

MINUTES SPECIAL COUNCIL MEETING **THURSDAY 4 AUGUST 2022**

CONFIRMATION OF MINUTES
These minutes were confirmed by the Council on
as a true and accurate record
Chairman

Council Chambers, Stuart Street CARNARVON, West Australia Phone: (08) 9941 0000

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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 <u>summary</u> of questions asked by members of the public and the answers given. The minutes <u>are not</u> a transcript of the proceedings of the meetings.

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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 <u>summary</u> 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 Bulleting April 2014 and Guideline No. 3 Managing Public Question Time.)

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1.0 ATTENDANCES, APOLOGIES & APPROVED 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 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.)

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

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- 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 THURSDAY 4 AUGUST 2022

The meeting was declared open by the Presiding Member at 8.30am

The Shire of Carnarvon acknowledges the Yinggarda 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
	Councillor, Gascoyne/Minilya Ward
Cr T Langley	Councillor, Town Ward
Cr A Fullarton	Councillor, Town Ward
Cr M Ferreirinha	Councillor, Plantation Ward
	Chief Executive Officer
	Executive Manager, Infrastructure Services
Mrs D Hill	Senior Executive Officer
Apologies	Cr Skender; Cr L Vandeleur, Cr Cottrell
Leave of Absence	
Observers	

2.0 PUBLIC QUESTION TIME

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

There were no members of the public present

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

SFC 1/8/22

COUNCL RESOLUTION

Cr Maslen/Cr Langley

That Standing Orders be suspended at 8.31am for Council to discuss the proposed differential rates it more detail.

CARRIED F5/A0

FC 2/8/22

COUNCIL RESOLUTION

Cr Maslen/Cr Fullarton

That Standing Orders be resumed at 8.39am.

CARRIED F5/A0

4.1 INTENTION TO IMPOSE DIFFERENTIAL RATES FOR 2022/2023

File No: ADM0071
Date of Meeting: 4 August 2022

Location/Address: N/A

Name of Applicant: Shire of Carnarvon
Name of Owner: Shire of Carnarvon

Author/s: Andrea Selvey, Chief Executive Officer

Declaration of Interest: Nil

Voting Requirements: Absolute Majority

Schedules 4.1(a) Statement of Objects and Reasons of the differential rates relating to

UV Intensive Horticulture, UV Pastoral and UV Mining

4.1(b) Newspaper Clipping Advertisement

4.1(c) Submission from McMahon Mining Title Services

Authority / Discretion

	Advocacy	When Council advocates on its own behalf or on behalf of its	
		community to another level of government/body/agency.	
	Executive	The substantial direction setting and oversight role of the	
X		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:

This item formally presents a public submission on the proposed differential rates for Council consideration. The officer's recommendation is that Council endorse the differential rates for properties valued on an unimproved basis and seek the approval of the Minister for Local Government to impose differential rates for 2022/2023 land parcels that have unimproved valuations assigned to them.

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 Infrastructure and 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.

A local government may apply a single rate to all properties in the unimproved value or gross rental value category or it may apply differential rates to properties on the basis of zoning or use or a combination of factors. 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 changes in valuations which come about as part of Landgate's periodical revaluations.

At the end of the 2021/2022 Financial year Landgate revalued the Intensive Horticultural, Mining and Pastoral Land Values. Values of Intensive Horticulture reduced by approximately 36%. Pastoral properties were revalued downwards dependent only on objections lodged by Pastoralists to the existing values.

Reduction in valuations ranged from approximately 10% to 54%. The new values for Pastoral Properties were backdated to include rates raised during the 2020/2021 financial year. This resulted in a refund to Pastoralists of approximately \$82,000. At the end of the 2021/2022 financial year values of Intensive Horticultural Properties devalued by an average of 11.82% though individual property changes ranged from an increase of 10% to a decrease of 26%.

Noting all the information provided above, at the Ordinary Meeting of Council on 28 June 2022, Council resolved as follows:

FC 6/6/22

<u>COUNCIL RESOLUTION & OFFICER'S RECOMMENDATION</u> Cr Fullarton/Cr Vandeleur

That Council, by Simple Majority, pursuant to sections 6.33 and 6.36 of the Local Government Act 1995 resolves to:

1. Seek approval from the Minister for Local Government to impose differential rates for 2022/2023 land parcels that have unimproved valuations assigned to them as follows:

Category	Rate of cents in the \$	Minimum Rate (\$)
UV Mining	25.9827	450
UV Pastoral	11.8312	1,228
UV Intensive Horticulture	2.7126	1,228

- 2. Publicly advertise its intention to impose differential rates and invites public submissions for a period of twenty-one days; and
- 3. Consider any submissions in respect of imposition of differential rates as part of the 2022/2023 Budget deliberations
- 4. Adopt the reasons and objectives of the differential rates relating to UV Horticulture, UV Pastoral and UV Mining as provided in Schedule 7.2.3 and publishes the document on the Shire of Carnarvon official website.

CARRIED F7/A0

The proposed differential rates as advertised have been set to maintain the relative contributions to general rate revenue for each differential category as applied in the 2021/2022 financial year except for Mining where the increase in actual Rates to raise is higher due to an increase in mining properties from 46 to 67. The application of differential rates and minimum payments to properties within the Shire maintains equity in the rating of properties.

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 Objects and Reasons to support the imposition of the proposed 2022/2023 Differential Rates were presented to Council at the Ordinary Meeting of Council on 28 June 2022 – see attached document at Schedule 4.1(a). It is proposed that these are not changed.

This report has been prepared to:

- 1. Present the one public submission received in response to the public notice advertising the Council's intent to impose differential rates and inviting public submissions.
- 2. Present the proposed 2022/2023 Differential Rates Model that will reflect the rate in the dollar and minimum rate for each unimproved rating category for Council consideration and endorsement.

Consultation:

Following Council's resolution on 28 June 2022, the intent to impose differential rates and inviting submissions from the public was advertised via the Midwest Times on Wednesday the 6th of July 2022 Schedule 4.1(b), via the public notice board and on the Shire's social media and website. At close of submissions at 4.01pm on Thursday 28 July 2022, one public submission was received – see Schedule 4.1(c).

Statutory Environment:

Local Government Act 1995 Section 6.3 and 6.35

Relevant Plans and Policy:

Corporate Business Plan 2018 – 2022

Financial Implications:

The proposed differential rates and minimum payments for the 2022/2023 financial year will raise approximately \$1,172,388 across the categories as follows:

Category	Estimated 2022/23 Differential	
	Rate Revenue	
Mining	\$224,344	
UV Pastoral	\$381,585	
Horticultural	\$566,459	
Total	\$1,172,388	

Risk Assessment:

		STEP 3 – Risk Tolerance Chart Used to Determine Risk				
Consequenc	ce 🗀	Insignificant 1	Minor 2	Major 3	Critical 4	Extreme 5
Likelihood						
Almost						
certain	Α	High	High	Extreme	Extreme	Extreme
Likely	В	Moderate	High	High	Extreme	Extreme
Possible	С	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	The Minister may not approve the proposed differential rates.	Low	All compliance requirements have been met to date via advertising the differential rates and reviewing any objections at the end of the advertising period of 21 days and before submission to the Minister for approval.
Health & Safety	NA	NA	
Reputation	Community sensitivity to Council rate. Rates that are perceived as high have the potential to result in reputational damage.	High	This risk has to be balanced against raising revenue to support Shire operations and service delivery. Communicating the budget (income and expenditure) will be important in managing this risk.
Service disruption	NA	NA	
Compliance	As above	Low	As above
Property	NA	NA	
Environment	NA	NA	
Fraud	N/A	Low	

Community & Strategic Objectives:

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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		
Compliance with the Local Government Act 1995 and all other relevant legislation			
5.2.6	regulations		
5.4	Sound financial and asset management		
5.4.4	Financial transactions are accurate and timely		

Comment:

An overall increase of 8% was applied to the 2018/19 rates yield. A further increase of 6 percent was applied in 2019/20. No increase was levied for the 2020/21 financial year due to COVID relief and a 6% increase was applied for 2021/2022.

For the 2022/2023 financial year an estimated 6% increase has been proposed which will partially offset inflation. In the last 12 months, a CPI at over 7% has applied excluding the Fair Work Commission 5.2% wage increase on 15 June 2022 for minimum wage earners. That increase is expected to have flow on effects to other Salary and Wage earners.

The 6% rate increases were identified through Council's major strategic review undertaken in 2018 and was driven by Council's commitment to deliver on services and projects that have been recognised as key community priorities in both the Strategic Community Plan (SCP) and the Corporate Business Plan (CBP).

Individual property increases and decreases depend on valuations provided to the Shire by the Valuer Generals Office (VGO), and therefore may be different to the overall increase of 6%.

The actual rate applied will be the differential rates applied for and 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).

One public submission on Council's intent to impose differential rates has been received and is attached for Council consideration, Schedule 4.1(c). While the submission raises matters relating to the value of the mining sector to the State's economy and the challenges of Covid on the sector, and requests that all government fees are set to reduce costs to doing business in the State, in the officer's view, the submission does not address the objects and reasons for the application of a higher rate for the UV Mining such as the impact on roads and the relatively low contribution from this sector to the overall total rate revenue.

The officer's recommendation is that Council seek Ministerial approval prior to formally adopting the differential rates and minimum payments as part of the annual budget process.

OFFICER'S RECOMMENDATION

That Council, by Absolute Majority, pursuant to s.6.33 and s.6.35 of the Local Government Act 1995 resolves to:

1. Seek approval from the Minister for Local Government to impose differential rates for 2022/2023 land parcels that have unimproved valuations assigned to them as per the table below; and for the objects and reasons of the differential rates as provided in Schedule 4.1(a) and to be adopted as part of the 2022/2023 budget:

Category	Rate in the Dollar (cents)	Minimum Rate (\$)
UV Mining	25.9827	450
UV Pastoral	11.8312	1,228
UV Intensive Horticulture	2.7126	1,228

2. Note the submission from McMahon Mining Title Services and advise them of Council's decision.

SCM 3/8/22

COUNCIL RESOLUTION & OFFICER'S RECOMMENDATION

Cr Fullarton/Cr Ferreirinha

That Council, by Absolute Majority, pursuant to s.6.33 and s.6.35 of the Local Government Act 1995 resolves to:

1. Seek approval from the Minister for Local Government to impose differential rates for 2022/2023 land parcels that have unimproved valuations assigned to them as per the table below; and for the objects and reasons of the differential rates as provided in Schedule 4.1(a) and to be adopted as part of the 2022/2023 budget:

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2. Note the submission from McMahon Mining Title Services and advise them of Council's decision.

CARRIED BY ABSOLUTE MAJORITY 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 8.41am.