



Agenda

**Special Council Meeting to be held Thursday 11 July 2024
5.00 pm in Council Chambers, Nannup**

The purpose of the special council meeting is to consider an alternative Differential Rate Model post review of submissions to the publicly advertised differential general rates and minimum rate for the 2024/2025 financial year.

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A G E N D A

1. DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS/ACKNOWLEDGMENT OF COUNTRY:

Shire President to declare the meeting open and welcome the public gallery.

Shire President to acknowledge the traditional custodians of the land, the Wardandi and Bibbulmun people, paying respects to Elders past, present, and emerging.

2. ATTENDANCE/APOLOGIES:

3. PUBLIC QUESTION TIME:

4. MEMBERS ON LEAVE OF ABSENCE AND APPLICATIONS FOR LEAVE OF ABSENCE:

5. CONFIRMATION OF MINUTES:

6. ANNOUNCEMENTS FROM PRESIDING MEMBER:

7. DISCLOSURE OF INTEREST:

Division 6: Sub-Division 1 of the *Local Government Act 1995*. Care should be taken by all Councillors to ensure that a financial/impartiality interest is declared and that they refrain from voting on any matter, which is considered to come within the ambit of the Act.

Where a member has disclosed a financial or proximity interest in an item, they must leave the Chamber for consideration of that item.

Where a member has disclosed an impartiality interest in an item, they may remain in the Chamber. The member is required to bring an independent mind to the item and decide impartially on behalf of the Shire of Nannup and its community.

The Shire of Nannup Disclosure of Interest Register is on our website [here](#).

8. QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN:

Nil.

9. PRESENTATIONS/DEPUTATIONS/PETITIONS:

Nil.

10. REPORTS OF OFFICERS:

AGENDA NUMBER & SUBJECT:	10.1 – 2024/25 Differential Rates and Minimum Rate
LOCATION/ADDRESS:	Shire of Nannup
NAME OF APPLICANT:	Shire of Nannup
FILE REFERENCE:	RAT1
AUTHOR:	Kim Dolzadelli - Executive Manager Corporate Services
REPORTING OFFICER:	David Taylor – Chief Executive Officer
DISCLOSURE OF INTEREST:	Nil
DATE OF REPORT:	9 July 2024
ATTACHMENTS:	Nil

PURPOSE:

For Council to provide direction to staff with respect to differential general rates and the minimum rate for the 2024/25 financial year.

BACKGROUND:

Council at its Special Council Meeting on 29 April 2024 endorsed the public advertising of the below differential general rates and minimum rate for the 2024/2025 financial year:

Table 1.

2024/25	Proposed Rate-in-the-Dollar	Minimum Rate
Gross Rental Values (GRV)		
GRV General	0.102047	\$1,280
GRV Industrial	0.114543	\$1,370
GRV Short Term	0.194643	\$2,460
Unimproved Values (UV)		

UV General	0.004192	\$1,420
UV Mining	0.004192	\$1,420
UV Plantation	0.005955	\$2,040

Differential rates were advertised for more than the minimum period of 21 days with the closing date for submissions being Friday 31 May 2024.

Submissions were invited from any elector or ratepayer with respect to the proposed differential rate with advertising undertaken as follows:

- Shire of Nannup (Shire) website, between 8 and 31 May 2024,
- Shire’s social media on 9 May 2024,
- South West Times on 9 May 2024,
- Council Administration Building Notice Board between 9 and 31 May 2024, and
- Shire of Nannup Newsletter sent to subscribers via E-Mail on 10 May 2024.

The advertised differential rating proposal was based on the purpose for which land is zoned, held, or used. The overall objective of the Shire’s differential rates is to raise rates revenue in a manner that is simple, efficient, and equitable to all ratepayers within the district.

The advertised average overall increase in rate revenue for 2024/25 financial year was 15.76%.

In all 4 submissions were received with respect to the “GRV Short Term” differential Rate category and 7 received with respect to the “UV Plantation” differential Rate category noting that some of the submissions covered multiple properties.

Council considered all submissions at its Ordinary Council meeting held 27th June 2024 and made the following resolution:

“COUNCIL RESOLUTION 24072

MOVED: CR HANSEN *SECONDED: CR GIBB*

That Council considers the submissions received regarding the proposed differential rates and minimum payments for the 2024/25 financial year.

CARRIED

TOTAL VOTES FOR: 5
Cr Brown, Cr Dean, Cr Fraser, Cr Gibb, Cr Hansen.

TOTAL VOTES AGAINST: 0”

COMMENT:

Since the Ordinary Council meeting held 27th June 2024, and at the request of Councillors, staff have been looking at alternative Rating Models in view of the submissions received and a desire to ensure fairness and equity across ratepayers.

On Monday, 8th July 2024 workshops were held with Councillors to review alternative models in detail that would achieve the above desired outcomes.

Councillors provided guidance to staff on what it felt was a more appropriate option to that of the advertised differential general rates and minimum rate for the 2024/2025 financial year. Further updates were provided to Councillors post the workshop day.

Table 1 below represents the Advertised proposal:

Table 1.

2024/25	Rate in Dollar	Minimum Rate	Total % Income Movement	Total \$ Income Movement
Gross Rental Values (GRV)				
GRV General	0.102047	\$1,280	6.78%	67,567
GRV Industrial	0.114543	\$1,370	10.00%	5,219
GRV Short Term	0.194643	\$2,460	82.07%	56,329
Unimproved Values (UV)				
UV General	0.004192	\$1,420	42.40%	105,882
UV Mining	0.004192	\$1,420	30.40%	5,248
UV Plantation	0.005955	\$2,040	82.07%	110,499

Table 2 below represents the alternative model preferred by Councillors. This model allows for the reduction in the level of rating within the “GRV Short Term” and “UV Plantation” categories, this is namely achieved by increasing the minimum rate in all other categories, excluding “GRV General” to \$1,420. The minimum rate in the “GRV General” is set at \$1,305 to ensure compliance with the Local Government Act 1995 section 6.35 of “Minimum Payment” whereby not more than 50% of properties within the category can fall on the minimum \$ amount set.

Table 2.

2024/25	Rate in Dollar	Minimum Rate	Total % Income Movement	Total \$ Income Movement
Gross Rental Values (GRV)				
GRV General	0.102533	\$1,305	7.92%	78,874
GRV Industrial	0.114543	\$1,420	10.28%	5,369
GRV Short Term	0.140576	\$1,880	33.32%	22,873
Unimproved Values (UV)				
UV General	0.004239	\$1,420	13.50%	112,489
UV Mining	0.004239	\$1,420	30.04%	5,248
UV Plantation	0.005799	\$2,790	40.41%	114,769

STATUTORY ENVIRONMENT:

Section 6.36(1) of the *Local Government Act 1995 (Act)* states:

"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."

Section 6.36(4) of the *Local Government Act 1995 (Act)* states:

"The local government is required to consider any submissions received before imposing the proposed rate or minimum payment with or without modification."

Section 6.36(5)(b) of the *Local Government Act 1995 (Act)* states:

"(5) Where a local government —

(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:

Nil.

FINANCIAL IMPLICATIONS:

Upon adoption of the 2024/25 Budget, the alternative rate model will generate sufficient rate revenue to deliver a balanced budget.

STRATEGIC IMPLICATIONS:

The officer recommendation aligns with the following objective within the Strategic Community Plan 2021-2036:

6.4 We are One

We will strive to make decisions and deliver outcomes that are in the best interest of the majority of the community.

- Incorporate and deliver balanced outcomes including social, environmental, and financial, through triple-bottom-line decision-making.*
- Provide a stable, consistent and honest government.*

VOTING REQUIREMENTS:

Simple Majority

OFFICER RECOMMENDATION:

That Council request the Chief Executive Officer include the following amended differential rates and minimum payments for 2024/25 financial year in the Draft 2024/2025 Annual Budget:

2024/25	Rate in	Minimum
	Dollar	Rate
Gross Rental Values (GRV)		
GRV General	0.102533	\$1,305
GRV Industrial	0.114543	\$1,420
GRV Short Term	0.140576	\$1,880
Unimproved Values (UV)		
UV General	0.004239	\$1,420
UV Mining	0.004239	\$1,420
UV Plantation	0.005799	\$2,790

11 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN:

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