



Agenda

Special Council Meeting Monday 25 August 2025

4.30 pm in Council Chambers, Nannup

The purpose of the Special Council meeting is to consider submissions received with respect to the 2025/26 Differential Rate Proposal.

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Risk Management:

The Shire of Nannup considers risk management to be an essential management function in its operations. It recognises that the risk management responsibility for managing specific risks lies with the person who has the responsibility for the function, service or activity that gives rise to that risk.

Assessing Risk:

Shire Nannup Consequence Guide							
Rating Level	Health	Financial	Reputational	Compliance	Service disruption	Assets	Environment
Low (Minor)	First Aid Injury	Less than \$5,000	Unsubstantiated No real impact	Negligible statutory impact	Little disruption	Inconsequential Damage	Contained and minimal
Medium (Moderate)	Lost Time Injury <30 days	\$25,001 to \$100,000	Substantial public embarrassment moderate news profile	Short term but significant regulatory imposts	Temporary interruption and additional resources needed	Localised damage requiring external sources to rectify	Contained reversible impact with external agencies
High (Major – Extreme)	Lost time injury >30 days or a fatality	\$100,001 To \$500,000+	Substantiated prolong public embarrassment with widespread news	Non-Compliance resulting in litigation or criminal charges	Prolonged interruption greater than 1 month+	Excessive damage to complete loss of asset.	Uncontained irreversible impact

Shire Nannup Likelihood Guide			
Level	Rating	Description	Frequency
5	Almost Certain	The event is expected to occur in most circumstances	More than once per year
4	Likely	The event will probably occur in most circumstances	At least once per year
3	Possible	The event should occur sat sometimes	At Least three per year
2	Unlikely	The event could occur at some time	At least once in 10 years
1	Rare	The event may occur in exceptional circumstances	Less than once in 15 years

Shire Nannup Risk Matrix			
Likelihood \ Consequence	Low (1)	Medium (2)	High (3)
5 – Almost Certain	Medium (5)	High (10)	Extreme (15)
4 – Likely	Medium (4)	High (8)	High (12)
3 – Possible	Low (3)	Medium (6)	High (9)
2 – Unlikely	Low (2)	Medium (4)	Medium (6)
1 – Rare	Low (1)	Low (2)	Medium (3)

Shire Nannup Acceptance Criteria Guide			
Rating Level	Description	Criteria	Responsibility
Low (Minor)	Acceptable	Risk acceptable with adequate controls, managed by routine procedures and subject to annual monitoring	Operations Managers and Coordinators
Medium (Moderate)	Attention Required	Risk Acceptable with excellent controls, managed by senior staff subject to regular (1-3 Month) monitoring	Manager Corporate Services/CEO
High (Major – Extreme)	Unacceptable	Risk only acceptable with excellent controls and all treatment plans to be explored and implemented where possible, managed by highest level authority and subject to continuous monitoring	CEO and Council

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A G E N D A

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

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

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

Audio Recording

The Presiding Member to advise that the meeting is being audio recorded in accordance with the Local Government Act 1995 and will be published on the Shire's website within 14 days.

Members of the public are reminded that no other visual or audio recording of this meeting by any other means is allowed without the permission of the chairperson.

2. ATTENDANCE/APOLOGIES:

2.1 ATTENDANCE

Shire President	Anthony (Tony) Dean
Councillor	Lynette Curtis
Councillor	Patricia Fraser
Councillor	Timothy Sly

Chief Executive Officer	David Taylor
Executive Manager Corporate Services	Kim Dolzadelli
Executive Manager Works and Services	Damon Lukins
Executive Support Officer	Lisa Atkinson

2.2 APOLOGIES

Councillor	Vicki Hansen (Leave of Absence Approved)
Councillor	Cheryle Brown (Leave of Absence Approved)
Councillor	Ian Gibb

3. PUBLIC QUESTION TIME:

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

4.1 APPROVED LEAVE OF ABSENCE:

Cr Vicki Hansen is on approved leave until 30 September 2025.

Cr Cheryle Brown is on approved leave until 27 August 2025.

4.2 APPLICATION FOR A LEAVE OF ABSENCE:

Nil.

5. CONFIRMATION OF MINUTES:

Nil.

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 – Submissions on Shire of Nannup Differential Rating Proposal 2025/2026
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:	22 August 2025
ATTACHMENTS:	10.1.1 – Shire of Nannup Differential Rating Proposal 2025/2026 Statement of Objectives and Reasons 10.1.2 – Submissions to Differential Rating Proposal 2025/2026 Statement of Objectives and Reasons

PURPOSE:

For Council to consider submissions to the proposed differential general rates and the minimum rate for the 2025/26 financial year.

BACKGROUND:

Council held 3 Budget Workshops in which the increase to 2025/2026 Rate revenue needs has been discussed. Having started at a required 12.18% officers have worked with Council to reduce this amount down to 8%.

This was achieved by closely looking at discretionary expenditure items and making other savings by bringing certain activities inhouse.

The result of the above is shown in table 1 below:

Table 1:

2025/26	Rate-in-the-Dollar	Minimum Rate
Gross Rental Values (GRV)		
GRV General	0.110736	\$1,409
GRV Industrial	0.123706	\$1,534
GRV Short Term - Hosted	0.138420	\$1,761
GRV Short Term - Unhosted	0.166103	\$2,114
Unimproved Values (UV)		
UV General	0.004018	\$1,534
UV Mining	0.004018	\$1,534
UV Plantation	0.005292	\$3,013

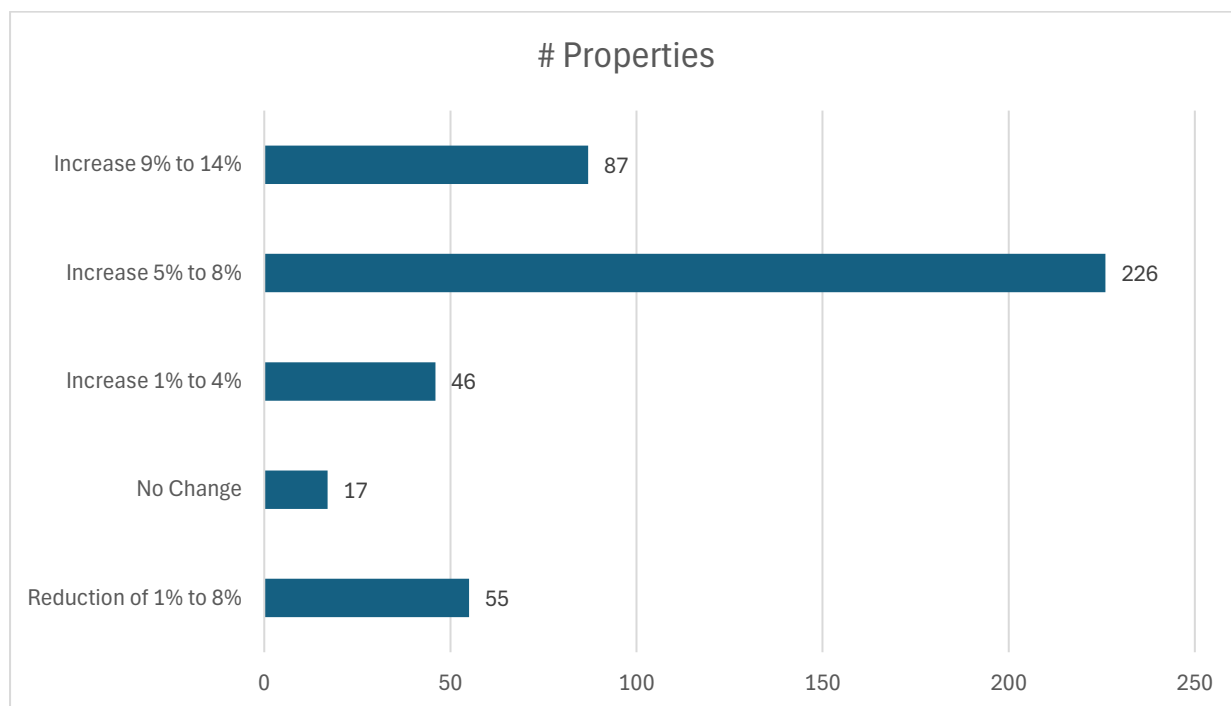
Impact of Unimproved Valuation (UV) – Predominant Use of Property for Rural Purposes

The 2024 revaluation of properties, effective from 1 July 2025, valued on a UV basis resulted in an overall valuation average increase of 12.7%.

In calculating Rates for the 2025/2026 year reduction in the rate in \$ charge set by Council has occurred to ensure that total income from these collective properties is capped at 8%

It is important to note that not all individual valuations have increased at the same percentage, therefore some properties will receive a greater than 8% increase and some less.

The following graph illustrates how the revaluation will impact the range of increases across the UV property categories:



Council endorsed proposed differential general rates, minimum rates and Statement of Objectives and Reasons, for the 2025/26 financial year for the purpose of giving public notice at its meeting held 24 July 2025 as per attachment 10.1.1 – Submissions to Differential Rating Proposal 2025/2026 Statement of Objectives and Reasons.

Differential rates were advertised for more than the minimum period of 21 days with the closing date for submissions being Friday 22 August 2025.

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 July 29 and 22 August 2025
- Shire's social media on 30 July 2025,
- Busselton- Dunsborough Times on 1 August 2025,
- Council Administration Building Notice Board between 29 July to 22 August 2025, and
- Shire of Nannup Connect e-Newsletter sent to subscribers via E-Mail on 31 July 2025.

Additionally, letters were sent directly to all owners of properties categorised in the "Hosted Short Term Accommodation" and "Unhosted Short Term Accommodation" categories.

The differential rating proposal is 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 average overall increase in rate revenue for 2025/26 financial year is 8%.

COMMENT:

Submissions closed on 22 August 2025 with 2 submissions being received, the submission is included in attachment 10.1.2 – “Submissions to Differential Rating Proposal 2025/2026 Statement of Objectives and Reasons”

Since advertising the proposed Differential Rating Proposal 2025/2026 Statement of Objectives and Reasons there have been a small number of updated valuations, these updates have resulted in the need to adjust the advertised Rates in the \$ and Minimums for the following categories in order to meet the requirements of the Local Government Act 1995, section 6.35(3) & (6) which states the following:

6.35 Minimum payment

- (3) *In applying subsection (2) the local government is to ensure the general minimum is imposed on not less than —*
- (a) *50% of the total number of separately rated properties in the district; or*
 - (b) *50% of the number of properties in each category referred to in subsection (6),*
- (6) *For the purposes of this section a minimum payment is to be applied separately, in accordance with the principles set forth in subsections (2), (3) and (4) in respect of each of the following categories —*
- (a) *to land rated on gross rental value; and*
 - (b) *to land rated on unimproved value; and*
 - (c) *to each differential rating category where a differential general rate is imposed.*

The officer further notes that, in accordance with section 6.36 (5)(b) of the Local Government Act 1995, it is not required to give local public notice of that proposed supplementary general rate, specified area rate, modified rate or minimum payment.

Advertised proposal:

2025/26	Rate-in-the-Dollar	Minimum Rate
Gross Rental Values (GRV)		
GRV General	0.110736	\$1,409
GRV Industrial	0.123706	\$1,534
GRV Short Term - Hosted	0.138420	\$1,761
GRV Short Term - Unhosted	0.166103	\$2,114
Unimproved Values (UV)		
UV General	0.004018	\$1,534
UV Mining	0.004018	\$1,534
UV Plantation	0.005292	\$3,013

Adjusted proposal (Changes highlighted in yellow):

2025/26	Rate-in-the-Dollar	Minimum Rate
Gross Rental Values (GRV)		
GRV General	0.110736	\$1,410
GRV Industrial	0.123706	\$1,510
GRV Short Term - Hosted	0.138420	\$1,761
GRV Short Term - Unhosted	0.166103	\$2,114

Unimproved Values (UV)		
UV General	0.004020	\$1,510
UV Mining	0.004020	\$1,510
UV Plantation	0.005292	\$3,013

Concession Consideration

Council has, in the past, resolved to allow the following concessions in relation to UV Plantation rated properties as follows:

- concession off the Unimproved Value – Properties used for both plantation and non-plantation purposes may be eligible for a concession based on % of arable land used, where the owners complete a statutory declaration and demonstrate a portion of their properties arable land (excludes bush and undeveloped land) is not used for plantation as per below:
 - concession of 4% to owners who demonstrate 75%+ of the arable area is not used for plantation.
 - concession of 2.5% to owners who demonstrate between 50% to 75% of the arable area is not used for plantation.
 - concession of 1% to owners who demonstrate between 25% - 50% of the arable land is not used for plantation.

To be eligible for a concession owners of properties need to apply within 35 days of the rates being raised.

STATUTORY ENVIRONMENT:

Local Government Act 1995:

6.35. Minimum payment

- (3) *In applying subsection (2) the local government is to ensure the general minimum is imposed on not less than —*
- (a) *50% of the total number of separately rated properties in the district; or*
 - (b) *50% of the number of properties in each category referred to in subsection (6),*
- (6) *For the purposes of this section a minimum payment is to be applied separately, in accordance with the principles set forth in subsections (2), (3) and (4) in respect of each of the following categories —*
- (a) *to land rated on gross rental value; and*
 - (b) *to land rated on unimproved value; and*
 - (c) *to each differential rating category where a differential general rate is imposed.*

6.36. Local government to give notice of certain rates

- (1) *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.*
- (2) *A local government is required to ensure that a notice referred to in subsection (1) is published in sufficient time to allow compliance with the requirements specified in this section and section 6.2(1)*

(3) *A notice referred to in subsection (1) —*

- (a) *may be published within the period of 2 months preceding the commencement of the financial year to which the proposed rates are to apply on the basis of the local government's estimate of the budget deficiency; and*
- (b) *is to contain —*
 - (i) *details of each rate or minimum payment the local government intends to impose; and*
 - (ii) *an invitation for submissions to be made by an elector or a ratepayer in respect of the proposed rate or minimum payment and any related matters within 21 days (or such longer period as is specified in the notice) of the notice; and*
 - (iii) *any further information in relation to the matters specified in subparagraphs (i) and (ii) which may be prescribed;*
- and*
- (c) *is to advise electors and ratepayers that the document referred to in subsection (3A) —*
 - (i) *may be inspected at a time and place specified in the notice; and*
 - (ii) *is published on the local government's official website.*

(3A) *The local government is required to prepare a document describing the objects of, and reasons for, each proposed rate and minimum payment and to publish the document on the local government's official website.*

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

(5) *Where a local government —*

- (a) *in an emergency, proposes to impose a supplementary general rate or specified area rate under section 6.32(3)(a); or*
- (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.

1.7. *Local public notice*

Where under this Act local public notice of a matter is required to be given, notice of the matter must be —

- (a) *published on the official website of the local government concerned in accordance with the regulations; and*
- (b) *given in at least 3 of the ways prescribed for the purposes of this section.*

POLICY IMPLICATIONS:

Nil.

FINANCIAL IMPLICATIONS:

Based on current valuation information, the proposed differential rates will raise approximately \$2.85 million in rates in the 2025/26 financial year representing an additional \$200,000 or 8% increase on the 2024/25 financial year.

The financial implication is unknown with a concession applied due to it being on an application basis. However, during the 2024/25 financial year the total amount applied was \$883, there is an allowance in the Draft 2025/26 Budget of \$1,701 for this purpose.

Upon adoption of the 2025/26 Budget, the proposed rates in the dollar and minimums will generate sufficient rate revenue to deliver a balanced budget.

RISK MANAGEMENT MATRIX:

The Shire, through its adopted Risk Management Framework, has identified a number of risk areas that need to be assessed and where necessary treated, like, but not limited to:

Audit risks	Financial and credit risks
Operational risks	Technological and IT risks
Compliance and regulatory risks	Environmental risks
Legal risks	Strategic risks
Political risks	Sustainability and security risks

Officers have undertaken a Risk Assessment which is shown below:

Risk	Likelihood	Consequence	Risk Rating	Risk Description	Mitigation / Controls
Community dissatisfaction due to rate increases	Possible	Moderate	Medium - 6	Ratepayers may perceive the 8% increase as excessive, especially if individual property valuations vary significantly	Clear communication of rationale, public consultation, and transparency in budget workshops
Legislative non-compliance with minimum rate application	Unlikely	Major	Medium - 8	Failure to meet the Local Government Act 1995 requirements for minimum rate application across categories	Adjusted rates and minimums applied to meet section 6.35(3) & (6) requirements
Financial shortfall due to underestimated concessions	Unlikely	Minor	Low - 2	Actual concession applications may exceed budgeted allowance of \$1,701	Historical data used to estimate, with monitoring and potential budget amendment if needed
Reputational risk from perceived inequity in differential rates	Possible	Moderate	Medium - 6	Ratepayers in short-term accommodation categories may feel unfairly targeted	Direct communication with affected property owners, inclusion of Statement of Objectives and Reasons

Operational risk from valuation updates post-advertising	Possible	Minor	Low - 3	Late valuation changes may affect rate calculations and compliance	Adjustments made without need for re-advertising per section 6.36(5)(b) of the Act
Strategic risk from failure to meet budget revenue targets	Rare	Major	Medium - 4	If rate revenue falls short, planned services or projects may be impacted	Conservative revenue estimates, contingency planning, and ongoing financial monitoring

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 1:

That Council considers the submissions received regarding the proposed differential rates and minimum payments for 2025/26 financial year.

OFFICER RECOMMENDATION 2:

That Council endorse the proposed adjusted differential rates and minimum payments for 2025/26 financial year for inclusion in the Draft Budget as follows:

2025/26	Rate-in-the-Dollar	Minimum Rate
Gross Rental Values (GRV)		
GRV General	0.110736	\$1,410
GRV Industrial	0.123706	\$1,510
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GRV Short Term - Unhosted	0.166103	\$2,114
Unimproved Values (UV)		
UV General	0.004020	\$1,510
UV Mining	0.004020	\$1,510
UV Plantation	0.005292	\$3,013

4. CLOSURE OF MEETING:

Attachments

Item	Attachment	Title
10.1.1	1	Shire of Nannup Differential Rating Proposal 2025/2026 Statement of Objectives and Reasons
10.1.2		Submissions to Differential Rating Proposal 2025/2026 Statement of Objectives and Reasons