



## **SPECIAL COUNCIL MEETING**

# **AGENDA**

NOTICE IS HEREBY GIVEN that a Special Meeting of Council will be held in the Council Chambers, Welcome Road, Karratha, on **Tuesday, 4 June 2024** at 5.00pm to consider the following items:

- Consideration of submissions regarding advertised differential rates 2024/25.
- Seek Ministerial approval for the Transient Workforce Accommodation differential rate being greater than two times the lowest rate in the dollar.

  
\_\_\_\_\_  
**VIRGINIA MILTRUP**  
**CHIEF EXECUTIVE OFFICER**



No responsibility whatsoever is implied or accepted by the City of Karratha for any act, omission or statement or intimation occurring during Council or Committee Meetings. The City of Karratha 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 or Committee Meetings.

Any person or legal entity who acts or fails to act in reliance upon any statement, act or omission made in a Council or Committee Meeting does so at that persons 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 license, any statement or intimation of approval made by any member or Officer of the City of Karratha during the course of any meeting is not intended to be and is not taken as notice of approval from the City of Karratha.

The City of Karratha warns that anyone who has any application lodged with the City of Karratha must obtain and should only rely on

**WRITTEN CONFIRMATION**

of the outcome of the application, and any conditions attaching to the decision made by the City of Karratha in respect of the application.

Signed: Virginia Miltrup  
**Virginia Miltrup - Chief Executive Officer**

## **DECLARATION OF INTERESTS (NOTES FOR YOUR GUIDANCE) (updated 13 March 2000)**

A member who has a **Financial Interest** in any matter to be discussed at a Council or Committee Meeting, which will be attended by the member, must disclose the nature of the interest:

- (a) In a written notice given to the Chief Executive Officer before the Meeting or;
- (b) At the Meeting, immediately before the matter is discussed.

A member, who makes a disclosure in respect to an interest, must not:

- (c) Preside at the part of the Meeting, relating to the matter or;
- (d) Participate in, or be present during any discussion or decision-making procedure relative to the matter, unless to the extent that the disclosing member is allowed to do so under Section 5.68 or Section 5.69 of the *Local Government Act 1995*.

### **NOTES ON FINANCIAL INTEREST (FOR YOUR GUIDANCE)**

The following notes are a basic guide for Councillors when they are considering whether they have a **Financial Interest** in a matter. I intend to include these notes in each agenda for the time being so that Councillors may refresh their memory.

1. A Financial Interest requiring disclosure occurs when a Council decision might advantageously or detrimentally affect the Councillor or a person closely associated with the Councillor and is capable of being measure in money terms. There are exceptions in the *Local Government Act 1995* but they should not be relied on without advice, unless the situation is very clear.
2. If a Councillor is a member of an Association (which is a Body Corporate) with not less than 10 members i.e. sporting, social, religious etc), and the Councillor is not a holder of office of profit or a guarantor, and has not leased land to or from the club, i.e., if the Councillor is an ordinary member of the Association, the Councillor has a common and not a financial interest in any matter to that Association.
3. If an interest is shared in common with a significant number of electors or ratepayers, then the obligation to disclose that interest does not arise. Each case needs to be considered.
4. If in doubt declare.
5. As stated in (b) above, if written notice disclosing the interest has not been given to the Chief Executive Officer before the meeting, then it **MUST** be given when the matter arises in the Agenda, and immediately before the matter is discussed.
6. Ordinarily the disclosing Councillor must leave the meeting room before discussion commences. The **only** exceptions are:
  - 6.1 Where the Councillor discloses the **extent** of the interest, and Council carries a motion under s.5.68(1)(b)(ii) or the *Local Government Act*; or
  - 6.2 Where the Minister allows the Councillor to participate under s5.69 (3) of the *Local Government Act*, with or without conditions.

### **INTERESTS AFFECTING IMPARTIALITY**

**DEFINITION:** *An interest that would give rise to a reasonable belief that the impartiality of the person having the interest would be adversely affected, but does not include an interest as referred to in Section 5.60 of the 'Act'.*

A member who has an **Interest Affecting Impartiality** in any matter to be discussed at a Council or Committee Meeting, which will be attended by the member, must disclose the nature of the interest;

- (a) in a written notice given to the Chief Executive Officer before the Meeting; or
- (b) at the Meeting, immediately before the matter is discussed.

### **IMPACT OF AN IMPARTIALITY CLOSURE**

There are very different outcomes resulting from disclosing an interest affecting impartiality compared to that of a financial interest. With the declaration of a financial interest, an elected member leaves the room and does not vote.

With the declaration of this new type of interest, the elected member stays in the room, participates in the debate and votes. In effect then, following disclosure of an interest affecting impartiality, the member's involvement in the Meeting continues as if no interest existed.

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# AGENDA

## 1 OFFICIAL OPENING

Mayor Scott as Presiding Member acknowledges the traditions of the Ngarluma people, on whose land we are gathered here today.

## 2 RECORD OF ATTENDANCE / APOLOGIES

**Councillors:**

- Cr Daniel Scott [Mayor]
- Cr Daiva Gillam [Deputy Mayor]
- Cr Gillian Furlong
- Cr Brenton Johannsen
- Cr Pablo Miller (*via teleconference*)
- Cr Travis McNaught
- Cr Kelly Nunn
- Cr Sarah Roots
- Cr Tony Simpson
- Cr Joanne Waterstrom Muller

**Staff:**

Virginia Miltrup	Chief Executive Officer
Emma Landers	Director Community Experience
Alistair Pinto	Director Corporate & Commercial
Stephanie Smith	Acting Director Development Services
Simon Kot	Director Strategic Projects & Infrastructure
Henry Eaton	Manager Governance & Organisational Strategy
Kate Jones	Minute Secretary

**Apologies:**

**Absent:**

**Leave of Absence:**

**Members of Public:**

**Members of Media:** Nil

### 3 CORPORATE AND COMMERCIAL

#### 3.1 CONSIDERATION OF SUBMISSIONS REGARDING ADVERTISED DIFFERENTIAL RATES 2024/25

<b>File No:</b>	FM.1
<b>Responsible Executive Officer:</b>	Director Corporate & Commercial Services
<b>Reporting Author:</b>	Manager Financial Services/CFO
<b>Date of Report:</b>	27 May 2024
<b>Applicant/Proponent:</b>	Nil
<b>Disclosure of Interest:</b>	Nil
<b>Attachment(s):</b>	Submissions received from Ratepayers

#### PURPOSE

For Council to consider submissions and initiate the process for seeking Ministerial Approval regarding the 2024/25 differential rate model.

#### OFFICER'S RECOMMENDATION

That Council, having considered submissions regarding the advertised 2024/25 differential rates model:

1. **RECEIVE** community submissions regarding the proposed differential rates model 2024/25 (Attached);
2. **CONSIDER** administration's response, detailed in this agenda paper;
3. **APPROVE** the proposed Differential Rates 2024/25 set out in Table 1;

*Table 1: Proposed Differential Rates 2024/25*

Differential Rates 2024/25	Rate in the Dollar	Multiplier	Minimum Payment
<b>Gross Rental Value (GRV)</b>			
Residential	0.076119	1.00	\$1,724
Commercial / Industrial	0.105689	1.39	\$1,750
Airport / Strategic Industry	0.152238	2.00	\$1,750
Transient Workforce Accommodation / Workforce Accommodation	0.305799	4.02	\$1,750
<b>Unimproved Value (UV)</b>			
Pastoral	0.117051	1.00	\$367
Mining/Other	0.150100	1.28	\$367
Strategic Industry	0.208808	1.78	\$367

4. **REQUEST** the CEO to finalise the preparation of the 2024/25 Annual Budget; and

5. **SEEK Ministerial approval for the Transient Workforce Accommodation / Workforce Accommodation differential rate being greater than two times the Residential rate in the dollar as follows:**

Differential Rates Categories 2024/25	Minimum Payment	Rate-in-the Dollar	Multiplier	Basis
<b>Gross Rental Value (GRV)</b>				
Transient Workforce Accommodation/ Workforce Accommodation	\$1,750	0.305799	4.02x	Maintain 2023/24 relative rate yield by increasing rate-in-the dollar by 3.5%
Residential	\$1,724	0.076119		Lowest GRV rate in the dollar for purposes of seeking approval

### BACKGROUND

As part of the budget process, Councillors have reviewed the projected changes in Operating Income and Expenditure, along with efficiency measures, proposed capital works, projects and new initiatives.

The City will experience cost increases for 2024/25 in particular insurance (10.9%), along with increasing costs of materials and contracts for the delivery of City services and facilities.

Despite these cost increases and recent annual CPI increases (Perth all groups) of 3.6% (December 2023) and 3.4% (March 2024), prudent financial management and strong financial returns from City commercial operations and investments has allowed Council to consider the adoption of a 3.5% predominant increase in rates across all categories.

At the previous Ordinary Council Meeting on 29 April 2024, Council resolved to advertise and invite submissions regarding the proposed differential rates for the 2024/25 financial year.

Table 2: Proposed Differential Rates 2024/25

Differential Rates 2024/25	Rate in the Dollar	Multiplier	Minimum Payment
<b>Gross Rental Value (GRV)</b>			
Residential	0.076119	1.00	\$1,724
Commercial / Industrial	0.105689	1.39	\$1,750
Airport / Strategic Industry	0.152238	2.00	\$1,750
Transient Workforce Accommodation / Workforce Accommodation	0.305799	4.02	\$1,750
<b>Unimproved Value (UV)</b>			
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### LEVEL OF SIGNIFICANCE

In accordance with Council Policy CG-8 Significant Decision Making policy, this matter is considered to be of high significance in terms of Council's financial sustainability and ability to perform its role in delivering services to the Community.

### STATUTORY IMPLICATIONS

Sections 6.33 and 6.36 of the *Local Government Act 1995 (the Act)* make provision for the application and communication of differential rates. Section 6.33(3) provides that Ministerial approval is required to impose a differential rate which is more than twice the lowest differential rate.

Section 6.76 of the Act provides that if the local government imposes a differential general rate, a person may object to the rate record on the ground that the characteristics of the land recorded in the rate record as the basis for imposing that rate should be deleted and other characteristics substituted. An objection is to be made within 42 days of the service of a rate notice and is to be considered promptly and either disallowed or allowed, wholly or in part.

### COUNCILLOR/OFFICER CONSULTATION

Several workshops/briefings have been held with Councillors and Officers to assist Council's consideration of the rate setting requirements for the 2024/25 financial year.

### COMMUNITY CONSULTATION

Significant community consultation has occurred regarding the City's proposed 2024/25 rates. This has included:

- Statutory Advertising: A Notice of Intention to Impose Differential Rates was published in the West Australian on 1 May 2024, published on the Council's website, social media account and included on noticeboards at the City's Administration Office and libraries. Additionally, it was published in the Pilbara News on 8 May 2024.
- Categories with less than 30 properties: Council officers wrote to all ratepayers in the Transient Workforce Accommodation/Workforce Accommodation and Pastoral differential rating categories to advise them of the proposed differential rates model and invite submissions as these categories each contain less than 30 properties.
- At the close of submissions on 22 May 2024 one (1) submission was received in total and was related to a property in the Residential differential rating category.

A summary of key issues raised within the submissions received and a response from Council Officers is contained within the following table:

<b>SUBMISSION 1</b>	
<b>Category: Residential</b>	
<b>Property: 24 RODGERS WAY</b>	
<b>NICKOL WA 6714</b>	
<b>Ratepayer: RUSSELL FRANCIS</b>	
<b>Key Issues</b>	<b>Officer's Comments</b>
How about the city tighten it's belt and trim some of the useless positions and wasted functions that they have before you just up my taxes.	The City reviews its operations continuously to ensure that services and facilities operate efficiently and effectively for the benefit of all ratepayers. The 3.5% increase in the rate in the dollar proposed is significantly less than the forecast increase to the operating costs of local governments in WA.
What are you doing to save money and reduce cost on the rate payers. This is info you should be giving us before you explain how you are just upping the rates again.....	The city has reduced its reliance on rates which has been achieved through successfully partnering with industry; Federal and State Government funding; and investments such as the Quarter HQ and operation of the Karratha Airport. The city



	continues to nurture such partnerships as part of its Long-Term Financial Plan.
.....when everyone other than a government employee or service provider is being forced to live on less and feel the pain of our countries decisions.	The City's <i>Financial Hardship</i> policy and customised payment arrangements provide flexibility for rate payers experiencing financial hardship.

### **POLICY IMPLICATIONS**

CF-10 Rating Equity Policy.

Each year Council considers the proportion of rate income coming from each category in order to ensure that all property owners make an equitable contribution to rates and to minimise the impact that rates have on residential, industrial, commercial and other ratepayers.

### **FINANCIAL IMPLICATIONS**

Based on current valuation information, the proposed differential rates model would raise \$56.9 million in rates in the 2024/25 financial year representing an additional \$2.184 million revenue including changes in the number of rateable properties.

### **STRATEGIC IMPLICATIONS**

This item is relevant to the Council's approved Strategic Community Plan 2020-2030 and the Corporate Business Plan 2020-2025. In particular, the Operational Plan 2024-2025 provided for this activity:

Programs/Services: 4.c.3.1 Property Rating Services

### **RISK MANAGEMENT CONSIDERATIONS**

The level of risk to the City is considered to be as follows:

Category	Risk level	Comments
Health	N/A	Nil
Financial	Moderate	Council is reliant on levying rates sufficient to maintain cash flows for the efficient and effective delivery of services at required service levels and project timeframes.
Service Interruption	Low	Delays in the rates approval process may have short term impacts on service levels and the commencement of capital initiatives.
Environment	N/A	Nil
Reputation	High	Council has to ensure prudent economic decision making consistent with the Strategic Community Plan to balance the impact on ratepayers through the maximisation of alternative funding sources
Compliance	Moderate	The rating process is a legislated process under the <i>Local Government Act 1995</i> and associated Regulations.

### **IMPACT ON CAPACITY**

There is no impact on capacity or resourcing to carry out the Officer's recommendation.

**RELEVANT PRECEDENTS**

Annually the City applies for Ministerial Approval in order to impose differential rating for any rate in the dollar being greater than two times the lowest GRV or UV rate in the dollar.

**VOTING REQUIREMENTS**

Simple Majority.

**OPTIONS:**Option 1

As per Officer's recommendation.

Option 2

That Council:

1. RECEIVE community submissions regarding the proposed differential rates model 2024/25 (Attached);
2. CONSIDER administration's response, detailed in this agenda paper;
3. AMEND the proposed Differential Rates 2024/25 set out in Table 1;
4. REQUEST the CEO to finalise the preparation of the 2024/25 Annual Budget; and
5. SEEK Ministerial approval for the differential rate for the Transient Workforce Accommodation/Workforce Accommodation differential rating category, and any other categories being greater than two times the lowest GRV or UV rate in the dollar.

**CONCLUSION**

The proposed 2024/25 differential rates model was advertised including a 3.5% predominant increase in rating yield. Following consideration of the submission received, Ministerial approval must now be sought for categories with a rate in the dollar greater than two times the lowest rate, being Transient Workforce Accommodation / Workforce Accommodation differential rating category.

#### **4 PUBLIC QUESTION TIME**

#### **5 CLOSURE & DATE OF NEXT MEETING**

The meeting closed at \_\_\_\_\_.

The date of the next meeting is to be held on Friday, 28 June 2024 at 6:00pm at Council Chambers - Welcome Road, Karratha.