

## Special Meeting of Electors

### Minutes

**12 August 2014**

Pursuant to Section 5.28 of the Local Government Act 1995, a Special Meeting of Electors has been called to discuss rating options.

#### Meeting advertised for public information, as follows:

- Bunbury Herald 'Public Notices' 29 July 2014
- Bunbury Mail 'City Focus Column' 30 July and 6 August 2014
- Notices posted on notice boards in the City's Customer Service Centre, libraries and website.
- Media release 23 July 2014.



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## City of Bunbury Special Meeting of Electors

Minutes of the Special Meeting of Electors called pursuant to Section 5.28 of the *Local Government Act 1995* in the Municipal Chambers Building, 4 Stephen Street, Bunbury on Tuesday 12 August 2014.

### Minutes 12 August 2014

#### 1. Welcome by the Mayor

The Presiding Member, His Worship the Mayor Mr Gary Brennan, declared the meeting open at 5:33pm and welcomed those in attendance.

#### 2. Record of Attendance, Apologies and Leave of Absence

Councillor Giles is on approved leave of absence from all Council-related business from 12 August 2014 to 13 August 2014 inclusive.

Councillor Prosser is on approved leave of absence from all Council-related business from 4 August 2014 to 31 August 2014 inclusive.

Present:

Bunbury City Council Representatives  
Mayor – Mr Gary Brennan (Presiding)  
Deputy Mayor – Councillor Brendan Kelly  
Councillor Betty McCleary  
Councillor Karen Steele  
Councillor Judy Jones  
Councillor James Hayward  
Councillor Jaysen Miguel  
Councillor Murray Cook  
Councillor Sam Morris  
Councillor Neville McNeill

Bunbury Electors (*47 registered – refer to list at Appendix 1*)

City of Bunbury Representatives (*non-voting*)  
Andrew Brien – Chief Executive Officer  
Wayne Wright – Director Corporate Services  
Stephanie Addison-Brown – Director Community and Customer Services  
Bob Karaszewych – Director Planning and Development Services  
Phil Harris – Director Works and Services  
Greg Golinski – Manager Corporate Performance  
Leanne French – Senior Governance Officer  
David Ransom – Manager Finance  
Leonie Barwick – Team Leader Corporate Revenue  
Kobi Halbert – Minute-taker

### **3. Conduct of the Meeting**

The Mayor advised that the meeting had been convened in response to a petition containing signatures of electors that had been received under Section 5.28 of the Local Government Act 1995. He confirmed that the meeting would be run pursuant to Sections 5.30 and 5.31 of the Act and generally in accordance with the Standing Orders for meetings of the Council.

Pursuant to Sections 5.32 and 5.33 of the Local Government Act 1995, any motions passed by electors at the meeting will be referred (in the form of recommendations) to the next meeting of the Bunbury City Council, or if this is not practicable, to the subsequent meeting of the Council.

### **4. Purpose of the Meeting**

The meeting has been requested by City of Bunbury electors under Section 5.28 of the Local Government Act 1995, for the specific purpose of discussing Council's proposed change from a differential rating system to a single rate system for the financial year of 2014/15, effective from and inclusive of July 1 2014. In the interim, the Electors requested Council to withhold any further decision in relation to a change to the rate structure, until this meeting has been convened and conducted.

### **5. Motions or Questions of Which Prior Notice Has Been Received**

Nil.

### **6. Motions from the Floor**

1. That council apply a rates cap of 15% to mixed business and industrial properties for the 2014/15 financial year. This should automatically apply to all mixed business and industrial properties unless significant development or redevelopment of the site since the last GRV valuation.

The motion was **moved Mr Ray Philp** on behalf of the Bunbury Chamber of Commerce and Industries, **seconded Ms Fiona Skilbeck**.

A summary of the discussion of the motion is as follows:

Mr Ray Philp – Prior to Councils decision the Chamber facilitated three briefing sessions conducted by Mr Wayne Wright, Director Corporate Services, on discussion paper 'A review of our basis of rating'. The Chamber Executive Committee concluded that based on equity, there is currently no plausible reason for the existence of the differential rates and supports a single rate in the dollar, with no differential rates. Following the release of the proposed general rate and subsequent briefings with chamber members, the Executive Committee qualified our position on the basis that there is a progressive move over a minimum three years to lessen the impact on those businesses affected. This was based on lessening the impact of a single major rate increase on businesses immediate finances, especially those who may be struggling under current business circumstances. We were disappointed that there was no support from Council for a transitional move to a single rate system. The Chamber believes that in an environment of equitable rates, the City of Bunbury needs to work with businesses across all precincts to ensure they have the services necessary to succeed in Bunbury. The Bunbury Chamber of Commerce and Industries represents 613 businesses including 28% CBD, 30% Mixed Business and 22% Industrial.

Mr David Smith – Mr Smith is opposed to the motion, because he does not believe that the 15% cap goes far enough to alleviate the pressures on businesses. The differential rates system was appropriate because the different areas with Specified Area Rates had different requirements, and these requirements could be funded from that rating revenue. We don't yet know the criteria or the assessment process through which individual ratepayers would apply to have the concession applied to them. Does it just apply to year one, or does it continue to apply to subsequent years? The 15% cap represents value for this year (2014/15), but the following years would increase continually to result in paying 101% more in five years' time.

**Outcome:**

The Mayor put the motion to the vote and the motion was lost.

**Recommendation 1**

***That council apply a rates cap of 15% to mixed business and industrial properties for the 2014/15 financial year. This should automatically apply to all mixed business and industrial properties unless significant development or redevelopment of the site since the last GRV valuation.***

LOST

2. The meeting expresses their grave concern at the inadequate consultation in regard to the Council's decision to move from a differential rating system to a single rating system, and call on Council to reverse the decision and revert back to the differential rating system.

The motion was **moved Mr Geoff Pedley, seconded Mr Claude Pesce.**

A summary of the discussion of the motion is as follows:

Mr Geoff Pedley – Spoke for the motion, on the basis of the lack of equity in services between the different sectors in Bunbury. The services provided, in the CBD in particular, are far more superior than what is provided to businesses in Halifax in terms of footpaths, security lighting, security cameras, landscaping etc. The average increase for the industrial areas for the last three years combined equals 38.75%. For mixed business this is 32.45%, and for businesses in the CBD, it is only 1.85%. Considering 70% of GDP for this community comes out of mixed business and industrial areas, we need to support industry through a return to the differential rate system.

Mr Norm McCleary – Spoke against the motion, stating that there should be no concessions for mixed business and industrial properties because, in dollar terms, the increased cost of rates are minimal, and are now set at the same level of the general householder. Businesses can claim 30% of their rates back through the tax system, while home owners can't. Council is not responsible for the increase in the GRV, which is what the rating model is based on. The small fiscal surplus that the budget will deliver should not be delivered to the benefit of a few people, but to the Bunbury population as a whole. The rating model, as it stands, is fair and equitable to all. Contemplating handouts to selected business sectors should not be accommodated.

Mr Alex Karatamoglou – Spoke for the motion, on the basis of the lack of equity and support from the Council. Business rates have increased between 15% and 50%, and the argument of subsidising other businesses is outrageous. What does the commercial ratepayer get in comparison to the residential ratepayer, not forgetting we all have residential properties? Small business is the heartbeat of Bunbury, and those small businesses give back to Bunbury. If we had residential rates being increased by 25%, we would have thousands of people protesting. We are here to support and embrace local businesses, and are asking the Council for support, not handouts. Show us that you want to support us, so that we can reinvest in the City. It's not a concession it's a cap.

Mr Steve Prosser – Spoke for the motion. Under TPS7, you can only build on approximately 50% of your property. In the CBD, TPS7 allows for building and development on 100% of your property. Therefore, those businesses in the CBD have greater potential to generate revenue from CBD businesses, as opposed to mixed business and industrial uses. In addition, many of the mixed business and industrial businesses do not receive the same services as CBD businesses, such as footpaths etc, and as such the differential system should be maintained as per previous years.

**Outcome:**

The Mayor put the motion to the vote and the motion was carried by those present to become a formal recommendation from the electors of Bunbury to the Bunbury City Council.

**Recommendation 2**

*The meeting expresses their grave concern at the inadequate consultation in regard to the Council's decision to move from a differential rating system to a single rating system, and call on Council to reverse the decision and revert back to the differential rating system.*

CARRIED

## **7. Close of Meeting**

Before closing the meeting, the Mayor advised that the motion passed by electors at the meeting will be referred (in the form of recommendations) to the next available Ordinary Council Meeting.

The Mayor thanked all Councillors and attendees for coming, and believes that the numbers here demonstrate how passionate people are about this particular topic.

The Mayor promoted the Household Panel registration process, so that when Council wishes to initiate changes, they have a ready way of doing so. This also works in reverse, whereby if members of the public have ideas or suggestions on better ways for Council to do business, they can do so through this channel.

There being no further issues, the Mayor declared the meeting closed at 5:55pm.

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CONFIRMED this day 19 August 2014 to be a true and accurate record of the proceedings of the City of Bunbury Special Electors Meeting held 12 August 2014.

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Mr Gary Brennan  
Mayor