

TOWN OF BASSENDEAN

NOTICE OF A SPECIAL COUNCIL MEETING

Dear Council Member

A Special Meeting of the Council will be held on Tuesday 3 September 2019 in the Council Chamber, 48 Old Perth Road, Bassendean, commencing at 8.30pm. The purpose of the meeting to consider rescinding Council's decision to implement differential rating.

Ms Peta Mabbs
CHIEF EXECUTIVE OFFICER

3 September 2019

A G E N D A

1.0 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

The Town of Bassendean acknowledges the past and present traditional owners of the land on which we gather to conduct this meeting, and pays its respects to their Elders, both past and present.

2.0 PUBLIC QUESTION TIME AND ADDRESS BY MEMBERS OF THE PUBLIC

3.0 ATTENDANCES, APOLOGIES & APPLICATIONS FOR LEAVE OF ABSENCE

4.0 REPORTS

4.1 Differential Rates Amendment (Ref:LAWE/LOCLWS/2 – Paul White, Director Corporate Services)

APPLICATION

The Department of Local Government, Sport and Cultural Industries (DLGSC) recently advised the Town of Bassendean that the differential rates adopted by Council at its Ordinary Council Meeting on 23 July 2019 did not meet the requirements of the *Local Government Act 1995* (LGA) in two respects:

- GRV - Vacant Residential Land minimum payment; and
- Advertising requirements.

Whilst the proposed differential rating scheme advertised for consultation met all requirements of the LGA, a late amendment was proposed which the Town has now been advised required approval by the Minister for Local Government.

BACKGROUND

GRV - Vacant Residential Land Minimum Payment

The differential rates adopted by Council were:

- GRV - Vacant Industrial, Vacant Commercial, Vacant Non Residential Land - Rate in the dollar of 0.145 and minimum rates of \$1,800; and
- GRV - Vacant Residential Land - Rate in the dollar of 0.08 and a minimum rates of \$1,200.

The LGA, section 6.35, requires that a minimum rate not be imposed on more than one half of the properties in each rating category, without the approval of the Minister.

The differential rating adopted for GRV – Vacant Residential Land will impose the minimum rate on more than one half of the properties in that rating category at the Town.

Advertising requirements

The Town advertised two differential rating categories, but ultimately adopted three differential rating categories.

The LGA, section 6.36(4), states:

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

The LGA, section 6.36(5) states:

“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”.

DLGSC is of the view that, whilst the LGA allows Council to amend the rate in the dollar and/or the minimum amount after public advertising, it does not allow for new differential rating categories to be adopted without satisfying the public advertising requirement.

Administrative Approach

The proposed administrative approach involves retrieving the rates notices for vacant property prior to issue and re-issuing with an interim rates adjustment to apply the standard rate of 7.302 and minimum rate of \$1,106. Rates notices for all non-vacant land will issue in the normal course.

COMMUNICATION AND ENGAGEMENT

The Town has discussed the proposed administrative approach with DLGSC and assurances have been given to keep DLGSC informed of Council’s actions. Informal DLGSC advice is that its priority is to ensure rates are levied lawfully and ratepayers pay the amount they are lawfully obligated to pay.

The Town will include a covering letter (attached) with the amended rates notices to be sent this week to all ratepayers impacted by the differential rates decision.

STRATEGIC IMPLICATIONS

Local Government Act 1995

FINANCIAL CONSIDERATIONS

The Town will not receive the additional budgeted revenue from the implementation of differential rates of around \$90,000.

OFFICER RECOMMENDATION – ITEM 4.1

That Council:

1. Rescinds OCM-19/07/19, Point 2, which reads:
 - “2. *Implements a Differential Rating for the 2019/20 financial year as follows:*
 - a) *GRV - Vacant Industrial, Vacant Commercial, Vacant Non Residential Land - Rate in the dollar of 0.145 and minimum rates of \$1,800; and*
 - b) *GRV - Vacant Residential Land - Rate in the dollar of 0.08 and a minimum rates of \$1,200”;*
2. Endorses the proposed administrative approach to retrieve the rates notices for vacant property prior to issue and re-issuing with an interim rates adjustment to apply the standard rate of 7.302 and minimum rate of \$1,106;
3. Notes the proposed covering letter to be sent to affected ratepayers, as attached to the Special Council Agenda of 3 September 2019); and
4. Considers the affect on budgeted revenue as part of the 2019/20 Budget Review.

Voting requirements:

Points 1: Absolute majority

Points 2, 3 and 4: Simple majority

5.0 CLOSURE