

SHIRE OF CARNARVON

AGENDA

SPECIAL COUNCIL MEETING 4 AUGUST 2022 8.30AM

Council Chambers, Stuart Street CARNARVON, West Australia Phone: (08) 9941 0000 Fax: ((08) 9941 1099

Website - www.carnarvon.wa.gov.au

DISCLAIMER

No responsibility whatsoever is implied or accepted by the Shire of Carnarvon for any act, omission or statement or intimation occurring during Council/Committee Meetings or during formal/informal conversations with Staff or Councillors. The Shire of Carnarvon 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/Committee Meetings or discussions. Any person or legal entity who acts or fails to act in reliance upon any statement does so at that person's 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 licence, any statement or limitation of approval made by a member or officer of the Shire of Carnarvon during the course of any meeting is not intended to be and is not taken as notice of approval from the Shire of Carnarvon. The Shire of Carnarvon warns that anyone who has an application lodged with the Shire of Carnarvon must obtain and only should rely on WRITTEN CONFIRMATION of the outcome of the application, and any conditions attaching to the decision made by the Shire of Carnarvon in respect of the application.

To be noted that, in accordance with Regulation 11 of the Local Government (Administration) Regulations 1996, the minutes of the Council Meeting are a record of the decisions of the Council, any additional officers' advice, and explanatory notes as required. The minutes contain a <u>summary</u> of questions asked by members of the public and the answers given. The minutes <u>are not</u> a transcript of the proceedings of the meetings.

NOTICE OF MEETING

Notice is hereby given

Shire of Carnarvon Special Council Meeting

will be held on Monday 4 August 2022 in the Shire Council Chambers, Stuart Street Carnarvon, commencing at 8:30am

Andrea Selvey CHIEF EXECUTIVE OFFICER

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AGENDA

1.0 ATTENDANCES, APOLOGIES & APPLICATIONS FOR LEAVE OF ABSENCE

(The Local Government Act 1995 Section 2.25 provides that a Council may, by resolution, grant leave of absence to a member for Ordinary Council Meetings. The leave cannot be granted retrospectively and an apology for non-attendance at a meeting is not an application for leave of absence.)

2.0 PUBLIC AND ELECTED MEMBER QUESTION TIME

(In accordance with Section 5.23 of the Local Government Act 1995, and Regulation 12(4) of the Local Government (Administration) Regulations 1996, public question time is made available at a Special Meeting of Council to allow members of the public the opportunity of questioning Council on matters relating to the purpose of the meeting only.

3.0 DECLARATIONS OF INTEREST

(Councillors and Staff are reminded of the requirements of Section 5.65 of the Local Government Act 1995, to disclose any interest during the meeting or when the matter is to be discussed.)

4.0 OFFICER REPORTS

4.1 Differential Rates 2022/2023

5.0 MATTERS FOR WHICH MEETING TO BE CLOSED TO MEMBERS OF THE PUBLIC

6.0 CLOSURE

ITEM 4.1 INTENTION TO IMPOSE DIFFERENTIAL RATES FOR 2022/2023

File No: ADM0071

Date of Meeting: 4 August 2022

Location/Address: N/A

Name of Applicant: Shire of Carnarvon
Name of Owner: Shire of Carnarvon

Author/s: Andrea Selvey, Chief Executive Officer

Declaration of Interest: Nil

Voting Requirements: Absolute Majority

Schedules 4.1(a) Statement of Objects and Reasons of the differential rates relating to

UV Intensive Horticulture, UV Pastoral and UV Mining

4.1(b) Newspaper Clipping Advertisement

4.1(c) Submission from McMahon Mining Title Services

Authority / Discretion

	Advocacy	When Council advocates on its own behalf or on behalf of its		
		community to another level of government/body/agency.		
	Executive	The substantial direction setting and oversight role of the		
X		Council. E.g., adopting plans and reports, accepting tenders,		
		directing operations, setting and amending budgets.		
	Legislative	Includes adopting local laws, town planning schemes and policies.		
	Quasi-Judicial	When Council determines an application / matter that directly		
		affects a person's right and interest. The judicial character arises		
		from the obligations to abide by the principles of natural justice.		
		Examples of Quasi-Judicial authority include town planning		
		applications, building licenses, applications for other permits /		
		licenses.		
	Information	Includes items provided to Council for information purposes only		
		that do not require a decision of Council (i.e. – for noting).		

Summary of Item:

This item formally presents a public submission on the proposed differential rates for Council consideration. The officer's recommendation is that Council endorse the differential rates for properties valued on an unimproved basis and seek the approval of the Minister for Local Government to impose differential rates for 2022/2023 land parcels that have unimproved valuations assigned to them.

Background:

The purpose of levying rates is to meet Council's budget requirements in each financial year and enables Council to raise the revenue necessary to provide facilities, infrastructure and services to the entire community and visitors of the Shire of Carnarvon. The rates levied on properties are determined by applying the rate in the dollar to the applicable valuation amount of the properties within the district, and if applicable, applying a minimum rate where considered appropriate. The Shire applies a minimum rate to each rating category in accordance with S6.35 of the Act, to ensure that properties with a low valuation still pay a fair and reasonable amount towards the maintenance and continuity of Shire Infrastructure and services.

The method of land valuation (GRV or UV) is determined by the Minister for Local Government, Sports and Cultural Industries (the Minister) with individual valuations being provided to the Shire by the Valuer Generals Office (VGO) as part of Landgate.

A local government may apply a single rate to all properties in the unimproved value or gross rental value category or it may apply differential rates to properties on the basis of zoning or use or a combination of

factors. The objective of imposing differential rates is to ensure equity across different land uses, especially where values can vary greatly from properties close to townsites and those in more remote areas of the Shire. The ability of Council to apply a different rate in the dollar ensures that all properties make a fair contribution to the required revenue of the Shire.

Applying differential rates can also be used, should Council wish to offset changes in valuations which come about as part of Landgate's periodical revaluations.

At the end of the 2021/2022 Financial year Landgate revalued the Intensive Horticultural, Mining and Pastoral Land Values. Values of Intensive Horticulture reduced by approximately 36%. Pastoral properties were revalued downwards dependent only on objections lodged by Pastoralists to the existing values.

Reduction in valuations ranged from approximately 10% to 54%. The new values for Pastoral Properties were backdated to include rates raised during the 2020/2021 financial year. This resulted in a refund to Pastoralists of approximately \$82,000. At the end of the 2021/2022 financial year values of Intensive Horticultural Properties devalued by an average of 11.82% though individual property changes ranged from an increase of 10% to a decrease of 26%.

Noting all the information provided above, at the Ordinary Meeting of Council on 28 June 2022, Council resolved as follows:

FC 6/6/22

COUNCIL RESOLUTION & OFFICER'S RECOMMENDATION

Cr Fullarton/Cr Vandeleur

That Council, by Simple Majority, pursuant to sections 6.33 and 6.36 of the Local Government Act 1995 resolves to:

1. Seek approval from the Minister for Local Government to impose differential rates for 2022/2023 land parcels that have unimproved valuations assigned to them as follows:

Category	Rate of cents in the \$	Minimum Rate (\$)	
UV Mining	25.9827	450	
UV Pastoral	11.8312	1,228	
UV Intensive Horticulture	2.7126	1,228	

- 2. Publicly advertise its intention to impose differential rates and invites public submissions for a period of twenty-one days; and
- 3. Consider any submissions in respect of imposition of differential rates as part of the 2022/2023 Budget deliberations.
- 4. Adopt the reasons and objectives of the differential rates relating to UV Horticulture, UV Pastoral and UV Mining as provided in Schedule 7.2.3 and publishes the document on the Shire of Carnarvon official website.

CARRIED F7/A0

The proposed differential rates as advertised have been set to maintain the relative contributions to general rate revenue for each differential category as applied in the 2021/2022 financial year except for Mining where the increase in actual Rates to raise is higher due to an increase in mining properties from 46 to 67. The application of differential rates and minimum payments to properties within the Shire maintains equity in the

rating of properties.

The Department of Local Government, Sports and Cultural Industries (the Department) requires that Council endorse not only the imposition of differential rates, but also the Objects and Reasons for the imposition of differential rating. The Objects and Reasons to support the imposition of the proposed 2022/2023 Differential Rates were presented to Council at the Ordinary Meeting of Council on 28 June 2022 – see attached document at Schedule 4.1(a). It is proposed that these are not changed.

This report has been prepared to:

- 1. Present the one public submission received in response to the public notice advertising the Council's intent to impose differential rates and inviting public submissions.
- 2. Present the proposed 2022/2023 Differential Rates Model that will reflect the rate in the dollar and minimum rate for each unimproved rating category for Council consideration and endorsement.

Consultation:

Following Council's resolution on 28 June 2022, the intent to impose differential rates and inviting submissions from the public was advertised via the Midwest Times on Wednesday the 6th of July 2022 Schedule 4.1(b), via the public notice board and on the Shire's social media and website. At close of submissions at 4.01pm on Thursday 28 July 2022, one public submission was received – see Schedule 4.1(c).

Statutory Environment:

Local Government Act 1995 Section 6.3 and 6.35

Relevant Plans and Policy:

Corporate Business Plan 2018 – 2022

Financial Implications:

The proposed differential rates and minimum payments for the 2022/2023 financial year will raise approximately \$1,172,388 across the categories as follows:

Category	Estimated 2022/23 Differential Rate Revenue		
Mining	\$224,344		
UV Pastoral	\$381,585		
Horticultural	\$566,459		
Total	\$1,172,388		

Risk Assessment:

		STEP 3 – Risk Tolerance Chart Used to Determine Risk				
Consequer	nce 🗀	Insignificant 1	Minor 2	Major 3	Critical 4	Extreme 5
Likelihood		•				
Almost						
certain	Α	High	High	Extreme	Extreme	Extreme
Likely	В	Moderate	High	High	Extreme	Extreme
Possible	С	Low	Moderate	High	Extreme	Extreme
Unlikely	D	Low	Low	Moderate	High	Extreme
Rare	E	Low	Low	Moderate	High	High

Risk Category	Description	Rating (Consequence	Mitigating Action/s
		x likelihood)	

Financial	The Minister may not approve the proposed differential rates.	Low	All compliance requirements have been met to date via advertising the differential rates and reviewing any objections at the end of the advertising period of 21 days and before submission to the Minister for approval.
Health & Safety	NA	NA	
Reputation	Community sensitivity to Council rate. Rates that are perceived as high have the potential to result in reputational damage.	High	This risk has to be balanced against raising revenue to support Shire operations and service delivery. Communicating the budget (income and expenditure) will be important in managing this risk.
Service disruption	NA	NA	
Compliance	As above	Low	As above
Property	NA	NA	
Environment	NA	NA	
Fraud	N/A	Low	

Community & Strategic Objectives:

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ITEM	OUTCOMES AND STRATEGIES
5.2	The Shire has a high standard of governance and accountability
5.2.1	Robust decision-making by culturally aware, well-informed and supported Councillors
5.2.3	Risks are well managed
5.2.6	Compliance with the Local Government Act 1995 and all other relevant legislation and regulations
5.4	Sound financial and asset management
5.4.4	Financial transactions are accurate and timely

Comment:

An overall increase of 8% was applied to the 2018/19 rates yield. A further increase of 6 percent was applied in 2019/20. No increase was levied for the 2020/21 financial year due to COVID relief and a 6% increase was applied for 2021/2022.

For the 2022/2023 financial year an estimated 6% increase has been proposed which will partially offset inflation. In the last 12 months, a CPI at over 7% has applied excluding the Fair Work Commission 5.2% wage increase on 15 June 2022 for minimum wage earners. That increase is expected to have flow on effects to other Salary and Wage earners.

The 6% rate increases were identified through Council's major strategic review undertaken in 2018 and was driven by Council's commitment to deliver on services and projects that have been recognised as key community priorities in both the Strategic Community Plan (SCP) and the Corporate Business Plan (CBP).

Individual property increases and decreases depend on valuations provided to the Shire by the Valuer Generals Office (VGO), and therefore may be different to the overall increase of 6%.

The actual rate applied will be the differential rates applied for and approved by the Ministerial delegation, unless a variation is approved by the Minister. This is to comply with the Local Government Act 1995 Section 6.33(3).

One public submission on Council's intent to impose differential rates has been received and is attached for

Council consideration, Schedule 4.1(c). While the submission raises matters relating to the value of the mining sector to the State's economy and the challenges of Covid on the sector, and requests that all government fees are set to reduce costs to doing business in the State, in the officer's view, the submission does not address the objects and reasons for the application of a higher rate for the UV Mining such as the impact on roads and the relatively low contribution from this sector to the overall total rate revenue.

The officer's recommendation is that Council seek Ministerial approval prior to formally adopting the differential rates and minimum payments as part of the annual budget process.

OFFICER'S RECOMMENDATION

That Council, by Absolute Majority, pursuant to s.6.33 and s.6.35 of the Local Government Act 1995 resolves to:

1. Seek approval from the Minister for Local Government to impose differential rates for 2022/2023 land parcels that have unimproved valuations assigned to them as per the table below and for the objects and reasons as provided in Schedule 4.1(a) for these to be adopted as part of the 2022/2023 budget:

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2. Note the submission from McMahon Mining Title Services and advise them of Council's decision.

INTENTION TO IMPOSE DIFFERENTIAL RATES FOR 2022/2023

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Consequence		STEP 3 – Risk Tolerance Chart Used to Determine Risk				
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		1	2	3	4	5
Likelihood				-		
Almost						
certain	Α	High	High	Extreme	Extreme	Extreme
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Risk Category	Description	Rating (Consequence	Mitigating Action/s
		x likelihood)	
Financial	The Minister may not	Low	All compliance requirements have been
	approve the proposed		met to date via advertising the
	differential rates.		differential rates and reviewing any
			objections at the end of the advertising
			period of 21 days and before submission
			to the Minister for approval.
Health & Safety	NA	NA	
Reputation	Community sensitivity	High	This risk has to be balanced against
	to Council rate. Rates		raising revenue to support Shire
	that are perceived as		operations and service delivery.
	high have the potential		Communicating the budget (income and
	to result in		expenditure) will be important in
	reputational damage.		managing this risk.
Service disruption	NA	NA	
Compliance	As above	Low	As above
Property	NA	NA	
Environment	NA	NA	
Fraud	N/A	Low	

Community & Strategic Objectives:

ITEM	OUTCOMES AND STRATEGIES
5.2	The Shire has a high standard of governance and accountability
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OFFICER'S RECOMMENDATION

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1. Seek approval from the Minister for Local Government to impose differential rates for 2022/2023 land parcels that have unimproved valuations assigned to them as per the table below; and for the objects and reasons of the differential rates as provided in Schedule 4.1(a) and to be adopted as part of the 2022/2023 budget:

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2. Note the submission from McMahon Mining Title Services and advise them of Council's decision.



OBJECTIVES AND REASONS FOR PROPOSED DIFFERENTAIL RATES AND MINIMUM PAYMENTS FOR THE 2022/2023 FINANCIAL YEAR

In accordance with Section 6.36 of the *Local Government Act 1995*, the Shire of Carnarvon is required to publish its Objectives and Reasons for implementing Differential Rates

DIFFERENTIAL RATES

Differential rating is the method of applying a different rate in the dollar to a different category of property. This is allowed for and controlled by S6.33 of the Local Government Act 1995 and the Shire applies differential rates according to property usage for UV Rated properties. Properties with a GRV value are rated on a flat rate in the dollar.

Properties in the Shire of Carnarvon are valued with either a Gross Rental Value (GRV) which is used on urban properties around townsites and Unimproved Value (UV) which is predominantly used on rural properties. More information on the different valuation methods can be found on the Valuer Generals website at www.landgate.wa.gov.au

OVERALL OBJECTIVE

The purpose of levying rates is to meet Council's budget requirements each financial year, so it can deliver facilities, services and community infrastructure. Property valuations provided by the Valuer General's Office (VGO) are used as the basis for the calculation of rates each year. Section 6.33 of the Local Government Act 1995 provides the ability to differentially rate properties based on zoning and/or land use as determined by the Shire of Carnarvon. The application of differential rating maintains equity on the rating of properties across the Shire. Preparation of the annual Budget is informed by two key Council documents, the 10-year Strategic Community Plan and the Long-Term Financial Plan. These documents provide the road map for budget preparation.

Anticipated projects for 22/23 include

- Effectively balancing the following projects within the constraints of the floods of 2021 and heavy rains in 2022
- Continued upgrade and maintenance on unsealed country roads through the capital infrastructure and maintenance programs and the Disaster Recovery Grant of almost \$13,000,000
- Resealing in main streets and on sealed roads
- Installation and/or replacement of cattle grids on rural roads
- Footpath upgrades and expansion
- Flood preparedness project

- Dredging of the Fascine and associated waterways
- Continued Aquatic Centre maintenance and upgrades
- Continued progress towards achieving RV-Friendly status for Carnarvon
- Continued implementation of the playground replacement program
- Project development to expand waste facilities for Carnarvon and Coral Bay
- Staged installation of an integrated water supply infrastructure

Efficiency measures that have been implemented include

- Ongoing assessment of the organisational structure
- Review of position descriptions, remuneration and need for the role as vacancies arise
- Consideration of outsourcing and use of short-term contracts for specialised projects and programs
- The continued pursuit and recovery of outstanding debts including unpaid rates
- Ongoing review of levels of service
- Exploring shared service arrangements
- Enhancing partnerships for improve effectiveness and efficiency

UV MINING

Proposed Characteristics

UV MINING rate applies to all UV Valued properties in the Shire where the predominant use of the land is for mining related purposes or for other general-purpose leases. These properties are usually a result of a mining tenement with common land uses including explorations, mining and prospecting.

Proposed Objectives and Reasons

Historically, the number of mining assessments has been in excess of pastoral leases while overall valuations have been around one tenth of pastoral valuations. This low valuation reflects the predominance of lower-value prospecting and exploration leases rather than higher value mining leases.

The object of this differential category is to apply a differential rate to mining related properties in the Shire in order to raise additional revenue to offset the costs associated with reducing and rehabilitating environmental impacts as well as the costs related to the increased maintenance and renewal of assets and infrastructure required by the impact of heavy mining and vehicles. The Shire of Carnarvon recognises that mining related industries create a significant impact on the environment as well as the infrastructure within the Shire compared to properties that fall outside this land use.

The reason this category is rated higher than the other two rates is to reflect the higher road infrastructure maintenance costs to the Shire as a result of use of extensive lengths of Shire roads throughout the year, and the relatively low total contribution from this sector to the overall total.

The proposed rate in the dollar for this category is 25.9827 cents, with a minimum payment of \$450.00. It will be applied to 67 of the Shire's rateable properties and deliver 3.6% of the proposed overall anticipated rate income for 2022/2023. 17 of these 67 properties will attract the low minimum rate whilst the properties whose values are higher which reflects their increased usage thereby contributing more to the Shires resources, will attract a higher rate.

UV PASTORAL

Proposed Characteristics

UV PASTORAL rate applies to all UV Valued properties in the Shire where there is a pastoral lease in place and for properties where the predominant use of the land is for a rural purpose.

Proposed Objectives and Reasons

The Shire of Carnarvon recognises a high cost for providing services to pastoral and rural purpose properties within the Shire boundaries compared to properties located closer to townsites. The Shire incurs higher costs for infrastructure maintenance and service provision to UV Pastoral properties as a result of extra vehicle movements on the Shire's road network due to the location and commercial nature of these properties outside of the town site.

The object of this differential category is to apply a differential rate to pastoral and rural purpose properties in the Shire in order to raise additional revenue to offset the cost of providing and maintaining infrastructure and other Shire services. These properties tend to have a higher valuation than UV Mining properties due to the location and size of the properties. By applying the proposed rate in the dollar to this category, Council takes these associated costs and higher valuation levels into consideration.

The proposed rate in the dollar for this category is 11.8312 cents, with a minimum payment of \$1228.00. It will be applied to 40 of the Shire's rateable properties, with 9 properties attracting the minimum rate, and deliver 6.03% of the proposed overall anticipated rate income for 2022/2023.

UV Intensive Horticulture (Plantations)

Proposed Characteristics

UV Intensive Horticulture (Plantation) rating applies to all plantation properties on unimproved land use.

Proposed Objectives and Reasons

Following Council's decision in October 2006 to rate horticultural (plantation) properties on unimproved values it is necessary to impose a differential rate that offsets the historically higher unimproved valuations associated with such land uses.

Prior to 2017, the valuation for these properties had remained relatively consistent but 2017 saw an average drop of 21% in the assessed value through Landgate and following this reduction, the figures for 2018 revealed a further drop of 27%. A further decline in valuations for this rate category leading into 2022/2023 has also been levied however through adjustment in the rate in the \$ the category is yielding an overall 6% increase in line with other categories.

The Shire of Carnarvon recognises the higher costs incurred for infrastructure maintenance and service provision to UV Intensive Horticultural properties as a result of extra vehicle movements on the Shire's road network due to the location and commercial nature of these properties outside the town site which places additional pressure on Shire infrastructure assets.

The object of this differential category is to apply a differential rate to intensive horticulture related properties in the Shire in order to raise additional revenue to offset the costs associated with the Shire managing the above issues. Valuations applied to the intensive horticulture properties tend to be higher than those within the other UV rated categories, and in order to ensure equity in rates contribution across all categories Council takes these associated costs and valuation levels into consideration by applying a lower rate in the dollar.

The proposed rate in the dollar for this category is 2.7126, with a minimum payment of \$1228.00. It will be applied to 170 of the Shire's rateable properties and deliver 8.95% of the proposed overall anticipated rate income for 2022/2023. The minimum rate will not apply as no properties fall within the minimum rates threashholds.

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PUBLIC NOTICES



SHIRE OF MOUNT MAGNET
Proposal to Impose Differential and Minimum
Rates for 2022-2023

ferential eral Rate	Rate in the \$	Minimum Payment	Minimun
rban	0.112753	GRV Urban	474
oogardie & nville	0.112753	GRV Boogardie & Lennonville	155
ingle ns Quarters	0.205956	GRV Single Persons Quarters	851
ommercial	0.128782	GRV Commercial	474
idustrial	0.128782	GRV Industrial	474
Mining ructure*	0.2975009	GRV Mining Infrastructure*	474
ral/Pastoral	0.74646	UV Rural/Pastoral	474
ning	0.359233	UV Mining	488
ploration	0.359233	UV Exploration	488
specting	0.359233	UV Prospecting	488
ld Mining	0 250222	IN Gold Mining	488

Andrea Selvey

CHIEF EXECUTIVE OFFICER



NOTICE OF INTENTION TO IMPOSE DIFFERENTIAL RATES SHIRE OF CARNARVON

with Section 6.33 and 6.35 of the Local Government Act of Carnarvon hereby gives notice of its intention to impose, and differential minimum rates on all rateable unimproved-

AND USE CATEGORY Special Use/Rural Commercial/Industrial

PROPOSED RATE IN \$ PROPOSED MINIMUM
11.7872 cents \$1,228.00
11.7872 cents \$1,228.00
10.9181 cents \$1,228.00
25.9827 cents \$450.00
11.8312 cents \$1,228.00
2.77126 cents \$1,228.00

The figures stated above are to be sent for Ministerial Approval and are subject to consideration as part of Council's 2022/2023 Budget deliberation. A document describing the objects and reasons for each proposed general and minimum rate may be inspected at, or obtained from, the Shire of Carnarvon Administration Office, 3 Francis Street Carnarvon between the hours of 8.30am and 4.30pm. Further queries can be directed to the CEO, Andrea Selvey, 08 9941 0000 or by email to selveya@carnarvon.wa.gov.au.

bmissions regarding the proposed received by Thursday 28 July, 2022

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SHIRE OF CARNARVON
INVITATION FOR PUBLIC SUBMISSIONS
STRATEGIC COMMUNITY PLAN

Janual is inviting submissions on the unal is inviting submissions on the on at the July Council Meeting to be plean can be viewed on the american Augustu It is also a stration Building and the Canarvon ssions addressed to the Chief Execum Friday 22 July 2022.

Selvey
EXECUTIVE OFFICER



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30 June 2022

Ms Andrea Selvey Chief Executive Officer Shire of Carnarvon 3 Francis Street CARNARVON WA 6701

By email: selvey.a@carnarvon.wa.gov.au

SUBMISSION - DIFFERENTIAL RATING 2022-2023

Thank you for the opportunity to make a submission regarding the proposed rates for 2022-23.

We note that valuations provided by the Valuer General are used in calculating mining tenement rates, and these valuations are based on the rent imposed by the Department of Mines, Industry Regulation and Safety. Any increases in the rent therefore result in an increase in valuations and in turn an automatic increase in rates.

Effective from 1 July 2021, the Department increased the rent rate for exploration licences by 3.54% prospecting licences by 10% and mining leases by 10%. With the Shire proposing an increase in the rates in the dollar for 2022-23 from 0.24512 to 0.259827, a significant increase in the actual rates levied will occur as illustrated in the table below.

		2021/22 RID	0.24512	2022/23 Proposed RID	0.259827
	2021 Rates	2022 Rates - no change	Percentage increase in	2022 Rates - proposed	Percentage increase in
		in RID	rates - no change in RID	increase to RID	rates - proposed increase
					to RID
P (200Ha)	\$735.36	\$808.90	10%	\$857.43	16.6%
E (10sbk)	\$864.05	\$894.69	4%	\$948.37	9.8%
M (100Ha)	\$2,451.20	\$2,696.32	10%	\$2,858.10	16.6%

The exploration and mining industry is one of the most significant contributors to the State's economy. It has played an integral role in the development and enduring strength of this State, creating jobs and opportunities across the State but particularly in remote and regional parts of Australia. The industry is undoubtedly critical to the continued economic recovery of the State and country which has been severely impacted by the COVID-19 crisis. While the resources sector is slowly recovering, it continues to be constrained by the ongoing labour, supply and capital shortages stemming from the pandemic and recent world events.

To support the continued contributions made by the resources sector to the State economy it is critical that all government fees are set so as to reduce the cost of doing business in the State in the face of ever increasing international competition wherever possible, and increase and incentivise investment in local exploration to discover vital new resources which benefit the whole of the State.

I would be happy to discuss this matter further on (08) 6467 7997.

Yours faithfully,

Shannon McMahon Director

McMahon Mining Title Services