



SHIRE OF CARNARVON

MINUTES

SPECIAL COUNCIL MEETING
14 JUNE 2021

CONFIRMATION OF MINUTES

These minutes were confirmed by the Council on

.....
as a true and accurate record

.....
Chairman

DISCLAIMER

No responsibility whatsoever is implied or accepted by the Shire of Carnarvon for any act, omission or statement or intimation occurring during Council/Committee Meetings or during formal/informal conversations with Staff or Councillors. The Shire of Carnarvon disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission or statement or intimation occurring during Council/Committee Meetings or discussions. Any person or legal entity who acts or fails to act in reliance upon any statement does so at that person's or legal entity's own risk.

In particular and without derogating in any way from the broad disclaimer above, in any discussion regarding any planning application or application for a licence, any statement or limitation of approval made by a member or officer of the Shire of Carnarvon during the course of any meeting is not intended to be and is not taken as notice of approval from the Shire of Carnarvon. The Shire of Carnarvon warns that anyone who has an application lodged with the Shire of Carnarvon must obtain and only should rely on WRITTEN CONFIRMATION of the outcome of the application, and any conditions attaching to the decision made by the Shire of Carnarvon in respect of the application.

To be noted that, in accordance with Regulation 11 of the Local Government (Administration) Regulations 1996, the minutes of the Council Meeting are a record of the decisions of the Council, any additional officers' advice, and explanatory notes as required. The minutes contain a summary of questions asked by members of the public and the answers given. The minutes are not a transcript of the proceedings of the meetings.

INFORMATION ON PUBLIC QUESTION TIME

The following information is provided should you wish to ask a question of Council at the Ordinary Meetings held on a monthly basis.

Please note that questions that have not been filled out on the Submission Form will not be accepted.

- The Local Government Act 1995 allows members of the public to ask questions in regard to any issue relating to the Shire.
- A maximum of 15 minutes will be allowed for public question time and the Presiding Member will allow a maximum of three (3) verbal/written questions per person.
- Prior to asking a question, the speaker must state his/her name and address.
- Members of the public are discouraged from asking questions which contain defamatory remarks, offensive language or questioning the competency of staff or Council members.
- The Presiding Member may nominate a member or officer to answer the question and may also determine that any complex questions requiring research be taken on notice and answered in writing.
- No debate or discussion is allowed to take place on any question or answer.
- A summary of each question asked and the response given will be included in the minutes of the meeting –

Local Government (Administration) Regulations 1996 – Pt 2, r.11 – (in part reads -)

11. Minutes, content of (Act s.5.25(1)(f))

The content of minutes of a meeting of a council or a committee is to include –

(e) a summary of each question raised by members of the public at the meeting and a summary of the response to the question.

Responses to questions that are taken on notice will be responded to as soon as possible.

- If you wish to ask a question, please complete the Public Question Time Submission Form at the back of this information sheet. Alternatively, questions can be submitted in writing to the Shire of Carnarvon 3 days prior to the meeting.

SPECIAL MEETINGS OF COUNCIL

Members of the public are welcome to attend a Special Meeting of Council if open, and ask questions of the Council within the allotted public question time ***subject to the questions being asked only relating to the purpose of the Special Meeting*** (s5.23 of the Act and regulation 12 (4) of the Local Government (Administration) Regulations 1996, the Department of Local Government and Communities Guide to Meetings and Governance Bulletin April 2014 and Guideline No. 3 Managing Public Question Time.)

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1.0 ATTENDANCES , APOLOGIES & APPLICATIONS FOR LEAVE OF ABSENCE

(The Local Government Act 1995 Section 2.25 provides that a Council may, by resolution, grant leave of absence to a member for Ordinary Council Meetings. The leave cannot be granted retrospectively and an apology for non-attendance at a meeting is not an application for leave of absence.)

2.0 PUBLIC AND ELECTED MEMBER QUESTION TIME

(In accordance with Section 5.24 of the Local Government Act 1995, a 15 minute public question time is made available to allow members of the public the opportunity of questioning Council on matters concerning them. All questions are to be provided on the Public Question Time Submission Form.)

2.1 QUESTIONS TAKEN ON NOTICE FROM PREVIOUS MEETING –

2.2 PUBLIC QUESTION TIME

3.0 DECLARATIONS OF INTEREST

(Councillors and Staff are reminded of the requirements of Section 5.65 of the Local Government Act 1995, to disclose any interest during the meeting or when the matter is to be discussed.)

4.0 ITEMS FOR DISCUSSION

4.1 Intention to Impose Differential Rates for 2021/2022

5.0 MATTERS FOR WHICH MEETING TO BE CLOSED TO MEMBERS OF THE PUBLIC

6.0 CLOSURE



**MINUTES OF THE SPECIAL MEETING OF COUNCIL HELD IN THE COUNCIL CHAMBERS, STUART STREET,
CARNARVON ON MONDAY 14 JUNE 2021**

The meeting was declared open by the Presiding Member at 8.20am

The Shire of Carnarvon acknowledges the Yingarrda people as the Traditional Custodians of this land which we work and live on. We pay our respects to their Elders past, present and future and extend this respect to all Aboriginal people and their ongoing connection to this Country.

1.0 ATTENDANCES, APOLOGIES AND APPROVED LEAVE OF ABSENCE

| | |
|------------------------|-----------------------------------|
| Cr E Smith..... | Presiding Member/Shire President |
| Cr B Maslen..... | Councillor, Gascoyne/Minilya Ward |
| Cr K Pinner | Councillor, Town Ward |
| Cr L Vandeleur..... | Councillor, Town Ward |
| Cr L Skender | Councillor, Plantation Ward |
| Mrs A Selvey..... | Chief Executive Officer |
| Ms S Mizen..... | Manager, Finance |
| Mrs D Hill | Senior Executive Officer |
| Observers | Nil |
| Leave of Absence | Nil |

Apologies

| | |
|----------------------|----------------------------|
| Cr J Nelson | Councillor, Town Ward |
| Cr A Fullarton | Councillor, Town Ward |
| Cr K Simpson | Councillor, Coral Bay Ward |

2.0 PUBLIC AND ELECTED MEMBER QUESTION TIME

(In accordance with Section 5.24 of the Local Government Act 1995, a 15 minute public question time is made available to allow members of the public the opportunity of questioning Council on matters concerning them. All questions are to be provided on the Public Question Time Submission Form.)

There was no public question time.

3.0 DECLARATIONS OF INTEREST

(Councillors and Staff are reminded of the requirements of Section 5.65 of the Local Government Act 1995, to disclose any interest during the meeting or when the matter is to be discussed.)

Nil

4.0 ITEMS FOR DISCUSSION

4.1 INTENTION TO IMPOSE AMENDED DIFFERENTIAL RATES FOR 2021/2022

| | |
|--------------------------|----------------------------------|
| Date of Meeting: | 14 June 2021 |
| Location/Address: | Shire of Carnarvon |
| Name of Applicant: | Shire of Carnarvon |
| Name of Owner: | Shire of Carnarvon |
| Author/s: | Susan Mizen – Manager of Finance |
| Declaration of Interest: | Nil |
| Schedules: | Differential Rates Model |
| Voting Requirements: | Absolute Majority |

Authority / Discretion

| | | |
|---|-----------------------|---|
| | Advocacy | When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency. |
| X | Executive | The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing operations, setting and amending budgets. |
| | Legislative | Includes adopting local laws, town planning schemes and policies. |
| | Quasi-Judicial | When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses. |
| | Information | Includes items provided to Council for information purposes only that do not require a decision of Council (i.e. – for noting). |

Summary of Item:

As part of the 2021/2022 budget process, the Council is required to endorse the proposed differential rates for properties valued on an unimproved basis. The proposed differential rates presented here represent an holistic approach to setting rates where rates are levied that reflect associated costs of providing infrastructure and services to the various ratepayers. Differential rates have been applied to three groups of unimproved properties and range from 2.9313 cents in the dollar of valuation, to 24.512 cents in the dollar of valuation.

Description of Proposal:

It is proposed to levy the following differential rates for properties classed as unimproved:

| | Rate in \$ | Minimum Rate |
|----------------------------|------------|--------------|
| UV Mining | 24.512 | \$400 |
| UV Pastoral | 8.69 | \$1158.58 |
| UV Intensive Horticultural | 2.9313 | \$1158.58 |

The objective of imposing differential rates is to ensure equity across different land uses, especially where values can vary greatly from properties close to townsites and those in more remote areas of the Shire. The ability of Council to apply a different rate in the dollar ensures that all properties make a fair contribution to the required revenue of the Shire.

Applying differential rates can also be used, should Council wish to offset dramatic changes in valuations which come about as part of Landgate's periodical revaluations, and the future values of properties that fall within the Unimproved Value roll have had a sudden devaluation which was received by the Shire within the last few weeks. The devaluation of properties resulted in a dramatic fall in anticipated revenue, hence it is considered prudent to re calculate the rate in the dollar to maintain a balanced budget.

The proposed differential rates contained in this report are set to maintain the relative contributions to general rate revenue for each differential category as applied in 2021/2022.

Background:

The purpose of levying rates is to meet Council's budget requirements in each financial year and enables Council to raise the revenue necessary to provide facilities, infrastructure and services to the entire community and visitors of the Shire of Carnarvon. The rates levied on properties are determined by applying the rate in the dollar to the applicable valuation amount of the properties within the district, and if applicable, applying a minimum rate where considered appropriate. The Shire applies a minimum rate to each rating category in accordance with S6.35 of the Act, to ensure that properties with a low valuation still pay a fair and reasonable amount towards the maintenance and continuity of Shire services.

The method of land valuation (GRV or UV) is determined by the Minister for Local Government, Sports and Cultural Industries (the Minister) with individual valuations being provided to the Shire by the Valuer Generals Office (VGO) as part of Landgate.

The power to set differential rates is contained in the Local Government Act 1995 section 6.33 (1) which provides the ability to differentially rate properties, based on land characteristics, an excerpt of the act is shown under the Statutory Environment later in this document.

The Department of Local Government, Sports and Cultural Industries (the Department) requires that Council endorse not only the imposition of differential rates, but also the objects and reasons for the imposition of differential rating. The application of differential rates and minimum payments to properties within the Shire maintains equity in the rating of properties.

This report has been prepared to:

1. Present the updated proposed 2021/2022 Differential Rates Model that will reflect the rate in the dollar and minimum rate for each unimproved rating category
2. Present the required public notice for approval which must be advertised for at least 21 days from 1st May 2021.

At the April Council meeting, Council adopted differential rates based on the existing property values for 2020/2021. Since that date Landgate has very recently informed the Shire that it has devalued by approximately 28% values of properties that fall under the Unimproved Value (UV) roll. Whilst revaluations are common and expected, the enormity of the devaluation and the lateness of informing the Shire of the devaluations by Landgate, have resulted in the necessity to prepare an amended Differential Rate for UV properties.

Further, Landgate have indicated that there are many other properties for which objections from the 2020/2021 Financial Year have still not been resolved, that may reduce the UV property valuations resulting in a reduction of the amount of Rates collectable for UV properties. The amended Rates in the Dollar for UV properties is presented here together with the amended Public Notice for advertising. The already adopted Objectives and Reasons to support the imposition of the proposed Differential Rates are not part of this report.

Consultation:

Nil

Statutory Environment:

Local Government Act 1995 Section 6.3 and 6.35

Relevant Plans and Policy:

Corporate Business Plan 2018 – 2022

Strategic Community Plan 2018

Financial Implications:

The proposed differential rates and minimum payments for the 2021/2022 financial year will raise approximately \$1,235,173 being 20.509% of total rates. Adoption of the proposal will see a differential rate, which may alter after advertising and seeking submissions from the electorate. Following consideration of the submissions, a request will be sent to the Minister to seek approval for the differential. The actual rate applied will be the differential rates approved by the Ministerial delegation, unless a variation is approved by the Minister. This is to comply with the Local Government Act 1995 Section 6.33(3)

Risk Assessment:

| | | STEP 3 – Risk Tolerance Chart Used to Determine Risk | | | | |
|----------------|---|--|------------|------------|---------------|--------------|
| Consequence | | Insignificant 1 | Minor 2 | Major 3 | Critical 4 | Extreme 5 |
| Likelihood | | | | | | |
| Almost certain | A | High | High | Extreme | Extreme | Extreme |
| Likely | B | Moderate | High | High | Extreme | Extreme |
| Possible | C | Low | Moderate | High | Extreme | Extreme |
| Unlikely | D | Low | Low | Moderate | High | Extreme |
| Rare | E | Low | Low | Moderate | High | High |

| Risk Category | Description | Rating (Consequence x likelihood) | Mitigating Action/s |
|--------------------|---|---|---|
| Financial | 1. Minister may not approve the differential rate which would have an impact on the budget. 2. The Community may agree with the amended rate in the dollar. 3. That Council may not adopt the amended proposed Differential Rates | Low Low | All legislated and regulated requirements have been adhered to. The overall increase to individual Ratepayers has been kept to a minimum required to deliver budgeted services to the community. The amendments are required to retain a similar income to that which was adopted by Council in April 2021. |
| Health & Safety | NA | NA | |
| Reputation | NA | NA | |
| Service disruption | NA | NA | |
| Compliance | NA | NA | |
| Property | NA | NA | |
| Environment | NA | NA | |
| Fraud | NA | NA | |

Community & Strategic Objectives:

| ITEM | OUTCOMES AND STRATEGIES |
|-------|--|
| 5.2 | The Shire has a high standard of governance and accountability |
| 5.2.1 | Robust decision-making by culturally aware, well-informed and supported Councillors |
| 5.2.3 | Risks are well managed |
| 5.2.6 | Compliance with the Local Government Act 1995 and all other relevant legislation and regulations |
| 5.4 | Sound financial and asset management |
| 5.4.4 | Financial transactions are accurate and timely |

Comment:

The legislative requirements surrounding the imposition of Differential Rates impose a considerable time factor as the steps following the endorsement of the differential rate are as follows:

- Advertise the proposed differential rates which is 21 days
- Consideration of any submissions received and determine the final differential rates
- Seek Ministerial approval which may be up to 21 days.

As noted above, all this needs to be completed at a time before the adoption of Council's budget for the next financial year. Advertising of Differential Rates based on the 2020/2021 UV property values has already been completed, however the dramatic fall of values for these properties has necessitated a revision of the rates in the dollar to received sufficient income to meet Councils Budget for 2021/2022 Financial Year. If any submissions are received, Council must consider the submissions prior to seeking Ministerial approval and prior to formally adopting the differential rates and minimum payments as part of the annual budget process.

OFFICER'S RECOMMENDATION PART 1

1. *That Council seeks approval under section 6.33 of the Local Government Act to impose differential rates for 2021/2022 land parcels that have unimproved valuations assigned to them as follows;*

| Category | Rate in the \$ | Minimum Rate \$ |
|---------------------------|----------------|-----------------|
| UV Mining | 24.512 | 400.00 |
| UV Pastoral | 8.69 | 1158.58 |
| UV Intensive Horticulture | 2.9313 | 1158.58 |

2. *That Council publicly advertises its intention to impose the revised differential rates, pursuant to section 6.36(1) of the Local Government Act 1995 and invites public submissions for a period of twenty-one days; and*
3. *That Council consider any submissions in respect of imposition of differential rates as part of the 2021/2022 Budget deliberations.*

SCM 1/6/21

COUNCIL RESOLUTION

Cr Vandeleur/Cr Pinner

That Standing Orders Section 13 be suspended to enable Council to seek clarification in regard to the proposed differential rates.

CARRIED
F5/AO

SCM 2/6/21

COUNCIL RESOLUTION

Cr Vandeleur/Cr Pinner

That Standing Orders Section 13 be resumed at 9.09am.

CARRIED

F5/A0

SCM 3/6/21

COUNCIL RESOLUTION

Cr Vandeleur/Cr Skender

That a decision on the differential rating be deferred until such time as Council has had the opportunity to discuss the variations in pastoral property values with the Valuer General.

CARRIED

F5/A0

5.0 MATTERS FOR WHICH MEETING TO BE CLOSED TO MEMBERS OF THE PUBLIC

Nil

6.0 CLOSURE:

The Presiding Member declared the meeting closed at 9.10am

**Schedule
– Proposed Rates Model**

This table contains the Differential Rates as adopted by Council at the Ordinary Meeting of Council on the 27th April 2021.

| Category | Rate in the \$ | | Minimum Rate | | Actual | Actual | Estimated |
|---------------------------|----------------|--------|--------------|---------|------------------------------|--------------------------------------|--------------------------------------|
| | 20/21 | 21/22 | 20/21 | 21/22 | Rateable Valuations 21/22 | Rate Revenue (Inc. Mins) 20/21 | Rate Revenue (Inc. Mins) 21/22 |
| UV Mining | 11.9933 | 24.512 | 229 | 400 | 511,623 | 74,488 | 129063 |
| UV Pastoral | 3.9737 | 6.000 | 461 | 1158.58 | 5,241,565 | 211,213 | 323,079 |
| UV Intensive Horticulture | 1.4728 | 1.5759 | 902 | 1158.58 | 33,730,000 | 498,876 | 533080 |
| TOTALS | | | | | 39,483,188 | 784,577 | 985,222 |

This table contains the proposed **amended** rates in the dollar and minimum rates for Unimproved Properties:

| Category | Rate in the \$ | | Minimum Rate | | Actual | Actual | Estimated |
|---------------------------|----------------|--------|--------------|---------|---------------------|----------------------|----------------------|
| | | | | | Rateable Valuations | Rate Revenue | Rate Revenue |
| | 20/21 | 21/22 | 20/21 | 21/22 | 21/22 | (Inc. Mins) 20/21 | (Inc. Mins) 21/22 |
| UV Mining | 11.9933 | 24.512 | 229 | 400 | 514800 | 74,488 | 129801.47 |
| UV Pastoral | 3.9737 | 8.69 | 461 | 1158.58 | 4,704087 | 211,213 | 416,544.55 |
| UV Intensive Horticulture | 1.4728 | 2.9313 | 902 | 1158.58 | 23,459,500 | 498,876 | 687,668.49 |
| TOTALS | | | | | 39,483,188 | 784,577 | 1,235,173.09 |