



SHIRE OF CARNARVON
MINUTES
SPECIAL COUNCIL MEETING
TUESDAY 4 JUNE 2024

CONFIRMATION OF MINUTES

These minutes were confirmed by the Council on
[Type date here](#)
as a true and accurate record

Shire Council Chambers
Stuart Street Carnarvon, West Australia
Phone: (08) 9941 000
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Chairman

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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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The meeting was declared open by the Presiding Member at 4:00pm

The Shire of Carnarvon acknowledges and respects the Yinggarda (Carnarvon) and Baiyungu (Coral Bay) as the traditional custodians of the lands where we live and work. We pay our respects to Elders, past, present and emerging. The Shire of Carnarvon is committed to honouring the traditional custodians' unique cultural and spiritual relationships to the land, waters and seas and their rich contribution to society.

1 ATTENDANCES, APOLOGIES & APPROVED LEAVE OF ABSENCE

Mr Eddie Smith Presiding Member/Shire President
 Cr Burke Maslen Councillor, Gascoyne/Minilya Ward
 Cr Marco Ferreirinha Councillor, Plantation Ward
 Cr Luke Skender Councillor, Town Ward
 Cr Luke Vandeleur Councillor, Town Ward
 Cr Paul Kelly Councillor, Town Ward
 Cr Dudley Maslen Councillor, Town Ward

Mr Alan Thornton Deputy Chief Executive Officer
 Mrs Rebekah Skender Executive Assistant

Apologies

Cr Adam Cottrell Councillor, Coral Bay Ward
 Mrs Andrea Selvey Chief Executive Officer

Leave of Absence

Nil

Press Nil

Observers Nil

2 DECLARATIONS OF INTEREST

(Elected Members and Officers 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.)

3 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.)

Public Question Time commenced at 4.00pm

3.1 PUBLIC QUESTION TIME

Public Question Time was closed at 4.00pm

4 DEPARTMENTAL REPORTS

4.1 CORPORATE SERVICES

4.1.1 INTENTION TO IMPOSE DIFFERENTIAL RATES FOR 2024/2025

FILE NO:	ADM0071
LOCATION/ADDRESS:	N/A
NAME OF APPLICANT:	SHIRE OF CARNARVON
NAME OF OWNER:	SHIRE OF CARNARVON
AUTHOR(S):	DALLAS WOOD-HARRIS, RATES OFFICER SARAH DRISCOLL, SENIOR FINANCE - OPERATIONS
AUTHORISER:	ALAN THORNTON, DEPUTY CHIEF EXECUTIVE OFFICER
DECLARATION OF INTEREST:	NIL
VOTING REQUIREMENT:	ABSOLUTE MAJORITY
PREVIOUS REPORT:	NIL
SCHEDULES:	<ol style="list-style-type: none"> 1. SCHEDULE 1 - DIFFERENTIAL RATES 2024/2025 ADVERTISEMENT 2. SCHEDULE 2 - PROPOSED RATES MODEL 2024/2025 3. SCHEDULE 3 - OBJECTS & REASONS FOR DIFFERENTIAL RATES 2024-2025

Authority/Discretion:

<input type="checkbox"/>	Advocacy	When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
<input checked="" type="checkbox"/>	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
<input type="checkbox"/>	Legislative	Includes adopting local laws, town planning schemes and policies.
<input type="checkbox"/>	Information	Includes items provided to Council for information purposes only that do not require a decision of Council (i.e. – for noting).
<input type="checkbox"/>	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

Summary of Item

This item presents a recommendation for Council to endorse proposed differential rates for properties valued on Gross Rental Values (GRV) and Unimproved Values (UV) basis for the 2024/2025 budget. The differential rating model shows an overall 5.9% increase in total differential general rate revenue and 6% increase in minimum payment for GRV and UV differential rating categories for the 2024/2025 financial year.

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. 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. Every six years the VGO conducts a major review of GRV valuations for each local government. The VGO completed a major review of GRV valuations for the Shire of Carnarvon in May 2024, resulting in large changes in valuations. 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 land characteristics. The application of differential rates and minimum payments to properties within the Shire aims to maintain equity in the rating of properties.

The Department of Local Government, Sports and Cultural Industries (the Department) requires that, if differential rates are imposed, they are to be endorsed by Council along with the objects and reasons for the imposition of differential rating.

For the 2024/2025 financial year an overall 5.9% increase in total differential general rates revenue and 6% increase in the minimum payment amount of each differential rating category has been proposed. The 5.9% rate revenue increase is aligned to Council's strategic Revenue Strategy review undertaken in 2022 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).

The proposed differential rates based on an overall 5.9% rate revenue increase are detailed in Table 1 below:

Table 1

RATE TYPE	RATE CATEGORY	CENTS IN \$	MINIMUM PAYMENT
UV	MINING	26.9579	492
GRV	RESIDENTIAL	9.9179	1,341
UV	PASTORAL	12.9173	1,341
GRV	COMM/IND	11.3004	1,341
GRV	SPECIAL USE/RURAL	11.2190	1,341
UV	INTENSIVE HORTICULTURE	2.6871	1,341

Based on current rating information, the proposed differential rates model would raise \$7,030,730.46 million in rates revenue in the 2024/25 financial year, comparative to \$6,638,495.69 million of rates levied in 2023/2024.

This report has been prepared to present:

1. The required public notice for approval which may be advertised for at least 21 days from 6 June 2024 provided in **Schedule (1)**.
2. The proposed overall 5.9% increase in differential general rate revenue in the 2024/2025 Differential Rates Model with the rate in the dollar and minimum rate for each rating category provided in **Schedule (2)**.
3. The Objects and Reasons to support the imposition of the proposed 2024/2025 Differential Rates provided in **Schedule (3)**.

Stakeholder and Public Consultation

The advertising process allows for stakeholder and public input into this matter.

Statutory Environment

Local Government Act 1995 Section 6.33 Differential general rates and 6.35 Minimum payment

Relevant Plans and Policy

Stabilising Our Financial Position – Shire of Carnarvon Revenue Strategy 2022
Strategic Community Plan for 2022/2032

Financial Implications

Rate Revenue % Increase	<u>2023/2024 Billed</u>	<u>2.9%</u>	<u>4.1%</u>	<u>4.9%</u>	<u>5.9%</u>
Rate Yield	\$6,638,496	\$6,831,421	\$6,909,742	\$6,967,992	\$7,030,730
Difference increase		\$192,925	\$271,246	\$329,496	\$392,234

Risk Assessment

Consequence		STEP 3 – Risk Tolerance Chart Used to Determine Risk				
		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	The Minister may not approve the proposed differential rates	Low	All compliance requirements have been met to date and advertising the differential rates and reviewing any objections will take place at the end of the advertising period of 21 days after date of newspaper print and before submission to the Minister for approval.
Health & Safety	N/A	N/A	N/A
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. Increases are also equitably balanced across each rate category.
Service disruption	N/A	N/A	N/A
Compliance	N/A	N/A	N/A
Property	N/A	N/A	N/A

Environment	N/A	N/A	N/A
Fraud	N/A	N/A	N/A

Community and Strategic Objectives

The proposal aligns with the following desired objectives as expressed in the *Community Strategic Plan 2022-2032*:

OBJECTIVES

In 2040 Carnarvon is a place where:

- *Our sustainable livelihoods create a community that can flourish into the future*

Comments

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.

The differential rates are based upon the following:

- 2024/2025 Roll received from Landgate (Futures Valuations)
- Imposing a fair and equitable 5.9% increase in rates revenue required to implement the Corporate Business Plan 2024/2025 actions
- Shire of Carnarvon Revenue Strategy.

In a revaluation year it is difficult to perform a model that has an 'even' spread of rate revenue increase. Especially when you consider that GRVs have not been supplied for 6 years and the current volatility of the market. Another factor that is impacting on our valuations and so rate revenue, is in the UV Mining category; two new assessments exist that almost double our valuations in that category.

If we were just to look at each category and apply a 6% (or whichever percentage) increase on the total revenue for that category, you would not be factoring in the large movements of valuations on an individual assessment basis. I.e. some assessments would increase by well over 15% whilst others would reduce by over 15%. We have looked at impacts on individual assessments within each category before applying a blanket 6% increase. In the mining category for example, a 6% increase on overall revenue or even a 6% increase on the average rate revenue per property (total income divided by total properties), would mean the rate in the dollar would decrease massively and majority of assessments would receive a decreased bill.

To make the rate increase as fair and equitable as possible, the following calculations were completed by Bob Waddell & Associates for 5.9% revenue increase.

- All minimum levies were increase by the 6%.
 - This means that most assessments that were on the minimum levy last year will receive a 6% rate increase this year. The exception is assessments that have had a large valuation increase that now places them into the non-minimum calculations.
- With the UV Mining category, the two new assessments that were not in the main billing run last year were removed from rate in the dollar calculations. The valuations on the remaining assessments were used to calculate the rate in the dollar to achieve a 6% revenue increase.

This rate in the dollar was then applied to all assessments in this category. Including the two new assessments.

The result of this is that the assessments rated last year have an average of 6% revenue increase (fluctuations may occur due to the valuation movements).

The two new assessments will be rated based on the rate in the dollar for this category, meaning that these assessments will also have a 6% revenue increase (plus or minus any valuation movement) However, when these are combined, the overall revenue increase on this category, compared to last year, shows a 95% increase. This is because the large increase in valuations.

- With the other categories the rate in the dollar has been calculated to ensure *most* assessments in that category have a 6% rate levied increase. However, this will fluctuate on an assessment basis because of the valuation movements. The proposed model and adjusted rate in the dollar attempt to flatten this curve as much as possible.

Example: In the GRV Residential Category one assessment had a valuation increase of 34.78%, after adjusting the rate in the dollar for the category, this assessment will receive a 10.10% rate levy increase.

Another assessment had a valuation decrease of 19.51%, after adjusting the rate in the dollar for the category, this assessment will receive a reduction of 10.20% in the rate levy.

With such large fluctuations in valuations, the only other way you can make the rates levy more fare is to have more differential rating categories, e.g. vacant land, houses, group dwellings etc. This requires a very accurate data base to achieve this and requires Ministerial Approval.

Ratepayers that are concerned with their revaluations can appeal to Landgate to have those valuations review. There is an appeal process documented on Landgate's Webpage. Furthermore, the back of the rates notice that goes out at billing provides a brief but concise explanation on how to appeal your valuation and who to contact if you feel the value is incorrect.

The GRV revaluation has meant that it is very difficult to achieve an even spread. We believe the rates in the dollar as presented achieves a fair and equitable spread across all properties in the Shire of Carnarvon.

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 for 21 days from the day after the advertisement appears in the newspaper in print.
- Consideration of any submissions if received, will need to be responded to in writing and if council resolve to change the rate in the dollar to what was advertised, it must be noted in the minutes and reflect in the council resolution. This will also need to be provided with the application to the Minister. However, a note will need to be included in the rates notice to those affected categories to explain the change in the dollar from what was advertised, and this must also be acknowledged and recorded in council minutes when adopting the budget.
- Seek Ministerial approval which is generally up to 21 days, however approvals and the time frame may be longer.

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)

OFFICER'S RECOMMENDATION PART 1

That Council, by Absolute Majority in accordance with Section 6.8 (1) (b) of the Local Government Act 1995 resolves to:

- 1. Publicly advertise its intention to impose differential rates and invites public submissions for a period of twenty-one days commencing on 13 June 2024; and*
- 2. Consider any submissions in respect of imposition of differential rates as part of the 2024/2025 Budget deliberations.*
- 3. Adopt the objects and reasons of the differential rates as provided in Schedule (c) and publish the document on the Shire of Carnarvon official website.*

OFFICER'S RECOMMENDATION PART 2

That Council, by Absolute Majority in accordance with Section 6.8 (1) (b) of the Local Government Act 1995, resolves that should no submissions be received during the public submission period, to progress to seeking approval from the Minister for Local Government to impose differential rates for 2024/2025 and for the objects and reasons as provided in Schedule (c) and to be adopted as part of the 2024/2025 budget.

SUSPENSION OF STANDING ORDERS**COUNCIL RESOLUTION SCM 01/06/24**

Moved: Cr Luke Vandeleur

Seconded: Cr Burke Maslen

A motion was moved that Council suspend standing orders.

FOR: Crs Eddie Smith, Burke Maslen, Marco Ferreirinha, Luke Skender, Luke Vandeleur, Paul Kelly and Dudley Maslen

AGAINST: Nil

ABSENT: Crs A Cottrell

CARRIED BY SIMPLE MAJORITY 7/0

RESUMPTION OF STANDING ORDERS**COUNCIL RESOLUTION SCM 02/06/24**

Moved: Cr Luke Vandeleur

Seconded: Cr Burke Maslen

A motion was moved that Council resume standing orders.

FOR: Crs Eddie Smith, Burke Maslen, Marco Ferreirinha, Luke Skender, Luke Vandeleur, Paul Kelly and Dudley Maslen

AGAINST: Nil

ABSENT: Crs A Cottrell

CARRIED BY SIMPLE MAJORITY 7/0

MOTION**COUNCIL RESOLUTION SCM 03/06/24**

Moved: Cr Luke Vandeleur

Seconded: Cr Dudley Maslen

That Council, by Absolute Majority in accordance with Section 6.8 (1) (b) of the Local Government Act 1995 resolves to:

1. *Publicly advertise its intention to impose differential rates with a 4% increase and invites public submissions for a period of twenty-one days commencing on 13 June 2024; and*
2. *Consider any submissions in respect of imposition of differential rates as part of the 2024/2025 Budget deliberations.*
3. *Adopt the objects and reasons of the differential rates as provided in Schedule (c) and publish the document on the Shire of Carnarvon official website.*

FOR: Crs Luke Vandeleur and Dudley Maslen

AGAINST: Crs Eddie Smith, Burke Maslen, Marco Ferreirinha, Luke Skender and Paul Kelly

ABSENT: Crs A Cottrell

LOST 2/5

ALTERNATIVE MOTION**COUNCIL RESOLUTION SCM 04/06/24**

Moved: Mr Eddie Smith

Seconded: Cr Luke Skender

That Council, by Absolute Majority in accordance with Section 6.8 (1) (b) of the Local Government Act 1995 resolves to:

1. *Publicly advertise its intention to impose differential rates with a 4.5% increase and invites public submissions for a period of twenty-one days commencing on 13 June 2024; and*
2. *Consider any submissions in respect of imposition of differential rates as part of the 2024/2025 Budget deliberations.*
3. *Adopt the objects and reasons of the differential rates as provided in Schedule (c) and publish the document on the Shire of Carnarvon official website.*

2024/2025 Modelling - Rate\$ & Min 4-5% revenue increase					
Rate Code	Description	# of Properties	Valuation	Rate in \$	Estimated Income
01	UV Mining	48	1,814,671	26.6372	483,377.54
02	GRV Residential	1424	28,658,610	9.8174	2,813,529.93
03	UV Pastoral	32	3,247,320	12.7344	413,526.75
04	GRV Comm/Ind	278	16,703,888	11.1138	1,856,436.67
05	GRV Special Use/Rural	74	2,163,281	11.0600	239,258.98
06	UV Intensive Horticulture	170	24,798,000	2.6491	656,923.88
	Sub Total	2026	77,385,770		6,463,053.75

	Minimum Levy				
01	UV Mining	17	12,560	485.00	8245.00
02	GRV Residential	260	2,299,557	1322.00	343,720.00
03	UV Pastoral	8	20,700	1322.00	10,576.00
04	GRV Comm/Ind	56	370,938	1322.00	74,032.00
05	GRV Special Use/Rural	30	225,925	1322.00	39,660.00
06	UV Intensive Horticulture			1322.00	
	Sub Total	371	2,929,680		476,233.00
	Total Levy	2397	80,315,450		6,939,286.75

FOR: Crs Eddie Smith, Burke Maslen, Marco Ferreirinha, Luke Skender, Luke Vandeleur, Paul Kelly and Dudley Maslen

AGAINST: Nil

ABSENT: Crs A Cottrell

CARRIED BY ABSOLUTE MAJORITY 7/0

COUNCIL RESOLUTION SCM 5/06/24

Moved: Cr Luke Vandeleur

Seconded: Cr Dudley Maslen

That Council, by Absolute Majority in accordance with Section 6.8 (1) (b) of the Local Government Act 1995, resolves that should no submissions be received during the public submission period, to progress to seeking approval from the Minister for Local Government to impose differential rates for 2024/2025 and for the objects and reasons as provided in Schedule (c) and to be adopted as part of the 2024/2025 budget.

FOR: Crs Eddie Smith, Burke Maslen, Marco Ferreirinha, Luke Skender, Luke Vandeleur, Paul Kelly and Dudley Maslen

AGAINST: Nil

ABSENT: Crs A Cottrell

CARRIED BY ABSOLUTE MAJORITY 7/0

5. CLOSURE

The Presiding Member declared the meeting closed at 4:22pm.