilities that meet community needs.	Ensure Shire buildings, facilities and public amenities are provided and maintained to an appropriate standard.

RISK MANAGEMENT CONSIDERATIONS

RISK	LIKELIHOOD	CONSEQUENCE	RISK ANALYSIS	MITIGATION
Legal & Compliance: Non-compliance with asset disposal legislation	Likely	Moderate	Medium	Formally close out asset disposal process.

CONSULTATION

Publicly advertised notice of intention to dispose.

COMMENT

Council resolved at the 28 February 2019 Ordinary Council Meeting to advertise the disposal of the ex-Curtin accommodation block and with there being no submissions received, the asset can be released to the West Kimberley Turf Club.

VOTING REQUIREMENT

Simple majority

ATTACHMENTS

Nil

<p>RESOLUTION 48/19</p> <p>Moved: Cr Iris Prouse Seconded: Cr Chris Kloss</p> <p>That Council:</p> <ol style="list-style-type: none"> 1. Advise the West Kimberley Turf Club that the accommodation block is available for release to them; 2. Requires prior to the location of buildings on site, all relevant approvals to be obtained. Council Reserves the right to remove those buildings if relevant approvals are not gained. <p><u>In Favour:</u> Crs Geoff Haerewa, Paul White, Denise Andrews, Chris Kloss, Peter McCumstie, Iris Prouse and Andrew Twaddle</p> <p><u>Against:</u> Nil</p> <p style="text-align: right;">CARRIED 7/0</p>
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15.3 DISPOSAL OF ASSETS - DERBY SPEEDWAY CLUB

File Number: 5115
Author: Ross Sullivan, Manager Community Services
Responsible Officer: Wayne Neate, Acting Chief Executive Officer
Authority/Discretion: Administrative

SUMMARY

This item seeks Council’s approval for release of the four room accommodation block to the Derby Speedway Club following the advertised notice of intent to dispose where no submissions were received.

DISCLOSURE OF ANY INTEREST

Nil

BACKGROUND

Council resolved to advertise the notice of intention to dispose of the ex-Curtin Accommodation Block 1 at the 10 December 2018 Ordinary Council Meeting as per Minute Number 122/2018

COUNCIL DECISION/OFFICER RECOMMENDATION:

MINUTE NO. 122/2018

Moved: Cr P White **Seconded:** Cr I Prouse

That Council advertise notice of intention to dispose of the ex-Curtin Accommodation Block 1 by gifting to the Derby Speedway Club in accordance with Section 3.58 of the *Local Government Act 1995*.

CARRIED: 7/0

The notice was placed in the Babbling Boabs and at the conclusion of the advertising period no submissions were received.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

GOAL	OUTCOME	STRATEGY
Community wellbeing	Sport, recreation and leisure opportunities that	Maintain and improve sporting and recreation facilities.

	support community health and wellbeing.	
A balance between the natural and built environments.	Shire buildings and facilities that meet community needs.	Ensure Shire buildings, facilities and public amenities are provided and maintained to an appropriate standard.

RISK MANAGEMENT CONSIDERATIONS

RISK	LIKELIHOOD	CONSEQUENCE	RISK ANALYSIS	MITIGATION
Legal & Compliance: Non-compliance with asset disposal legislation	Likely	Moderate	Medium	Formally close out asset disposal process with Council’s approval

CONSULTATION

Publicly advertised notice of intention to dispose.

COMMENT

Council resolved at the 10 December 2018 Ordinary Council Meeting to advertise the disposal of the ex-Curtin accommodation block and with there being no submissions received, the asset can be released to the Derby Speedway Club.

VOTING REQUIREMENT

Simple majority

ATTACHMENTS

Nil

<p>RESOLUTION 49/19</p> <p>Moved: Cr Iris Prouse Seconded: Cr Paul White</p> <p>That Council:</p> <ol style="list-style-type: none"> Advise the Derby Speedway Club be advised the accommodation block is available for release to them. Requires prior to the location of buildings on site, all relevant approvals to be obtained. Council Reserves the right to remove those buildings if relevant approvals are not gained. <p><u>In Favour:</u> Crs Geoff Haerewa, Paul White, Denise Andrews, Chris Kloss, Peter McCumstie, Iris Prouse and Andrew Twaddle</p> <p><u>Against:</u> Nil</p> <p style="text-align: right;">CARRIED 7/0</p>
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16 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

17 NEW BUSINESS OF AN URGENT NATURE

Nil

18 MATTERS FOR WHICH THE MEETING MAY BE CLOSED (CONFIDENTIAL MATTERS)

Nil

19 CLOSURE

19.1 Date of Next Meeting

The next ordinary meeting of Council will be held Thursday, 27 June 2019 in the Library, Fitzroy Crossing.

19.2 Closure of Meeting

The Presiding Member closed the meeting at 6.30pm.

These minutes were confirmed at a meeting on

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Signed:

Presiding Person at the meeting at which these minutes were confirmed.

Date: