



**AGENDA**

**FOR THE**

**SPECIAL MEETING**  
**OF COUNCIL**

**TO BE HELD ON**  
**TUESDAY, 10 JUNE 2014**

**PLEASE READ THE FOLLOWING DISCLAIMER BEFORE PROCEEDING**

Members of the public are cautioned against taking any action on Council decisions, on items in this Agenda in which they may have an interest, until such time as they have been advised in writing by Council staff.

# NOTICE OF MEETING

PLEASE BE ADVISED THAT THE  
  
SPECIAL MEETING OF COUNCIL

COMMENCING AT 4.00PM

WILL BE HELD ON

TUESDAY, 10 JUNE 2014

IN THE OCEAN ROOM AT THE IRWIN REC  
RIDLEY STREET, PORT DENISON WA

The Council Forum will immediately follow the Special Meeting.



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Darren Simmons  
Chief Executive Officer

6 June 2014

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## **DISCLAIMER**

The advice and information contained herein is given by and to the Council without liability or responsibility for its accuracy. Before placing any reliance on this advice or information, a written inquiry should be made to the Council giving entire reasons for seeking the advice or information and how it is proposed to be used.

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## AGENDA FOR SPECIAL COUNCIL MEETING TO BE HELD IN THE OCEAN ROOM AT THE IRWIN RECREATION CENTRE ON TUESDAY, 10 JUNE 2014 AT 4PM.

- PRESENT:**
- |             |   |
|-------------|---|
| Councillors | Cr S C Chandler (Shire President)<br>Cr I F West (Deputy President)<br>Cr D R Kennedy <i>via City of Fremantle (phone conference)</i><br>Cr M Leonard<br>Cr B C Scott<br>Cr M T Smith   |
| Staff       | Mr D J Simmons - Chief Executive Officer<br>Mr G M Peddie – Director Corporate and Community<br>Ms S van Aswegen – Director Planning and Infrastructure<br>Mr F A Neuweiler – Manager Community Safety<br>Mrs C M Palmer – Manager Community Services<br>Mrs H M Sternick – Manager Corporate Services<br>Mr D Fotheringham – Manager Planning Services<br>Mr L G Smith – Manager Recreation Services<br>Ms N Nelson – Manager Tourism and Library Services<br>Mr A S Wootton – Manager Works<br>Miss L E Tunbridge – Research and Projects Officer<br>Ms E Greaves – Executive Assistant |
- APOLOGIES:**
- Cr K J Hepworth  
Cr R J Porteus
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**1. DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS**

**2. RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE**

Cr Hepworth and Cr Porteus were approved a Leave of Absence at the 27 May 2014 Ordinary Council Meeting.

**3. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**

Nil

**4. PUBLIC QUESTION TIME**

**5. APPLICATIONS FOR LEAVE OF ABSENCE**

**6. PETITIONS**

Nil

**7. ANNOUNCEMENTS BY THE PERSON PRESIDING WITHOUT DISCUSSION**

Nil

**8. REPORTS**

**CORPORATE AND COMMUNITY**

**CC01 – 06/14S**

**Subject:** Differential Rates – 2014/15  
**Reporting Officer:** Manager Corporate Services  
**Date of Report:** 4 June 2014  
**File Reference:** RV.RT.3  
**Voting Requirements:** Simple Majority

**Report Purpose:**

To consider the adoption of rates in the dollar for differential rating to be advertised prior to the adoption of the 2014/15 Budget.

**Officer’s Recommendation:**

**That Council;**

- 1) **advertises its intention to adopt the following differential rates and minimum payments for each of the following rating categories in the 2014/15 financial year.**

<u>Rate Category</u>	<u>Rate in Cents in the Dollar</u>	<u>Minimum Rates</u>
<b><u>Gross Rental Valuations</u></b>		
Residential	9.9551	\$865
Commercial	9.9551	\$865
Light & General Industry	9.9551	\$865
Special & General Industry	9.9551	\$865
Undeveloped	9.9551	\$865
<b><u>Unimproved Valuations</u></b>		
Mining	15.7498	\$865
Rural	1.0278	\$865

- 2) **makes application to the Minister for Local Government seeking approval under Section 633 (3) of the Local Government Act 1995 to impose a differential rate for UV Mining Tenement properties at more than twice the rate of UV Rural properties.**

**Attachment:**

[Sample Properties Showing Rate Increase Scenarios.pdf](#)

**Background:**

The Local Government Act provides (S 6.36) that before imposing differential general rates or a minimum payment applying to a differential rate category a local government is to give 21 days’ local public notice of its intention to do so. Where a local government proposes to modify the proposed rate or minimum payment after considering any submissions received during the advertising period it is not required to give local public notice of the modified rate or minimum payment, however it is necessary to provide an explanation with the rates notice when it is issued.

**Officer’s Comment:**

The draft budget for 2014/15 is currently being prepared and will be presented for Council discussion and consideration at the July Forum. For Council to meet the requirements of the Act as noted above it is required to advertise the proposed differential rates within time frames to meet the 21 day period before the budget is adopted.

The proposed differential rates in the dollar are based on raising an additional 5% of rate revenue over rates raised in July last year as well as taking into consideration any interim rate revenue due to valuation changes from new and/or developed properties over the past year. Minimum rates

increase by slightly more (5.49%) due to rounding. In 2014/15 a revaluation has been received for Unimproved Valuations. A revaluation of Gross Rental Values was received in 2011/12 and values for 2014/15 have not changed except where due to building development or subdivision.

#### *Unimproved Valuations*

Landgate has advised that the total unimproved valuation for the Shire of Irwin has decreased by an overall average of approximately 7.1% to \$149,395,000.

The Valuer's comments also suggest that there is a possibility of a slight change to this figure due to the effect of interim valuations.

In the letter, the Valuer also makes the following comments:

#### *“OVERALL VARIATION TO UNIMPROVED VALUATION*

*Values have reduced in the range of -13% to -25% immediately surrounding Dongara. The remainder of the shire had a moderate reduction in the range of -10% to 0% (no change).*

*Some changes to individual assessments may occur either as a product of the mass valuation process or where records have been amended or corrected for soil types, development potential etc.”*

It should be noted that individual property values will change by more or less than the average increases reported above and therefore when rate notices are issued in August 2014 they will not necessarily reflect a 4.5% increase in rates on their property.

#### *Gross Rental Valuations*

As noted above a new Gross Rental Valuation was adopted in 2011/12.

#### *Mining Valuations*

The Mining Valuation Roll is not received until the beginning of the new financial year.

The proposed increase is based on the predicted increase in the Local Government Cost Index for 2014-2015 as well as compensation for FAGS grants not increasing and additional costs for state charges such as street lighting, landfill levy increases etc. The Local Government Cost Index is designed to more accurately reflect increases in costs for local government than CPI which is oriented towards household goods and services.

The Commonwealth Government announced in the federal Budget that the indexation formula will not be applied to the National Financial Assistance Grants (FAGs) pool for the next 3 financial years.

#### **Financial Implications:**

The proposed rates in the dollar will be used to raise rates based on valuations against individual properties to raise rate revenue in the 2014/15 financial year.

#### **Statutory Environment:**

*A local government may impose differential general rates according to any, or a combination, of the following characteristics -*

- *the purpose for which the land is zoned under a town planning scheme in force under the Town Planning and Development Act 1928;*
- *the predominant purpose for which the land is held or used as determined by the local government;*

- *whether or not the land is vacant land; or*
- *any other characteristic or combination of characteristics prescribed.*

*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.*

In recent years Council has adopted a UV differential rate to be applied to mining properties which is more than twice the lowest UV differential rate.

This situation has been created by increasing UV values being imposed on rural properties whilst mining tenements, which are valued using a different method, have remained steady. The differential rate on rural properties, therefore, has decreased whilst the rate on mining has increased in accordance with rate rise percentages each year. The lower UV rate has remained below 50% of the mining rate and needs the Minister's approval before being imposed.

Submissions must be considered before imposing the differential rates.

It is therefore necessary to apply to the Minister to seek approval. The Department has advised that Council is to inform the Mining Companies of the differential rates in a letter and to apply to the Minister after the statutory advertising period.

**Policy Implications:**

Nil.

**Strategic Implications:**

SCP Outcome 4.2.1 Ensure compliance whilst embracing innovation and best practice principles.  
SCP Outcome 4.3.3 Adopt best practice processes to achieve a high standard of governance and accountability.

**9. CLOSURE**

There being no further business, the Presiding Member declared the meeting closed at \_\_\_\_\_.