



SHIRE OF CARNARVON

AGENDA

SPECIAL COUNCIL MEETING
TUESDAY 6 JUNE 2023

Shire Council Chambers,
Stuart Street Carnarvon,
West Australia
Phone: (08) 9941 000
Fax: (08) 9941 1099
Website – www.carnarvon.wa.gov.au

The Shire of Carnarvon acknowledges and respects the Yinggarda (Carnarvon) and Baiyungu (Coral Bay) as the traditional custodians of the lands where we live and work. We pay our respects to Elders, past, present and emerging. The Shire of Carnarvon is committed to honouring the traditional custodians' unique cultural and spiritual relationships to the land, waters and seas and their rich contribution to society.

NOTICE OF MEETING

Notice is hereby given

Shire of Carnarvon
Special Council Meeting
will be held
on Tuesday 6 June 2023
at the Shire Council Chambers, Stuart Street
Carnarvon,
commencing at 8.30am.

Andrea Selvey
CHIEF EXECUTIVE OFFICER

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.

INFORMATION ON PUBLIC QUESTION TIME

The following information is provided should you wish to ask a question of Council at the Ordinary Meetings held on a monthly basis.

Please note that questions that have not been filled out on the Submission Form will not be accepted.

- The Local Government Act 1995 allows members of the public to ask questions in regard to any issue relating to the Shire.
- A maximum of 15 minutes will be allowed for public question time and the Presiding Member will allow a maximum of three (3) verbal/written questions per person.
- Prior to asking a question, the speaker must state his/her name and address.
- Members of the public are discouraged from asking questions which contain defamatory remarks, offensive language or questioning the competency of staff or Council members.
- The Presiding Member may nominate a member or officer to answer the question and may also determine that any complex questions requiring research be taken on notice and answered in writing.
- No debate or discussion is allowed to take place on any question or answer.
- A summary of each question asked and the response given will be included in the minutes of the meeting –

Local Government (Administration) Regulations 1996 – Pt 2, r.11 – (in part reads -)

11. Minutes, content of (Act s.5.25(1)(f))

The content of minutes of a meeting of a council or a committee is to include –

(e) a summary of each question raised by members of the public at the meeting and a summary of the response to the question.

Responses to questions that are taken on notice will be responded to as soon as possible.

- If you wish to ask a question, please complete the Public Question Time Submission Form at the back of this information sheet. Alternatively, questions can be submitted in writing to the Shire of Carnarvon 3 days prior to the meeting.

SPECIAL MEETINGS OF COUNCIL

Members of the public are welcome to attend a Special Meeting of Council if open, and ask questions of the Council within the allotted public question time *subject to the questions being asked only relating to the purpose of the Special Meeting (s5.23 of the Act and regulation 12 (4) of the Local Government (Administration) Regulations 1996, the Department of Local Government and Communities Guide to Meetings and Governance Bulletin April 2014 and Guideline No. 3 Managing Public Question Time.)*

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1 ATTENDANCE, APOLOGIES & APPROVED 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 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.)

3 PUBLIC QUESTION TIME

(In accordance with Section 5.24 of the Local Government Act 1995, a 15 minute public question time is made available to allow members of the public the opportunity of questioning Council on matters concerning them. All questions are to be provided on the Public Question Time Submission Form.)

3.1 PUBLIC QUESTION TIME

4 DEPARTMENTAL REPORTS

4.1 GOVERNANCE

4.1.1 INTENTION TO IMPOSE DIFFERENTIAL RATES FOR 2023/2024

File No:	ADM0071
Location/Address:	Shire of Carnarvon
Name of Applicant:	Shire of Carnarvon
Name of Owner:	N/A
Author(s):	Alan Thornton, Deputy Chief Executive Officer
Authoriser:	Andrea Selvey, Chief Executive Officer
Declaration of Interest:	Nil
Voting Requirement:	Absolute Majority
Previous Report:	26 April 2023
Schedules:	<ol style="list-style-type: none"> 1. Schedule (a) - Proposed Differential Rates Model 2023-2024 2. Schedule (b) - Advert for Differential Rates 2023-2024 3. Schedule (c) - Objects and Reasons 4. Schedule (d) - Submission from McMahon Mining Title Services 5. Schedule (e) - Response to McMahon Mining

Authority/Discretion:

<input type="checkbox"/>	Advocacy	When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
<input checked="" type="checkbox"/>	Executive	The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing operations, setting and amending budgets
<input type="checkbox"/>	Legislative	Includes adopting local laws, town planning schemes and policies.
<input type="checkbox"/>	Information	Includes items provided to Council for information purposes only that do not require a decision of Council (i.e. – for noting).
<input type="checkbox"/>	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

Summary of Item

Following the Council resolution on 26 April 2023 to publicly advertise its intention to impose differential rates, one public submission has been received. Therefore, as per the Council resolution on 26 April and legislation, Council is required to consider the submission in making their final determination in relation to the setting of differential rates.

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. The Shire applies a minimum rate to each rating category in accordance with S6.35 of the *Local Government Act 1995*, 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. In May 2023, the rural and mining rolls were received by the Shire. The rolls showed that the future property values (2023/2024) had increased for Intensive Horticulture and Mining UV rating categories and decreased for the Pastoral UV rating category on the overall average. Within these overall averages, it should be noted that individual property values have increased or decreased, pending the specifics of each particular property.

The power to set differential rates is contained in the *Local Government Act 1995* section 6.33 (1) which provides the ability to differentially rate properties, based land characteristics.

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 application of differential rates and minimum payments to properties within the Shire maintains equity in the rating of properties.

At the Ordinary Meeting of Council on 26 April 2023, Council resolved as follows:

COUNCIL RESOLUTION OCM 20/04/23

Moved: Cr Burke Maslen

Seconded: Cr Luke Vandeleur

That Council, by Absolute Majority in accordance with Section 6.8 (1) (b) of the Local Government Act 1995 resolves to:

- 1. Publicly advertise its intention to impose differential rates with a 3% increase as per table below and invites public submissions for a period of twenty-one days commencing on; and***

2023-24 Budget (GRV & UV 3% increase on RID)					
RATE TYPE	Cents in \$	Number of Properties	Rateable Value \$	Budgeted Rate Revenue \$	Budgeted Total Revenue \$
Differential General Rate					
GRV - Residential	12.14082	1,285	22,298,089	2,707,170	2,707,170
GRV - Commercial/Industrial	11.24564	266	15,669,180	1,762,100	1,762,100
GRV - Special Use/Rural	12.14082	55	1,757,732	213,403	213,403
UV - Mining	26.76218	50	902,680	241,577	241,577
UV - Pastoral	12.18614	31	3,131,820	381,648	381,648
UV - Intensive Horticultural	2.79398	170	20,898,500	583,899	583,899
Sub -Total		1,857	64,658,001	5,889,797	5,889,797
Minimum Rates					
GRV - Residential	1,265	395	3,237,236	499,612	499,612
GRV - Commercial/Industrial	1,265	61	469,058	77,155	77,155
GRV - Special Use/Rural	1,265	47	373,933	59,447	59,447
UV - Mining	464	16	13,684	7,416	7,416
UV - Pastoral	1,265	9	30,700	11,384	11,384
UV - Intensive Horticultural	1,265	0	0	0	0
Sub-Total		528	4,124,611	655,014	655,014
Total Rates Levied		2,385	68,782,612	6,544,811	6,544,811
Change in Total Yield from 2022-2023 Budget				3.69%	232,732
Total GRV Yield					5,318,888
Total UV Yield					1,225,924
Check					0
Change in Total GRV Yield from 2022-23 Budget				3.49%	179,196
Change in Total UV Yield from 2022-23 Budget				4.57%	53,537
Total Change in Yield from 2022-23 Budget				3.69%	232,732

2. Consider any submissions in respect of imposition of differential rates as part of the 2023/2024 Budget deliberations.

3. Adopt the objects and reasons of the differential rates as provided in Schedule (c) and publish the document on the Shire of Carnarvon official website.

CARRIED BY ABSOLUTE MAJORITY 8/0

COUNCIL RESOLUTION OCM 21/04/23

Moved: Cr Burke Maslen

Seconded: Cr Luke Vandeleur

That Council, by Absolute Majority in accordance with Section 6.8 (1) (b) of the Local Government Act 1995, resolves that should no submissions be received during the public submission period, to progress to seeking approval from the Minister for Local Government to impose differential rates for 2023/2024 and for the objects and reasons as provided in Schedule (c) and to be adopted as part of the 2023/2024 budget.

CARRIED BY ABSOLUTE MAJORITY 8/0

(Note – Council considered that a 6% was too onerous on the ratepayers and therefore recommended that a 3% increase be implemented .)

Schedules presented to Council at the 26 April 2023 Ordinary Meeting of Council are as follows:

- Schedule 4.1(a) Proposed Differential Rates Model 2023-2024
- Schedule 4.1(b) Advert for Differential Rates 2023-2024
- Schedule 4.1(c) Object and Reasons 2023-2024

In accordance with Section 6.36 of the *Local Government Act 1995*, the Shire of Carnarvon is required to publish its Objects and Reasons for implementing 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 GRV and UV Rated properties.

Legislation requires that should a submission or submissions be received, that Council needs to consider that submission or submissions. The Shire received one public submission from McMahon Mining Title Services Pty Ltd, as detailed in Schedule 4.1(d) Submission from McMahon Mining Title Services 2023.

Stakeholder and Public Consultation

Public notice of the Shire's intention to impose differential rates was advertised in the Midwest Times on 10 May 2023, 17 May 2023 and 24 May 2023. Public notice advertising on this matter also occurred on the Shire's website, Shire's Facebook page, and at the Shire's Administration Office and Library from 10 May 2023 to 1 June 2023.

The advertising period ended on 1 June 2023 with the Shire receiving one public submission, from McMahon Mining Title Services Pty Ltd – see Schedule 4.1(d).

Statutory Environment

Local Government Act 1995 Section 6.33 Differential general rates and 6.35 Minimum payment.

Relevant Plans and Policy

Nil

Financial Implications

The proposed uniform general rates and differential rates and minimum payments for the 2023-2024 financial year will raise approximately \$6,638,438 across the categories as detailed in Schedule 4.1(a).

Risk Assessment

STEP 3 – Risk Tolerance Chart Used to Determine Risk						
Consequence →		Insignificant 1	Minor 2	Major 3	Critical 4	Extreme 5
Likelihood ↘						
Almost certain	A	High	High	Extreme	Extreme	Extreme
Likely	B	Moderate	High	High	Extreme	Extreme
Possible	C	Low	Moderate	High	Extreme	Extreme
Unlikely	D	Low	Low	Moderate	High	Extreme
Rare	E	Low	Low	Moderate	High	High

Risk Category	Description	Rating (Consequence x likelihood)	Mitigating Action/s
Financial	N/A	N/A	N/A
Health & Safety	N/A	N/A	N/A
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. Officers have kept the total rate revenue to minimum required.
Service disruption	N/A	N/A	
Compliance	The process is non compliant with legislation.	Low	Officers have checked with DLGSC representatives to ensure that all compliance requirements have been met in this updated report.
Property	N/A	N/A	N/A
Environment	N/A	N/A	N/A
Fraud	N/A	Low	N/A

Community and Strategic Objectives

The proposal aligns with the following desired objectives as expressed in the *Community Strategic Plan 2022-2032*. Rates revenue provides a large percentage of funding required to deliver on the Community and Council's desired objectives as expressed in the *Community Strategic Plan 2022-2032*.

OBJECTIVES

In 2040 Carnarvon is a place where:

- N/A

ADDITIONAL FOCUS AREAS:

- N/A

BIG IDEAS FOR THE FUTURE OF CARNARVON:

- N/A

Comments

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 dramatic changes in valuations which come about as part of Landgate's periodical revaluations.

At the end of the 2022/2023 Financial year, Landgate revalued the Intensive Horticultural, Mining and Pastoral Land Values. Values of Intensive Horticulture increased by approximately 8%. Pastoral properties were revalued downwards by approximately 3% on existing values. Mining values increased by approximately 3.54%. Based on the proposed rate in the dollar for the UV mining category for the 2023-2024 financial year, the overall increase in rate revenue raised would be \$33,021 from the 66 properties in this rating category, compared to the 2022-2023 financial year.

An overall increase of 8 percent was applied to the 2018/19 rates. 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. In 2022-2023 rates increased by 6% (rate in the dollar increase).

The proposed differential rates based on the latest valuations from Landgate outlined below are set to maintain the relative contributions to general rate revenue for each differential category as applied in the 2022/2023 financial year. Overall, the rates modelling has been done to achieve a 3% rate in the dollar increase in each rating category as per the 26 April 2023 resolution of Council.

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 3%.

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).

At the close of the advertised public submission period on 1 June 2023, one public submission -from McMahon Mining Title Services Pty Ltd -concerning Council's intent to impose differential rates was received. The submission acknowledges that the Valuer General and the Department of Mines, Industry Regulation and Safety is responsible for determining valuation amounts and rent rates imposed on mining tenements. Additionally, the submission raises matters relating to the value of the mining sector to the State's economy and the challenges of Covid on the mining sector, and requested that all government fees are set to reduce costs of doing business in the State, and not specially relating to the costs of doing business in the Shire of Carnarvon.

In regard to unimproved valued mining properties 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 resulting use of extensive lengths of Shire roads throughout the year, and the relatively low total contribution from this sector to the overall total.

The submission from McMahon Mining Title Services Pty Ltd does not address the Objects and Reasons for the application of a higher rate for the UV Mining as detailed in Schedule 4.1(c).

The one submission received concerning the Shire's intent to impose differential rates, does not address the Object and Reasons for the Shire applying a higher rate in the dollar for rates on properties valued on an unimproved basis. Therefore, it is the officer's recommendation that Council endorse the differential rates for properties valued on an unimproved value and gross rental value basis.

The proposed response to McMahon Mining Title Services Pty Ltd submission is provided in Schedule 4.1(e) Proposed Submission Response Letter to McMahon Mining Title Services 2023.

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 2023/2024 land parcels that have unimproved value and gross rental value assigned to them as per the table below; and for the objects and reasons of the differential rates as provided in Schedule 4.1(c) and to be adopted as part of the 2023/2024 budget:*

Category	Cents in \$	Minimum Rate (\$)
GRV - Residential	12.1408	1,265
GRV - Commercial/Industrial	11.2456	1,265
GRV - Special Use/Rural	12.1408	1,265
UV - Mining	26.7622	464
UV - Pastoral	12.1861	1,265
UV - Intensive Horticultural	2.7940	1,265

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

Schedule 4.1(A)
– Proposed Rates Model 2023/2024

This table contains a summary of the proposed rates in the dollar and minimum rates:

Category	Rate in the \$		Minimum Rate		Actual Rateable Valuations	Budget Rate Revenue (Inc. Mins)	Estimated Rate Revenue (Inc. Mins)
	22/23	23/24	22/23	23/24	23/24	22/23	23/24
UV Mining	25.9827	26.7621	450.00	464.00	948,789	224,344	257,365
UV Pastoral	11.8312	12.1861	1228.00	1265.00	3,140,520	381,584	390,350
UV Intensive Horticulture	2.7126	2.7939	1228.00	1265.00	22,500,000	566,459	628,645
GRV Residential	11.7872	12.1408	1,228.00	1265.00	25,598,215	3,101,450	3,214,229
GRV Special Use/Rural	11.7872	12.1408	1,228.00	1265.00	2,204,015	264,903	282,432
GRV Comm/Industrial	10.9181	11.2456	1,228.00	1265.00	16,352,128	1,773,339	1,865,417
TOTALS					70,743,667	6,312,079	\$6,638,438



SCHEDULE (B)

SHIRE OF CARNARVON**NOTICE OF INTENTION TO IMPOSE DIFFERENTIAL RATES**

In accordance with Section 6.33 and 6.35 of the Local Government Act 1995, the Shire of Carnarvon hereby gives notice of its intention to impose differential rates and differential minimum rates on all rateable unimproved-valued (UV) properties and gross rental valued (GRV) commercial/industrial properties within its boundaries during the 2023/2024 financial year. The differential rates are imposed based on predominant land use as detailed below (all categories are included for comparison): -

LAND USE CATEGORY	PROPOSED RATE IN \$	PROPOSED MINIMUM
GRV Residential	12.1408 cents	\$1,265.00
GRV Special Use/Rural	12.1408 cents	\$1,265.00
GRV Commercial/Industrial	11.2456cents	\$1,265.00
UV Mining	26.7621 cents	\$464.00
UV Pastoral	12.1861 cents	\$1,265.00
UV Intensive Horticulture	2.7939 cents	\$1,265.00

The figures stated above are to be sent for Ministerial Approval and are subject to consideration as part of Council's 2023/2024 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 selvey.a@carnarvon.wa.gov.au.

Submissions regarding the proposed differential rates and minimums must be received by **Thursday 1 June 2023**.

Andrea Selvey
CHIEF EXECUTIVE OFFICER



23/24 SCHEDULE (C)

**OBJECTS AND REASONS FOR PROPOSED DIFFERENTIAL RATES AND MINIMUM PAYMENTS FOR
THE 2023/2024 FINANCIAL YEAR**

In accordance with Section 6.36 of the *Local Government Act 1995*, the Shire of Carnarvon is required to publish its Objects 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 GRV and UV Rated properties.

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 23/24 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 (ongoing yearly commitment, still in progress from 22/23 FY)
- Installation and/or replacement of cattle grids on rural roads (still in progress from 22/23 FY)
- Flood preparedness project (still in progress from 22/23 FY)
- Dredging of the Fascine and associated waterways (still in progress from 22/23 FY)
- Continued Aquatic Centre maintenance and upgrades (ongoing yearly commitment, still in progress from 22/23 FY)
- Continued progress towards achieving RV-Friendly status for Carnarvon (still in progress from 22/23 FY)
- Continued implementation of the playground replacement program (still in progress from 22/23 FY)
- Project development to expand waste facilities for Carnarvon and Coral Bay (still in progress from 22/23 FY)

- Staged installation of an integrated water supply infrastructure (still in progress from 22/23 FY)
- Continued upgrade to public facilities/amenities for Carnarvon/Coral Bay and surrounds.
- Continued commitment to town revitalisation in Carnarvon.
- Development and expansion of safe shared paths around Carnarvon.
- Ongoing commitment to erosion management and control around Carnarvon and Coral Bay.
- Asset replacement program for higher quality delivery of service.

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 Objects 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 26.7621 cents, with a minimum payment of \$464.00. It will be applied to 66 of the Shire's rateable properties and deliver 3.80% of the proposed overall anticipated rate income for 2023/2024. 16 of these 66 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. The average rate revenue of this category is \$3,770.75.

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 Objects 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 12.1861 cents, with a minimum payment of \$1,265.00. It will be applied to 40 of the Shire's rateable properties, with 9 properties attracting the minimum rate, and deliver 6.01% of the proposed overall anticipated rate income for 2023/2024. The average rate revenue of this category is \$9,825.79.

UV INTENSIVE HORTICULTURE (PLANTATIONS)**Proposed Characteristics**

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

Proposed Objects and Reasons

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 2.7939, with a minimum payment of \$1,265.00. It will be applied to 170 of the Shire's rateable properties and deliver 8.92% of the proposed overall anticipated rate income for 2023/2024. The minimum rate will not apply as no properties fall within the minimum rates thresholds. The average rate revenue of this category is \$3,434.61.

GRV RESIDENTIAL**Proposed Characteristics**

GRV RESIDENTIAL rate applies to all GRV Valued properties in the Shire where the property is designated Residential during the Landgate valuation process and for properties where the predominant use of the land is for housing.

Proposed Objects and Reasons

The Shire of Carnarvon recognises a cost for providing services to the 1,680 residential properties in the Shire is based on the Uniform General Rate. The Uniform General Rate is calculated on the requirements for the Rate Revenue needed to finance the operations of the Shire and is supported by the anticipated projects for 2023/24 and the efficiency measures that have been implemented along with the identified direction provided by the Strategic Community Plan and the Corporate Business Plan. The application of differential rating to maintain equity on the rating of properties across the Shire also influences the Uniform General Rate.

The proposed rate in the dollar for this category is 12.1408 cents, with a minimum payment of \$1,265.00 with 395 properties on the minimum payment. It will deliver 49% of the proposed overall anticipated rate income for 2023/2024. The average rate revenue of this category is \$1,908.83.

GRV SPECIAL USE/RURAL**Proposed Characteristics**

GRV SPECIAL USE/RURAL rate applies to all GRV Valued properties in the Shire where the property is designated Special use/Rural during the Landgate valuation process and for properties where the predominant use of the larger blocks of land is for minor rural pursuits, including stock, horses, etc. and contained within the greater townsite.

Proposed Objects and Reasons

The Shire of Carnarvon recognises a cost for providing services to the 102 special use/rural properties in the Shire is based on the Uniform General Rate. The Uniform General Rate is calculated on the requirements for the Rate Revenue needed to finance the operations of the Shire and is supported by the anticipated projects for 2023/2024 and the efficiency measures that have been implemented along with the identified direction provided by the Strategic Community Plan and the Corporate Business Plan. The application of differential rating to maintain equity on the rating of properties across the Shire also influences the Uniform General Rate.

The proposed rate in the dollar for this category is 12.1408 cents, with a minimum payment of \$1,265.00, 47 properties will be on the minimum payment. The Special Use/Rural category will deliver 4.17% of the proposed overall anticipated rate income for 2023/2024. The average rate revenue of this category is \$2,675.08.

GRV COMMERCIAL/INDUSTRIAL**Proposed Characteristics**

GRV COMMERCIAL/INDUSTRIAL rate applies to all GRV Valued properties in the Shire where the property is designated Commercial/Industrial as opposed to GRV Residential or GRV Special Use/Rural during the Landgate valuation process and for properties where the predominant use of the land is for a commercial or industrial purpose.

Proposed Objects and Reasons

The Shire of Carnarvon recognises a cost for providing services to 327 commercial or industrial purpose properties within the Shire boundaries compared to properties classified as Residential or Special Use/Rural located within the townsites. The Council endeavours to provide an incentive to encourage business expansion, development and support within the scope of the rating system. A boost to commercial and industrial properties can have a flow on effect to the wider community.

The object of this differential rate is to ensure that the proportion of total rate revenue derived from GRV Commercial/Industrial remains essentially consistent with previous years. The nexus between GRV Commercial/Industrial and GRV Residential and Special Use/rural is deemed appropriate. The rate reflects the cost of servicing commercial activity and other amenities. These properties tend to have a higher valuation than other GRV properties due to the location and size of the properties. Council takes these impacts and higher valuation levels into consideration.

The proposed rate for this category is 11.2456 cents in the dollar with a minimum payment of \$1,265.00 with 61 properties on the minimum payment. It will deliver 28.10% of the proposed overall anticipated rate income for 2023/2024. The average rate revenue for this category is \$5,624.64.



30 May 2023

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 2023/2024

Thank you for the opportunity to make a submission regarding the proposed rates for 2023/24.

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 2022, the Department increased the rent rate for exploration licences by 4.79%, prospecting licences by 6.06% and mining leases by 9.09%. With the Shire proposing an increase in the rates in the dollar for 2023/24 from 0.259827 to 0.267621, a significant increase in the actual rates levied will occur as illustrated in the table below.

		2022/23 RID	0.259827	2023/24 Proposed RID	0.267621
	2022 Rates	2023 Rates - no change in RID	Percentage increase in rates - no change in RID	2023 Rates - proposed increase to RID	Percentage increase in rates - proposed increase to RID
P (200Ha)	\$857.43	\$909.39	6%	\$936.67	9.2%
E (10sbk)	\$948.37	\$993.84	5%	\$1,023.65	7.9%
M (100Ha)	\$2,858.10	\$3,117.92	9%	\$3,211.45	12.4%

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

Ref: ADM0071
Enquiry: A Selvey

Insert Date

Ms Shannon McMahon
Director
McMahon Mining Title Services
PO Box 592
MAYLANDS WA 6931

Dear Ms McMahon

DIFFERENTIAL RATES 2023/2024– SHIRE OF CARNARVON

Thank you for your submission in relation to the proposed differential rates for the Shire of Carnarvon in relation to Mining.

The Shire acknowledges that mining is a valuable industry for the State's economy.

However, at the Special Meeting of Council on 6 June 2023, the officer's recommendation to Council stated that the rate in the dollar for UV Mining should remain at the rate advertised i.e., 26.7622. This is in recognition of the object of this differential category which 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 resulting use of extensive lengths of Shire roads throughout the year, and the relatively low total contribution from this sector to the overall total.

The submission from McMahon Mining Title Services Pty Ltd does not address the Objects and Reasons for the application of a higher rate for UV Mining.

At the Special Meeting of Council on 6 June 2023, Council resolved to apply to the Minister for the approval of the differential rates as follows:

Insert Council Resolution following Council meeting.

Thank you for your submission. Please do not hesitate to contact our Rates Department via rates@carnarvon.wa.gov.au if you have any queries.

Yours faithfully

Andrea Selvey
CHIEF EXECUTIVE OFFICER

