



**SHIRE OF ASHBURTON**

**SPECIAL MEETING OF COUNCIL  
MINUTES  
(Public Document)**

**Onslow Multi-Purpose Centre, Cnr McGrath Rd and Hooley Ave,  
Onslow  
Via Teleconference**

- 1. Onslow Multi-Purpose Centre, Cnr McGrath & Hooley Roads, Onslow**
- 2. Council Chambers, Recreation Centre, Central Road, Tom Price**
- 3. Paraburdoo Library, Ashburton Avenue, Paraburdoo**
- 4. Pannawonica Library, Pannawonica Drive, Pannawonica**

**8 July 2015  
7.00 pm**

Special Meeting of Council 8 July 2015

**SHIRE OF ASHBURTON**  
**SPECIAL MEETING OF COUNCIL**

Dear Councillor

Notice is hereby given that a Special Meeting of Council of the Shire of Ashburton will be held on 8 July 2015 at Onslow Multi-Purpose Centre, Cnr McGrath Rd and Hooley Ave, Onslow commencing at 7:00.pm.

The business to be transacted is shown in the Agenda.

Neil Hartley  
**CHIEF EXECUTIVE OFFICER**

**DISCLAIMER**

*The recommendations contained in the Agenda are subject to confirmation by Council. The Shire of Ashburton warns that anyone who has any application lodged with Council must obtain and should only rely on written confirmation of the outcomes of the application following the Council meeting, and any conditions attaching to the decision made by the Council in respect of the application. No responsibility whatsoever is implied or accepted by the Shire of Ashburton for any act, omission or statement or intimation occurring during a Council meeting.*

Special Meeting of Council 8 July 2015

<b>1.</b>	<b>DECLARATION OF OPENING.....</b>	<b>4</b>
<b>2.</b>	<b>ANNOUNCEMENT OF VISITORS.....</b>	<b>4</b>
<b>3.</b>	<b>ATTENDANCE .....</b>	<b>4</b>
3.1	PRESENT .....	4
3.2	APOLOGIES.....	4
3.3	APPROVED LEAVE OF ABSENCE.....	4
<b>4.</b>	<b>PUBLIC QUESTION TIME .....</b>	<b>4</b>
<b>5.</b>	<b>ANNOUNCEMENTS BY THE PRESIDING PERSON WITHOUT DISCUSSION .....</b>	<b>4</b>
<b>6.</b>	<b>DECLARATION BY MEMBERS.....</b>	<b>4</b>
6.1	DUE CONSIDERATION BY COUNCILLORS TO THE AGENDA .....	4
6.2	DECLARATIONS OF INTEREST .....	5
<b>7.</b>	<b>BUSINESS .....</b>	<b>6</b>
<b>7.1</b>	<b>PROPOSED DIFFERENTIAL RATES 2015/16 - CONSIDERATION OF SUBMISSIONS.....</b>	<b>6</b>
<b>8.</b>	<b>NEXT MEETING.....</b>	<b>17</b>
<b>9.</b>	<b>CLOSURE OF MEETING .....</b>	<b>17</b>

**1. DECLARATION OF OPENING**

The Deputy Shire President declared the meeting open at 7.09 pm.

**2. ANNOUNCEMENT OF VISITORS**

There were no members of the public in attendance.

**3. ATTENDANCE**

**3.1 PRESENT**

**Onslow Multi-purpose Centre, Cnr McGrath and Hooley Roads, Onslow**

Mr M Sully Executive Manager, Community Development

**Council Chambers, Recreation Centre, Central Road, Tom Price**

Cr P Foster Tom Price Ward

Cr A Bloem Tom Price Ward

Cr L Thomas Tableland Ward

Mr F Ludovico Executive Manager, Corporate Services

Ms J Smith Executive Officer

Ms J Forward CEO & Councillor Support Officer

**Paraburdoo Library, Ashburton Avenue, Paraburdoo**

Cr L Rumble Deputy Shire President, Paraburdoo Ward

Cr I Dias Paraburdoo Ward

Mr N Hartley Chief Executive Officer

**Pannawonica Library, Pannawonica Drive, Pannawonica**

Cr D Wright Pannawonica Ward

**3.2 APOLOGIES**

Cr K White Shire President, Onslow Ward

Cr C Fernandez Tom Price Ward

**3.3 APPROVED LEAVE OF ABSENCE**

There were no Approved Leave of Absence.

**4. PUBLIC QUESTION TIME**

At the Special Meeting of Council held on 8 July 2015 no public questions were tabled.

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

**6. DECLARATION BY MEMBERS**

**6.1 DUE CONSIDERATION BY COUNCILLORS TO THE AGENDA**

That Councillors Rumble, Dias, Foster, Bloem, Thomas & Wright have given due consideration to all matters contained in the Agenda presently before the meeting.

## 6.2 DECLARATIONS OF INTEREST

### Councillors to Note

A member who has a Financial Interest in any matter to be discussed at a Council or Committee Meeting, that 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:

## Special Meeting of Council 8 July 2015

- 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 s.5.69(3) of the Local Government Act, with or without conditions.

## 7. BUSINESS

### 7.1 PROPOSED DIFFERENTIAL RATES 2015/16 - CONSIDERATION OF SUBMISSIONS

**MINUTE:** 26

**FILE REFERENCE:** RV07

**AUTHOR'S NAME AND POSITION:** Frank Ludovico  
Executive Manager, Corporate Services

**NAME OF APPLICANT/RESPONDENT:** Lorraine J Thomas  
Tony Richardson – Mt Florance Station  
Kim Parsons – Coolawanyah Station  
Chamber of Minerals and Energy of WA  
McMahon Mining Title Services Pty Ltd  
Chevron Australia Pty Ltd

**DATE REPORT WRITTEN:** 1 July 2015

**DISCLOSURE OF FINANCIAL INTEREST:** The author has no financial interest in the proposal.

**PREVIOUS MEETING REFERENCE:** Agenda Item 7.1 (Minute No. 25) – Special Meeting of Council 2 June 2015

#### **Summary**

Following Council's Special Council meeting held on 5 June 2015 the endorsed Objects and Reasons for the 2015/16 Differential Rates were advertised.

Submissions were received from several people and organisations. The submissions propose that the Shire should look to obtain budget efficiencies rather than rates increases in these economic times, the need to consider the circumstances of the shire in respect to infrastructure needs and the significant contribution the mining/petroleum industry has already made to shire infrastructure.

In addition, recent advice from the Department of Local Government and Communities enables Council to consider providing relief to those ratepayers severely affected by the significant fluctuations in GRV Residential/Community re-valuations through the use of the Concession powers in the Local Government Act.

## Special Meeting of Council 8 July 2015

### Background

At a Special meeting held on 5 June 2014 Council endorsed the Objects and Reasons for the 2014/15 Differential Rates.

As prescribed:

- advertisements were placed in the West Australian on 9 June 2015;
- letters were sent to those ratepayers who are in a differential class where there are less than 30 ratepayers; and
- the *Notice of Intention to Impose Differential Rate* and the *Statement of Objects and Reasons* were placed on the Shire's website and public notice boards and libraries.

The closing date for submissions was 4:00pm on 30 June 2015.

### Submissions

Six submissions have been received.

1. **Lorraine J Thomas** - objects to the "lesser" minimum, indicating the payment is much higher than the valuation for the properties she owns Wittenoom. A copy of the submission is provided as Attachment 7.1A.

#### **ATTACHMENT 7.1A**

2. **Mt Florance Station (Tony Richardson)** - objecting to phrasing in an "average Pilbara/Kimberly pastoral rate" as *'our rates are used in a budget for this shire and not relevant to other shires or the pastoral rates set in them'*. A copy of the submission is attached as Attachment 7.1B1.

#### **ATTACHMENT 7.1B1**

3. **Coolawanyah Station (Kim Parsons)** – objecting to phrasing in an "average Pilbara/Kimberly pastoral rate as *"our rates are used in a budget for this shire and not relevant to other shires or the pastoral rates set in them"*. A copy of the submission is attached as Attachment 7.1B2.

#### **ATTACHMENT 7.1B2**

4. **Chamber of Minerals and Energy of Western Australia** - It highlights the significant rate increases that have occurred in recent years, the WA Minister for Mining and Petroleum press release of 9 March 2015 *"indicating the change (in valuation methodology for mining tenements) would provide well-deserved relief for WA's mining and petroleum sectors", "the potential impact of the additional rates cost to companies and the need to pursue organisational efficiencies to meet the current economic circumstances"*. A copy of the submission is attached as Attachment 7.1C1.

#### **ATTACHMENT 7.1C1**

5. **McMahon Mining Title Services Pty Ltd** - It indicates the rates in the dollar proposed are *"grossly disproportionate to any benefit provided to tenement holders"*, the mining industry is experiencing challenging economic times, *"is contrary to the impetus"* from state level and *"appears to be for revenue raising purposes only and not as a result of any considered policy"*. A copy of the submission is attached as Attachment 7.1C2.

**ATTACHMENT 7.1C2**

6. **Chevron Australia Pty Ltd** - It indicates it is making significant contributions to the Onslow community through social infrastructure contributions of more than \$250 million. There is therefore, an inequitable rates burden by Chevron because the proposed rate does not reflect the large increases in rate revenue from Chevron operated projects. Some property leases are based on islands and do not have any impact on Shire infrastructure or amenities and so should be considered similar to UV Pastoral or UV Tourism rate categories to reflect the low impact these properties have on Shire Infrastructure and amenities. A copy of the submission is attached as Attachment 7.1D.

**ATTACHMENT 7.1D**

Valuations

There has been no significant change in valuations since the Special meeting held on 5 June 2015.

Interpretation

A number of local governments have experienced drastic changes in valuations for GRV properties (similar to this Shire) and have sought advice from the Department of Local Government and Communities regarding the use of Concessions.

Under Section 6.47 LGA Concessions - Council may grant concessions in relation to a rate or service charge. Some local Governments have used these powers to "avoid" the provisions concerning differential rating and the Department has suggested this is inappropriate and discourage the use of this provision unless it is for bona fide reasons.

However, given the other restrictions in the LGA (i.e. phasing in and not being able to differential on the basis of location (as discussed in the 7 June 2015 Special meeting)) the Department is supportive of using concession provisions to address some of the issues that have arisen as a result of the general revaluation.

It has been suggested that Council set the maximum increase in valuations it will apply to GRV Residential/Community properties across the whole Shire (this will ensure objectivity, fairness and equity, consistency, transparency and administrative efficiency) and grant a concession for the difference between what would have been rated using the new valuations and what will be rated with "discounted" valuations.

Issues that arise from using this power are:

- The concession suggested is designed to be short term and transitional, but it may mean that a concession will need to be retained until the next general GRV revaluation (in four years time - because if we consider removing the concession in 2016/17 we will have similar issues and constrains to 2015/16).
- Providing the concession means that rate income will need to increase to fund the concession. In this circumstance we have only applied the concession to GRV Residential/Community properties and so the addition funds will come from this class of ratepayers.
- Council may receive a similar request from other classes of ratepayers and a therefore precedent may create an obligation to grant the request.



## Special Meeting of Council 8 July 2015

### Comment

It is always a challenge for local governments to determine their rates each year as the questions of objectivity, fairness and equity, consistency, transparency and administrative efficiency are onerous to contemplate, when considered against the overall need of the Shire to raise a reasonable level of income to provide the level of services required of it.

The following comments are provided against each of the contributors, for Council consideration:

1. Lorraine J Thomas

In respect to the submission from Lorraine J Thomas, Council addressed the issues associate with Wittenoom when it considered the Rating Strategy in May 2015. Council decided to *“discounting the Minimum Rate for Wittenoom Residential properties by 25%, phased in over a period of up to 5 years (i.e. introduce a lesser minimum for these properties)”*.

In 2014/15 minimums for all properties was \$560 and as result of the Rating Strategy and the introducing of the “lesser” minimums, the minimums in Wittenoom for 2015/16 are proposed to be \$460.50.

Note that the Rate Strategy calculated that minimums for all properties should be \$830 per assessment, but Council decided to phase this in over a five year period and the proposed minimum for GRV Residential/Community properties is \$614.00. The “Lesser” minimum provides a 25% discount on this figure.

The request to “amalgamate” the valuations for her properties into one assessment is not possible in GRV residential areas where valuations are issued by the Valuer General for each land title held. We then use those valuations to calculate our rating income.

2. Mt Florance Station (Tony Richardson) –

3. Coolawanyah Station (Kim Parsons) –

In respect to the submission from Mt Florance Station and Coolawanyah Station, the proposed revenue from UV Pastoral assessments in 2015/16 is expected to be \$281,008. Council’s draft 2015/16 Budget proposes expenditure of \$840,294 (Rural Access Roads \$626,200 and Station Access Roads \$214,094). In 2014/15 revenue from UV Pastoral rates was \$233,203.40 and expenditure of \$810,448 (Rural Access Roads \$649,695 and Station Access Roads \$115,753) has occurred to date this financial year.

It is acknowledged there other users of these roads and contributions should come from other sources of rating and grant income. However there is a significant differential between the services provided and the rates income received. Noting the Shire also provides some unrestricted ‘public goods’ that are of benefit to all ratepayers, such as emergency management, health, building, and planning services, libraries and parks.

The Shire of Ashburton 10 Year Community Strategic Plan 2012-2022 clearly identifies the need for a sealed access to Karratha from Tom Price and staff have been working to bring this project to fruition (see item 15.1 Karratha/ Tom Price - Lobbying Proposal For Funding – June 2015 Council meeting). The recent work occurring on the portion of the Roebourne-Wittenoom road “between the two rail crossings” acknowledges it’s significance to the broader community and the amount of traffic on the road.

## Special Meeting of Council 8 July 2015

In respect to their other questions, Council decided to *increase of Pastoral rates to the average of the Pilbara/Kimberly Region, phased in over a period "of up to 5 years" at its May 2015 meeting. This will need to be reassessed on a regular basis as over time the average Pilbara/Kimberly pastoral rate will change and other information may be forthcoming that modifies that original strategic view.*

#### 4. Chamber of Minerals and Energy of Western Australia (CME)

In respect to the submission from Chamber of Minerals and Energy of Western Australia we have received clarification from the WA Minister for Mines and Petroleum and Minister for Regional Development and Lands concerning their joint press release of 9 March 2015.

In his response to a letter from the Shire President the Minister for Mines and Petroleum indicates *'the outcome of the exercise was not to lower rates, but to correct an anomaly and return the situation to what was always intended'* (**ATTACHMENT 7.1E**).

The response by the Minister for Regional Development and Lands indicates *'the new formula will apply to the calculation of unimproved values of exploration licences petroleum/geothermal exploration permits and ruling reservations... Whether this leads to an overall rate reduction is a matter for the individual local governments to determine. If it is intended to maintain rate collections at existing levels there will need to be a resetting of differential rates to offset the effect of the reduced UVs assessed for some tenants. As a consequence this will lead to increased rates for some term holders on lower values. I believe that this is understood by the Association of Mining and Exploration Companies Inc (AMEC)'*

#### **ATTACHMENT 7.1E**

It would be appropriate to inform CME of these clarifications so they can appreciate the reason for the change in valuation methodology and how local governments can respond.

CME also note *'ratepayers in resource sector operations typically maintain their own private roads, electricity, water and waste services and therefore do not use, nor require, additional municipal services'*. It is considered that natural resource projects have significant impacts on town sites, even when located some distance away. This occurs as a result of additional demands being made on Shire services; either directly as a result of activities generated by the facilities themselves, or indirectly as a result of the needs of town based supporting businesses. This is especially so in Ashburton where resources developments have had significant impact on the use its services (e.g. use of refuse sites - past, present and future).

The standard of services often requested for our towns is higher than might be expect in some other less remote communities because it is argued, it is an important factor in attracting and retaining residents who by-in-large are employees of mining companies. We do acknowledge the generous support of all our partners in community development.

The expansion and the development of new resource projects will increase populations (e.g. Onslow) and so facilities will be required (and operated and maintained) for these new residents and some of the windfall gains mention in its letter

## Special Meeting of Council 8 July 2015

will be used to minimise the need for rate revenue in the future (as provided in Council's Long Term Financial Plan 2015 - 2030)

The Shire always strives to operate as efficiently and as effective as possible.

### 5. McMahon Mining Title Services Pty Ltd (MMTS)

It would be appropriate to inform MMTS of the clarification from the WA Minister for Mines and Petroleum and Minister for Regional Development and Lands concerning their joint press release of 9 March 2015.

MMTS comment *'the use of infrastructure such as roads is minimal during exploration because vehicles used are not heavy and access to the area by explorers is relatively rare and often confined to an annual exploration season'*.

As outlined earlier, it is considered that natural resource projects have significant impacts on town sites, even when located some distance away. This occurs as a result of additional demands being made on Shire services; either directly as a result of activities generated by the facilities themselves, or indirectly as a result of the needs of town based supporting businesses.

In response to the comment by MMTS of the differential rates not being part of a considered policy, Council adopted a Long Term Financial Plan at its March 2015 meeting and considered a Rating Strategy at its May 2015 meeting. Both these documents were developed after considerable research with the assistance of qualified consultants and were used in the development of the differential rates for 2015/16.

### 6. Chevron Australia Pty Ltd

In respect to Chevron Australia Pty Ltd when new developments occur, it could be considered in a similar manner to a new shopping centre or a new suburb coming on-line in Perth. This is natural growth occurring within our district and the rate in the dollar is consistent with that paid in the past (and proposed for 2015/16) that other similar ratepayers will be levied.

The Shire is very appreciative of the \$250 million contribution to social infrastructure, but only 26% is applicable to Shire infrastructure and assets. Once these assets have been constructed it is the Shire's responsibility to operate and maintain those assets. The natural growth that occurs within our district assists in building, operating and maintaining those assets.

In respect to reflecting a different differential for leases on Barrow Island, a local government is only able to differentiate on the basis of use and zoning and is unable to differentiate on location.

As highlighted previously, the changes in valuations, be it from a general GRV revaluations or adjustments to legislation resulting in changed valuation methodology or natural growth, creates a complex and difficult mix of factors in order to achieving objectivity, fairness and equity, consistency, transparency and administrative efficiency when determining Shire rating in 2015/16.

### Concessions

The "new" interpretation of the LGA concession powers provides Council with the capacity to lessen the impact to those ratepayers that have been dramatically affected by the general

## Special Meeting of Council 8 July 2015

reevaluation of GRV Residential/Community properties and some modelling has occurred to analyse options for these properties.

Council may also wish to consider using their concession powers to consider comments made by Chevron Australia Pty Ltd.

### **Consultation**

Chief Executive Officer  
Executive Managers

### **Statutory Environment**

The following sections in Local Government Act 1995 apply:

- Section 6.32 of the Local Government Act 1995 provides Council with the power to apply rates to property;
- Section 6.33 of the Local Government Act 1995 provides Council with the power to apply differential general rates although Ministerial approval is required where a differential rate is more than the lowest differential rate to be imposed;
- Section 6.35 of the Local Government Act 1995 provides Council with the power to apply a minimum payment which is greater than the general rate which would otherwise be payable on that land and a lesser minimum in respect of any portion of the district.
- Section 6.36 of the Local Government Act 1995 requires Council to give public notice of its intention to impose differential rates, inviting submissions within 21 days (or more is desired). Council is also required to consider any submissions received prior to imposing the proposed rate or minimum payment.
- Section 5.63 (1)(b) LGA specifically excludes the need for Elected Members to "Declare a Financial Interest" in imposing a rate, charge or fee.
- Section 6.47. Concessions - allows Council to grant concessions in relation to a rate or service charge.

Part 5 of the Local Government (Financial Management) Regulations 1996.

Department of Local Government and Communities Rating Policies (Ministerial Circular No 06-2013 and Ministerial Circular 13-2014):

- Valuation of Land
- Differential Rates
- Minimum Payments
- Rateable Land
- Giving Notice
- Valuation of Land – Mining

The Department of Local Government and Communities Circular 03 – 2015 – Minister Approval of Differential Rates and Minimum Payments for 2015/16 indicates that after the Objects and Reasons for the differential rates has been published and considered by Council a lead-time of a minimum of three weeks is required for ministerial approval. The Council budget cannot be adopted without ministerial approval.

## Special Meeting of Council 8 July 2015

There is no legislative requirement to re-advertise differential rates, even if they are changed from the advertised figures.

### Financial Implications

We have undertaken modelling to ascertain the effect of using the Concession powers for GRV Residential/Community properties.

The new models are based on Model H (as amended by Council at its 7 June 2015 Special Meeting).

*Model H - Proposes a 1.9% change in yield for UV Mining/Industrial from 2014/15 and a 3% change in yield for UV Tourism from 2014/15.*

*GRV Residential/Community increase for properties with significant valuation increases has been kept to a minimum, noting that the total GRV Residential/Community yield has decreased by 24.3%, with the decreases relating in the main, to housing in the mining towns of Tom Price, Paraburdoo and Pannawonica.*

*Proposes a 3% CPI increase for GRV Commercial/Tourism yield.*

*Note the UV Pastoral differential has been calculated using a five year phasing in methodology and so the rate in the dollar increase is higher than 3%.*

	Average per Assessment	Minimum Change	Maximum Change
<i>GRV Residential/Community</i>			
<i>Onslow</i>	\$689	(\$87)	\$10,901
<i>Tom Price</i>	(\$759)	(\$2,327)	\$861
<i>GRV Commercial/Industrial/Tourism</i>			
<i>Onslow</i>	\$1,654	(\$1,101)	\$24,032
<i>Paraburdoo</i>	(\$1,238)	(\$66,567)	\$2,669
<i>UV Mining/Commercial/Industrial</i>			
<i>Ashburton Ward</i>	\$938	(\$2,121,643)	\$1,922,692
<i>Tablelands Ward</i>	(\$3,132)	(\$172,777)	\$24,420

This model reflects a decrease of 1.8% or \$414,647 on 2014/15 income.

The new model proposed, Model I - Proposes similar to Model H, a 1.9% change in yield for UV Mining/Industrial from 2014/15 and a 3% change in yield for UV Tourism from 2014/15. It proposes a 3% CPI increase for GRV Commercial/Tourism yield, and notes the UV Pastoral differential has been calculated using a five year phasing in methodology and so the rate in the dollar increase is higher than 3%.

The point of difference is that it proposes a 0% change in yield for GRV Residential/Community from 2014/15.

Special Meeting of Council 8 July 2015

A summary analysis of the new model with different concession options is detailed below.

<b>Differential Rate Category</b>	<b>Estimated 2014/15 Actual</b>	<b>Model H Adopted at Special Meeting 6 June 2015</b>	<b>Model I 100% Concession GRV Residential/Community</b>
GRV Residential/Community	3,810,619	2,885,311	3,810,619
GRV Commercial/Tourism/Industrial	1,113,433	1,146,836	1,146,836
UV Pastoral	233,203	281,008	281,008
UV Industrial/Mining	18,370,516	18,719,556	18,719,556
UV Tourism	52,830	54,415	54,415
UV Residential		78,841	112,968*
<b>Total</b>	<b>23,580,602</b>	<b>23,165,967</b>	<b>24,125,402</b>

**Model I with 100% Concession on the increase of valuations for all shire GRV Residential/Community properties.**

	Average per Assessment	Minimum Change	Maximum Change
GRV Residential/Community			
Onslow	\$605	\$37	\$9,857
Tom Price	(\$289)	(\$1,329)	\$1,308
GRV Commercial/Industrial/Tourism			
Onslow	\$1,654	(\$1,101)	\$24,032
Paraburdoo	(\$1,238)	(\$66,567)	\$2,669
UV Mining/Commercial/Industrial			
Ashburton Ward	\$938	(\$2,121,643)	\$1,922,692
Tablelands Ward	(\$3,132)	(\$172,777)	\$24,420

This model reflects an increase of 2.3% or \$544,788 on 2014/15 income. Total amount of concession is \$294,454.

**ATTACHMENT 7.1F**

Other models exploring different concession amounts and different yields (compared to estimated 2014/15 actuals) were considered, however Model I with 100% concession between what would have been rated using the new GRV Residential/Community valuations

and what will be rated with concession applied to the valuations, is seen to be the most equitable.

**Strategic Implications**

Shire of Ashburton 10 Year Community Strategic Plan 2012-2022

Goal 5 - Inspiring Governance

Objective 4 - Exemplary Team and Work Environment

**Risk Management**

Adoption of this item has been evaluated against the Shire of Ashburton's Risk Management Policy CORP5 Risk Matrix. The perceived level of risk is considered "High". As a high risk matter, the Executive Manager of Corporate Services will monitor progress.

The proposed Differential Rating will help to underpin Council's long term financial sustainability. The major risk in not adopting the recommended Rating Strategy is in limiting our ability to provide services and facilities into the future.

**Policy Implications**

Council policy FIN10 Wittenoom Townsite, Wittenoom Gorge and Yampire Gorge Rates and Services Policy applies. In addition to stating it will cease providing all physical services and promotion to Wittenoom and Yampire Gorge, it also states Council is to cease waving rates for Wittenoom properties.

The policy also states *'Council will rate all properties in Wittenoom. This is an acknowledgement that local government rates do not pertain specifically to property but also relate to a range of services provided to the community on a non-geographic basis such as sporting facilities, libraries, roads, governance and economic development.'*

Council Policy ELM10 Financial Sustainability Policy also applies. This policy establishes the financial sustainability framework for the Council. The policy is based on the Council's desire to plan for on-going financial sustainability to provide appropriate services and infrastructure for the community now and into the future.

**Voting Requirement**

Absolute Majority Required

**Council Decision**

**MOVED: Cr P Foster**

**SECONDED: Cr D Wright**

**That Council:**

1. Having considered the submissions regarding the advertised 2015/16 differential model, not support the abandonment of minimum rates for Wittenoom; and maintain all of the differential rates as advertised; but commit to again reviewing the proportions and relativities of all differential and minimum rates before considering the 2016/17 rate model.
2. Offer a concession to GRV Residential/Community properties whose valuations have increased from 2014/15 to 2015/16. The concession to be equivalent to the difference payable between 2014/15 valuations and the proposed 2015/16 GRV Residential/Community properties rate in the dollar (i.e. 0.050208), and 2015/16 valuations and the proposed 2015/16 rate in the dollar. The dollar value of the concession is estimated to be \$294,454.
3. Seek Ministerial approval for the following differential model.

Rate Code Description	Rate in the \$	General Minimum Payment \$	Lesser* Minimum Payment \$
GRV Commercial/Industrial/Tourism	0.050305	\$767.50	
GRV Residential/Community	0.050208	\$614.00	\$460.50
UV Mining/Industrial	0.395516		
UV Tourism	0.160044	\$614.00	
UV Pastoral	0.052635	\$614.00	
UV Residential	0.050208	\$614.00	

**CARRIED BY ABSOLUTE MAJORITY 5/1**  
**Crs Foster, Bloem, Wright, Dias and Rumble voted for the motion.**  
**Cr Thomas voted against the motion.**



**Council Decision**

**MOVED: Cr D Wright**

**SECONDED: Cr P Foster**

**That Council:**

1. **Subject to receiving Minister for Local Government approval for the differential rates, convene a Special Meeting of Council at Onslow Multi-Purpose Centre, corner of McGrath Rd and Hooley Rd Onslow on**

**Friday 31 July 2015**

**commencing at 7.00 pm for the purpose of determining the 2015/16 Annual Budget and its components; and**

2. **Approve the use of instantaneous communications for the Special Meeting in the following locations:**

**Location**

**Onslow Multi-Purpose Centre, corner of McGrath Rd and Hooley Rd Onslow**

**Participants**

**Cr K White**

**Tom Price Council Chambers, Central Rd, Tom Price**

**Cr C Fernandez  
Cr P Foster  
Cr A Bloem  
Cr L Thomas**

**Ashburton Hall, Ashburton Ave, Paraburdoo**

**Cr L Rumble  
Cr D Dias**

**Pannawonica Library, Pannawonica Drive, Pannawonica**

**Cr D Wright**

**CARRIED 6/0**

**Crs Foster, Bloem, Wright, Dias, Rumble, and Thomas voted for the motion.**

**8. NEXT MEETING**

The next Ordinary Meeting of Council will be held on Wednesday 15 July 2015, at the Clem Thompson Sports Pavilion, Stadium Road, commencing at 1.00 pm.

**9. CLOSURE OF MEETING**

The Deputy Shire President declared the meeting closed at 7.31 pm.