Special Council Meeting

30 May 2018

Minutes

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Members of the public who attend Council meetings should not act immediately on anything they hear at the meetings, without first seeking clarification of Council's position. Persons are advised to wait for written advice from the Council prior to taking action on any matter that they may have before Council.

Agendas and Minutes are available on the City's website www.kwinana.wa.gov.au

Vision Statement

Kwinana 2030
Rich in spirit, alive with opportunities, surrounded by nature – it's all here!

Mission

Strengthen community spirit, lead exciting growth, respect the environment - create great places to live.

We will do this by –

- providing strong leadership in the community;
- promoting an innovative and integrated approach;
- being accountable and transparent in our actions;
- being efficient and effective with our resources;
- using industry leading methods and technology wherever possible;
- making informed decisions, after considering all available information; and
- providing the best possible customer service.

Values

We will demonstrate and be defined by our core values, which are:

- Lead from where you stand – Leadership is within us all.
- Act with compassion – Show that you care.
- Make it fun – Seize the opportunity to have fun.
- Stand Strong, stand true – Have the courage to do what is right.
- Trust and be trusted – Value the message, value the messenger.
- Why not yes? – Ideas can grow with a yes.

Special Council Meeting

Waste and Recycling Tender, Lifting of Urban Deferred to Urban Zone Under Clause 27 of the Metropolitan Region Scheme for a Portion of Land in Mandogalup and Review Submissions and Adopt Rates for Ministerial Approval

TABLE OF CONTENTS

Present:

HER WORSHIP MAYOR C ADAMS
DEPUTY MAYOR P FEASEY
CR S LEE
CR M ROWSE
CR D WOOD

MS J ABBISS	-	Chief Executive Officer
MS C MIHOVILOVICH	-	Director City Strategy
MRS B POWELL	-	Director City Engagement
MRS M COOKE	-	Director City Regulation
MR D ELKINS	-	Director City Infrastructure
MS M BELL	-	Director City Legal
MS K HAYWARD	-	Manager Finance
MS A MCKENZIE	-	Council Administration Officer

Members of the Press	0
Members of the Public	40

1 Declaration of Opening:

Presiding Member declared the meeting open at 6:00pm and welcomed Councillors, City Officers and gallery in attendance and read the Welcome.

"IT GIVES ME GREAT PLEASURE TO WELCOME YOU ALL HERE AND BEFORE COMMENCING THE PROCEEDINGS, I WOULD LIKE TO ACKNOWLEDGE THAT WE COME TOGETHER TONIGHT ON THE TRADITIONAL LAND OF THE NOONGAR PEOPLE"

2 Prayer:

Councillor Dennis Wood read the Prayer

"OH LORD WE PRAY FOR GUIDANCE IN OUR MEETING. PLEASE GRANT US WISDOM AND TOLERANCE IN DEBATE THAT WE MAY WORK TO THE BEST INTERESTS OF OUR PEOPLE AND TO THY WILL. AMEN"

3 Apologies/Leave(s) of Absence (previously approved)

Apologies

Councillor Merv Kearney

Leave(s) of Absence (previously approved):

Councillor Wendy Cooper from 29 May 2018 to 1 June 2018 inclusive.
Councillor Sheila Mills from 29 May 2018 to 1 June 2018 inclusive.

4 Public Question Time:

4.1 Amanda Marshall, Wandi

Question 1

My question is slightly more generic in nature but what I noticed with the recent proposal that will be discussed tonight around the rates harmonisation, I live in Honeywood so I am not directly impacted by it, but what I noticed is that I was not given any direct notification of the change. I know that in the agenda it states that it was advertised in the Sound Telegraph, but we don't receive that in Wandi and a lot of people in Mandogalup don't receive it either, so therefore my only form of finding out about things like this is if I check the Council website regularly and having a full time job makes it quite difficult to do that. My question to the Council is what are they doing about reviewing their forms of communicating with the community? Because although I may not be directly impacted now it may impact my future, or it may indirectly impact me and as a member of the community I feel it is important that everyone have the ability to exercise their demographic right to participate in discussions like this.

Question 2

The second instance of this is the rezoning of the dog park in Honeywood, the non-fenced dog park, residents didn't feel that they were given adequate notice again with the use of the Sound Telegraph and Council website use only, so I ask Council what undertakings they have had to review their Communications Policy, especially given the multitude of media platforms available to use to advertise these types of things to the community?

Response

The Mayor advised that in relation to the rates, the *Local Government Act 1995* requires that the City advertise the intention to raise rates by local public notice. The Mayor further advised that the City would consider the points put forward including advertising on social media for the future, as they are good points that have been raised.

4.2 Dino Elpitelli, Naval Base

Question 1

Is the Council aware that 90 plus percent of ratepayers are confused by Council's method of financial budgets? we understand a profit and loss budget report, we understand living within our means, what we do not agree with is Council setting budgets greater than income, the attitude is lets set a budget and if we don't have enough income we will increase the rates, you don't do that at all, you don't run your household based on your income.

The other item I raised previously is the $13,268,000.00 depreciation amount, which the adopted budget shows as an expense, you and I know, whilst depreciation is a deduction it's not an expense that comes out of your pocket, when the money comes out of your pocket is when you purchase the equipment, the goods, the roads etc when they are fully funded, depreciation is a deduction but not something that should be claimed as an expense on a yearly basis. I know since I made that comment, I noted on the revised budget it shows as an expenditure and they show it back in, what they have done is broken it up and put back as an expense under land and building, infrastructure asset roads etc.

The Mayor queried what page Mr Elpitelli was referring to.

Mr Elpitelli advised page 18.

The Mayor advised that she could refer the question to the Chief Executive Officer to provide an explanation on the proper treatment of depreciation.

Mr Elpitelli explained that he received a response which simply tells him that it is in accordance with the Local Government reporting system and it has to be included and of course it does, it is a tax deduction item but it is not an item we pay for every year, it's a balance sheet item, its claimable as a deduction but it should not be shown as an expenditure.

Mr Elpitelli asked the Elected Members to please demand from your finance people to show you a profit and loss sheet that actually shows you what your income is for the year, and budgets of your expenditure and make it easy for the people, we are not all brain surgeons or accountants. It is difficult to follow, it would be easier to show the people a simple expense budget.

Response
The Mayor referred the question to the Chief Executive Officer.

The Chief Executive Officer advised that the City has to report budgets in this way in accordance with the legislation that Local Governments must comply with, in terms of how they set out their budgets and how they treat particular items within them. This may be different to the corporate profit and loss statements that you are used to. The Chief Executive Officer explained that the City has to present its budgets in this way or the City's auditors would find the City to be non-compliant. Depreciation is not included when calculating the rates required to be raised to balance the budget as it is a non-cash item.

Mr Elpitelli stated that he understands all of that but having the depreciation showing that the City is running at a deficit of $7.2 million dollars is incorrect as we are not we are in credit and the explanation given on paper says we have to make up the deficit. We don't have to make up the deficit, I'm sorry to say Local Government has reached that stage that its accounting is to confuse people, we are working class people, we are small business people, we are not St Georges Terrace people and therefore I ask, please do a budget for the ratepayer's to understand so we can feel comfortable.

The Mayor explained that Elected Members have had discussions on how challenging it is, which is why they have to rely on City Officers and their technical advice, as Elected Members are not accountants and are just working people as well. The Mayor added that the Elected Members are guided by City Officers and that they attend at least eight meetings that are held to do with the budget, even as recent as Monday evening, Elected Members were having a briefing session on the budget to make it as fair, reasonable and equable as possible.

Mr Elpitelli asked that the Council review the budget and look at what is coming in and do not think we don't have enough money so will just put rates up and that will suffice because it won't. Mr Elpitelli suggested that the Council be the first to say 'we are going to freeze our rates' and he explained that harmonising means getting along with one another to him and he doesn't see any harmony in Council putting rates up.

The Mayor explained that if you look at the Local Governments around the City of Kwinana for example, Cockburn, Armadale and Rockingham, they only have one residential and one commercial/industrial GRV rating category. Kwinana had approximately 27 different rating categories a few years ago which was confusing and why the decision was made for the City to bring it all together and this is the final part of the process. The Mayor stated that she understands that harmonisation may seem a strange term to use but it is actually allowing the City to align to all neighbouring Local Governments in relation to how the City deals with rates.

Question 2
Can the Council please do something about the Rockingham Road entry into Kwinana?

Response
The Mayor advised that the City has an Industrial Streetscapes Program.

4.3 Jayne Horler, Casuarina

Question 1
With the harmonisation, I notice on the agenda that there are five options, and that Council is proposing Option Three, how do we get a say with what options are chosen? As I know what option I want and it is not Option Three.

Response
The Mayor explained that residents had their say through making a submission and through your Elected Members that are here tonight whom have been through all of the documents, budget and submissions.

Question 2
Have the submissions closed?

Response
The Mayor replied yes they have closed and that they are included with the item.

Question 3
So Councillors vote on the item, not the people?

Response
The Mayor explained that the Elected Members vote as that is their role and it is what they will be voting on tonight and that it will then go to the Minister to ask permission for some of those rates to be struck.

Question 4
If you are only looking at streamlining this process, why then are we looking at 12.5% over five years rate rise in Casuarina? When you could have quite easily brought down rates from other areas and raised ours slightly or met in the middle or done something, why bring ours up so high? 12.5% over five years is just ridiculous.

Response
The Mayor explained that these have been explored and a lot of them are within the report as well as the various options that the City has looked at. The Mayor further explained that the harmonisation of the Special Residential rates is making the property valuation be the determining factor in the rates payable for all GRV residential properties and that the Valuer General who values all properties in local government considers whether services are available to a property when determining the valuation. Rates have to increase as local governments have to pay for utilities such as electricity and power, where the State Government charges can increase anywhere from 3 - 7% (the City is responsible for paying Western Power for the street lights). Rate increases are required because Kwinana is an exponential metropolitan growth Council with not a huge rate base as far as residents are concerned, so our rate base is not as big as Rockingham or Cockburn's and the City must provide all the facilities and services required for such a growing community.

Question 5
If the Consumer Price Index (CPI) is sitting at around 1 – 2 %, and the power is going up 3% how can you say 12.5% in Casuarina to bring us into line with the harmonisation? Why not just leave it as it is? Your saying that everyone has access to the same and can use anything, we can't even ride our bikes to Kwinana, if the kids want to go to the skate park they have to get in the car, you can't walk down Thomas Road, there is no public transport, there is nothing so we don't have the same access, there are no parks in Casuarina, to say we have the same access as everyone else, if we want to get in a car and drive ten kilometres, then yes we do.

Response
The Mayor said that it is a lifestyle choice to live in a rural area and that resident's still use the services that the City of Kwinana provides and that currently the residential rate category subsidises the Special Residential rate category.

COUNCIL DECISION
183
MOVED CR S LEE **SECONDED CR M ROWSE**

That Council extend Public Question Time for an additional five minutes.

CARRIED
5/0

4.4 Jan Sturm, Wellard

Question 1
What is the process for a suburb to secede from the Council?

Response
The Mayor advised that she believes a submission would have to be made to the Local Government Advisory Board.

Question 2
The reason that we are asking this is because it is quite obvious from what you have been doing for the last few years is that you're not really interested in having a rural section in this Council and my feeling is that we should move to another Council that would actually appreciate having a rural section.

Response
The Mayor advised that the City does have an interest in its rural area in Kwinana.

4.5 Leanne Cook, Casuarina

Question 1
Obviously rates are going up, can the people of Casuarina get a guarantee that we will get some of the facilities that some of the areas have? Such as a footpath to the Kwinana Train Station.

Response
The Mayor advised that the City has a draft Bike and Path Plan which gives Council an indication of where new footpaths and bike paths will be going and in particular pedestrian access to the Kwinana Train Station.

The Mayor referred to the Deputy Mayor to make a comment.

The Deputy Mayor asked if Thomas Road is managed by Main Roads and if the City could lobby on behalf of those residents that Main Roads bring forward any future plans for street lighting in the area?

The Mayor referred to the question to the Chief Executive Officer.

The Chief Executive Officer confirmed and advised that Main Roads would have requirements, in terms of what level of traffic and development would generate a requirement for specific types of lighting. The Chief Executive Officer added that she is aware that there are extensive designs that have been done for the ultimate development of Thomas Road, but because there are land parcels adjacent to Thomas Road bordering on the freeway which will be developed in the future, it is unlikely that Main Roads will do those works ahead of those parcels of land being developed.

The Mayor referred the question to the Director City Infrastructure for additional comment.

The Director City Infrastructure advised that the final designs are not complete, the designs have been done for the concept stage and explained that Main Roads' practice is to include footpaths and lighting into the designs when they upgrade Thomas Road to a modern standard that you would expect for that type of road. City Officers met with Main Roads last week to talk about the section of Thomas Road, east of the freeway because of the land development that is coming in that area, and the possibility of bringing forward some of these works, some of that will be paid by the land developers and City Officers are now having discussions regarding how the City can bring that forward in order for the City to get the infrastructure in place.

4.6 Peter Swift, Casuarina

Question 1
A statement was made before about Council not caring about rural areas and I'd have to agree 100% you only have to ask the people out at Mandogalup, out at Casuarina, Council don't even sweep the roads, there are trees on the road and the Council do nothing, what are Council going to do be about the area?

4 PUBLIC QUESTION TIME

The Mayor queried the area that Mr Swift was referring to and asked if he was referring to the Thomas Road area?

Mr Swift said yes, and out at Mandogalup, you ring the Council up to clear trees off the road and nothing happens you have to do it yourself.

The Mayor asked Mr Swift for the details of his call to Council so that it could be followed up.

Mr Swift said go drive down Mandogalup Road yourself it looks like a rubbish tip, stuff dumped out there, I called the Council about a dead tree and it fell over lucky no one was underneath it, it's the Council's job isn't it? I contacted Council twice.

Response
The Mayor asked Mr Swift in regards to his contact to Council.

Mr Swift advised that he contacted Council twice.

The Mayor asked if it was recently.

Mr Swift advised that it was a couple of years ago.

The Mayor passed on her apologies that the City didn't respond expediently enough in that instance but would encourage residents to report these issues to the City.

5 Applications for Leave of Absence:

COUNCIL DECISION
184
MOVED CR D WOOD **SECONDED CR M ROWSE**

That Councillor Merv Kearney be granted a leave of absence from 31 May 2018 to 22 June 2018 inclusive.

CARRIED
5/0

6 Declarations of Interest by Members and City Officers:

Nil

7 Community Submissions:

7.1 Mr Steve Sturgeon on behalf of Casuarina Wellard Progress Association regarding item 8.2, Consideration of Advertised Differential Rates Submission and Request for Ministerial Approval of 2018/2019 Proposed Differential Rates and Minimum Payments

My Name is Steve Sturgeon and I speak on behalf of The CWPA (Casuarina Wellard Progress Association Inc.)

We strongly object to any attempt to change the rating category of our properties.
Your proposal talks of ‘ Harmonisation of rating categories’

A Definition of Tax harmonisation is and I quote – The process of making taxes similar across a geographic region by increasing taxes in lower-tax areas to match the higher-tax areas.
Tax harmonization is generally understood as a process of adjusting **tax** systems in the pursuit of a common policy objective. One can only wonder what your ultimate objective is!

Whilst in our letters many of us have noted our lack of council services and amenities as compared to Improved residential ratepayers. We are not complaining or asking for them – We are merely highlighting the fact that we should not be expected to pay for that which we don’t have. We are simply making the point that there are very valid reasons why we are and should remain in a different rating category.

Our ‘Special Rural’ properties. Yes ‘Special Rural’ - Not ‘Special Residential’ are typically 1 to 4 hectares of native bush land of which we generally have a building envelope of only 10%. The rest is under our care and maintenance for the benefit of the native flora and fauna. This responsibility brings with it added costs and work. Unlike us Improved residential ratepayers do not shoulder this burden.

In the documents that you sent to ratepayers, Under the Heading ‘GRV Improved Special Residential’ which includes our Special Rural properties. The object of this category is clearly explained and I quote

“The object of this rate category is to provide a lower differential rate for proposed characteristics of the Improved Special Residential rate category that is consistent with access to and provision of services to residential properties in a rural setting.
The reason for this rate is to reflect the lower demand on City resources, such as, lower impacts on transport infrastructure, when compared to other GRV differential rating categories.”

What has or is about to change in our area that makes the object of our Special Rural category no longer relevant?

We are particularly alarmed at the planned removal of our category of ‘Special Rural’ Is this part of an eventual plan to tax us out of our homes to make way for more urban sprawl?
In the recently published Government document South Metropolitan Peel Sub-regional Planning Framework March 2018 it clearly states we are ‘Special Rural’

In closing, I urge all Councillors to Reject the Officer recommendation of option three and adopt option four, however we would also accept option five

Thankyou

8 Reports

8.1 Deferral of Report Item 8.1: Lifting of Urban Deferred to Urban Zone under Clause 27 of the Metropolitan Region Scheme for a portion of land in Mandogalup

DECLARATION OF INTEREST:

There were no declarations of interest declared.

SUMMARY

The City of Kwinana (the City) has a received a request from the Western Australian Planning Commission (WAPC) to provide comments on a proposal under the *Metropolitan Region Scheme* (MRS) to lift urban deferment from 59 hectares (ha) of land within the Mandogalup area (the subject land) (Attachment A). The subject land comprises a number of lots under multiple land ownership. The lifting of the urban deferment means that the land would then be zoned Urban in the MRS.

The proposal to lift urban deferment also proposes that the:

a) subject land be concurrently rezoned to Development zone under *Local Planning Scheme No 2* (LPS2) to allow for structure planning to occur for residential land uses; and

b) Minister for Planning rescind a former Ministerial resolution requiring Ministerial and Cabinet support for future rezoning within the Mandogalup area, so that the proposed lifting of urban deferment can be expedited.

The City had been requested by the WAPC to provide its comments on the proposal by the 31 May 2018. As such, a report item was listed on the agenda in early May 2018 for the Special Council Meeting of 30 May 2018 so that Council could consider the proposed lifting of urban deferment and provide its comments to the WAPC prior to the deadline.

City Officers were of the view that Council would benefit from being able to consider the proposed lifting of the urban deferment at the same time as it considers its final position on draft Local Planning Policy 12 – Mandogalup Future Development (draft LPP12).

On this basis, City Officers sought a further extension by the WAPC to provide more time for Council to consider both matters. On 21 May 2018, the Department of Planning (DoP) advised City Officers that an extension of time for Council to provide its comments on the proposed lifting of urban deferment was supported until the end of June 2018. The DoP advised, however, that it wouldn't support any further extension irrespective of whether Council had reached a determination on its draft LPP12 or not.

It is recommended that Council defer its consideration on the lifting of urban deferment until its meeting to be held on 27 June 2018.

OFFICER RECOMMENDATION:

That Council defers its consideration on the proposal for the lifting of urban deferment under the *Metropolitan Region Scheme* and concurrent zoning to *Development* zone under the City of Kwinana *Local Planning Scheme No 2* for Lots 682, 52, 900, 9002, 9006, 11 and 3 Mandogalup until its Ordinary Council Meeting of 27 June 2018.

8.1 DEFERRAL OF REPORT ITEM 8.1: LIFTING OF URBAN DEFERRED TO URBAN ZONE UNDER CLAUSE 27 OF THE METROPOLITAN REGION SCHEME FOR A PORTION OF LAND IN MANDOGALUP

BACKGROUND

The City has a received a request from the WAPC (dated 16 March 2018) to provide comments on a proposal under the MRS to lift urban deferment from 59 ha of land within the Mandogalup area (Attachment A). The subject land includes Lots 682, 52, 900, 9002, 9006, 11 and 3 Mandogalup. The lifting of the urban deferment means that the land would then be zoned Urban in the MRS.

The proposal to lift urban deferment also proposes that the:

a) subject land be concurrently rezoned to Development zone under LPS2 to allow for structure planning to occur for residential land uses; and

b) Minister for Planning rescind a former Ministerial resolution requiring Ministerial and Cabinet support for future rezoning within the Mandogalup area, so that the proposed lifting of urban deferment can be expedited.

At its Ordinary Council Meeting on 22 November 2017, Council resolved to advertise draft LPP12 for 60 days. Draft LPP12 identifies a number of land uses across the Mandogalup area. The land which is the subject of the proposed lifting of urban deferment is identified within draft LPP12 as being partly Transition and partly Light Industrial (Attachment B).

The City received 60 submissions during the public consultation period for draft LPP12. City Officers are currently reviewing the submissions and are also considering the implications of recent planning decisions by the State Government and WAPC on the Mandogalup area. These decisions were made after draft LPP12 was adopted for advertising.

The City was originally required to provide comments to the WAPC on the proposed lifting of urban deferment by 20 April 2018 which was then extended by the WAPC until the 31 May 2018. As a consequence, in early May 2018, a report item was placed on the agenda for the Special Council Meeting of 30 May 2018 to enable Council to determine its position on the matter ahead of the WAPC deadline.

Should Council make a determination at its Special Council Meeting, it will not have had the benefit of formally considering the final LPP12, particularly in light of the submissions received. It would also not have the opportunity to consider the recent State and WAPC planning decisions affecting Mandogalup. City Officers take the view that Council would be obliged in this case to consider the proposed lifting of urban deferment against the draft LPP12 as it currently stands.

Ideally, City Officers felt that Council would benefit greatly if it were able to consider both the lifting of the urban deferment under the MRS and its final position on the draft LPP12 together prior to advising the WAPC on the matter of the urban deferment. This is because both are interrelated and this approach would allow for a holistic and fully informed decision by Council.

On this basis, City Officers sought a further extension by the WAPC to provide more time for Council to consider both matters. On 21 May 2018, the DoP advised City Officers that an extension of time for Council to provide its comments on the proposed lifting of urban deferment was supported until the end of June 2018. It was made clear by the DoP that it wouldn’t support any further extension irrespective as to whether Council had reached a determination on its draft LPP12 or not.

City Officers are progressing their assessment of the submissions received on draft LPP12 and their consideration of the recent State and WAPC planning decisions for Mandogalup so that Council can consider both matters at its Ordinary Council Meeting to be held on the 27 June 2018. It is recommended that Council defer its consideration on the lifting of urban deferment until that June meeting.

LEGAL/POLICY IMPLICATIONS:

The extension provided by the DoP on the provision of comments on the proposed urban deferment under the MRS enables a holistic consideration of the matter by Council.

City of Kwinana

- *Local Planning Scheme No. 2*
- *Draft Local Planning Policy 12 – Mandogalup Future Development*

State Government

- *Metropolitan Region Scheme*
- *Planning and Development (Local Planning Schemes) Regulations 2015*
- Perth and Peel @ 3.5 Million
- South Metropolitan and Peel Sub-regional Planning Framework (2018)

FINANCIAL/BUDGET IMPLICATIONS:

There are no direct financial implications arising from a deferment of this matter by Council.

ENVIRONMENTAL IMPLICATIONS:

There are no direct environmental implications arising from a deferment of this matter by Council.

STRATEGIC/SOCIAL IMPLICATIONS:

The proposal will support the achievement of the following objective detailed in the Strategic Community Plan.

Plan	Outcome	Objective
Strategic Community Plan	A well planned City	4.4 Create diverse places and spaces where people can enjoy a variety of lifestyles with high levels of amenity.

COMMUNITY ENGAGEMENT:

The proposed lifting of Urban Deferred and concurrent rezoning to Development zone under LPS2 is a matter controlled by the State Government. The Department of Planning has forwarded the proposal to the City seeking comments about the proposal.

8.1 DEFERRAL OF REPORT ITEM 8.1: LIFTING OF URBAN DEFERRED TO URBAN ZONE UNDER CLAUSE 27 OF THE METROPOLITAN REGION SCHEME FOR A PORTION OF LAND IN MANDOGALUP

RISK IMPLICATIONS:

RISK ANALYSIS	DESCRIPTION
Risk Event	That the long term land use planning outcomes within the Mandogalup area are not optimal for such a strategic location and/or may involve land use planning conflicts in the future.
Risk Theme	Optimisation of land uses within the City
Risk Effect/Impact	Community, economic and property.
Risk Assessment Context	Operational
Consequence	Moderate
Likelihood	Possible
Rating (before treatment)	Moderate
Risk Treatment in place	Reduce - mitigate risk
Response to risk treatment required/in place	Consideration of the locality in a holistic and integrated manner in conjunction with the land use directions set out in Council draft Local Planning Policy 12 – Mandogalup Future Development.
Rating (after treatment)	Low

<u>COUNCIL DECISION</u>
185
MOVED CR S LEE **SECONDED CR M ROWSE**

That Council defers its consideration on the proposal for the lifting of urban deferment under the *Metropolitan Region Scheme* and concurrent zoning to *Development* zone under the City of Kwinana *Local Planning Scheme No 2* for Lots 682, 52, 900, 9002, 9006, 11 and 3 Mandogalup until its Ordinary Council Meeting of 27 June 2018.

CARRIED
5/0

METROPOLITAN REGION SCHEME

PROPOSED AMENDMENT

Attachment A

Legend

Reserved lands

- Parks and recreation
- Railways

Reserved roads

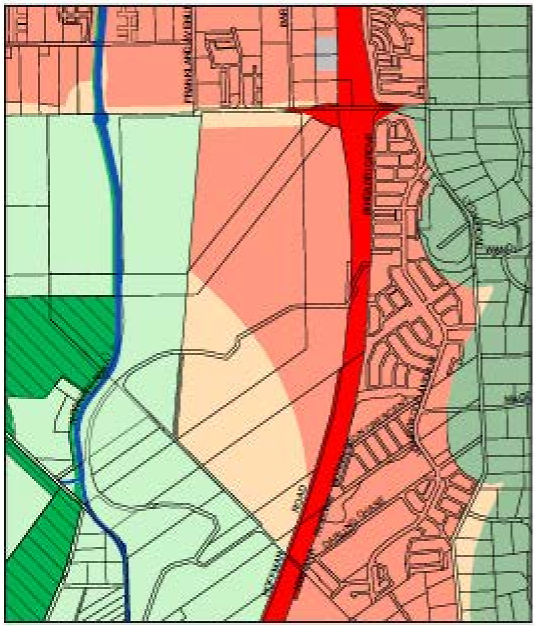
- Primary regional roads
- Other regional roads

Zones

- Urban
- Urban deferred
- Rural
- Rural - water protection

Notice of delegation

- (Site No) Bush forever area

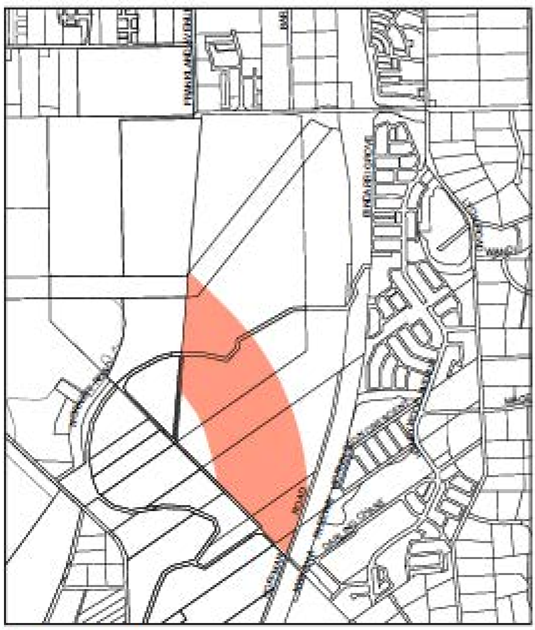


EXISTING SCHEME

Legend

Zones

- Urban



PROPOSED SCHEME

0m 400m

200m 600m

QUB MAN UD3008C

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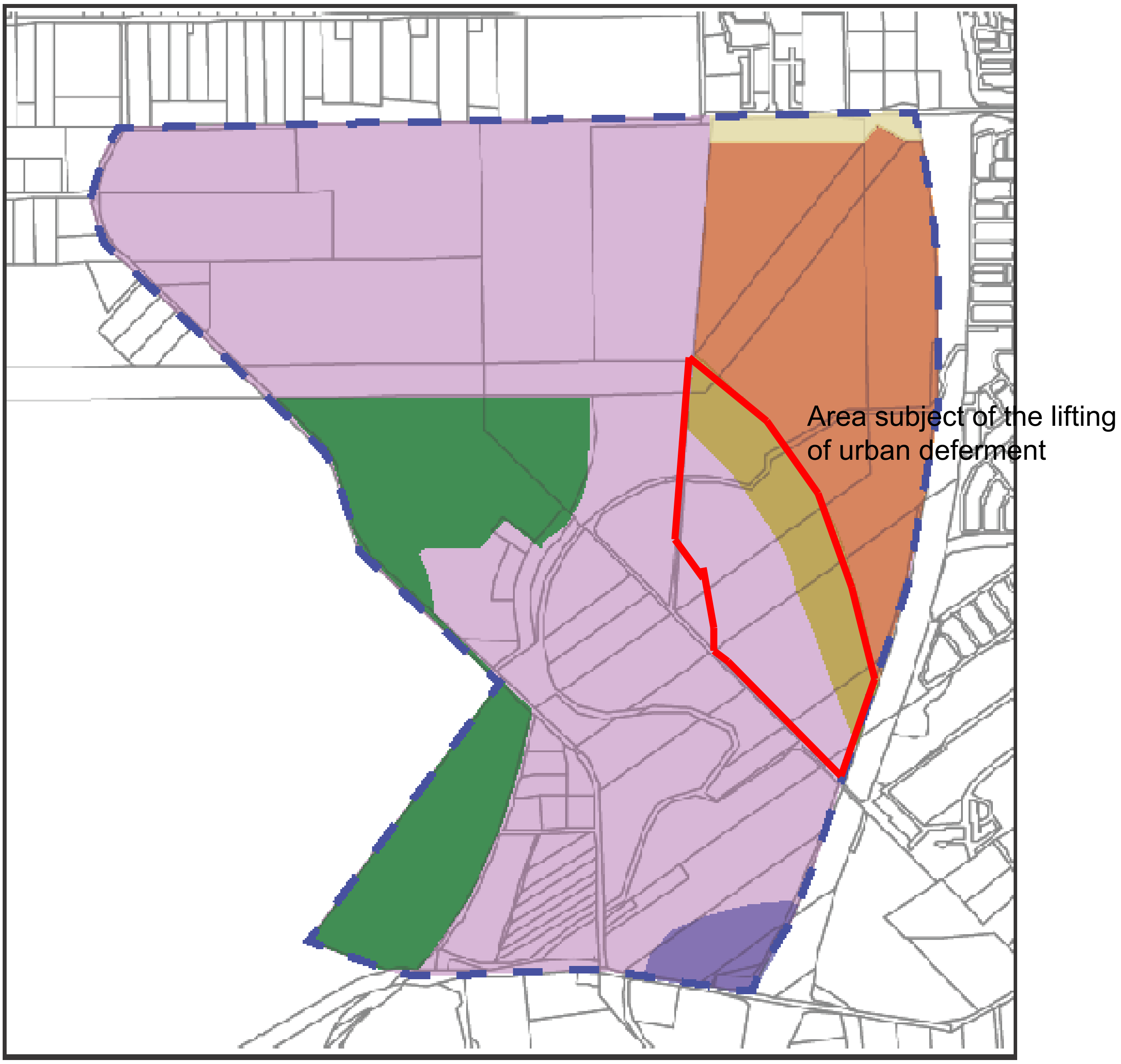
Attachment B -

Lifting of urban deferment in relation to LPP12

Mandogalup Future Development Policy Map



Light Industry Area

Residential Area

Transition Area

Station Precinct Area

Freight Road Interface Area

MRS Reserve

Policy Boundary

8.2 Consideration of Advertised Differential Rates Submission and Request for Ministerial Approval of 2018/2019 Proposed Differential Rates and Minimum Payments

DECLARATION OF INTEREST:

There were no declarations of interest declared.

SUMMARY:

This report has been prepared for Council to consider submissions received as part of the advertising of the proposed differential rates and to request that the Minister for Local Government, Sport and Cultural Industries (Minister) approve the proposed differential rates prior to the adoption of the rates through the budget process.

At the Ordinary Council Meeting on 24 April 2018, Council endorsed to advertise the Statement of Objects and Reasons and proposed differential rates and minimum payments for the 2018/2019 financial year in accordance with the *Local Government Act 1995*. The advertisement that was placed in the "Sound Telegraph" newspaper on the 2 May 2018 called for public submissions until close of business on Thursday 24 May 2018.

Copies of the Statement of Objects and Reasons were also made available for public inspection at the City's Administration Building, Library and on the City's website. At the expiration of the statutory advertising period, 70 submissions were received. Full details of all submissions are contained within Attachment A.

OFFICER RECOMMENDATION:

That Council:

1. Receive the 70 submissions and endorse the Officer comments outlined in Attachment A.

2. Amend the advertised Statement of Objects and Reasons to include the following statement within the reasons for the differential rating category of Improved Special Residential:

   "It must be noted that the Valuer-General provides a discount to the valuation due to these properties not having access to services in residential areas. The City then provides a further discount by applying a reduced rate in the dollar to these properties and therefore these properties receiving a discount in both instances. The intention over the next five years is to harmonise this GRV rating category to ensure that any properties impacted financially will transition over time and not receive a significant financial burden in any one year and that the valuation will be the determining factor in the rates payable."

3. Instruct the Chief Executive Officer to proceed with the budget preparation based on Option Three.

4. Authorise the Chief Executive Officer to proceed with the application for Ministerial Approval of the advertised differential rates for:
   a. Vacant Residential rate in the dollar;
   b. Vacant Residential minimum payment; and
   c. General Industrial (UV) rate in the dollar.

DISCUSSION:

In order to achieve set initiatives, rates play a significant part of the City's revenue. The purpose of levying rates is to meet the City's budget requirements led by its objectives, strategies and activities detailed in its various plans in order to deliver services and community infrastructure each financial year.

The Long Term Financial Plan (LTFP) was adopted by Council on 28 September 2016 and outlined the projected income and expenditure, along with efficiency measures, proposed capital works, projects and new initiatives. The LTFP is further being reviewed as part of the budget process and will be presented to Council early in the 2018/2019 financial year.

In setting the 2018/2019 Budget in accordance with the LTFP, the City has aspired to balance service levels in accordance with the needs and expectations of its community and set rating levels to adequately resource its roles and responsibilities. Council has also established the maintenance needs of its assets and infrastructure with regard to the City's asset management plans and the community services and facilities that will be provided in the next financial year. After considering these and other revenue sources, Council has then determined the amount required to be collected in rates to meet its financial responsibilities and achieve a balanced budget.

In implementing its 2018/2019 rating strategy, Council considered the key values contained within *Rating Policy Differential Rates (s.6.33) March 2016* released by the then Department of Local Government and Communities (now known as the Department of Local Government, Sports and Cultural Industries), being:

- Objectivity
- Fairness and Equity
- Consistency
- Transparency and Administrative Efficiency

The proposed 2018/2019 differential rating categories and proposed rates in the dollar continue towards establishing a consistent and sustainable rating structure. In 2015/2016 the City commenced simplifying its differential rating structure, providing fairness and equity by ensuring that rateable properties of similar uses and zonings are rated consistently across the City of Kwinana. It is proposed by 2023/2024 that the entire rating structure of the City of Kwinana will be simplified and that there will be three GRV rating categories being Improved Residential; Improved Commercial and Industrial; and Vacant. It is proposed that the harmonisation of the UV rating categories will occur in the 2018/2019 financial year with three UV rating categories being General Industry; Rural; Mining and Industrial. Table 1 outlines the proposed harmonisation transition from 2017/2018 to 2023/2024.

Harmonisation of Rating Categories

As outlined in the advertised Statement of Objects and Reasons, harmonisation of a number of rating categories is proposed to occur over the next five (5) years as shown in Table 1:

8.2 CONSIDERATION OF ADVERTISED DIFFERENTIAL RATES SUBMISSION AND REQUEST FOR MINISTERIAL APPROVAL OF 2018/2019 PROPOSED DIFFERENTIAL RATES AND MINIMUM PAYMENTS

Table 1

2017/2018 – Rating Categories	2018/2019 – Proposed Rating Categories	2023/24 – Proposed Rating Categories
Gross Rental Value (GRV)		
Improved Residential	Improved Residential	Improved Residential
Improved Special Residential	Improved Special Residential	
Vacant Residential	Vacant Residential	Vacant (includes vacant residential, commercial and industrial properties)
	Vacant Non Residential	
Light Industrial and Commercial	Light Industrial and Commercial	Improved Commercial and Industrial
General Industry and Service Commercial	General Industry and Service Commercial	
Large Scale General Industry and Service Commercial	Large Scale General Industry and Service Commercial	
Unimproved Value (UV)		
General Industry	General Industry	General Industry
Rural	Rural	Rural
Urban / Urban Deferred		
Mining	Mining and Industrial (Name change only)	Mining and Industrial (Name change only)

Harmonisation of the UV rate categories is proposed to be fully achieved within the 2018/2019 financial year by amalgamating the UV Rural and UV Urban/Urban Deferred rating categories. This will result in a reduction in the rate in dollar for the UV Urban/Urban Deferred rating category from the 2017/2018 financial year and result in an overall decrease in rates payable for these assessments.

Harmonisation of the GRV rating categories will be achieved over the next five (5) years to reduce the financial impact to any negatively affected ratepayers. The Improved Special Residential rating category is proposed to eventually amalgamate with the Improved Residential rating category by the 2023/2024 financial year. The gap of 12.83% will be spread over the next five (5) financial years with an additional increase of 2.57% within the 2018/2019 financial year.

The following industrial and commercial rating categories are also proposed to be amalgamated into one rating category, Improved Commercial and Industrial, by the 2023/2024 financial year. The gap of 5.74% between General Industry and Service Commercial (GISC) and Light Industrial and Commercial (LIC) will be spread over the next five (5) financial years with an additional increase of 1.15% within the 2018/2019 financial year. The gap of 1.87% between Large Scale General Industry and Service Commercial (LSGI) and Light Industrial and Commercial (LIC) will be spread over the next five (5) financial years with an additional increase of 0.37% within the 2018/2019 financial year.

8.2 CONSIDERATION OF ADVERTISED DIFFERENTIAL RATES SUBMISSION AND REQUEST FOR MINISTERIAL APPROVAL OF 2018/2019 PROPOSED DIFFERENTIAL RATES AND MINIMUM PAYMENTS

As a part of the harmonisation process the Vacant Industrial and Commercial properties are proposed to be rated as vacant to stimulate development by applying the same principle that is applied to Residential Vacant. The new rating category is proposed to be called Vacant Non Residential. The following difference between the current rates and the Vacant Residential rate is shown in Table 2. It is proposed that the difference be spread over the next five (5) financial years to reduce the financial impact on ratepayers and bridge the gap between Vacant Non Residential properties and Vacant Residential properties:

Table 2

Rating Category	Gap at 30 June 2018	2018/2019 Additional Impact on Rates
Vacant Non Residential (from LIC)	80.86%	16.17%
Vacant Non Residential (from GISC)	91.23%	18.25%
Vacant Non Residential (from LSGI)	84.24%	16.85%

The 2018/2019 proposed differential rates and minimum payments along with the Statement of Objects and Reasons were advertised between 2 May 2018 and 24 May 2018 (not less than 21 days). Approximately 1,400 Letters were also sent to ratepayers directly affected by the proposed harmonisation of rating categories that explained the purpose and process of harmonising the rating categories. The three ratepayers within General Industry (UV) rating category also received a letter outlining the proposed differential rates and minimum rates for 2018/2019 as required by the Minister in the Rating Policy.

During the advertising period, 70 submissions were received. 39 submissions from properties within the Improved Special Residential rating category, representing 4.80% of the properties within the rating category and 0.22% of all rateable properties. Additionally, 31 submissions were received from within the General Industry and Service Commercial and Large Scale General Industry and Service Commercial rating categories, representing 7.82% of the properties within the combined rating categories and 0.17% of all rateable properties. The common concerns outlined within the submissions are summarised below, with full details of each submission contained within Attachment A.

Improved Special Residential Submission Common Concerns

- Consumer Price Index (CPI) is close to 1%, why raise rates 3.5%?
- We don't have services (i.e. Gas and Water)
- We are required to maintain our own firebreaks
- Limited/no access to public transport
- The Objects and Reasons do not reflect the reasoning for the harmonisation
- We have minimal community facilities in our areas (community centres, halls etc.)
- We have little to no infrastructure (footpaths on roads, street lighting, no kerbs and street sweeping)
- Administration efficiencies should create savings for ratepayers

General Industry and Service Commercial and Large Scale General Industry and Service Commercial Submission Common Concerns

- The majority of businesses are struggling and cannot afford to pay rent and there are several properties vacant
- Will increasing the rates by 6.97% increase the GRV and in turn increase other taxes such as Water Rates and Land Tax?

- Will our zoning change as a result of the harmonisation?
- CPI is close to 1%, why raise rates 3.5%?
- A shortfall in the budget is being determined because depreciation is being considered an expense, however it is just a book entry
- Proposed rates levied is misleading as it does not include the environmental levy or the emergency services levy.

In response to these common concerns, City Officers have provided responses below for Council consideration. Each submission will receive an individual response to their submission, with the details also provided within Attachment A.

Improved Special Residential Submission Common Concerns

CPI is close to 1%, why raise rates 3.5%?
Although CPI is currently sitting around 1%, the budget for the 2018/2019 financial year is required to cover:

- Utilities increase of 3%;
- Reduced government funding – General Purpose Grant has reduced;
- Fees and charges income has reduced;
- Expected salaries increase of 1.5%;
- Materials and contracts unit rates have increased resulting in expenses increasing;
- All these factors result in the City requiring to fund the shortfall to maintain the same level of service

We don’t have services (i.e. Gas and Water)
It is noted that the City does not provide these services that are mentioned as they are not local government services.

The Valuer General has confirmed that if a property does not have services such as, sewerage, water and gas, they receive a reduced GRV valuation. A property that does have these services will have a higher GRV valuation. For example, a property that has the same improvements in a residential zoned area (i.e. around the City Centre) that has access to all the services will have a higher valuation than the same house that does not have these services (such as the properties in a Special Rural/Rural A zoning). The principle of allowing the valuation to determine the rates payable, and not the rate in the dollar, is an approach that provides equity and fairness ensuring that rate categories (such as the residential rate category) will not be subsidising the Improved Special Residential rate category.

We are required to maintain our own firebreaks
It is a requirement under the *Bush Fire Act 1954*, that land owners or occupiers must comply with the requirements of the Fire Break Notice during the specified time periods of the year for their property. The City is responsible for maintaining firebreaks on City land and so are other owners or occupiers in other rate categories in relation to their property.

Limited/no access to public transport
Public transport is the responsibility of the State Government, however the City can carry out an assessment of the public transport service in a specific area (on request) and then advocate to our local member and to the State Government as a result of the community needs that might come from the assessment.

The Objects and Reasons do not reflect the reasoning for the harmonisation
The Improved Special Residential rating category states:
"The object of this rate category is to provide a lower differential rate for proposed characteristics of the Improved Special Residential rate category that is consistent with access to and provision of services to residential properties in a rural setting. The reason for this rate is to reflect the lower demand on City resources, such as, lower impacts on transport infrastructure, when compared to the other GRV differential rating categories. It is also lower than vacant land as the City is endeavouring to encourage landowners to develop vacant land."

It is noted to propose that an additional section be included in the Improved Special Residential section of the Objects and Reasons with the following detail:
"It must be noted that the Valuer General provides a discount to the valuation due to these properties not having access to services in residential areas. The City then provides a further discount by applying a reduced rate in the dollar to these properties and therefore these properties are receiving a discount in both instances. The intention over the next five years is to harmonise this GRV rating category to ensure that any properties impacted financially will transition over time and not receive a significant financial burden in any one year and that the valuation will be the determining factor in the rates payable."

We have minimal community facilities in our areas (community centres, halls etc.)
The community facilities in Kwinana are inclusive and available to all residents regardless of location. Community facilities are located and planned when there is sufficient population to generate demand for such facilities. The City has taken into consideration the population in all areas of Kwinana to ensure that future facilities are located within a reasonable distance from where residents live.

We have to maintain the bushland within our property and are restricted as to how we can use it and what we can do on it
The City's Local Planning Scheme No.2 sets the planning and land use / development framework for all land within the City. The objectives for the Special Rural zone allow the development of residences whilst securing the preservation of Banksia Woodlands. In addition, land use and development shall be consistent with the objectives of the State Planning Policy 2.3 – Jandakot Groundwater Protection, to protect and preserve the underground water resource. Keeping of animals or livestock needs to conform with the applicable stocking rates set by the Department of Agriculture and Water Resources. With regards to the planting of vegetation within building envelopes there are no restrictions on the vegetation which may be planted however, areas outside of building envelopes shall be planted with species endemic to the location.

We have little to no infrastructure (footpaths on roads, street lighting, no kerbs and street sweeping)
Footpaths - The City is currently finalising a Bike and Walk Plan that will identify the footpath needs and priorities across the City. Once this has been completed, the City will be able to commence the strategic construction of footpath and cycleway routes.

Street lighting - Many of the streets within the City do not meet the requirements for street lighting under the Australian Standards. On this basis, a risk approach to the installation of street lighting is taken, with residential streets, and high volume roads being considered a priority, due to the higher risk of pedestrian and vehicle accident. Similarly, with other local governments, street lighting in rural areas is limited to higher volume intersections. This approach seeks to balance risk with capital investment and operational costs, in order to constrain the rate burden for ratepayers.

8.2 CONSIDERATION OF ADVERTISED DIFFERENTIAL RATES SUBMISSION AND REQUEST FOR MINISTERIAL APPROVAL OF 2018/2019 PROPOSED DIFFERENTIAL RATES AND MINIMUM PAYMENTS

Thomas Road Speed Limit being 90km/hr and accessibility - This road is under the care and management of Main Roads. The City has worked with Main Roads on the development of a concept design for future upgrading works. The concept design includes the construction of roundabouts and other intersection upgrades, to improve access from side roads.

Street sweeping - Road sweepers are utilised on kerbed roads to reduce the likelihood of debris entering the City's piped drainage network. Where roads are not kerbed, road sweeping is not required.

Administration efficiencies should create savings for ratepayers
The City is continually reviewing its operating efficiencies and the level of services provided to the community. Any efficiencies are put back into the community in either new, improved and/or maintaining the current level of services (if funding from external sources has been reduced).

While there will be administration efficiencies as a result of reducing the number of rate categories, the purpose of the rate harmonisation is to ensure that the rating principles that the Department of Local Government and Communities promote being Objectivity, Fairness and Equity, Consistency and Transparency and Administrative Efficiency are applied across all of the City's rating categories. The intention of the City's proposed rating categories after harmonisation is that the valuation will be the determining factor in the rates payable.

General Industry and Service Commercial and Large Scale General Industry and Service Commercial Submission Common Concerns

The majority of businesses are struggling and cannot afford to pay rent and there are several properties vacant
The City recognises the importance of industry and commercial businesses and the employment opportunities that are provided. Over the last couple of years, the City has actively assisted local businesses in grants for external improvements, training and support initiatives.

Will increasing the rates by 6.97% increase the GRV and in turn increase other taxes such as Water Rates and Land Tax?
The level of rates set by a local government does not impact on the value of a property which is determined by the Valuer-General. For properties valued on a GRV basis for Council rates and State government water rates, the following factors are considered when the valuation of a property is determined:

- location
- proximity to services (schools, public transport, shops etc.)
- age and functionality
- additional facilities
- provided accommodation
- size and area
- services to the property (water, gas, sewerage)

Land Tax is also a State government tax that is based on the valuation of a property, however the valuation basis is the Unimproved Value set by the Valuer-General and is its market value under normal sales conditions, assuming no structural improvements have been made.

Will our zoning change as a result of the harmonisation?
The rating category applied to a property does not affect its use or zoning. Use and zoning is set out in the local planning scheme applicable to a property.

CPI is close to 1%, why raise rates 3.5%?
Although CPI is currently sitting around 1%, the budget for the 2018/2019 financial year is required to cover:

- Utilities increase of 3%;
- Reduced government funding – General Purpose Grant has reduced;
- Fees and charges income has reduced;
- Materials and contracts unit rates have increased resulting in expenses increasing;
- Expected salaries increase of 1.5%;
- All these factors result in the City requiring to fund the shortfall to maintain the same level of service

A shortfall in the budget is being determined because depreciation is being considered an expense, however it is just a book entry
When a local government is considering the budget shortfall required to be funded by rates, it must take into consideration:

- all of its expected income to be received from operating grants, subsidies, and contributions, fees and charges, interest earnings, net profit/loss from disposal of assets and any other revenue;
- operating expenditure required to meet the service levels set, including depreciation;
- expected income from non-operating sources;
- capital expenditure requirements;
- proceeds received from disposal of assets;
- any movements in financing requirements, such as loan payments/proceeds, transfers to and from reserves;

Then prior to calculating the amount required to be levied through rates, the depreciation expense and the net profit/loss from disposal of assets is excluded. An example taken from the Annual Budget Review adopted at the Ordinary Council Meeting held on 28 March 2018, shows this movement.

8.2 CONSIDERATION OF ADVERTISED DIFFERENTIAL RATES SUBMISSION AND REQUEST FOR MINISTERIAL APPROVAL OF 2018/2019 PROPOSED DIFFERENTIAL RATES AND MINIMUM PAYMENTS

CITY OF KWINANA
2017/18 BUDGET REVIEW
STATEMENT OF FINANCIAL ACTIVITY
BY NATURE OR TYPE

	Adopted Annual Budget	Revised Budget 2017/18 (b)	Var. $ (b)-(a)	Var. % (b)-(a)/(a)	Actual as at 31/1/2018
	$	$			$
Opening Funding Surplus (Deficit)	1,534,059	3,194,697	1,660,638	108%	3,194,697
Revenue from operating activities					
Rates	35,239,983	35,239,983	0	0%	34,930,442
Operating Grants, Subsidies and Contributions	15,591,452	7,071,761	(8,519,691)	(55%)	4,426,139
Fees and Charges	13,612,832	13,047,583	(565,249)	(4%)	9,994,857
Interest Earnings	2,183,500	2,826,500	643,000	29%	1,864,307
Other Revenue	589,101	1,010,367	421,266	72%	458,055
Profit on Disposal of Assets	6,746	12,188	5,442	81%	12,187
	67,223,614	**59,208,382**	**(8,015,232)**	**(12%)**	**51,685,989**
Expenditure from operating activities					
Employee Costs	(28,531,268)	(27,427,838)	1,103,430	(4%)	(15,186,296)
Materials and Contracts	(27,092,856)	(27,408,146)	(315,290)	1%	(13,277,221)
Utility Charges	(2,527,669)	(2,527,669)	0	0%	(1,280,753)
Depreciation on Non-Current Assets	(13,268,106)	(11,305,586)	1,962,520	(15%)	(7,937,360)
Interest Expenses	(1,101,765)	(1,101,765)	0	0%	(547,913)
Insurance Expenses	(593,109)	(560,479)	32,630	(6%)	(558,909)
Other Expenditure	(170,153)	(162,370)	7,783	(5%)	21,474
Loss on Disposal of Assets	(146,145)	(177,523)	(31,378)	21%	(154,237)
	(73,431,071)	**(70,671,376)**	**2,759,695**	**(4%)**	**(38,921,215)**
Operating activities excluded from budget					
Add back Depreciation	13,268,106	11,305,586	(1,962,520)	(15%)	7,937,360
Adjust (Profit)/Loss on Asset Disposal	139,399	165,335	25,936	19%	142,049
Amount attributable to operating activities	**7,200,048**	**7,927**	**(7,192,121)**	**(100%)**	**20,844,183**
Investing activities					
Grants, Subsidies and Contributions	1,707,484	10,350,849	8,643,365	506%	4,180,810
Proceeds from Disposal of Assets	659,000	614,646	(44,354)	(7%)	491,645
Land and Buildings	(4,833,500)	(1,996,550)	2,836,950	(59%)	(100,517)
Plant, Furniture and Equipment	(1,932,951)	(1,707,288)	225,663	(12%)	(1,361,743)
Infrastructure Assets - Roads	(2,539,695)	(2,701,280)	(161,585)	6%	(1,281,562)
Infrastructure Assets - Parks and Reserves	(2,211,012)	(2,651,029)	(440,017)	20%	(606,451)
Infrastructure Assets - Footpaths	(310,000)	(360,000)	(50,000)	16%	(56,047)
Infrastructure Assets - Drainage	(140,000)	(175,000)	(35,000)	25%	0
Infrastructure Assets - Street Lighting	(42,436)	(422,070)	(379,634)	895%	(1,415)
Infrastructure Assets - Bus Shelters	(51,500)	(36,500)	15,000	(29%)	0
Infrastructure Assets - Car Parks	(171,311)	(312,762)	(141,451)	83%	(175,424)
Amount attributable to investing activities	**(9,865,921)**	**603,016**	**10,468,937**	**(106%)**	**1,089,297**
Financing Activities					
Proceeds from New Debentures	2,897,000	0	(2,897,000)	(100%)	0
Self-Supporting Loan Principal	15,645	15,645	0	0%	7,961
Transfer from Reserves	8,033,866	8,455,507	421,641	5%	2,024,167
Repayment of Debentures	(617,722)	(617,722)	0	0%	(304,389)
Transfer to Reserves	(9,196,975)	(10,154,472)	(957,497)	10%	(2,151,070)
Amount attributable to financing activities	**1,131,814**	**(2,301,042)**	**(3,432,856)**	**(303%)**	**(423,331)**
Closing Funding Surplus (Deficit)	0	**1,504,598**	1,504,598		**24,704,846**

Proposed rates levied is misleading as it does not include the environmental levy or the emergency services levy
In 2017/2018 each rateable property was levied $63.00 as a minimum payment for the environmental levy. Forming part of the rates harmonisation strategy for the 2018/2019 budget, it is proposed to remove the environmental levy from 1 July 2018.

The Emergency Services Levy is a state government charge that is out of the control of a local government. Whilst the state government charges local governments with the duty to collect and remit this payment, it does not form part of the local government's rates.

The City of Kwinana's 2018/2019 advertised differential rates are provided in the Table 3 below (with the modelling results shown within Option One provided):

Table 3

GRV Rate Categories	**Minimum Payment ($)**	**Rate in $**
GRV Improved Residential	1,036	0.07845
GRV Improved Special Residential	1,036	0.07120
GRV Vacant Residential	1,036	0.16828
GRV Vacant – Non Residential	1,036	0.10304
GRV Light Industrial and Commercial	1,348	0.09304
GRV General Industry and Service Commercial	1,348	0.08894
GRV Large Scale General Industry and Service Commercial	1,348	0.09166
UV Rate Categories	**Minimum Payment ($)**	**Rate in $**
UV General Industrial	1,348	0.01810
UV Rural	1,036	0.00505
UV Mining and Industrial	1,348	0.00872

A review of the proposed Gross Rental Value basis rates in comparison to other similar local governments rates for 2017/2018 was also conducted, resulting in the following information being obtained:

<u>Residential Rating Categories 2017/2018</u>

Local Government/ Rating Category	**No of Properties**	**Minimum Payment**	**Rate in Dollar**
City of Rockingham Residential	52,530	$1,118	0.067660
City of Cockburn Residential Improved	41,114	$1,303	0.073190
City of Armadale Residential Improved	30,951	$1,140	0.083350
City of Mandurah Residential Improved	33,503	$1,060	0.080900

8.2 CONSIDERATION OF ADVERTISED DIFFERENTIAL RATES SUBMISSION AND REQUEST FOR MINISTERIAL APPROVAL OF 2018/2019 PROPOSED DIFFERENTIAL RATES AND MINIMUM PAYMENTS

Non-Residential Rating Categories 2017/2018

Local Government	No of Properties	Minimum Payment	Rate in Dollar
City of Rockingham			
Non-Residential	1,563	$1,118	0.080000
City of Cockburn			
Commercial & Industrial Improved	2,794	$757	0.076830
City of Armadale			
Business Improved	1,111	$1,326	0.088220
City of Mandurah			
Business Improved	1,306	$1,060	0.086100
Urban Development	14	$1,060	0.101900

Vacant Rating Categories 2017/2018

Local Government	No of Properties	Minimum Payment	Rate in Dollar
City of Rockingham	No Vacant GRV rating category		
City of Cockburn			
Vacant Land	3,112	$753	0.086600
City of Armadale			
Vacant	2,681	$1,140	0.141700
City of Mandurah			
Residential Vacant	3,991	$888	0.141000
Business Vacant	175	$1,060	0.141000

Note each of the comparable local governments only have one GRV residential rate and one GRV non-residential rate (except for Mandurah that have two GRV non-residential rate categories).

The Valuer-General takes into consideration the following factors when determining a property's Gross Rental Valuation:

- location;
- proximity to services (schools, public transport, shops etc.);
- age and functionality;
- additional facilities;
- provided accommodation;
- size and area;
- services to the property (water, gas, sewerage);

The above local governments have simplified their rating structure allowing the valuation to be the determining factor when calculating the rates payable.

Each local government is required to determine the level of rates required to fund their budget shortfalls, however the comparison shows that the City of Kwinana's proposed residential rating categories minimum payments and rates in the dollar remains lower than two of the comparative local governments, with the exception of the Cities of Rockingham and Cockburn's rate in the dollar, for 2017/2018.

Further, the comparison highlights that the City's proposed differential rates for GRV non-residential (commercial/industrial) rating categories are higher in minimum payment and rate in the dollar than the comparative local governments. It has been questioned whether commercial/industrial rated properties are subsidising residential rates. The review conducted by City Officers to benchmark the rate in the dollar for non-residential rates indicates that these comments may be valid. For example, the Light Industrial and Commercial rating category, which is the five-year harmonised target category for GRV commercial and industrial properties, has a proposed rate in the dollar for 2018/2019 of 0.09304. The City of Cockburn's non-residential rate in the dollar for 2017/2018 is 0.076830 and the City of Rockingham's rate in the dollar for 2017/2018 is 0.080000, which for a property with a GRV of $100,000 equates to a difference in rates payable of $1,621 and $1,304, respectively.

Further review of the rates modelling shows that the proposed rate in the dollar for the Improved Residential rating category has an average increase in impact of 1.55% as opposed to 3.5%. This is due to the environmental levy no longer being separately charged and being absorbed into the general rates (see Option One). The initial rate modelling was conducted on the rates component only (and did not include the impact of the environmental levy). As such, the rate in the dollar could increase to reflect the intention of a 3.5% rate increase, otherwise all GRV rateable properties that existed in the 2017/2018 year that have a low GRV (generally residential properties) will receive less than the 3.5% increase and the properties with a higher GRV will receive a higher rate increase (industrial and commercial properties). Three further options have been modelled for Council consideration to reflect an actual increase of 3.5% for the Improved Residential rating category, which includes the environmental levy impact (see below).

Additional modelling has been undertaken to determine what the rate in the dollar would be for an average increase of 3.5% to be seen for the Improved Residential rating category. To achieve an average Improved Residential rate increase of 3.5% the rate in the dollar would be 0.079990 compared to the advertised rate in the dollar of 0.07845. The additional income that would be raised as a result of increasing the rate in the dollar to reflect an average rate increase of 3.5% could be used to lower the impact on the non-residential rating categories as provided in modelling of Option Two (refer to Option Two below) to get to a more comparable commercial/industrial rate in the dollar to the neighbouring local governments.

The challenge with this additional increase being isolated to the Improved Residential rating category and not the other GRV residential category of Improved Special Residential, is that this would widen the gap between the two rating categories further increasing the difficulty to simplify the City's rating structure within five years. It does not align to the principles of rating and does not allow valuations to be the determining factor in calculating the rates payable.

To alleviate the widening of the gap between the two residential GRV rating categories, an Option Three (refer to Option Three below) is provided whereby the rate in the dollar for each residential rating category is equally increased to ensure the simplification is still able to be achieved over the five-year period. This option shows the average rates for an Improved Residential and Improved Special Residential rated property to be $1,390 and $1,732 respectively. This is a difference of $19, for the average Improved Residential properties, and $33, for the average Improved Special Residential properties, to the proposed advertised rates. This option is the option that City Officers are recommending Council to adopt.

There is also an option (refer to Option Four) that Council may like to consider as part of reviewing the submissions, and that is to not continue with the harmonisation of the residential rating categories, and maintain the Improved Special Residential rating category. Option Four also proposes to leave the Improved Residential and non-residential rating categories as what they were advertised as during the public submission period. The results of this modelling is provided in Option Four (refer to Option Four below) and shows an average increase to the Improved Special Residential rating category of 2.46%.

Option One

Option One is to continue with proposed differential rates as advertised resulting in the actual average increase (including the impact of removing the environmental levy) for each GRV rating category as follows:

Improved Residential – 1.55%
Improved Special Residential – 4.92%
Light Industry and Commercial – 4.50%
General Industry and Service Commercial – 6.25%
Large Scale General Industry and Service Commercial – 7.00%
Vacant Residential – 2.28%
Vacant Non Residential – 19.49%

In summary:

- Improved Residential does not increase by an average of 3.5% because of the environmental levy impact (as generally residential properties pay less).
- Improved Special Residential proceeds with harmonisation with a gap remaining of 10%.
- General Industrial, Light Industry and Commercial and Large Scale General Industry and Service Commercial commence harmonisation. These rates will incur a higher increase than the average of 3.5% before the harmonisation because of the environmental levy impact (as generally commercial and industrial properties pay more).

This option results in the Improved Special Residential rate category's highest impacted property incurring an additional $206 for the 2018/2019 financial year and the lowest impacted property only increasing from last year by $2. The average increase from last year is $81.

8.2 CONSIDERATION OF ADVERTISED DIFFERENTIAL RATES SUBMISSION AND REQUEST FOR MINISTERIAL APPROVAL OF 2018/2019 PROPOSED DIFFERENTIAL RATES AND MINIMUM PAYMENTS

	Proposed Rate in Dollar	Proposed Minimum Payment	No. Properties	Valuation	Budgeted Rates Levied	Average Change 17/18 Rates to 18/19 Proposed	Average Rates ($)
Minimim							
GRV							
General Industry and Service Commercial (GISC)	0.088940	1,348	34	299,022	45,832	1.66%	$1,348
Improved Residential (IP)	0.078450	1,036	1,709	20,542,732	1,770,524	0.19%	$1,036
Improved Special Residential (SR)	0.071200	1,036	3	40,820	3,108	0.19%	$1,036
Light Industrial and Commercial (LIC)	0.093040	1,348	26	267,341	35,048	1.66%	$1,348
Vacant Residential (V)	0.168280	1,036	945	4,925,403	979,020	0.19%	$1,036
Vacant Non Residential	0.103040	1,036	2	4,320	2,072	-21.87%	$1,036
GRV Total			**2,719**	**26,079,638**	**2,835,604**	**0.21%**	**$1,043**
UV							
Rural (R)	0.005050	1,036	64	9,608,600	66,304	-18.42%	$1,036
Mining (M)	0.008720	1,348	14	30,060	18,872	1.66%	$1,348
UV Total			**78**	**9,638,660**	**85,176**	**-14.82%**	**$1,092**
Minimim Total			**2,797**	**35,718,298**	**2,920,780**	**-0.21%**	**$1,044**
Non Minimum							
GRV							
General Industry and Service Commercial (GISC)	0.088940	1,348	316	34,605,751	3,077,835	6.25%	$9,740
Improved Residential (IP)	0.078450	1,036	13,119	229,260,336	17,985,473	1.55%	$1,371
Improved Special Residential (SR)	0.071200	1,036	809	19,308,831	1,374,789	4.92%	$1,699
Large Scale General Industry and Service Commercial (LSGI)	0.091660	1,348	46	47,159,680	4,322,656	7.00%	$93,971
Light Industrial and Commercial (LIC)	0.093040	1,348	135	23,387,543	2,175,977	4.50%	$16,118
Vacant Residential (V)	0.168280	1,036	425	8,389,560	1,411,795	2.28%	$3,322
Vacant Non Residential	0.103040	1,036	35	2,428,780	250,261	19.49%	$7,150
GRV Total			**14,885**	**364,540,481**	**30,598,788**	**1.94%**	**$2,056**
UV							
General Industry (GI)	0.018100	1,348	3	121,200,000	2,193,720	6.71%	$731,240
Rural (R)	0.005050	1,036	144	247,341,000	1,249,072	-3.13%	$8,674
Mining / Industrial	0.008720	1,348	25	38,616,000	336,732	5.28%	$13,469
UV Total			**172**	**407,157,000**	**3,779,524**	**-1.73%**	**$21,974**
Non Minimum Total			**15,057**	**771,697,481**	**34,378,311**	**1.90%**	**$2,283**
Grand Total			**17,854**	**807,415,779**	**37,299,091**	**1.57%**	**$2,089**

Option Two

Option Two is to increase the rate in the dollar for the Improved Residential rating category to result in an average 3.5% increase; reduce the commercial/industrial rating categories to lessen the impact of the redistribution of rates due to the removal of the environmental levy, and for the Improved Special Residential to remain at the advertised rate in the dollar resulting in the actual average increase (including the impact of removing the environmental levy) for each GRV rating category as follows:

Improved Residential – 3.48%
Improved Special Residential – 4.92%
Light Industry and Commercial – 1.59%
General Industry and Service Commercial – 3.30%
Large Scale General Industry and Service Commercial – 4.00%
Vacant Residential – 2.28%
Vacant Non Residential – 19.49%

In summary:

- Improved Residential increases by an average of 3.48%. The rate in the dollar is different to what was advertised.

8.2 CONSIDERATION OF ADVERTISED DIFFERENTIAL RATES SUBMISSION AND REQUEST FOR MINISTERIAL APPROVAL OF 2018/2019 PROPOSED DIFFERENTIAL RATES AND MINIMUM PAYMENTS

- Improved Special Residential proceeds with harmonisation but not at the advertised rate leaving a gap remaining of 11.6% (note, the gap is less than the 2017/2018 financial year gap).
- General Industrial, Light Industry and Commercial and Large Scale General Industry and Service Commercial commence harmonisation. The rate in the dollars have reduced as a result of the additional income from the Improved Residential rate in the dollar increasing. The rate in the dollar is different to what was advertised for all three rating categories.
- The UV rate in the dollar for the General Industry rate category has also reduced to ensure that the rates are comparable if they were rated based on a GRV rating category. The rate in the dollar is different to what was advertised.

This option results in the Improved Special Residential rate category's highest impacted property incurring an additional $206 for the 2018/2019 financial year and the lowest impacted property only increasing from last year by $2. The average increase from last year is $81.

	Proposed Rate in Dollar	Proposed Minimum Payment	No. of Properties	Rateable Value	Budgeted Rate Revenue	Average of EL Increase Check	Average Rates ($)
Minimim							
GRV							
General Industry and Service Commercial (GISC)	0.086470	1,348	34	299,022	45,832	1.66%	$1,348
Improved Residential (IP)	0.079990	1,036	1,432	16,941,732	1,483,552	0.19%	$1,036
Improved Special Residential (SR)	0.071200	1,036	3	40,820	3,108	0.19%	$1,036
Light Industrial and Commercial (LIC)	0.090430	1,348	27	281,861	36,396	1.65%	$1,348
Vacant Residential (V)	0.168280	1,036	945	4,925,403	979,020	0.19%	$1,036
Vacant Non Residential	0.103040	1,036	2	4,320	2,072	-21.87%	$1,036
GRV Total			2,443	22,493,158	2,549,980	0.21%	$1,044
UV							
Rural (R)	0.005050	1,036	64	9,608,600	66,304	-18.42%	$1,036
Mining (M)	0.008470	1,348	15	186,060	20,220	1.60%	$1,348
UV Total			79	9,794,660	86,524	-14.62%	$1,095
Minimim Total			2,522	32,287,818	2,636,504	-0.25%	$1,045
Non Minimum							
GRV							
General Industry and Service Commercial (GISC)	0.086470	1,348	316	34,605,751	2,992,359	3.30%	$9,469
Improved Residential (IP)	0.079990	1,036	13,396	232,861,336	18,626,578	3.48%	$1,390
Improved Special Residential (SR)	0.071200	1,036	809	19,308,831	1,374,789	4.92%	$1,699
Large Scale General Industry and Service Commercial (LSGI)	0.089090	1,348	46	47,159,680	4,201,456	4.00%	$91,336
Light Industrial and Commercial (LIC)	0.090430	1,348	134	23,373,023	2,113,622	1.59%	$15,773
Vacant Residential (V)	0.168280	1,036	425	8,389,560	1,411,795	2.28%	$3,322
Vacant Non Residential	0.103040	1,036	35	2,428,780	250,261	19.49%	$7,150
GRV Total			15,161	368,126,961	30,970,861	3.54%	$2,043
UV							
General Industry (GI)	0.017590	1,348	3	121,200,000	2,131,908	3.70%	$710,636
Rural (R)	0.005050	1,036	144	247,341,000	1,249,072	-3.13%	$8,674
Mining (M)	0.008470	1,348	24	38,460,000	325,756	2.40%	$13,573
UV Total			171	407,001,000	3,706,736	-2.23%	$21,677
Non Minimum Total			15,332	775,127,961	34,677,598	3.48%	$2,262
Grand Total			17,854	807,415,779	37,314,102	2.95%	$2,090

Option Three

Option Three is to maintain the harmonisation of the residential rate categories and to increase the rate in the dollar for both the Improved Residential and Improved Special Residential rating categories to result in an average 3.5% increase and to reduce the commercial/industrial rating categories to lessen the impact of the redistribution of rates due to the removal of the environmental levy, resulting in the actual average increase (including the impact of removing the environmental levy) for each GRV rating category as follows:

8.2 CONSIDERATION OF ADVERTISED DIFFERENTIAL RATES SUBMISSION AND REQUEST FOR MINISTERIAL APPROVAL OF 2018/2019 PROPOSED DIFFERENTIAL RATES AND MINIMUM PAYMENTS

Improved Residential – 3.48%
Improved Special Residential – 6.92%
Light Industry and Commercial – 1.59%
General Industry and Service Commercial – 3.30%
Large Scale General Industry and Service Commercial – 4.00%
Vacant Residential – 2.28%
Vacant Non Residential – 19.49%

In summary:

- Improved Residential increases by an average of 3.48%. The rate in the dollar is different to what was advertised.
- Improved Special Residential proceeds with harmonisation with a gap remaining of 10% (which is progressing the strategy of harmonisation by spreading the gap evenly over five years). The rate in the dollar is different to what was advertised.
- General Industrial, Light Industry and Commercial and Large Scale General Industry and Service Commercial commence harmonisation. The rate in the dollars have reduced as a result of the additional income from the Improved Residential and Improved Special Residential rate in the dollar increasing. The rate in the dollar is different to what was advertised for all three rating categories.
- The UV rate in the dollar for the General Industry rate category has also reduced to ensure that the rates are comparable if they were rated based on a GRV rating category. The rate in the dollar is different to what was advertised.

This option results in the Improved Special Residential rate category’s highest impacted property incurring an additional $266 for the 2018/2019 financial year and the lowest impacted property only increasing from last year by $2. The average increase from last year is $113.

This is the option recommended by Officers to Council to use in the preparation of the budget.

8.2 CONSIDERATION OF ADVERTISED DIFFERENTIAL RATES SUBMISSION AND REQUEST FOR MINISTERIAL APPROVAL OF 2018/2019 PROPOSED DIFFERENTIAL RATES AND MINIMUM PAYMENTS

rte_cls	(All)						
	Rate in Dollar	Minimum Payment	No. of Properties	Rateable Value	Budgeted Rate Revenue	Average Change 17/18 Rates to 18/19 Proposed	Average Rates ($)
Minimim							
GRV							
General Industry and Service Commercial (GISC)	0.086470	1,348	34	299,022	45,832	1.66%	$1,348
Improved Residential (IP)	0.079990	1,036	1,432	16,941,732	1,483,552	0.19%	$1,036
Improved Special Residential (SR)	0.072560	1,036	3	40,820	3,108	0.19%	$1,036
Light Industrial and Commercial (LIC)	0.090430	1,348	27	281,861	36,396	1.65%	$1,348
Vacant Residential (V)	0.168280	1,036	945	4,925,403	979,020	0.19%	$1,036
Vacant Non Residential	0.103040	1,036	2	4,320	2,072	-21.87%	$1,036
GRV Total			**2,443**	**22,493,158**	**2,549,980**	**0.21%**	**$1,044**
UV							
Rural (R)	0.005050	1,036	64	9,608,600	66,304	-18.42%	$1,036
Mining (M)	0.008470	1,348	15	186,060	20,220	1.60%	$1,348
UV Total			**79**	**9,794,660**	**86,524**	**-14.62%**	**$1,095**
Minimim Total			**2,522**	**32,287,818**	**2,636,504**	**-0.25%**	**$1,045**
Non Minimum							
GRV							
General Industry and Service Commercial (GISC)	0.086470	1,348	316	34,605,751	2,992,359	3.30%	$9,469
Improved Residential (IP)	0.079990	1,036	13,396	232,861,336	18,626,578	3.48%	$1,390
Improved Special Residential (SR)	0.072560	1,036	809	19,308,831	1,401,049	6.92%	$1,732
Large Scale General Industry and Service Commercial (LSGI)	0.089090	1,348	46	47,159,680	4,201,456	4.00%	$91,336
Light Industrial and Commercial (LIC)	0.090430	1,348	134	23,373,023	2,113,622	1.59%	$15,773
Vacant Residential (V)	0.168280	1,036	425	8,389,560	1,411,795	2.28%	$3,322
Vacant Non Residential	0.103040	1,036	35	2,428,780	250,261	19.49%	$7,150
GRV Total			**15,161**	**368,126,961**	**30,997,121**	**3.65%**	**$2,045**
UV							
General Industry (GI)	0.017590	1,348	3	121,200,000	2,131,908	3.70%	$710,636
Rural (R)	0.005050	1,036	144	247,341,000	1,249,072	-3.13%	$8,674
Mining (M)	0.008470	1,348	24	38,460,000	325,756	2.40%	$13,573
UV Total			**171**	**407,001,000**	**3,706,736**	**-2.23%**	**$21,677**
Non Minimum Total			**15,332**	**775,127,961**	**34,703,858**	**3.59%**	**$2,263**
Grand Total			**17,854**	**807,415,779**	**37,340,362**	**3.04%**	**$2,091**

Option Four

Option Four is to cease harmonisation of the Improved Residential and Improved Special Residential rating categories, and continue with the other proposed differential rates as advertised resulting in the actual average increase (including the impact of removing the environmental levy) for each GRV rating category as follows:

Improved Residential – 1.55%
Improved Special Residential – 2.46%
Light Industry and Commercial – 4.50%
General Industry and Service Commercial – 6.25%
Large Scale General Industry and Service Commercial – 7.00%
Vacant Residential – 2.28%
Vacant Non Residential – 19.49%

8.2 CONSIDERATION OF ADVERTISED DIFFERENTIAL RATES SUBMISSION AND REQUEST FOR MINISTERIAL APPROVAL OF 2018/2019 PROPOSED DIFFERENTIAL RATES AND MINIMUM PAYMENTS

In summary:

- Improved Residential does not increase by an average of 3.5% because of the environmental levy impact (as generally residential properties pay less).
- Improved Special Residential does not proceed with harmonisation. The average increase is 2.46% because of the environmental levy impact (as generally residential properties pay less). The rate in the dollar is different to what was advertised.
- General Industrial, Light Industry and Commercial and Large Scale General Industry and Service Commercial commence harmonisation. These rates will incur a higher increase than the average of 3.5% before the harmonisation because of the environmental levy impact (as generally commercial and industrial properties pay more).

This option results in the Improved Special Residential rate category's highest impacted property incurring an additional $131 for the 2018/2019 financial year and the lowest impacted property only increasing from last year by $2. The average increase from last year is $41.

	Proposed Rate in Dollar	Proposed Minimum Payment	No. of Properties	Rateable Value	Budgeted Rate Revenue	Average Change 17/18 Rates to 18/19 Proposed	Average Rates ($)
Minimim							
GRV							
General Industry and Service Commercial (GISC)	0.088940	1,348	34	299,022	45,832	1.66%	$1,348
Improved Residential (IP)	0.078450	1,036	1,709	20,542,732	1,770,524	0.19%	$1,036
Improved Special Residential (SR)	0.069520	1,036	7	99,460	7,252	0.19%	$1,036
Light Industrial and Commercial (LIC)	0.093040	1,348	26	267,341	35,048	1.66%	$1,348
Vacant Residential (V)	0.168280	1,036	945	4,925,403	979,020	0.19%	$1,036
Vacant Non Residential	0.103040	1,036	2	4,320	2,072	-21.87%	$1,036
GRV Total			**2,723**	**26,138,278**	**2,839,748**	**0.21%**	**$1,043**
UV							
Rural (R)	0.005050	1,036	64	9,608,600	66,304	-18.42%	$1,036
Mining (M)	0.008720	1,348	14	30,060	18,872	1.66%	$1,348
UV Total			**78**	**9,638,660**	**85,176**	**-14.82%**	**$1,092**
Minimim Total			**2,801**	**35,776,938**	**2,924,924**	**-0.21%**	**$1,044**
Non Minimum							
GRV							
General Industry and Service Commercial (GISC)	0.088940	1,348	316	34,605,751	3,077,835	6.25%	$9,740
Improved Residential (IP)	0.078450	1,036	13,119	229,260,336	17,985,473	1.55%	$1,371
Improved Special Residential (SR)	0.069520	1,036	805	19,250,191	1,338,273	2.46%	$1,662
Large Scale General Industry and Service Commercial (LSGI)	0.091660	1,348	46	47,159,680	4,322,656	7.00%	$93,971
Light Industrial and Commercial (LIC)	0.093040	1,348	135	23,387,543	2,175,977	4.50%	$16,118
Vacant Residential (V)	0.168280	1,036	425	8,389,560	1,411,795	2.28%	$3,322
Vacant Non Residential	0.103040	1,036	35	2,428,780	250,261	19.49%	$7,150
GRV Total			**14,881**	**364,481,841**	**30,562,272**	**1.81%**	**$2,054**
UV							
General Industry (GI)	0.018100	1,348	3	121,200,000	2,193,720	6.71%	$731,240
Rural (R)	0.005050	1,036	144	247,341,000	1,249,072	-3.13%	$8,674
Mining (M)	0.008720	1,348	25	38,616,000	336,732	5.28%	$13,469
UV Total			**172**	**407,157,000**	**3,779,524**	**-1.73%**	**$21,974**
Non Minimum Total			**15,053**	**771,638,841**	**34,341,796**	**1.77%**	**$2,281**
Grand Total			**17,854**	**807,415,779**	**37,266,720**	**1.46%**	**$2,087**

Option Five

Option Five is to cease harmonisation of the Improved Residential and Improved Special Residential rating categories, and increase the rate in the dollar for both the Improved Residential and Improved Special Residential rating categories to result in an average 3.5% increase and to reduce the commercial/industrial rating categories to lessen the impact of the redistribution of rates due to the removal of the environmental levy, resulting in the actual average increase (including the impact of removing the environmental levy) for each GRV rating category as follows:

Improved Residential – 3.48%
Improved Special Residential – 3.47%
Light Industry and Commercial – 1.59%
General Industry and Service Commercial – 6.25%
Large Scale General Industry and Service Commercial – 7.00%
Vacant Residential – 2.28%
Vacant Non Residential – 19.49%

In summary:

- Improved Residential increases by an average of 3.48%. The rate in the dollar is different to what was advertised.
- Improved Special Residential does not proceed with harmonisation. The average increase is 3.47%. The rate in the dollar is different to what was advertised.
- General Industrial, Light Industry and Commercial and Large Scale General Industry and Service Commercial commence harmonisation. The rate in the dollars have reduced as a result of the additional income from the Improved Residential and Improved Special Residential rate in the dollar increasing. The rate in the dollar is different to what was advertised for all three rating categories.
- The UV rate in the dollar for the General Industry rate category has also reduced to ensure that the rates are comparable if they were rated based on a GRV rating category. The rate in the dollar is different to what was advertised.

Option Five results in the Improved Special Residential Rate category's highest impacted property incurring an additional $161 for the 2018/2019 financial year and the lowest impacted property only increasing from last year by $2. The average increase from last year is $58.

8.2 CONSIDERATION OF ADVERTISED DIFFERENTIAL RATES SUBMISSION AND REQUEST FOR MINISTERIAL APPROVAL OF 2018/2019 PROPOSED DIFFERENTIAL RATES AND MINIMUM PAYMENTS

rte_cls	(All)						
3.5% General Increase	Rate in Dollar	Minimum Payment	No. of Propertie s	Rateable Value	Budgeted Rate Revenue	Average Change 17/18 Rates to 18/19 Proposed	Average Rates ($)
Minimim							
GRV							
General Industry and Service Commercial (GISC)	0.086470	1,348	34	299,022	45,832	1.66%	$1,348
Improved Residential (IP)	0.079990	1,036	1,432	16,941,732	1,483,552	0.19%	$1,036
Improved Special Residential (SR)	0.070210	1,036	6	84,640	6,216	0.19%	$1,036
Light Industrial and Commercial (LIC)	0.090430	1,348	27	281,861	36,396	1.65%	$1,348
Vacant Residential (V)	0.168280	1,036	945	4,925,403	979,020	0.19%	$1,036
Vacant Non Residential	0.103040	1,036	2	4,320	2,072	-21.87%	$1,036
GRV Total			**2,446**	**22,536,978**	**2,553,088**	**0.21%**	**$1,044**
UV							
Rural (R)	0.005050	1,036	64	9,608,600	66,304	-18.42%	$1,036
Mining (M)	0.008470	1,348	15	186,060	20,220	1.60%	$1,348
UV Total			**79**	**9,794,660**	**86,524**	**-14.62%**	**$1,095**
Minimim Total			**2,525**	**32,331,638**	**2,639,612**	**-0.25%**	**$1,045**
Non Minimum							
GRV							
General Industry and Service Commercial (GISC)	0.086470	1,348	316	34,605,751	2,992,359	3.30%	$9,469
Improved Residential (IP)	0.079990	1,036	13,396	232,861,336	18,626,578	3.48%	$1,390
Improved Special Residential (SR)	0.070210	1,036	806	19,265,011	1,352,596	3.47%	$1,678
Large Scale General Industry and Service Commercial (LSGI)	0.089090	1,348	46	47,159,680	4,201,456	4.00%	$91,336
Light Industrial and Commercial (LIC)	0.090430	1,348	134	23,373,023	2,113,622	1.59%	$15,773
Vacant Residential (V)	0.168280	1,036	425	8,389,560	1,411,795	2.28%	$3,322
Vacant Non Residential	0.103040	1,036	35	2,428,780	250,261	19.49%	$7,150
GRV Total			**15,158**	**368,083,141**	**30,948,669**	**3.47%**	**$2,042**
UV							
General Industry (GI)	0.017590	1,348	3	121,200,000	2,131,908	3.70%	$710,636
Rural (R)	0.005050	1,036	144	247,341,000	1,249,072	-3.13%	$8,674
Mining (M)	0.008470	1,348	24	38,460,000	325,756	2.40%	$13,573
UV Total			**171**	**407,001,000**	**3,706,736**	**-2.23%**	**$21,677**
Non Minimum Total			**15,329**	**775,084,141**	**34,655,405**	**3.40%**	**$2,261**
Grand Total			**17,854**	**807,415,779**	**37,295,017**	**2.89%**	**$2,089**

Application to the Minister

Based on the proposed advertised differential rates, it is a requirement that the City seek approval of the Minister to impose differential rates for:

1. Rate categories that are more than twice the lowest differential general rate –
    a) The Vacant Residential rate in dollar is more than twice the value of the lowest rating category Improved Special Residential and within the UV rating categories,
    b) General Industry is more than twice the value of the Rural rate in the dollar.
2. The minimum payment of the Vacant Residential rating category due to there being more than 50% of assessments proposed to be on the minimum payment.

Contained within Attachment B and Attachment C are the Department of Local Government and Communities (now known as the Department of Local Government, Sports and Cultural Industries) *Rating Policy Differential Rates (6.33)* and *Rating Policy Minimum Payments (s6.35).*

LEGAL/POLICY IMPLICATIONS:

Local Government Act 1995 section 6.33(3) states:

Differential general rates

(3) *In imposing a differential general rate a local government is not to, without the approval of the Minister, impose a differential general rate which is more than twice the lowest differential general rate imposed by it.*

Local Government Act 1995 section 6.35 states:

Minimum payment

(1) Subject to this section, a local government may impose on any rateable land in its district a minimum payment which is greater than the general rate which would otherwise be payable on that land.

(2) A minimum payment is to be a general minimum but, subject to subsection (3), a lesser minimum may be imposed in respect of any portion of the district.

(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), which a minimum payment is imposed.

(4) A minimum payment is not to be imposed on more than the prescribed percentage of —

(a) the number of separately rated properties in the district; or

(b) the number of properties in each category referred to in subsection (6), unless the general minimum does not exceed the prescribed amount.

(5) If a local government imposes a differential general rate on any land on the basis that the land is vacant land it may, with the approval of the Minister, impose a minimum payment in a manner that does not comply with subsections (2), (3) and (4) for that land.

FINANCIAL/BUDGET IMPLICATIONS:

There are no financial implications as a result of this report other than the risk of delaying the 2018/2019 budget process.

ASSET MANAGEMENT IMPLICATIONS:

There are no asset management implications as a result of this report.

ENVIRONMENTAL IMPLICATIONS:

There are no environmental implications as a result of this report.

STRATEGIC/SOCIAL IMPLICATIONS:

This proposal will support the achievement of the following outcome and objective detailed in the Corporate Business Plan.

Plan	Outcome	Objective/Key Action
Corporate Business Plan	Business Performance	5.4.2 Create a rating strategy
		5.4 Ensure the financial sustainability of the City of Kwinana into the future
		5.4.10 Review land uses and their rating categories to ensure fair and equitable rating within the City

COMMUNITY ENGAGEMENT:

Community Engagement has taken place in the following forms:

a. Advertisement placed in the "Sound Telegraph" newspaper 2 May 2018
b. Letters issued to 1,400 ratepayers affected by the harmonisation process complete with a copy of the Statement of Objects and Reasons and a Frequently Asked Questions handout.

The advertising period for submissions closed on 24 May 2018.

RISK IMPLICATIONS:

The risk implications in relation to this proposal are as follows:

Risk Event	The City would not be able to levy the 2018/2019 rates and charges in a reasonable timeframe
Risk Theme	Failure to fulfil statutory regulations or compliance requirements
Risk Effect/Impact	Financial
Risk Assessment Context	Operational
Consequence	Catastrophic
Likelihood	Rare
Rating (before treatment)	Moderate
Risk Treatment in place	Reduce - mitigate risk
Response to risk treatment required/in place	Ensure that sufficient consultation with ratepayers has been completed and that the Elected Members understand the full extent of setting the budget through Councillor workshops etc.
Rating (after treatment)	Low

8.2 CONSIDERATION OF ADVERTISED DIFFERENTIAL RATES SUBMISSION AND REQUEST FOR MINISTERIAL APPROVAL OF 2018/2019 PROPOSED DIFFERENTIAL RATES AND MINIMUM PAYMENTS

COUNCIL DECISION
186
MOVED CR S LEE SECONDED CR D WOOD

That Council:

1. **Receive the 70 submissions and endorse the Officer comments outlined in Attachment A.**

2. **Amend the advertised Statement of Objects and Reasons to include the financial information relating to Option Two and the following statement within the reasons for the differential rating category of Improved Special Residential:**

   "It must be noted that the Valuer-General provides a discount to the valuation due to these properties not having access to services in residential areas. The City then provides a further discount by applying a reduced rate in the dollar to these properties and therefore these properties receiving a discount in both instances. The intention over the next five years is to harmonise this GRV rating category to ensure that any properties impacted financially will transition over time and not receive a significant financial burden in any one year and that the valuation will be the determining factor in the rates payable."

3. **Instruct the Chief Executive Officer to proceed with the budget preparation based on Option Two.**

4. **Authorise the Chief Executive Officer to proceed with the application for Ministerial Approval of the advertised differential rates for:**
   a. **Vacant Residential rate in the dollar;**
   b. **Vacant Residential minimum payment; and**
   c. **General Industrial (UV) rate in the dollar.**

CARRIED
3/2

FOR
Mayor Carol Adams
Councillor Sandra Lee
Councillor Dennis Wood

AGAINST
Deputy Mayor Peter Feasey
Councillor Matthew Rowse

8.2 CONSIDERATION OF ADVERTISED DIFFERENTIAL RATES SUBMISSION AND REQUEST FOR MINISTERIAL APPROVAL OF 2018/2019 PROPOSED DIFFERENTIAL RATES AND MINIMUM PAYMENTS

NOTE: That Council resolved to select Option Two which includes:

- **Increasing the Improved Residential rate in the dollar by 3.5%**
- **Reduction of the rate in the dollar that was advertised for Light Industry and Commercial (increase of 1.59% from previous year), General Industry and Service Commercial (increase of 3.30% from previous year), Large Scale General Industry and Service Commercial (increase of 4.00% from previous year) to lessen the impact as a result of the environmental levy.**
- **Improved Special Residential rate in the dollar increases by 4.92% (as advertised)**

#	Assessment No.	Rating Category	Original Submission from Property Owner	Officer Recommended Response to Submission
1	10949	Improved Special Residential	I hereby wish to submit an objection to the proposal to harmonise the rates for improved special residential properties as per the letter I received dated 30th April 2018. As per the letter, the intention is to transition special residential properties to the same rates as residential properties over the next 5 years. As per the words of the City of Kwinana that justify the current differential ratings: 'The object of this category is to provide a lower differential rating... that is consistent with access to and provision of services to residential properties in a rural setting' and 'the reason for the lower rate is to reflect the lower demand on City resources such as lower impacts on transport infrastructure...' These words fully justify the differential rating, there is no justification to harmonise to the residential rate. The rural Wellard locality east if the Freeway, along with Casuarina has no facilities provided by the City of Kwinana. The only facility we have is the Casuarina Hall that is administered by the residents association and we have no footpaths or bike paths. Our area is minimally maintained by the City of Kwinana and we have no facilities that are within walking distance such a recreation areas or parks. There is no justification for aligning our rates with residential areas and this does not align with the statement in the letter that says properties will be rated in a 'fair and equitable manner'. There are no plans to increase amenities and facilities in this area for special rural rates payers in the next 5 to 10 years and therefore I can see no reason to change the rating category. As per the City of Kwinana Community Infrastructure Plan 2011 – 2031 (Revised 2015) there is currently no plans for any new facilities of any nature in this special residential are for the foreseeable future. Hence your rate changes are completely unjustified. I strongly urge you to reconsider this decision or reconsider your budget and ensure that you include improvements to facilities and infrastructure for this area and I do not mean facilities within the new residential developments east of the freeway as these are not to the benefit of special rural residents.	The following provides a response to the common concerns of ratepayers within the Special Residential rate category: **CPI is close to 1%, why raise rates 3.5%?** Although CPI is currently sitting around 1%, the budget for the 2018/2019 financial year is required to cover: - Utilities increase of 3%; - Reduced government funding – General Purpose Grant has reduced; - Fees and charges income has reduced; - Expected salaries increase of 1.5%; - Materials and contracts unit rates have increased resulting in expenses increasing; - All these factors result in the City requiring to fund the shortfall to maintain the same level of service **We don't have services (i.e. Gas and Water)** It is noted that the City does not provide these services that are mentioned as they are not local government services. The Valuer General has confirmed that if a property does not have services such as, sewerage, water and gas, they receive a reduced GRV valuation. A property that does have these services will have a higher GRV valuation. For example, a property that has the same improvements in a residential zoned area (i.e. around the City Centre) that has access to all the services will have a higher valuation than the same house that does not have these services (such as the properties in a Special Rural/Rural A zoning). The principle of allowing the valuation to determine the rates payable, and not the rate in the dollar, is an approach that provides equity and fairness ensuring that rate categories (such as the residential rate category) will not be subsidising the Improved Special Residential rate category. **We are required to maintain our own firebreaks** It is a requirement under the *Bush Fire Act 1954*, that land owners or occupiers must comply with the requirements of the Fire Break Notice during the specified time periods of the year for their property. The City is responsible for maintaining firebreaks on City land and so are other owners or occupiers in other rate categories in relation to their property. **Limited/no access to public transport** Public transport is the responsibility of the State Government, however the City can carry out an assessment of the public transport service in a specific area (on request) and then advocate to our local member and to the State Government as a result of the community needs that might come from the assessment. **The Objects and Reasons do not reflect the reasoning for the harmonisation** The Improved Special Residential rating category states: "The object of this rate category is to provide a lower differential rate for proposed characteristics of the Improved Special Residential rate category that is consistent with access to and provision of services to residential properties in a rural setting. The reason for this rate is to reflect the lower demand on City resources, such as, lower impacts on transport infrastructure, when compared to the other GRV differential rating categories. It is also lower than vacant land as the City is endeavouring to encourage landowners to develop vacant land."

				It is noted to propose that an additional section be included in the Improved Special Residential section of the Objects and Reasons with the following detail: "It must be noted that the Valuer General provides a discount to the valuation due to these properties not having access to services in residential areas. The City then provides a further discount by applying a reduced rate in the dollar to these properties and therefore these properties are receiving a discount in both instances. The intention over the next five years is to harmonise this GRV rating category to ensure that any properties impacted financially will transition over time and not receive a significant financial burden in any one year and that the valuation will be the determining factor in the rates payable." **We have minimal community facilities in our areas (community centres, halls etc.)** The community facilities in Kwinana are inclusive and available to all residents regardless of location. Community facilities are located and planned when there is sufficient population to generate demand for such facilities. The City has taken into consideration the population in all areas of Kwinana to ensure that future facilities are located within a reasonable distance from where residents live. **We have to maintain the bushland within our property and are restricted as to how we can use it and what we can do on it** The City's Local Planning Scheme No.2 sets the planning and land use / development framework for all land within the City. The objectives for the Special Rural zone allow the development of residences whilst securing the preservation of Banksia Woodlands. In addition, land use and development shall be consistent with the objectives of the State Planning Policy 2.3 – Jandakot Groundwater Protection, to protect and preserve the underground water resource. Keeping of animals or livestock needs to conform with the applicable stocking rates set by the Department of Agriculture and Water Resources. With regards to the planting of vegetation within building envelopes there are no restrictions on the vegetation which may be planted however, areas outside of building envelopes shall be planted with species endemic to the location. **We have little to no infrastructure (footpaths on roads, street lighting, no kerbs and street sweeping)** Footpaths - The City is currently finalising a Bike and Walk Plan that will identify the footpath needs and priorities across the City. Once this has been completed, the City will be able to commence the strategic construction of footpath and cycleway routes. Street lighting - Many of the streets within the City do not meet the requirements for street lighting under the Australian Standards. On this basis, a risk approach to the installation of street lighting is taken, with residential streets, and high volume roads being considered a priority, due to the higher risk of pedestrian and vehicle accident. Similarly, with other local governments, street lighting in rural areas is limited to higher volume intersections. This approach seeks to balance risk with capital investment and operational costs, in order to constrain the rate burden for ratepayers. Thomas Road Speed Limit being 90km/hr and accessibility - This road is under the care and management of Main Roads. The City has worked with Main Roads on the development of a concept design for future upgrading works. The concept design includes the construction of roundabouts and other intersection upgrades, to improve access from side roads.

				<u>Street sweeping</u> - Road sweepers are utilised on kerbed roads to reduce the likelihood of debris entering the City's piped drainage network. Where roads are not kerbed, road sweeping is not required. **Administration efficiencies should create savings for ratepayers** The City is continually reviewing its operating efficiencies and the level of services provided to the community. Any efficiencies are put back into the community in either new, improved and/or maintaining the current level of services (if funding from external sources has been reduced). While there will be administration efficiencies as a result of reducing the number of rate categories, the purpose of the rate harmonisation is to ensure that the rating principles that the Department of Local Government and Communities promote being Objectivity, Fairness and Equity, Consistency and Transparency and Administrative Efficiency are applied across all of the City's rating categories. The intention of the City's proposed rating categories after harmonisation is that the valuation will be the determining factor in the rates payable.
2	11111	Improved Special Residential	I received something in the post today that concerned me. It was regarding our rates for our semi-rural property and how they will be increased to align with the rates that residents pay in the built up areas of Kwinana. I'm a logical thinker. I don't understand how or why this seems to be appropriate action by your council. For starters, our property, like almost ALL the semi-rural properties around us, is not connected to the utilities that other suburban residents have access to. We are not on mains water, we are not on mains gas and we are not on mains sewerage. Therefore, we must make sure that we spend money each year maintaining our own facilities to make sure that our house has access to these things, at our own expense. Similarly, we have NO pathways or walkways. I'd love it if my kids got to ride their bikes along these roads, but we can't because there is no safe place for them to ride. These things are provided throughout the suburbs. If we are to have our rates increased to being the same as the suburbs.... then we should have these in place. I have not seen a single park or recreation area local to me since moving here. Not one. If you look at the distance between council provided parks and recreation areas in the suburbs, you'll see that there are a ridiculously high number. Most of these come with public facilities like children's playgrounds (updated frequently to reflect the current faze about what playgrounds are "best" for children), drinking fountains, or exercise equipment, walkways, fountains, landscaped gardens and public toilets. These come at a cost to the council in the millions to set up and in the hundreds of thousands to maintain each year (per park). We don't even get someone to come mow the council owned land in our area during fire season! I did a search on www.accesswa.com.au to see how many facilities were provided in our council area to the public. It showed that there are 127. How many of those are in our semi-rural area?? We have no curbing on our roads. There are some potholes on my drive to school that I have to drive on the other side of the road to avoid my car disappearing into them! We have NO street lights. Our streets at night are black as the Ace of Spades!	Refer to Submission #1

			We get no tip passes. We spend all this money on owning acreage, but then we're told by you how we can and can't use it. What animals we can own and the fencing we're allowed to have, where we can and can't build and what we can use it for. Even down the vegetation we can plant and what trees we can cut down. All of this we must pay for in application fees. Pretty much, the only council facility or service I see being provided to us on a regular basis, is our waste removal. Considering what we pay already, I think these rates are outrageously high for what we get. But if you're wanting to increase them over the next 5 years, I'd like to know how you're going to "harmonise" what you provide to us with what you provide in the suburbs. I look forward to receiving a response to my concerns.	
3	9686	Improved Special Residential	We wish to dispute/challenge the proposal to align the rates throughout Kwinana shire. We live in casuarina in a special rural area which we chose & have done so for approximately 17-18 yrs. We understand the reasoning for wanting to do this but we strongly disapprove & certainly will not be happy if this goes ahead. Although we may have access as a rate payer to most of the facility's available throughout the shire, we don't use any of them, although I'm sure we contribute to the construction & up keep. We don't have a mass of street lights or reticulated nice green verges nor do we want them, but if the rates are aligned then I feel we should be entitled to them just like the rest of the town of Kwinana. As a special rural land owner we are caretakers of the natural bush land & live within a building envelope. We have constant verge, fence & acreage bush land including firebreaks to maintain constantly throughout the year which general residents don't endure. As rate payers we should definitely all be treated the same on a personal level but we are most certainly different when it comes to access to facilities & general items as explained above. We are basically happy with the town of Kwinana & very proud of the presentation of the town of Kwinana centre district when we drive through there. My final point is that the housing market has been in decline since the GFC & most people haven't received a pay rise in the last 5 yrs yet inflation & the cost of living has gone through the roof. Maybe you should be paving the way & promoting yourselves as the first shire to reduce rates & put your energy into finding ways of doing this instead constantly raising them.	Refer to Submission #1
4	9729	Improved Special Residential	I would like to make a submission in regards to the proposed rate changes in the Casuarina area of the City of Kwinana. I do not believe it is a fair proposal. The harmonising of the rate structure would only be fair and equitable if all residents of The City of Kwinana had access to the same amenities and services within their area. In the Casuarina area : Proper footpaths with kerbing Playgrounds/park with play equipment and maintained Public transport Footpath access along Thomas Road to the train station (extremely dangerous walk) Upgrade to the entrance to Marri Park (hard to see at night and dangerous) Upgrade to Marri Park/Thomas road intersection (dangerous) Upgrade to Orton road Upgrade to street lighting Road maintenance/edge of road beautification and maintenance More done to stop hoon driving behaviour Your document was hard to understand for the layperson.	Refer to Submission #1

			I would like my objections to this proposal recorded and no changes made until these and any other suggested improvements are made.	
5	8261	General Industry & Service Commercial	We object to your proposed rate change. Our zoning is General Industry and we have no commercial sales what so ever from the site. To increase our rates for the streamlining of the city's administration is a great thing but to penalise and charge struggling businesses in the area is just abhorrent. Please reconsider your proposal.	The following provides a response to the common concerns of ratepayers within the General Industry and Service Commercial rate category: **The majority of businesses are struggling and cannot afford to pay rent and there are several properties vacant** The City recognises the importance of industry and commercial businesses and the employment opportunities that are provided. Over the last couple of years, the City has actively assisted local businesses in grants for external improvements, training and support initiatives. **Will increasing the rates by 6.97% increase the GRV and in turn increase other taxes such as Water Rates and Land Tax?** The level of rates set by a local government does not impact on the value of a property which is determined by the Valuer-General. For properties valued on a GRV basis for Council rates and State government water rates, the following factors are considered when the valuation of a property is determined: - location - proximity to services (schools, public transport, shops etc.) - age and functionality - additional facilities - provided accommodation - size and area - services to the property (water, gas, sewerage) Land Tax is also a State government tax that is based on the valuation of a property, however the valuation basis is the Unimproved Value set by the Valuer-General and is its market value under normal sales conditions, assuming no structural improvements have been made. **Will our zoning change as a result of the harmonisation?** The rating category applied to a property does not affect its use or zoning. Use and zoning is set out in the local planning scheme applicable to a property. **CPI is close to 1%, why raise rates 3.5%?** Although CPI is currently sitting around 1%, the budget for the 2018/2019 financial year is required to cover: - Utilities increase of 3%; - Reduced government funding – General Purpose Grant has reduced; - Fees and charges income has reduced; - Materials and contracts unit rates have increased resulting in expenses increasing; - Expected salaries increase of 1.5%; - All these factors result in the City requiring to fund the shortfall to maintain the same level of service **A shortfall in the budget is being determined because depreciation is being considered an expense, however it is just a book entry** When a local government is considering the budget shortfall required to be funded by rates, it must take into consideration:

				- all of its expected income to be received from operating grants, subsidies, and contributions, fees and charges, interest earnings, net profit/loss from disposal of assets and any other revenue; - operating expenditure required to meet the service levels set, including depreciation; - expected income from non-operating sources; - capital expenditure requirements; - proceeds received from disposal of assets; - any movements in financing requirements, such as loan payments/proceeds, transfers to and from reserves; Then prior to calculating the amount required to be levied through rates, the depreciation expense and the net profit/loss from disposal of assets is excluded.
6	8212	Improved Special Residential	We are NOT connected to the utilities that other suburban residents have access to. We are NOT on mains water, we are NOT on mains gas and we are NOT on mains sewerage. Therefore, we must make sure that we spend money each year maintaining our OWN facilities to make sure that our house has access to these things, at our OWN expense. Similarly, we have NO pathways or walkways. I have not seen a single park or recreational area. NO gym!! We don't even get someone to come mow the council owned land in our area during fire season. We have NO curbing on our roads. Roads are narrow and dangerous. So much so I can't ride my bike along half of them. Mortimer and Duckpond are dangerous. We have NO street lights. We get NO tip passes. Pretty much, the only council facility or service I see being provided to us on a regular basis, is our waste removal. Considering what we pay already, I think these rates are outrageously high for getting NOTHING. Please tell me what our rate increases are for?!	Refer to Submission #1
7	7070	Improved Special Residential	We are writing to you to express our objections to the proposed rate changes that impact our property in the Special Residential category (Rural Wellard). Even though we understand that minimising the rating categories would streamline administration on your end, considering this equals a gradual 12.83% increase to homeowners, it seems incredibly unfair and unjustified. My reasons for this are because we simply do not receive the same access to facilities and services that residential properties do and therefore we should not be expected to pay the same amount of rates. Furthermore, streamlining the administration on your end, would reduce your costs, so it seems rather profitable for you to be reducing your costs and charging us more for rates, even though it is stated nowhere in the letter that we should expect any additional facilities or services from paying the same as residential properties. I hope you take our objections into consideration because, unlike what your letter states, our proposed rate increase is not fair or equitable.	Refer to Submission #1
8	7544	Improved Special Residential	I would like to voice my disapproval for the increase in rates to the special residential category for us Rural residents of Kwinana. As Rural Residents we live away from the city of Kwinana and pose less of a cost to the council. We do not have the same landscaping , curb and guttering, footpaths and other amenities City residents have. In the past this has been recognized and as such a reduced rate in the dollar has been applied.	Refer to Submission #1

			The 2017/18 rate in the dollar was 0.06515. the proposed 2018/19 rate in the dollar 0.07120 is a %9.28 increase. when applied to the GRV this is going to increase my rates. I do accept the running of a council is a costly matter but any increase above inflation is hard to believe. I didn't mind the Environmental levy of $63 to deal with graffiti, litter and bush collection. I wouldn't mind paying a bushfire prevention levy to slash the long summer dry grass on the verge around rural areas and hazard reduction burns by our marvellous fire fighters.	
9	5350	Improved Special Residential	I am writing to submit our objection to the planned increase in rates for properties in Casuarina. The increase is to cover the costs of changes and upkeep to facilities and services that we do not have. These facilities and services are only available in the residential areas of Kwinana. Because we do not receive the same access to facilities and services as residential properties we cannot see the justification for this change.	Refer to Submission #1
10	8392 8207	General Industry & Service Commercial	On behalf of myself and the other owners of the above properties, I would like to express our objection to these rate increases commencing 1 July 2018. Please note that I have today phoned the City of Stirling and they confirmed that the council are currently discussing a 3 year freeze on Council Rates. Refer to their website for more information. Currently inflation is running at less than 3 % and your asking the rate payers to absorb a 7% increase who are our tenants in both instances. They are already experiencing financial stress with increases in variable outgoings. As a result of the points above we hope that common sense prevails and you review and reverse your decision in reference to the increases listed in the letter dated 30 April.	Refer to Submission #5
11	7547	Improved Special Residential	I would like to register my objection to the proposed rate increase. Not only is this breakdown/explanation hard to understand and decipher there is no mention of how this increase is of benefit to us. So what are we supposed to get in return? You are never going to lay a footpath in my street, we have no public transportation, cycle or safe pathway to Kwinana train station, we have no playgrounds nor any public open space to create one, I've never seen a road sweeper, any road maintenance, kerbing or verge maintenance....hell we couldn't even get the council to lay some roadbase at the end of the cul-de-sac to stop vehicles bogging on our verge even though the council member who came to look at it got bogged himself and needed assistance to get out!! Maybe a proposal to residents to advise what they are likely to benefit from this proposal, because sorry but at the moment all i can see is that its all about you!!	Refer to Submission #1
12	7543	Improved Special Residential	I received your information regarding the increase in our taxes rate for the next 5 years. While I understand you would like a single rate for all Kwinana, I do not approve it. Rate should be based on the service provided. You wouldn't pay gold call movie ticket to have a standard seat? Same goes with our rate. You see we live in Bertram for 3 years before moving to Casuarina so We know all what we're missing out. SO unless you can provide be an approved plan to upgrade the following I do not agree on the rate increase:	Refer to Submission #1

			• Street light! On a 1km street we have 2 light at the corner of Newbold road and Thomas road and 1 at the end of the road. I dare you to walk there at night • Scheme water. Yes we live on a water tank. No rain = no water. No electricity = no water (we need pump) • Sewage. Yes we need septic system and maintain them at our own cost • Secured access to enter and exit Thomas road. Cars and truck are going at 90km/h and do not slow down when we're stopped trying to go to Newbold road • Accessible access to Mari park. yes we have an access but it's made of sand! I'm asking you to try to access it with your bike to use the beautiful bike path you did in Marri park, or best use it with a pram in case of bush fire as this is one of 2 possible exit. The other one has a padlock on it !! • Footpath • Bus • School • Shops • medical center Once you can provide be a schedule to cover all the above I'll be happy to pay the same rate than people living in residential having access to it	
13	8309 8310	General Industry & Service Commercial	As stated in your proposal letter it is noted that Rates for the year 2018/2019 will increase by 6.97%. As Rates are calculated on GRV and this area of Kwinana has had extremely high vacancies over the last few years we, the owners of above mentioned properties, feel this is unjust in the current climate. Should the proposal go ahead, it will ultimately incur increases in Water and Land Tax which in turn will put pressure on current Tenants of these properties who have been doing it very tough over the last few years due to the massive downturn in many areas of Industry since 2014. The last thing that anyone wants is for businesses to move out of the Kwinana area because this increase would certainly make Companies look twice at the ever-increasing costs of their Overheads. Until Kwinana Industrial area is 100% tenanted and continuously so for a significant period, then in our opinion, the Rate increase is unjust and unfounded.	Refer to Submission #5
14	11676	General Industry & Service Commercial	I wish to respond to recent correspondence re zoning changes of the above address. We have received correspondence re changing our zoning to improved industrial / Service. This entails a rate increase. We can neither afford a rate increases and do not wish to have it rezoned in the name of rate harmonising. We have not been consulted and the use has not changed.	Refer to Submission #5
15	9122	Improved Special Residential	We live in, arguably, the best state in the best country in the world. The City of Kwinana is amongst the best places in this state to live. Dealing with the City of Kwinana (CoK) in the past has always been positive, cooperative and amicable, until now. There is very little ‘Harmony’ in the above proposal. Very few of the ratepayers of the 800 odd properties affected by this proposal would agree with it. It is also creating stress, especially amongst the more senior residents trying to survive on a pension with many utility’s and services constantly increasing in cost! Part of the CoK reasoning behind this proposal is reprinted below - From the CoK “PROPOSED DIFFERENTIAL RATES - …” AND virtually repeated in “Rate classification Harmonising frequently asked questions”, in part reads; - “…Rates Harmonisation reduces the number of rating categories whilst ensuring that all rateable properties are being rated in fairly and equitably giving due regard to the key rating values of objectivity, fairness and equity, consistency and transparency and administrative efficiency…” From the CoK as spelt out in “GRV Improved Special Residential”, in part reads; - ‘…The object of this rate category is to provide a lower differential rating... that is consistent with access to and provision of services to residential properties in a rural setting’ ‘The reason for the lower rate is to reflect the lower demand on City resources such as	Refer to Submission #1

			lower impacts on transport infrastructure...' Objections to the above proposal; - 1. Firstly, what happened to 'Improved Special Rural'? Special Rural (not – 'Improved Special Residential)' more than adequately describes our land. Our land is, by definition, 2.023 hectares (5 acres) or more in size, which is capable of consuming 50 or more 'Improved Residential' blocks of land. We are in effect living in a Rural area with Special conditions, i.e. building envelopes-within which all buildings must be contained, etc. 2. In this modern age of computers, it is almost irrelevant how many categories there are as once a property is set to the appropriate category the computer makes all the relevant calculations. 3. It is hardly being rated in a 'fair and equitable' way when Special Rural (Improved Special Residential) is lumped in with Improved Residential and it entirely defeats this purpose. 4. The whole point of having different categories is to allow for different types of land being used in different ways. 4.1. In effect ratepayers living in Special Rural areas are custodians of and help to maintain the bush environment and the flora and fauna that are contained therein – endangered Carnaby & red-tail cockatoos, quendas, possums, numerous birds, etc. We are responsible, where possible for the removal of declared weeds. This is not the case in Improved Residential areas. 4.2. We (in Special Rural) are responsible for the construction and ongoing maintenance of firebreaks during the fire season and all the associated cost in doing so. This is not the case in Improved Residential areas. 4.3. The City of Kwinana has much less to maintain in the Special Rural (Improved Special Residential) Area than in the Suburban (Improved Residential) areas. 4.3.1. Most of Special Rural areas only have street lighting at the intersection of two or more roads, which is more than sufficient, any additional lighting is not needed nor requested. 4.3.2. Similarly, footpaths do not exist nor are they required. 4.4. The City of Kwinana on a very irregular basis slash the verges. As this is often not frequently enough we have to mow/slash them to help reduce the fire risk during the fire season. I have charted the information from our Rate notices over the past 25 years (see attached - Rates.xlsx). It is interesting to note that the average of all the rate increases is 4.65% over the past 25 years. The new proposal would increase rates by 4.76% each year for 5 years and presumably would still go up by the average of 4.65% as well! Also, in the attached spread sheet you will notice we used to get a 5% discount if the Rates were paid by a certain date. This was discontinued in 1999. Then in 2003 the ESL Levy was added, followed by the Environment Levy (which previously must have been covered by our rates!) in 2012. It would be easier to leave the category's as they are/were and come up with a reasonable increase to the rate calculation based on the Average Cost of Living, Consumer Price Index (CPI) or similar appropriate government, rating system. Summary The 20 pages of documentation provide with this proposal is far from clear to read and absorb. I know of many who have simply just given up (maybe that is the intention). If this submission against the proposal (only 2 pages) is similarly hard to read, I can only apologise and remind you that is exactly how we feel after having read your proposal. Only having 21 days for ratepayers to reply to this proposal is a very short time in the busy world most people live in! The proposal contradicts itself, on the one hand talking of differential rates to allow for different type of land use then on the other hand trying to lump together two obviously different types of land use. All under the banner of trying to reduce the number of land use types to make it easier. Easier for who, the computers?	

			As for – '…objectivity, fairness and equity, consistency and transparency and administrative efficiency…' - we have no idea where it fits in to your arguments. We hereby strongly object to the proposal to 'Harmonise' our rate category of Special Rural (improved Special residential) with that of Improved Residential.	
16	9447	Improved Special Residential	We live in Marri Park, casuarina and We are writing in regards to the revised rates plan and would like to object to these changes until we have some indication on what the counsel have planned for our area. The following are issues that we feel should be resolved. - Firstly, we need a safer entrance and exit from and onto Thomas road seeming it is 90km/hr - a safer footpath around Marri Park as people drive on the footpath not realising it's an actual footpath. Maybe a curb to differentiate the two. - underground power - nicer entrance into our suburb - footpath/ bike path to the freeway as you currently cannot ride along Thomas road safely - mains gas rather than bottles - park for kids	Refer to Submission #1
17	11357	Improved Special Residential	I am writing to strongly object to the planned rate rises for Semi-rural Wellard. I object to the harmonisation of the rates on the basis that it is not fair and equitable because special residential properties do not have the same access to facilities and services that residential properties have. At my property I only have an electricity connection, and a telephone line. I have no water, sewerage or gas connection. The nearest bus stop is over 4 kilometres walk, and there are no footpaths on which to walk there. The town of Kwinana has spent $0 on improving amenities in this area, even the number of streetlights is very limited. With the police fighting over who should police this area, and the extreme lack of funding for this area by the Kwinana council, we here feel like " the forgotten suburb". At my expense I have to maintain firebreaks, install expensive septic systems, water tanks and water pumps, and maintain or replace them. I am not allowed to subdivide and in fact I'm only allowed to use a mere 10 percent of my property. I strongly object to the Kwinana council viewing this area as some sort of "cash- cow". My understanding is that rates are largely calculated on "rental value". Well the real estate market has been going down, how then can rates go up? Perhaps you assume that people who live in this area are very wealthy. This is not the case, I personally am unemployed, I struggle to pay the current rates as it is – I get a ZERO percent reduction in my rates for being unemployed, and now you want me to pay more? My total yearly income is $14000, paying yearly rates accounts for a whopping %15 of my income. I've been a citizen of Kwinana since 1981 and I have lived in this area since 1983 (35 years) so I can personally tell you that virtually nothing has changed in that time, except of course the exorbitant rate increases that come year after year. Perhaps if Kwinana council had not lost so much money around 2006 with poor investments, then I wouldn't be writing this letter now. In conclusion I am strongly opposed to any rate increases in this area until Kwinana council spends some money on upgrading this area. I think if you don't listen to what the people are saying then you may find further action is taken by the residents.	Refer to Submission #1
18	10951	Improved Special Residential	We have just returned home from an overseas holiday to discover the recent correspondence from the Kwinana Council. After reading the proposal in regards to the increase of rates on our Special Rural property in Wellard. We are concerned by this proposal to harmonize our rates to align with residents in built up Kwinana. As a semi-rural property owner within the Kwinana Council region we feel this proposal is very unfair of the council. We cannot understand how we will be entitled to the same	Refer to Submission #1

			facilities as suburban residents. We are not on mains water or connected to mains gas supply. We have our own deep sewerage on the property and have no footpaths. We would love our children to safely ride their bikes on the surrounding roads. There is no curbing within our local streets nor any local parks for our children to play in. The majority of roads have no street lights and it is very dark within this area. We understand that we have the extra space within our property boundaries however this is maintained by us and not the local council. The council expects us to maintain our own fire breaks and have restrictions on what trees and vegetation we can remove on our own property. So it appears the only regular thing the council provides us is waste removal. Considering this, we believe the current rates that are being charged are outrageously high for what is being provided. We would like to know how you propose to harmonize this area and provide us with the same facilities that the suburban residents receive. We look forward to receiving your response to our concerns.	
19	7546	Improved Special Residential	We wish to object to the proposed harmonising of the rate structure over the next 5 years. We have lived at our present address for 16 years now and choose this life style in wish to raise our family. We accepted that part of living in a semi-rural environment meant that certain services would not be available. Our present rate category of special residential reflects this lack of services. However, to increase our rates to be in line with residential seems we will be disadvantaged twice. Once with the lack of services and the second paying for services that we don't have. We currently have no footpaths on our street nor do we have a hard shoulder. We have had numerous cars and very large trucks bogged in our verge. After complaining to the council regarding this matter an inspector came to have a look. He himself became bogged in the sand of our verge. We helped him free his car and waited for a response from the council. When we approached the council again to find out if there had been a solution, we were told that the best solution they could see was to buy a bigger shovel and rake to fill in the holes after someone had become bogged. There is certainly no road, kerb or footpath maintenance. There has never been a street sweeper on our road. During winter there is a very large 'puddle' that is a constant feature at the end of our road. There is no drainage or way for the water to run off. The is only 1 street light in our whole street, which is over a kilometre long. We have no footpath on our street or on Thomas Road with no safe way for anyone to walk, ride bikes or any other items to the bike paths along the freeway. There is no bus service or access to the train station. Although the council do paint the bus shelters along Thomas Road on a regular basis. We are not sure who uses these shelters. There are no parks and recreation areas in our neighbourhood. The council provides very little services to us besides rubbish collection, green waste and white good collection. We have no scheme water, gas supply, sewerage and the phone lines in our area are so intermittent that they are unable to connect us to NBN and on a regular basis we are several days without a phone. We feel that our present rate category reflects the lack of services provided to us. There is no way we can be compared to a residential block. To increase our rates in line with all residential rates is increasing our disadvantages. The only advantage we can see to the proposed changes is for the council to become richer! ! !! We trust the council will reconsider this poor decision and let our rates continue to reflect the lack of services we have in our area.	Refer to Submission #1

20	Various	Improved Special Residential	We have received a large number of requests from our residents asking us to bring to your attention their dismay and dissatisfaction. The cause of their concern is the document they have received concerning a change to the way our Special Rural properties will be categorised and charged Council rates in the future. In reference to your letter dated 30th April 2018 and the enclosed 'Statement of objects and reasons for differential rate categories 2018/19', we make the following observations and comments. The letter starts off by stating that the City of Kwinana are proposing to commence harmonising the rating structure to simplify and reduce the number of categories, whilst ensuring properties are rated in a fair and equitable manner. o How can your plan to increase our category rate by a whopping 12.83% starting with 2.57% this coming financial year and ending in the complete removal of the 'Special Rural' category altogether by 2023 be in any way harmonious or justified? • Under the Heading 'GRV Improved Special Residential' which includes our Special Rural properties. The object of this category is clearly explained. o "The object of this rate category is to provide a lower differential rate for proposed characteristics of the Improved Special Residential rate category that is consistent with access to and provision of services to residential properties in a rural setting. The reason for this rate is to reflect the lower demand on City resources, such as, lower impacts on transport infrastructure, when compared to other GRV differential rating categories." o When looking at the area that our Association covers, it is evident that we are cut off from virtually all City amenities and services. Our area is cut off by the Kwinana Freeway to the west of us, The rail line to the south, the Casuarina prison reserve to the north and the city boundary to the east. There is just a single amenity in our area and that is the Progress Association hall on the corner of Barker and Mortimer roads. This facility was built as a joint project by local residents and the City of Kwinana and is run by members of the Progress Association. No other City amenities are available to us at all. • What justification is there to increase our rates? Are there plans to supply us equal and equitable access to council facilities enjoyed by 'Improved Residential' ratepayers? o We (on Special Rural properties) are responsible for the construction and ongoing maintenance of firebreaks during the fire season and all the associated cost in doing so. This is not the case in Improved Residential areas. o In effect ratepayers living in Special Rural areas are paying and working to maintain vital natural bush and the flora and fauna that are entirely dependent on it. These include many rare, endangered and threatened species, including– Carnaby & Red Tail cockatoos, quendas, possums, numerous birds and reptiles etc. This is not the case in Improved Residential areas. o The City of Kwinana has much less to maintain in the Special Rural (Improved Special Residential) area than in the Suburban (Improved Residential) areas. § Most of Special Rural areas have little or no street lighting. § Similarly, footpaths and cycle ways do not exist. o The City of Kwinana carries out little or no verge clearing in our area. This leads to residents having to mow/slash them to help reduce the fire risk during the fire season.	Refer to Submission #1

			o Other amenities we do not currently enjoy the supply and use of include:- § Public toilets, playgrounds, sports ovals, public transport, water, gas and sewerage services. o Not only do we not enjoy the same services as others, we also have to bear the added burden caused by the onerous conditions imposed on special rural properties? § These include:- § Restricted to only being able to use a Building envelope (approximately 10% of the property we own). § Restrictions on removal of any native bush. § The expense of maintaining fire breaks around our property and the fuel loads throughout the natural bush areas of our properties.	
21	6539	Improved Special Residential	We have recently become aware of the plans for a rate increase for special rural properties. I would like to strongly object to this increase and believe there is no justification for the increase. Special rural properties are already without many of the basic facilities and services enjoyed by residents living outside these zones in the Kwinana area. These include but are not limited to: • City of Kwinana provides no community facilities in this area (Casuarina Hall is run by the Progress Association) • There is minimal (virtually none) public infrastructure (such as footpaths, parks and recreation facilities) for the City of Kwinana to maintain • There are no long term plans to increase public amenity in the Special rural area • The existing rate differentiation has already been justified by the City of Kwinana in their own words - that special rural properties utilise less of the City of Kwinana facilities. Nothing has changed, there is no basis to charge more for these properties. • Special Rural residents are by default responsible for maintaining vital natural bush on their properties at their own cost to in turn protect endangered flora and fauna that resides in this area. This restricts the way we use of our properties but is of benefit to the wider community. I would like to take this opportunity to suggest that you reconsider this decision.	Refer to Submission #1
22	5528	Improved Special Residential	We recently received a five page letter (Proposed Differential Rates 2018/2019) and a fifteen page document (Statement of Objects and Reasons for Differential Rate Categories 2018/2019). Both documents are ambiguous, contradictory, confusing and do not adequately explain or justify your proposed changes to our rates. As owners and ratepayers of an 'Improved Special Rural' property my wife and I strongly object to this entire proposal. The cause of our concern is the proposed change to the way our Special Rural property will be categorised and charged Council rates in the future. The letter starts off by stating that the City of Kwinana are proposing to commence harmonising the rating structure to simplify and reduce the number of categories, whilst ensuring properties are rated in a fair and equitable manner. How can your plans to increase our rate by 2.57% this coming financial year and by 2023 increasing it by a massive 12.83% (This does not even take into account any 'across the board' increases you may decide to charge) be in any way fair, equitable and harmonious? How can your plans to completely remove our rating category 'Special Rural' altogether by 2023 be in any way fair, equitable and harmonious? Under the Heading 'GRV Improved Special Residential' which includes our Special Rural	Refer to Submission #1

			properties. The object of this category is clearly explained. • "The object of this rate category is to provide a lower differential rate for proposed characteristics of the improved Special Residential rate category that is consistent with access to and provision of services to residential properties in a rural setting. The reason for this rate is to reflect the lower demand on City resources, such as, lower impacts on transport infrastructure, when compared to other GRV differential rating categories." • When considering our access to City amenities, resources and services one must understand the geography of the area in which we live. We are hemmed in by the Kwinana freeway to the West, the rail line to the South, the Casuarina prison reserve to the north and the city boundary and rural land to the East. There are no City amenities available to us at all. What justification is there to increase our rates? Are there plans for the near future to make available to us an equal amount of council facilities enjoyed by 'Improved residential' ratepayers? The City of Kwinana has much less to maintain in our Rural (Improved Special Rural) area than in the Suburban (Improved Residential) areas. We have little or no street lighting, no footpaths and no cycle ways. Other amenities we do not currently enjoy the supply and use of include :- Public toilets, playgrounds, sports ovals, public transport, water, gas and sewerage services. The City of Kwinana carries out little or no verge clearing in our area. A single tractor with grass slasher attachment can sometimes be seen in the area. However it is very rare to actually see the operator doing any work. What is occasionally done, is poorly done and ineffectual. There are numerous corners, bends and rises that are dangerous to traffic and pedestrians, as much of the bush is encroaching onto the roads. These verges are also a fire risk during the fire season. When residents take it upon themselves to mow/slash their own verges they are threatened with prosecution. We are happy to look after our properties and verges. We maintain our firebreaks and control the fuel load on the bush sections of our property, we have purchased and maintain a fire-fighting unit to ensure both our safety and that of our neighbours. There is of course a significant investment in time and money to do this. Improved Residential ratepayers do not have to do this! By choosing to live in a Special Rural area we are paying and working to maintain vital natural bush and the flora and fauna that are entirely dependent on it. (These include many rare, endangered and threatened species, including– Carnaby & Red Tail cockatoos, quendas, numerous birds and reptiles) Our efforts and expenditure benefit the entire community not just us. Residents in Improved Residential areas do not have this burden. We strongly object to the removal of our 'Improved Special Rural' rates category. What possible reason or justification in completely removing this rating can there be? Once this category has been removed it completely removes any mention of the differences between our category and that of Improved residential. We can only wonder what the real motive behind this move is! We further object in the strongest possible terms to this attempt to charge us for services you do not currently supply and do not plan to supply in the foreseeable future. We urge you to reconsider this decision, which is neither fair nor equitable.	
23	7801	Improved Special Residential	We have received and reviewed your letter of 30 April 2018 regarding the proposed harmonisation of rating categories for City of Kwinana residents over the next 5 years.	Refer to Submission #1

			While there may be merit in some of the rationalisation categories, we do not believe that the loss of the 'Improved Special Residential' category and its amalgamation into the 'Improved Residential' category is either fair or equitable. As our current rating is 'Improved Special Residential' we do not have the same infrastructure around our property as provided for residential properties. We live on the urban fringe and do not have street lighting, footpaths, kerbing or other aesthetic enhancements (such as road side shrubs or trees provided by Kwinana City). The City has also not provided us with a potable water supply or a deep sewage system so has no upkeep or repair costs to bear in this regard. Further, our telecommunication capability is far inferior to 'Residential' developments as longer distances to exchanges and lack of NBN is a continuing and ongoing distinction between Special Residential areas and Residential developments. We are not advocating that we should have any of these amenities provided by Kwinana City but maintain that our rates should reflect the lower demand on Kwinana City resources as is currently the case. We would request that Kwinana City considers that the differential rate between 'special residential' and 'residential' be maintained to reflect this basic cost saving to the City.	
24	11359	Improved Special Residential	I would like to express my concern over the proposed rates increase for the rural areas in Kwinana East (Wellard and Casuarina). Whilst residents expect that there will be a small increase annually to help cover planned projects and growth and development of various areas with in the City, no such developments have occurred in the past 8 years that I have been a resident and land owner in Wellard, my understanding is that there are no long term plans to increase public amenity in the special rural area. Whilst our area is self-sufficient, a small amount of public infrastructure would be a welcome relief. Personally I would like to see footpaths along Mortimer Road, we have a lot of people that have to ride there bikes over to Bertram to be able to access public transport links. Currently it is unsafe for people to ride along Mortimer Road, trucks and other road users do not make concessions for cyclists at all. It would be great if the council put some resources into all areas of the City of Kwinana, particularly if you are planning on charging us the same rates as others.	Refer to Submission #1
25	17194	Improved Special Residential	I strongly object to the rates on my home in Casuarina being "harmonised" to standard residential rates. We purchased our property 9 years ago and have not seen any justification for this rise in rates. In 9 years we have not had any new facilities or infrastructure changes to our area. - City of Kwinana provides no community facilities in this area (Casuarina Hall is run by the Progress Association) - There is minimal (virtually none) public infrastructure (such as footpaths, parks and recreation facilities) for the City of Kwinana to maintain - There are no long term plans to increase public amenity in the Special rural area - The existing rate differentiation has already been justified by the City of Kwinana in their own words - that special rural properties utilise less of the City of Kwinana facilities. Nothing	Refer to Submission #1

			has changed, there is no basis to charge more for these properties. - Special Rural residents are by default responsible for maintaining vital natural bush on their properties at their own cost to in turn protect endangered flora and fauna that resides in this area. This restricts the way we use of our properties but is of benefit to the wider community. I see this as nothing more than a money grab. We have no water supply, no gas supply, no footpaths or street lights. I already pay 10K a year as the one public high school available is not suitable. We manage our own firebreaks, fire management plans etc, sewerage system (15K), water tank (12K). Again, we strongly object.	
26	11354	Improved Special Residential	I strongly object to the recent proposal to apply the same rating value to special rural properties as that applied to standard residential properties. As a resident for over 15 years I have seen no additional injection of town of Kwinana funding to our streets in our special rural zone. We supply our own water and gas and maintain our own properties leaving native bush intact. Outside of bin collection (separate rate) has me asking really what do we receive from town of Kwinana as it stands currently. Council verges are barely cleared leaving corners as a safety visual hazard as well as a fire risk to properties and fencing and roads overgrown. There are no footpaths in my area or street lights. As a hard working family we are struggling to survive as is and i strongly object to this harmonisation proposal for special rural properties.	Refer to Submission #1
27	19424	Large Scale General Industrial & Service Commercial	As the owner and occupier of a property within Hope Valley I wish to make a submission regarding the Proposed Differential Rates. I believe the city is using catch words like fair and equitable as throw away lines to increase revenue to support House Holds electors and reduce services to electors like myself who also own our business. There is nothing fair and equitable about paying $77,000 dollars per year and not even receiving basic services such as working street lights, street scape maintenance, street sweeping, reliable rubbish service we are unable to opt out off even though the truck never comes and having a new charge to even pay access for our own trucks to access our own depot. The proposed changes are nothing more than administrative and with modern technology I am unable to see how any key rating will be affected besides increases to rates and reduction of services already non-existent. It would appear the “business’s don’t vote” premise is alive and well in Kwinana. You don’t even return phone calls or emails. Maybe I should ring up as an Elector and not a business and see if it changes. Coming from a similar size property in the City of Belmont the level of service provided here is appalling. As an elector and a rate payer the City of Kwinana is a poor choice for any small business wishing to have a go.	Refer to Submission #5

			Maybe your catch phrase should be "Business pay more get less, Welcome to Kwinana"	
28	7499	Improved Special Residential	My husband I have lived on our 5 acres for 34 years and have loved every minute living in the City of Kwinana. Over the years I have given many volunteer hours working with the Council on many different projects and have a good working relationship with many departments of the Council. After receiving this letter on the PROPOSED DIFFERENTIAL RATES 2018/2019 I am of the opinion that this is not one of the COUNCIL'S finest moments. My husband and I STRONGLY PROTEST against this HARMONISATION of the Rating structure and the change of our property from 'IMPROVED SPECIAL RURAL' to "IMPROVED RESIDENTIAL". The Letter that was sent was very confusing and has put a lot of stress on ourselves and neighbours especially the pensioners as this is an increase that would put us under a great amount of pressure and hardship in paying the extra rates under "Improved Residential" category. As per your letter "Rate classification Harmonising frequently asked questions" AND virtually repeated in "PROPOSED DIFFERENTIAL RATES - …", in part reads; - "…Rates Harmonisation reduces the number of rating categories whilst ensuring that all rateable properties are being rated in fairly and equitably giving due regard to the key rating values of objectivity, fairness and equity, consistency and transparency and administrative efficiency…" The following is spelt out in "GRV Improved Special Residential", in part reads; - '…The object of this rate category is to provide a lower differential rating... that is consistent with access to and provision of services to residential properties in a rural setting' 'The reason for the lower rate is to reflect the lower demand on City resources such as lower impacts on transport infrastructure...' -2- HARMONISATION only should happen if the categories that you are wanting to combine are on the same level and equal in their objectives. You must be aware that the 2 categories are so completely different as "Improved Residental " people are living on smaller blocks that have more amenities and are in need of more Council facilities. "Improved Special Residential" means we are on larger blocks not near council facilities and have extra work to maintain our properties. This maintenance is expensive and takes up a lot of time for the residents so we do not have a lot of time to use the council's facilities. WE LOVE LIVING IN OUR RURAL ENVIRONMENT PLEASE DO NOT INCREASE OUR RATES !!! Hope you look favourably on our request.	Refer to Submission #1
29	7007	Improved Special Residential	To whom it may concern regarding the paperwork received about the changes to rezoning and rate rises no we do not agree. We have approached the council in the past regarding charges to which we were told we had been over charged our rates were amended. Why would rates rise when there are new subdivisions and 100s of new homes built which are all paying rates. We don't have street lighting, foot or cycle paths or curbing, why would we have to pay more. What do you do for us? We have our rubbish and recycle picked up o gee we pay for that don't we. We live between egg farms and have to put up with the flies and smell and it is an added expense for us we have to use insecticides and deodorizers. Thankyou, your not so happy rate payers.	Refer to Submission #1
30	7069	Improved Special Residential	I have recently received the letter regarding the proposed increase and alignment in rates over the next 5 years to our "Special Rural" area in Wellard East. I am a bit confused as to the reasons behind the 12.8% increase as there seems to be no imminent or future plans to	Refer to Submission #1

			"improve" our facilities or to improve our basic services which the suburban zoned areas receive. We DO NOT have street lights, Footpaths, roads free of pot holes, neatly trimmed council verges, parks with playgrounds, verge kerbing, in fact, all services that we currently have access to are funded at our own expense ie. gas, water, sewage and fire break maintenance etc. Another example is our neglected main access (duckpond rd) to Mundijong road. This one way road reminds us of why our rates should be less. Can you please let me know if I have missed something and what services will be coming to our "special rural area" to justify this outrageous increase. Is this simply someones idea to increase revenue? Can you also tell me the reason why special rural rates were cheaper than residential before this new 12% increase? I look forward to your response.	
31	5766	Improved Special Residential	In relation to your letter received regarding rate increase to residents of Casuarina, we strongly object to this proposal. As a resident of this area for over 12 years we do not receive or benefit from any of the amenities or services which you provide to residents of Kwinana or surrounding areas and we don't believe that this is going to change in the near future or even over the next five years. We believe this increase is extremely unfair and should not be implemented, however if this does go through please justify what benefits we will be provided as at this stage we aren't provide with much as it is. For our current rates we pay, the only services we receive from you are the green waste and junk verge collections (which other councils also provided as well as tip passes to their residents) and in all the time we have resided in this area your council has only installed a walk/bicycle path around Marri Park Drive which in the manner it has been designed can be classed as a widening of the road as motorists drive on it and it is quite dangerous for pedestrians using it, it should of had curbing the entire way and the footpath raised to the top of the curbing as that would delineate the road from the footpath. Why isn't there a path on both sides of the road like the streets of Kwinana. Also why isn't there a footpath on Thomas road to the train station from Marri Park Drive, pedestrians are having to walk alongside vehicles travelling at 90km /hour. There are many objections to your proposal of a rate increase as it is simply unfair and we don't believe we will get anything additional out of it as we get bugger all now.	Refer to Submission #1
32	5782	Improved Special Residential	I refer to the document "Proposed Differential Rates 2018/1019 and seek clarification about the proposed rating and the effect it will have on current zones. The document "Rate Classification Harmonisation FAQ" states quite clearly that the proposed harmonisation of rate categories won't affect the use and zoning of our property. However, I note that the rating of our property was changed in 2016 from Improved Special Rural to GRV Improved Special Residential and which I can't recall if I was notified at that time of the immediate change. Could I please be sent by return e-mail a copy of the original notification if indeed we were notified? At present our property is valued at the Rate of GRV Improved Special Residential which under this category includes Special Rural under Town Planning Scheme No.2 and is not vacant. I take it that was how the move from Special Rural was accomplished? In 2023/24 it is proposed that Improved Special Residential will no longer exist and our property will become Improved Residential for which there is no category for dealing with Rural Properties. In the document "Statement of Objects and Reasons For Differential Rate Categories 2018/2019 it states when describing GRV Improved Residential "The object of this rate is to	Refer to Submission #1

			apply a base differential general rate to land zoned and used for residential purposes and to act as the City's benchmark differential rate by which all other GRV rated properties are assessed." Do I take it that rural properties will come under the same regulations and we will not be able to use our properties for rural purposes such as havens for endangered cockatoos and quendas to name few. I have found this process very cumbersome and confusing with no page numbers on documents for easy reference and the interchange of the terms rates, zones, categories, Differential general rates and general minimum payments. I am also confused with regard to the closing date for Submissions, which have been requested to be submitted within 21 days of the notice which is 21 May 2018 and then it further states that Submissions close on pm Thursday 24 May 2018. Could you please clarify why we have been given two dates and which one is valid? Finally, we strongly object to the proposed changes without further explanation and consultation with the occupants affected.	
33	5749	Improved Special Residential	Thank you for the file of information regarding the above subject. As a person of non-legal studies background, I have found it very difficult to fully understand the details within. I most definitely understand that the basic object is notification of increased Annual Rates. Harmonisation according to the dictionary is a ‘state of peaceful agreement and co-operation’. Without understanding, how can there be an agreement or co-operation. I understand our property is to be changed to Improved Residential Category, with a minimal payment of $1036, the same as three other categories. What does ‘minimum’ mean? Is it the total proposed increase annually or is this part of an increase? The meaning is unclear and confusing. I understand the legal description must be demonstrated, but I also think it only fair to explain to us in comprehensive language what the honest impact of your proposed plan will be. Kwinana is growing every day, new housing everywhere, this will bring the Council a huge increase in revenue above the cost of infrastructure. If we are to harmonise, the City of Kwinana need to be honest. I oppose the proposal without further literature that is presented in a format that all Ratepayers can understand.	Refer to Submission #1
34	15803 15804	Improved Special Residential	In response to your recent letter regarding the proposed increase of rates for ‘special rural properties’ we wish to bring to your attention our strong objection to this increase. Following are some of our reasons for our objection. People who live in these properties do so because they value the worth of nature, ie the natural bush, flora and fauna and are prepared to protect all of this for the benefit of the environment at no cost to the shire, but to the benefit of the area. This of course benefits the whole of the Kwinana area. Just for interest, we have had people, including local tradespeople come to do work on our block and have commented on the bush and that they didn’t know places like these blocks even still existed. One of the drawcards of living in the shire of Kwinana is the native bush. Isn’t this one of your advertisements?? In our opinion these special rural areas should be valued and preserved for the benefit of all. Not to have the people who live there penalised by raising rates, when there is no facilities i.e. footpaths, childrens playgrounds, parks, sewerage, water etc for the shire to maintain.	Refer to Submission #1

			Landowners all over Australia care for and work hard to protect that land which in turn benefits the environment and all that entails. Some of the most peaceful people living in the Kwinana Shire are probably the people who are living and protecting these special rural properties again at no major costs to the shire. Raising the rates of these blocks has nothing to do with the amount of voting numbers of the people who live in these blocks verses suburbia does it?? We suspect that it does. The Shire has many rules and regulations that the people who live on these block have to adhere to, so that the environment etc is preserved. Ie no land clearing, firebreaks all to the benefit of the whole shire. Sometimes this restricts what can be done on these blocks by the owners, but it still benefits the whole shire. Just as an addition perhaps the Shire can do something to lessen the amount of ‘hoons’ that do ‘burnouts’ in these lifestyle areas. It is very dangerous and we note that it does not happen in the built up areas. Thankyou for taking the time to read our objections	
35	8003	General Industry & Service Commercial	We write to express our concern and Objection with the Proposed Increase to our Rates. Reason seems is to make up for Incorrect shortfall shown on the City Budget for year ending 30th June 2018, Loss of $ 6,068,058.00 The so called Loss is caused by a Incorrect Expense entry; Depreciation on non current assets of $ 13,268,106.00 The above is not a Expense, but simply a book entry for accounting purpose. Hence the True Balance is a $ 8.7 Million dollar PROFIT, Not a 4.5 million $ Loss Also pls note the amount shown on page 3 ?, Proposed Rates Levied, is misleading, it does not include ESL, GRV Environment Levy etc. Please be aware that Majority of Business operating in the Kwinana, are doing it TUFF We have several properties which are empty Several tenants whom Cannot afford to pay rent Rent over the past 5 years has dropped, some as much as 30% Several are taking their business ELSEWHERE. I understand CPI for the year less than 1% We Strongly Suggest you do not increase rate Trusting the above meets with your support	Refer to Submission #5
36	9563	General Industry & Service Commercial	We write to express our concern and Objection with the Proposed Increase to our Rates. Reason seems is to make up for Incorrect shortfall shown on the City Budget for year ending 30th June 2018, Loss of $ 6,068,058.00 The so called Loss is caused by a Incorrect Expense entry;	Refer to Submission #5

			Depreciation on non current assets of $ 13,268,106.00 The above is not a Expense, but simply a book entry for accounting purpose. Hence the True Balance is a $ 8.7 Million dollar PROFIT, Not a 4.5 million $ Loss Also pls note the amount shown on page 3 ?, Proposed Rates Levied, is misleading, it does not include ESL, GRV Environment Levy etc. Please be aware that Majority of Business operating in the Kwinana, are doing it TUFF We have several properties which are empty Several tenants whom Cannot afford to pay rent Rent over the past 5 years has dropped, some as much as 30% Several are taking their business ELSEWHERE. I understand CPI for the year less than 1% We Strongly Suggest you do not increase rate Trusting the above meets with your support	
37	9564	General Industry & Service Commercial	We write to express our concern and Objection with the Proposed Increase to our Rates. Reason seems is to make up for Incorrect shortfall shown on the City Budget for year ending 30th June 2018, Loss of $ 6,068,058.00 The so called Loss is caused by a Incorrect Expense entry; Depreciation on non current assets of $ 13,268,106.00 The above is not a Expense, but simply a book entry for accounting purpose. Hence the True Balance is a $ 8.7 Million dollar PROFIT, Not a 4.5 million $ Loss Also pls note the amount shown on page 3 ?, Proposed Rates Levied, is misleading, it does not include ESL, GRV Environment Levy etc. Please be aware that Majority of Business operating in the Kwinana, are doing it TUFF We have several properties which are empty Several tenants whom Cannot afford to pay rent Rent over the past 5 years has dropped, some as much as 30% Several are taking their business ELSEWHERE. I understand CPI for the year less than 1% We Strongly Suggest you do not increase rate Trusting the above meets with your support	Refer to Submission #5
38	9565	General Industry & Service Commercial	We write to express our concern and Objection with the Proposed Increase to our Rates. Reason seems is to make up for Incorrect shortfall shown on the City Budget for year ending 30th June 2018, Loss of $ 6,068,058.00	Refer to Submission #5

			The so called Loss is caused by a Incorrect Expense entry; Depreciation on non current assets of $ 13,268,106.00 The above is not a Expense, but simply a book entry for accounting purpose. Hence the True Balance is a $ 8.7 Million dollar PROFIT, Not a 4.5 million $ Loss Also pls note the amount shown on page 3 ?, Proposed Rates Levied, is misleading, it does not include ESL, GRV Environment Levy etc. Please be aware that Majority of Business operating in the Kwinana, are doing it TUFF We have several properties which are empty Several tenants whom Cannot afford to pay rent Rent over the past 5 years has dropped, some as much as 30% Several are taking their business ELSEWHERE. I understand CPI for the year less than 1% We Strongly Suggest you do not increase rate Trusting the above meets with your support	
39	9661	General Industry & Service Commercial	We write to express our concern and Objection with the Proposed Increase to our Rates. Reason seems is to make up for Incorrect shortfall shown on the City Budget for year ending 30th June 2018, Loss of $ 6,068,058.00 The so called Loss is caused by a Incorrect Expense entry; Depreciation on non current assets of $ 13,268,106.00 The above is not a Expense, but simply a book entry for accounting purpose. Hence the True Balance is a $ 8.7 Million dollar PROFIT, Not a 4.5 million $ Loss Also pls note the amount shown on page 3 ?, Proposed Rates Levied, is misleading, it does not include ESL, GRV Environment Levy etc. Please be aware that Majority of Business operating in the Kwinana, are doing it TUFF We have several properties which are empty Several tenants whom Cannot afford to pay rent Rent over the past 5 years has dropped, some as much as 30% Several are taking their business ELSEWHERE. I understand CPI for the year less than 1% We Strongly Suggest you do not increase rate Trusting the above meets with your support	Refer to Submission #5
40	9780	General Industry & Service Commercial	We write to express our concern and Objection with the Proposed Increase to our Rates. Reason seems is to make up for Incorrect shortfall shown on the City Budget for year ending 30th June 2018, Loss of $ 6,068,058.00	Refer to Submission #5

			The so called Loss is caused by a Incorrect Expense entry; Depreciation on non current assets of $ 13,268,106.00 The above is not a Expense, but simply a book entry for accounting purpose. Hence the True Balance is a $ 8.7 Million dollar PROFIT, Not a 4.5 million $ Loss Also pls note the amount shown on page 3 ?, Proposed Rates Levied, is misleading, it does not include ESL, GRV Environment Levy etc. Please be aware that Majority of Business operating in the Kwinana, are doing it TUFF We have several properties which are empty Several tenants whom Cannot afford to pay rent Rent over the past 5 years has dropped, some as much as 30% Several are taking their business ELSEWHERE. I understand CPI for the year less than 1% We Strongly Suggest you do not increase rate Trusting the above meets with your support	
41	9809	General Industry & Service Commercial	We write to express our concern and Objection with the Proposed Increase to our Rates. Reason seems is to make up for Incorrect shortfall shown on the City Budget for year ending 30th June 2018, Loss of $ 6,068,058.00 The so called Loss is caused by a Incorrect Expense entry; Depreciation on non current assets of $ 13,268,106.00 The above is not a Expense, but simply a book entry for accounting purpose. Hence the True Balance is a $ 8.7 Million dollar PROFIT, Not a 4.5 million $ Loss Also pls note the amount shown on page 3 ?, Proposed Rates Levied, is misleading, it does not include ESL, GRV Environment Levy etc. Please be aware that Majority of Business operating in the Kwinana, are doing it TUFF We have several properties which are empty Several tenants whom Cannot afford to pay rent Rent over the past 5 years has dropped, some as much as 30% Several are taking their business ELSEWHERE. I understand CPI for the year less than 1% We Strongly Suggest you do not increase rate Trusting the above meets with your support	Refer to Submission #5
42	9566	General Industry & Service Commercial	We write to express our concern and Objection with the Proposed Increase to our Rates. Reason seems is to make up for Incorrect shortfall shown on the City Budget for year ending	Refer to Submission #5

			30th June 2018, Loss of $ 6,068,058.00 The so called Loss is caused by a Incorrect Expense entry; Depreciation on non current assets of $ 13,268,106.00 The above is not a Expense, but simply a book entry for accounting purpose. Hence the True Balance is a $ 8.7 Million dollar PROFIT, Not a Loss Please be aware that Majority of Business operating in the Kwinana City, are doing it TUFF We have several properties which are empty Several tenants whom Cannot afford to pay rent Rent over the past 5 years has dropped, some as much as 30% Several are taking their business ELSEWHERE. I understand CPI for the year less than 1% We Strongly Suggest you do not increase rate Trusting the above meets with your support	
43	18301	General Industry & Service Commercial	We write to express our concern and Objection with the Proposed Increase to our Rates. Reason seems is to make up for Incorrect shortfall shown on the City Budget for year ending 30th June 2018, Loss of $ 6,068,058.00 The so called Loss is caused by a Incorrect Expense entry; Depreciation on non current assets of $ 13,268,106.00 The above is not a Expense, but simply a book entry for accounting purpose. Hence the True Balance is a $ 8.7 Million dollar PROFIT, Not a Loss Please be aware that Majority of Business operating in the Kwinana City, are doing it TUFF We have several properties which are empty Several tenants whom Cannot afford to pay rent Rent over the past 5 years has dropped, some as much as 30% Several are taking their business ELSEWHERE. I understand CPI for the year less than 1% We Strongly Suggest you do not increase rate Trusting the above meets with your support	Refer to Submission #5
44	8166	General Industry & Service Commercial	We write to express our concern and Objection with the Proposed Increase to our Rates. Reason seems is to make up for Incorrect shortfall shown on the City Budget for year ending 30th June 2018, Loss of $ 6,068,058.00 The so called Loss is caused by a Incorrect Expense entry; Depreciation on non current assets of $ 13,268,106.00	Refer to Submission #5

			The above is not a Expense, but simply a book entry for accounting purpose. Hence the True Balance is a $ 8.7 Million dollar PROFIT, Not a Loss Please be aware that Majority of Business operating in the Kwinana City, are doing it TUFF We have several properties which are empty Several tenants whom Cannot afford to pay rent Rent over the past 5 years has dropped, some as much as 30% Several are taking their business ELSEWHERE. I understand CPI for the year less than 1% We Strongly Suggest you do not increase rate Trusting the above meets with your support	
45	8194	General Industry & Service Commercial	We write to express our concern and Objection with the Proposed Increase to our Rates. Reason seems is to make up for Incorrect shortfall shown on the City Budget for year ending 30th June 2018, Loss of $ 6,068,058.00 The so called Loss is caused by a Incorrect Expense entry; Depreciation on non current assets of $ 13,268,106.00 The above is not a Expense, but simply a book entry for accounting purpose. Hence the True Balance is a $ 8.7 Million dollar PROFIT, Not a 4.5 million $ Loss Also pls note the amount shown on page 3 ?, Proposed Rates Levied, is misleading, it does not include ESL, GRV Environment Levy etc. Please be aware that Majority of Business operating in the Kwinana, are doing it TUFF We have several properties which are empty Several tenants whom Cannot afford to pay rent Rent over the past 5 years has dropped, some as much as 30% Several are taking their business ELSEWHERE. I understand CPI for the year less than 1% We Strongly Suggest you do not increase rate Trusting the above meets with your support	Refer to Submission #5
46	6536	Improved Special Residential	The rather wordy, and doubling up of information in your proposal has probably deterred many people from spending much time reading it. As rates are now available via internet, it would seem to be cheaper and more environmentally smart to use that system where possible. We have lived harmoniously in Wellard for the past 24 years. We have adhered to the requested firebreak, swimming pool inspections, rubbish bin collections and verge collections. The change in Ratings in our town rates last year from SPECIAL RURAL to SPECIAL RESIDENTIAL did cause some concern. We use our land as would townspeople, for private use. Our neighbours told us, after contact with the council, that it was only a name change, not a forerunner to rate changes! Being retirees, or close to as many are in	Refer to Submission #1

			this area, there is no way such an increase has been factored in our retirement plan. Will this change in rates only be for the next five years, or will it be expedient for the council to not take it off the table when that period is over. Many government departments have kept such deals running past their 'use by date' Surely, with ALL the development in the City of Kwinana, there is substantial monies coming into the coffers without having to penalize others. Most increases in our lives are based on CPI. There is only one family living on most of these SPECIAL RESIDENTIAL BLOCKS, with no possibility, according to council rules, of additional 'housing' on the 'residential' 5 acre blocks. We are basically self sufficient, having to supply our own water/sewerage and maintain firebreaks. We have far more restrictions than 'town' residential blocks. Having a horse/horses, as could be expected, is under strict council control. Vegetation has to be within council restrictions. We already pay for the Rubbish Removal Services. We already pay a levy for Emergency Services, and we pay A GRV Environmental Levy. We pay for someone to check our swimming pool. The council would get a shock if curbing & footpaths were to be installed in our areas! Lighting would be an interesting problem too, as even now, not all street signs are lit up at night, not to mention the whole street! We live in a dead end street, with no, NO THROUGH ROAD sign, and many an unwary motorist has been caught unawares, ending up bogged when trying to turn. We cannot see that the population and services to this land warrants this increase in rates.	
47	5752	Improved Special Residential	We are writing in regard to the latest information we received on the harmonisation of rates and therefore subsequent proposed rate increase. We have been living in the special rural zone of Wellard for over 15 years. During such time there has been virtually no changes to infrastructure in the area. Part of the reason we love being out here is the lack of footpaths and streetlights, and being that there is only one small park and a community centre in this zone, of which it is my understanding is run by the progress association, I am having difficulty seeing where the money would be going, there is simply nothing to maintain. Another point to add is that the scrub and "wetland" on our property is maintained by ourselves, as is the verge as it is too steep for the council appointed tractor/slasher driver. The crossover culvert has been cleared by council twice in the last 15 years, needless to say we do that ourselves too. We have such a minimal impact on the City of Kwinana that the 12.5% rate rise is almost laughable. Our water supply is of our own catching, our gas is bottled in, our sewage is via an eco system that we maintain ourselves. We receive a verge collection throughout the year and our bins are collected, but we are pretty sure the rates we already pay are more than adequate to cover this service. If the rate increase should go ahead we will need a detailed plan as to what future changes are going to be made to benefit our little community, as it currently stands things are being refused quicker than they are being accepted, and no development appears to be happening. Thanks for your time. I look forward to the next council meeting.	Refer to Submission #1
48	8021	General Industry & Service Commercial	We refer to the correspondence received from City of Kwinana dated 30 April2018 and hereby lodge our formal objection. Whilst we understand that the Council wish to amalgamate and simplify their rating categories, it would appear that main issue at hand is the current deficit faced by the City of Kwinana. We are most concerned that the information provided for the proposed rate increases only addresses the 2018/2019 year and should this proposal be adopted, there is no information on what the proposed increases will be for the following years to 2023/2024 or what impact this will have on other statutory charges i.e. land tax and water rates. Whilst it is noted that this proposal will no longer show the Environmental Levy on the rates notices but to include the cost into the rates levied. Therefore, the ratepayer will not be	Refer to Submission #5

			aware of the breakdown of costs and other associated charges which make up the rates. The above property falls into the General Industry and Service Commercial with the proposed increase of 5.93%. With CPI currently sitting at .09% for Perth as at March 2018 and 1.9% for Australia, it is very hard as a ratepayer and business owner, to absorb such a steep increase in rates, particularly in this tough economic climate. In addition, the proposed increases may have significant impact on the businesses throughout City of Kwinana for tenants of a rental properties, which may result in tenants looking to relocate to other areas out of the City of Kwinana. As a result of the points above we hope that common sense prevails and you review and reverse your decision in reference to the increases listed in the letter dated 30 April.	
49	8031	General Industry & Service Commercial	We refer to the correspondence received from City of Kwinana dated 30 April 2018 and hereby lodge our formal objection. Whilst we understand that the Council wish to amalgamate and simplify their rating categories, it would appear that main issue at hand is the current deficit faced by the City of Kwinana. We are most concerned that the information provided for the proposed rate increases only addresses the 2018/2019 year and should this proposal be adopted, there is no information on what the proposed increases will be for the following years to 2023/2024 or what impact this will have on other statutory charges i.e. land tax and water rates. Whilst it is noted that this proposal will no longer show the Environmental Levy on the rates notices but to include the cost into the rates levied. Therefore, the ratepayer will not be aware of the breakdown of costs and other associated charges which make up the rates. The above property falls into the General Industry and Service Commercial with the proposed increase of 6.64%. With CPI currently sitting at .09% for Perth as at March 2018 and 1.9% for Australia, it is very hard as a ratepayer and business owner, to absorb such a steep increase in rates, particularly in this tough economic climate. In addition, the proposed increases may have significant impact on the businesses throughout City of Kwinana for tenants of a rental properties, which may result in tenants looking to relocate to other areas out of the City of Kwinana. As a result of the points above we hope that common sense prevails and you review and reverse your decision in reference to the increases listed in the letter dated 30 April.	Refer to Submission #5 with the additional response: The rate increases for each financial year are determined by Council when they adopt the Budget. Council consider a range of factors when determining the rate increases which include CPI, utility increases, interest rates, materials and contract unit rates, salary costs and how much each service will cost to deliver. As part of the Long Term Financial Plan review which is underway Council will adopt the predicted rate increases for the next 20 years which could be used as a guide when predicting the long term expenditure plan of a business.
50	8032	General Industry & Service Commercial	We refer to the correspondence received from City of Kwinana dated 30 April2018 and hereby lodge our formal objection. Whilst we understand that the Council wish to amalgamate and simplify their rating categories, it would appear that main issue at hand is the current deficit faced by the City of Kwinana. We are most concerned that the information provided for the proposed rate increases only addresses the 2018/2019 year and should this proposal be adopted, there is no information on what the proposed increases will be for the following years to 2023/2024 or what impact this will have on other statutory charges i.e. land tax and water rates. Whilst it is noted that this proposal will no longer show the Environmental Levy on the rates notices but to include the cost into the rates levied. Therefore, the ratepayer will not be aware of the breakdown of costs and other associated charges which make up the rates. The above property falls into the General Industry and Service Commercial with the proposed increase of 6.38%. With CPI currently sitting at .09% for Perth as at March 2018 and 1.9% for Australia, it is very hard as a ratepayer and business owner, to absorb such a steep increase in rates, particularly in this tough economic climate. In addition, the proposed increases may have significant impact on the businesses throughout City of Kwinana for tenants of a rental properties, which may result in tenants looking to relocate to other areas out of the City of Kwinana. As a result of the points above we hope that common sense prevails and you review and reverse your decision in reference to the increases listed in the letter dated 30 April.	Refer to Submission #5 with the additional response: The rate increases for each financial year are determined by Council when they adopt the Budget. Council consider a range of factors when determining the rate increases which include CPI, utility increases, interest rates, materials and contract unit rates, salary costs and how much each service will cost to deliver. As part of the Long Term Financial Plan review which is underway Council will adopt the predicted rate increases for the next 20 years which could be used as a guide when predicting the long term expenditure plan of a business.
51	8033	General Industry &	We refer to the correspondence received from City of Kwinana dated 30 April2018 and hereby lodge our formal objection.	Refer to Submission #5 with the additional response:

		Service Commercial	Whilst we understand that the Council wish to amalgamate and simplify their rating categories, it would appear that main issue at hand is the current deficit faced by the City of Kwinana. We are most concerned that the information provided for the proposed rate increases only addresses the 2018/2019 year and should this proposal be adopted, there is no information on what the proposed increases will be for the following years to 2023/2024 or what impact this will have on other statutory charges i.e. land tax and water rates. Whilst it is noted that this proposal will no longer show the Environmental Levy on the rates notices but to include the cost into the rates levied. Therefore, the ratepayer will not be aware of the breakdown of costs and other associated charges which make up the rates. The above property falls into the General Industry and Service Commercial with the proposed increase of 6.79%. With CPI currently sitting at .09% for Perth as at March 2018 and 1.9% for Australia, it is very hard as a ratepayer and business owner, to absorb such a steep increase in rates, particularly in this tough economic climate. In addition, the proposed increases may have significant impact on the businesses throughout City of Kwinana for tenants of a rental properties, which may result in tenants looking to relocate to other areas out of the City of Kwinana. As a result of the points above we hope that common sense prevails and you review and reverse your decision in reference to the increases listed in the letter dated 30 April.	The rate increases for each financial year are determined by Council when they adopt the Budget. Council consider a range of factors when determining the rate increases which include CPI, utility increases, interest rates, materials and contract unit rates, salary costs and how much each service will cost to deliver. As part of the Long Term Financial Plan review which is underway Council will adopt the predicted rate increases for the next 20 years which could be used as a guide when predicting the long term expenditure plan of a business.
52	8435	General Industry & Service Commercial	We refer to the correspondence received from City of Kwinana dated 30 April2018 and hereby lodge our formal objection. Whilst we understand that the Council wish to amalgamate and simplify their rating categories, it would appear that main issue at hand is the current deficit faced by the City of Kwinana. We are most concerned that the information provided for the proposed rate increases only addresses the 2018/2019 year and should this proposal be adopted, there is no information on what the proposed increases will be for the following years to 2023/2024 or what impact this will have on other statutory charges i.e. land tax and water rates. Whilst it is noted that this proposal will no longer show the Environmental Levy on the rates notices but to include the cost into the rates levied. Therefore, the ratepayer will not be aware of the breakdown of costs and other associated charges which make up the rates. The above property falls into the General Industry and Service Commercial with the proposed increase of 5.76%. With CPI currently sitting at .09% for Perth as at March 2018 and 1.9% for Australia, it is very hard as a ratepayer and business owner, to absorb such a steep increase in rates, particularly in this tough economic climate. In addition, the proposed increases may have significant impact on the businesses throughout City of Kwinana for tenants of a rental properties, which may result in tenants looking to relocate to other areas out of the City of Kwinana. As a result of the points above we hope that common sense prevails and you review and reverse your decision in reference to the increases listed in the letter dated 30 April.	Refer to Submission #5 with the additional response: The rate increases for each financial year are determined by Council when they adopt the Budget. Council consider a range of factors when determining the rate increases which include CPI, utility increases, interest rates, materials and contract unit rates, salary costs and how much each service will cost to deliver. As part of the Long Term Financial Plan review which is underway Council will adopt the predicted rate increases for the next 20 years which could be used as a guide when predicting the long term expenditure plan of a business.
53	8090	General Industry & Service Commercial	We refer to the correspondence received from City of Kwinana dated 30 April2018 and hereby lodge our formal objection. Whilst we understand that the Council wish to amalgamate and simplify their rating categories, it would appear that main issue at hand is the current deficit faced by the City of Kwinana. We are most concerned that the information provided for the proposed rate increases only addresses the 2018/2019 year and should this proposal be adopted, there is no information on what the proposed increases will be for the following years to 2023/2024 or what impact this will have on other statutory charges i.e. land tax and water rates. Whilst it is noted that this proposal will no longer show the Environmental Levy on the rates notices but to include the cost into the rates levied. Therefore, the ratepayer will not be aware of the breakdown of costs and other associated charges which make up the rates. The above property falls into the General Industry and Service Commercial with the proposed increase of 6.56%. With CPI currently sitting at .09% for Perth as at March 2018	Refer to Submission #5 with the additional response: The rate increases for each financial year are determined by Council when they adopt the Budget. Council consider a range of factors when determining the rate increases which include CPI, utility increases, interest rates, materials and contract unit rates, salary costs and how much each service will cost to deliver. As part of the Long Term Financial Plan review which is underway Council will adopt the predicted rate increases for the next 20 years which could be used as a guide when predicting the long term expenditure plan of a business.

			and 1.9% for Australia, it is very hard as a ratepayer and business owner, to absorb such a steep increase in rates, particularly in this tough economic climate. In addition, the proposed increases may have significant impact on the businesses throughout City of Kwinana for tenants of a rental properties, which may result in tenants looking to relocate to other areas out of the City of Kwinana. As a result of the points above we hope that common sense prevails and you review and reverse your decision in reference to the increases listed in the letter dated 30 April.	
54	19594	General Industry & Service Commercial	We refer to the correspondence received from City of Kwinana dated 30 April2018 and hereby lodge our formal objection. Whilst we understand that the Council wish to amalgamate and simplify their rating categories, it would appear that main issue at hand is the current deficit faced by the City of Kwinana. We are most concerned that the information provided for the proposed rate increases only addresses the 2018/2019 year and should this proposal be adopted, there is no information on what the proposed increases will be for the following years to 2023/2024 or what impact this will have on other statutory charges i.e. land tax and water rates. Whilst it is noted that this proposal will no longer show the Environmental Levy on the rates notices but to include the cost into the rates levied. Therefore, the ratepayer will not be aware of the breakdown of costs and other associated charges which make up the rates. The above property falls into the General Industry and Service Commercial with the proposed increase of 7.08%. With CPI currently sitting at .09% for Perth as at March 2018 and 1.9% for Australia, it is very hard as a ratepayer and business owner, to absorb such a steep increase in rates, particularly in this tough economic climate. In addition, the proposed increases may have significant impact on the businesses throughout City of Kwinana for tenants of a rental properties, which may result in tenants looking to relocate to other areas out of the City of Kwinana. As a result of the points above we hope that common sense prevails and you review and reverse your decision in reference to the increases listed in the letter dated 30 April.	Refer to Submission #5 with the additional response: The rate increases for each financial year are determined by Council when they adopt the Budget. Council consider a range of factors when determining the rate increases which include CPI, utility increases, interest rates, materials and contract unit rates, salary costs and how much each service will cost to deliver. As part of the Long Term Financial Plan review which is underway Council will adopt the predicted rate increases for the next 20 years which could be used as a guide when predicting the long term expenditure plan of a business.
55	8221	General Industry & Service Commercial	We refer to the correspondence received from City of Kwinana dated 30 April2018 and hereby lodge our formal objection. Whilst we understand that the Council wish to amalgamate and simplify their rating categories, it would appear that main issue at hand is the current deficit faced by the City of Kwinana. We are most concerned that the information provided for the proposed rate increases only addresses the 2018/2019 year and should this proposal be adopted, there is no information on what the proposed increases will be for the following years to 2023/2024 or what impact this will have on other statutory charges i.e. land tax and water rates. Whilst it is noted that this proposal will no longer show the Environmental Levy on the rates notices but to include the cost into the rates levied. Therefore, the ratepayer will not be aware of the breakdown of costs and other associated charges which make up the rates. The above property falls into the General Industry and Service Commercial with the proposed increase of 4.56%. With CPI currently sitting at .09% for Perth as at March 2018 and 1.9% for Australia, it is very hard as a ratepayer and business owner, to absorb such a steep increase in rates, particularly in this tough economic climate. In addition, the proposed increases may have significant impact on the businesses throughout City of Kwinana for tenants of a rental properties, which may result in tenants looking to relocate to other areas out of the City of Kwinana. As a result of the points above we hope that common sense prevails and you review and reverse your decision in reference to the increases listed in the letter dated 30 April.	Refer to Submission #5 with the additional response: The rate increases for each financial year are determined by Council when they adopt the Budget. Council consider a range of factors when determining the rate increases which include CPI, utility increases, interest rates, materials and contract unit rates, salary costs and how much each service will cost to deliver. As part of the Long Term Financial Plan review which is underway Council will adopt the predicted rate increases for the next 20 years which could be used as a guide when predicting the long term expenditure plan of a business.
56	8338	General Industry & Service Commercial	We refer to the correspondence received from City of Kwinana dated 30 April2018 and hereby lodge our formal objection. Whilst we understand that the Council wish to amalgamate and simplify their rating categories, it would appear that main issue at hand is the current deficit faced by the City of Kwinana.	Refer to Submission #5 with the additional response: The rate increases for each financial year are determined by Council when they adopt the Budget. Council consider a range of factors when determining the rate increases which include CPI, utility increases, interest rates, materials and contract

			We are most concerned that the information provided for the proposed rate increases only addresses the 2018/2019 year and should this proposal be adopted, there is no information on what the proposed increases will be for the following years to 2023/2024 or what impact this will have on other statutory charges i.e. land tax and water rates. Whilst it is noted that this proposal will no longer show the Environmental Levy on the rates notices but to include the cost into the rates levied. Therefore, the ratepayer will not be aware of the breakdown of costs and other associated charges which make up the rates. The above property falls into the General Industry and Service Commercial with the proposed increase of 6.62%. With CPI currently sitting at .09% for Perth as at March 2018 and 1.9% for Australia, it is very hard as a ratepayer and business owner, to absorb such a steep increase in rates, particularly in this tough economic climate. In addition, the proposed increases may have significant impact on the businesses throughout City of Kwinana for tenants of a rental properties, which may result in tenants looking to relocate to other areas out of the City of Kwinana. As a result of the points above we hope that common sense prevails and you review and reverse your decision in reference to the increases listed in the letter dated 30 April.	unit rates, salary costs and how much each service will cost to deliver. As part of the Long Term Financial Plan review which is underway Council will adopt the predicted rate increases for the next 20 years which could be used as a guide when predicting the long term expenditure plan of a business.
57	8117	General Industry & Service Commercial	We refer to the correspondence received from City of Kwinana dated 30 April2018 and hereby lodge our formal objection. Whilst we understand that the Council wish to amalgamate and simplify their rating categories, it would appear that main issue at hand is the current deficit faced by the City of Kwinana. We are most concerned that the information provided for the proposed rate increases only addresses the 2018/2019 year and should this proposal be adopted, there is no information on what the proposed increases will be for the following years to 2023/2024 or what impact this will have on other statutory charges i.e. land tax and water rates. Whilst it is noted that this proposal will no longer show the Environmental Levy on the rates notices but to include the cost into the rates levied. Therefore, the ratepayer will not be aware of the breakdown of costs and other associated charges which make up the rates. The above property falls into the General Industry and Service Commercial with the proposed increase of 5.74%. With CPI currently sitting at .09% for Perth as at March 2018 and 1.9% for Australia, it is very hard as a ratepayer and business owner, to absorb such a steep increase in rates, particularly in this tough economic climate. In addition, the proposed increases may have significant impact on the businesses throughout City of Kwinana for tenants of a rental properties, which may result in tenants looking to relocate to other areas out of the City of Kwinana. As a result of the points above we hope that common sense prevails and you review and reverse your decision in reference to the increases listed in the letter dated 30 April.	Refer to Submission #5 with the additional response: The rate increases for each financial year are determined by Council when they adopt the Budget. Council consider a range of factors when determining the rate increases which include CPI, utility increases, interest rates, materials and contract unit rates, salary costs and how much each service will cost to deliver. As part of the Long Term Financial Plan review which is underway Council will adopt the predicted rate increases for the next 20 years which could be used as a guide when predicting the long term expenditure plan of a business.
58	5330	Improved Special Residential	In the letter dated 30th April it states that the proposed rating category of Improved Residential be levied on the 812 properties currently rated as Improved Special Residential by 2023/2024. As stated in your correspondence titled "Statement of Objects and Reasons for Differential Rate Categories 2018/2019" with regards to the lower rate in the dollar applied to the 812 properties currently rated as Improved Special Residential (7.120 cents) you state: *The object of this rate category is to provide a lower differential rate for proposed characteristics of the Improved Special Residential rate category that is consistent with access to, and provision of, services to residential properties in a rural setting. *The reason for this rate is to reflect the lower demand on City resources, such as, lower impacts on transport infrastructure, when compared to the other GRV differential rating categories. What increases in the access to, and the provision of services provided by the City to such rural properties will be forthcoming by 2023/2024 to justify the increase in rate in the dollar applied?	Refer to Submission #1

			What reasons does the Council foresee that by 2023/2024 a property currently rated as Improved Special Residential will have an increased demand on city resources than it currently does? If a residential property in a rural setting is not provided with the same services and allocated the same resources as other properties in the same rating category then how can this satisfy the Key Rating Values of fairness and equity?	
59	7100	Improved Special Residential	In the letter dated 30th April it states that the proposed rating category of Improved Residential be levied on the 812 properties currently rated as Improved Special Residential by 2023/2024. As stated in your correspondence titled "Statement of Objects and Reasons for Differential Rate Categories 2018/2019" with regards to the lower rate in the dollar applied to the 812 properties currently rated as Improved Special Residential (7.120 cents) you state: *The object of this rate category is to provide a lower differential rate for proposed characteristics of the Improved Special Residential rate category that is consistent with access to, and provision of, services to residential properties in a rural setting. *The reason for this rate is to reflect the lower demand on City resources, such as, lower impacts on transport infrastructure, when compared to the other GRV differential rating categories. What increases in the access to, and the provision of services provided by the City to such rural properties will be forthcoming by 2023/2024 to justify the increase in rate in the dollar applied? What reasons does the Council foresee that by 2023/2024 a property currently rated as Improved Special Residential will have an increased demand on city resources than it currently does? If a residential property in a rural setting is not provided with the same services and allocated the same resources as other properties in the same rating category then how can this satisfy the Key Rating Values of fairness and equity?	Refer to Submission #1
60	7558	Improved Special Residential	We would like to also be heard. Living in Casuarina we do not have good access to our street off Thomas Road, no foot paths or bus services to access the other side of the freeway or our only local eatery. Not on main water and on bottles of gas. We do not agree to be the same rate as suburban Kwinana as we do not have access to the same facilities. There is a lot more to maintain for fire breaks. We hope to be in attendance to hear the discussion on 30th May.	Refer to Submission #1
61	17197	Improved Special Residential	We are writing to express our strong objection to the council's proposed rate harmonisation. As a dual property owner in Kwinana the ramifications of such a proposal has significant financial impact on the livelihood of our family and decision to stay within Kwinana. We chose to live in Kwinana because of it's affordability and lifestyle, which is now in question. The objective of the GRV special residential rate is to encourage land owners to develop vacant land. The reason for the lower rate is due to the absence of access and provision of services in a rural setting thereby having a lower demand on council resources and transport infrastructure compared to that of improved residential properties. This on it's own cannot justify the proposed increase. Despite the rating category, the opportunity for development on special residential land is limited by the council's self imposed constraints on usable land through prescribed building envelopes. These combined measures seen in the context of the proposed rate harmonisation is not fair nor equitable. Nothing in this proposal is fair or equitable.	Refer to Submission #1

			The time period prescribed for consultation with affected stakeholders we believe is unjust and unreasonable. Such a significant and dramatic shift affecting ratepayers should be given far more importance and time for consultation. At a time where the economic growth of the local area and Western Australia is at such a decline is it appropriate to put such additional pressures on families trying to make ends meet? We suggest the council reign in it's expenditure in trying to equate socio- economic disparity and deliver within it's current capacities. We would welcome any opportunity to discuss further. Active rate payers and community members	
62	9730	Improved Special Residential	We wish to submit our objection to the proposed differential rates -2018/2019- for our property 291 Marri Park Drive Casuarina. As a new rate payer to Casuarina we have been very disappointed with the councils lack of facilities/resources that are provided to residents of Casuarina and the lack of interest from the council in addressing our concerns. For this reason we object to the increase in rates to bring us in line with residential properties. We do not have access to community facilities, pathways, clean verge sides (we have made several complaints about this to the council this year alone), access to the tip facility, access to parks and other resources/facilities, basic security for the area, street lights, patrols etc or even a simple vision from the council to beautify or even maintain the area. Residents in Casuarina do not share in the same services, activities and financing expenditure on the area that other rate payers of Kwinana receive and the council does not make an equitable contribution to Casuarina. For this reason it would be unreasonable to expect Casuarina residents to make a contribution equivalent to other rate payers. We look forward to hearing from you regarding our concerns.	Refer to Submission #1
63	9104	Improved Special Residential	As a resident of the Special Rural area of Wellard, I feel I must submit this letter/e-mail in objection to the proposed 'rate harmonisation' scheme. My family and I have lived in this area for around 13 years and we love the 'rural' feeling of the area. We are happy with the surroundings as they are and we do not require additional buildings, amenities and services. We are not chasing footpaths, street lighting and the like. I understand that there has to be increases in order to take into consideration interest rates and and other rising expenses, etc, but this rate hike is just not fair and reasonable. I would have thought with the addition of so many new 'suburban' houses within Sunrise, Wellard Glen, Living Edge, etc there would have been a huge portion of additional rate payers. Surely this would be more than enough to bring in extra revenue, rather than slugging us in the special rural zone for things we don't want or even have. I have to say, it's bad enough for us having these estates built on our 'rural' doorsteps, but now we're expected to pay extra. Please reconsider this harmonisation proposal and come up with something that more of the residents will be happy with.	Refer to Submission #1

			I have been a volunteer bushfire fighter with Kwinana South for 9 years now and I have given up so much time and placed myself in harms way for the local community on many occasions and I have never asked for anything in return. But I ask you now, to at least reconsider. We seem to have a lot of restrictions on what we can and can't do on our own land and it would be great to see some of these restrictions lifted or at least loosened. Is it possible to arrange a meeting where Kwinana councillors and Special Rural Zone residents can come together and maybe between everyone, a more palatable harmonisation scheme could be reached. I really hope this e-mail and any others you have received from other residents will be read and given due consideration.	
64	9708	Improved Special Residential	I have read and understand there is a push to increase rates across the board for all rate payers in the Kwinana district. I have strong opposition to the fact people living in the Special Residential areas have to come in line with improved residential in the future. I think with the fall property values in Perth over the last few years and into the future, the council is trying to take GRV out of the process to underline more revenue, which is fine for residential and commercial, but not rural and semi- rural! I personally moved to a semi- rural property for the life style and lower impact we have on the environment and services, ie; we have to be more sustainable than someone in a residential property. It is a life style choice, No question! However we do go without Parks/playgrounds, foot paths [in some areas], street lights, mains natural gas, mains water and sewage and storm water connections etc. We do have to manage the services of bottle gas, water tanks, sewage, fire breaks , transport and maintaining larger properties at an added cost. This is and should be the argument for cheaper rates levy than a residential property as the council have far less maintenance and cost in up keep of an area that has little over 1000 properties. There is no parks and grounds up keep or stormwater drain cleaning, power cost associated with running Street lights etc. This cost should reflect in residential and commercial property as they are the beneficiary of these services provided by state and local government. With the never ending rising cost of waste disposal, ESL and power, that gets passed on in yearly rates, I think it is unjust and unfair for the council to rate an area that has 812 properties making up 3.70% of total rates revenue with residential districts going forward. I urge the council to consider the facts before implementing any proposal, its classed 'special residential' for a reason and should be always treated as such! The more sustainable we are, we should be rewarded in our rates ,not the other way around!	Refer to Submission #1
65	17198	Improved Special Residential	We object to the Harmonisation of the Rates on the basis that it is not fair and equitable as Special Rural properties do not have the same access to facilities and services that Residential properties have. There is no justification for this change. Our property, like most semi rural propertied surrounding us, we are not connected to the utilities that residential properties have access to. We are not connected to mains water, mains sewerage and mains gas. We must make sure that we spend money each year maintaining our OWN facilities.	Refer to Submission #1

			We have no pathways or walkways for our children to ride around as our roads are unsafe. Net residential properties have access to them. We have to many hoons speeding around our streets and doing burnouts all day and night. You only need to come and drive around our streets to see how our roads are destroyed. I have been in my property for over 7 years and have seen now infrastructure. Parks or recreational area done on our side of the freeway. Even our verges are not being maintained on a regular basis for fire. So many trees hanging over roads and it's so dangerous. We don't get any tip passes. We don't even have any security driving around, like other councils (such as City of Cockburn and City of Melville). The building envelopes are too small and policies are too strict. I would like to utilise my OWN LAND without so many restrictions placed upon what I can and can't do with it. Owning acreage it cost us money with everything we do and you are telling us what we can and can't do, what a joke. We are told what animals, fencing we can have even down to vegetation and what trees we can plant and cut down. We even have to pay Application fees every time we apply to council, I thought this would be covered by our rates considering we get nothing. A bit of communication /input with its residents would be nice before you propose any changes, are we the people to vote you in as you should be listening to us and our concerns. The only thing the council provide to us for rates is our waste removal. Please explain what we are getting for our rates increase as I can't see anything in your paperwork you have sent out. Apart from let's destroy our residents with more money. I look forward to a response about my concerns	
66	8277	General Industry & Service Commercial	We write to express disappointment and concerns to your proposed rate increase and OBJECT VERY STRONGLY to the increase. It's a shame we don't have a dedicated voice for the industrial ward as we did in the past which was Ralf McKeig before his passing. I believe the people that are making these decisions should go for a drive around the light industrial area and look the empty buildings, business struggling to stay in business and talk to some of the business owner on how they are going. For the people that know me well would be aware of the time and commitment i put into the Naval Base industrial area. In the earlier year I pushed to have some money spent to pretty the place up including the Rockingham Road medium strip from Anketell Road to Hope valley Road in Navel Base and some parts are starting to look untidy. So what are we getting for our money, i cant see to much of what you collect coming back to us the town is doing very well in my view.	Refer to Submission #5

			As all property's values and rents are down and have been for some time, when are the rates coming down to suit. We can't keep getting increases and keep going, and to add to the pain we are getting hit with land tax next.	
67	8061	General Industry & Service Commercial	We write to express disappointment and concerns to your proposed rate increase and OBJECT VERY STRONGLY to the increase. It's a shame we don't have a dedicated voice for the industrial ward as we did in the past which was Ralf McKeig before his passing. I believe the people that are making these decisions should go for a drive around the light industrial area and look the empty buildings, business struggling to stay in business and talk to some of the business owner on how they are going. For the people that know me well would be aware of the time and commitment i put into the Naval Base industrial area. In the earlier year I pushed to have some money spent to pretty the place up including the Rockingham Road medium strip from Anketell Road to Hope valley Road in Navel Base and some parts are starting to look untidy. So what are we getting for our money, i cant see to much of what you collect coming back to us the town is doing very well in my view. As all property's values and rents are down and have been for some time, when are the rates coming down to suit. We can't keep getting increases and keep going, and to add to the pain we are getting hit with land tax next.	Refer to Submission #5
68	8063	General Industry & Service Commercial	We write to express disappointment and concerns to your proposed rate increase and OBJECT VERY STRONGLY to the increase. It's a shame we don't have a dedicated voice for the industrial ward as we did in the past which was Ralf McKeig before his passing. I believe the people that are making these decisions should go for a drive around the light industrial area and look the empty buildings, business struggling to stay in business and talk to some of the business owner on how they are going. For the people that know me well would be aware of the time and commitment i put into the Naval Base industrial area. In the earlier year I pushed to have some money spent to pretty the place up including the Rockingham Road medium strip from Anketell Road to Hope valley Road in Navel Base and some parts are starting to look untidy. So what are we getting for our money, i cant see to much of what you collect coming back to us the town is doing very well in my view. As all property's values and rents are down and have been for some time, when are the rates coming down to suit.	Refer to Submission #5

			We can't keep getting increases and keep going, and to add to the pain we are getting hit with land tax next.	
69	Kwinana Industrial Council	N/A	Thank you for the opportunity to make comment on the City's proposed harmonisation of its rating structure. Kwinana Industries Council (KIC) agrees that simplification to remove complexity is a positive step forward. We agree with the stated objective of "harmonising the rating structure to simplify rates by reducing the number of rating categories whilst ensuring properties are rated in a fair and equitable manner, having due regard to the key rating values of objectivity, fairness and equity, consistency, and transparency and administrative efficiency". KIC only become aware via some of our members of the process on 22 May, and consequently this submission is somewhat rushed in its preparation in order to meet the close-off date. There are a number of points that will be outlined in this submission, but underpinning are two primary points; fairness and equity, and unintended consequences. We believe there has been an assumption made in the establishment of the future rate percentage changes that are proposed to be applied to transition over the next few years to a harmonised system that do not align sufficiently with the City's key rating values. Underpinning this view is KIC's confirmed assumption that the City's residential rate percentage and set minimum rate are relatively lower than similar local governments. This being the case, one can argue that it is the non-residential, and particularly the industrial categories, that are enabling the City to provide a lower than average rate percentage (rate relief) subsidy to the residential categories. For many years there appears to have been as assumption that industry will always pay. In the good years this may have been the case, but over the past decade, many industrial ratepayers have initiated several rounds of redundancies and implemented savage cost reduction strategies simply to remain in business. Many companies, due to diminished supply and construction contracts have disappeared, with some of these being reasonably large organisations. The business environment has been very tough. It can be agreed that all sectors of the Kwinana community are facing financial strain. To say, and it was said by a City staff member when inquiries were being made about the proposed harmonisation, that because (for example) a single mother in Medina can't afford to pay a higher minimum rate, that a different part of the community (the industrial sector) should meet the shortfall in rate income. This is not in accord with the principles of objectivity, fairness nor equity. In effect it is welfare. KIC believes it is too easy for those outside of an income-constrained business environment to assume that industry can simply accept cost increases imposed on it. To be clear, industry operates in an internationally competitive environment, and cannot simply raise its income to meet its costs. Increases in costs such as municipal rates, especially after years of deep cost cutting, must be offset by savings cut from elsewhere in the business. If costs have already been cut to the bone, then the savings can only come from further job losses. Harmonising the commercial rate with the industrial rate, where both became one and the same, is problematic. To illustrate this, compare the Marketplace shopping centre with a new industrial installation:	Refer to Submission #5 City Officers have prepared three options for Council consideration to reduce the commercial/industrial rating categories rates in the dollar and to increase residential rating categories rates in the dollar. Although City Officers did provide comment on the proposed harmonisation to Mr Oughton, there was no example provided as indicated in the submission received by the City. City Officers disagree that harmonising the commercial rate with the industrial rate is problematic. All of the GRV commercial and industrial rating categories are rated based on a Gross Rental Value (GRV) basis and not the cost of the improvements on the property. Having compared a large scale commercial property and a large scale industrial property, the gross rental value of the commercial property came in 9.6x the gross rental value of the industrial property. With the 2017/2018 rates coinciding with the difference. The commercial property incurring rates payable of 9.7x the large scale industrial property The comments that are made in regards to the principles behind sitting on vacant land can similarly be applied to non-residential vacant land. Non-residential land is able to be acquired and held speculatively for future capital gain. The City's approach to vacant land should apply regardless of its use, and this is why it is proposed that a non-residential rate be applied, with the intention to create one vacant rate for the City by 2023/2024. City Officers will investigate further to determine the opportunities that the City has in activating the vacant land in the Kwinana Industrial Area.

			• The marketplace is a large site with a large carpark and relatively simple building structure. Plucking a figure from the air, it would be reasonable to assume its replacement cost would be $20m, but in order to be conservative, we shall double that figure to $40m for the figure upon which to calculate the GRV and apply the proposed rate. • Conversely, a new industrial installation is constructed, on a similar sized lot. Its capital value is $700m, but because it has extremely limited 'rentability' its GRV will be lower than that amount. The Valuer General will exclude some elements of the capital cost (some specialist equipment for example), and assess it at (very conservatively) $600m. • The City is proposing that the same rate in the dollar is applied in both scenarios. One is 15 times greater than the other. Is this fair or equitable? The industrial area itself has no need for library or recreation centres, no youth or community services, essentially no parks to use, no ranger services, and most of the heavy trucks getting to the industrial area use State roads to get there. So why does such a proportionally high revenue stream need to be derived from industry when the services consumed derive from the residential community? It is accepted that all parts of the Kwinana community, including the industrial community, need to contribute to the greater good, but there is a point beyond which reasonable contribution transitions to substantial subsidy. Some will argue that the industrial employees enjoy, consume these services where they live, which is true, but they also pay their residential rates, and so too do users of the shopping centre in this example. The shopping centre is responsible for generating substantial local road use (and depreciation), and use·of City services such as youth and rangers etc. It is proposed to rate vacant or unimproved industrial land at a higher percentage to encourage development. One can understand this principle in a residential setting where land is acquired speculatively and 'sat on' for future capital gain. But in an industrial setting, land is usually acquired for future construction purposes, because internal (and external) approvals and contracts can take some time (possibly some years) to finalise. We caution that higher short-term unimproved rates for industrial land (as opposed to speculative longer term investment) may have the unintended consequence of dampening industry sentiment. This leads to the final point we wish to make. LandCorp owns significant tracts of industrial land. The City patently is aware and is probably equally frustrated that LandCorp's vacant industrial land is non-rateable. If it were rateable, the City could easily reduce the rates for all, but it is not. There appears to be no incentive for LandCorp to bring its owned land to market, whether through lease or sale. The City is asked, perhaps through WALGA, to press for a change to the laws that create this inequity that in essence places a subsidising burden on its ratepayers, a subsidy for the developer (LandCorp), and perpetuates subdued development of the industrial precinct. In addition, and in a similar vein, rural-zoned land contained within the industrial precincts could be rezoned to reflect its planned future use of industrial. Progressing this inevitability will encourage industrial development and improve the City's rate income capacity. To conclude, industry is concerned that it is being assumed that it can continue to pay an increasingly higher proportion of the City's rate income requirements relative to other	

			rateable categories. We believe that other measures would warrant further consideration before the harmonisation process is concluded, and encourage a deeper consideration of proposed actions tested against the harmonisation values.	
70	8500	General Industry & Service Commercial	I am writing to you in regard to our recent letter Ref: D2018/023635, advising of the proposed differential Rates 2018-2019 for our commercial Rental Property in Kwinana Beach. As the size of our property is only suitable for a specific type of clientele, it is quite difficult to find clients to lease the property. If you were to increase the rates for this property, it would increase our risk of losing our current client. As the costs for the rates are paid for by ourselves, but the cost is then passed on to the clients. This increase would cause financial hardship for our clients, which would force them to have to pull out of the lease agreement. Leaving us with an empty property that is already hard enough to find clients for, which then leaves us in a financial burden. We are already struggling with the way the current economy is, this increase would only make it harder for us to make ends meet. The increase to the rates will also have an ongoing affect to the cost of land tax & water rates, pushing us further into financial hardship. I feel you will be forcing a lot of people into financial hardship if you allow this increase to go ahead, I hope you take this into consideration when making your decision.	Refer to Submission #5

ATTACHMENT B

Government of **Western Australia**
Department of **Local Government and Communities**

Rating Policy

Differential Rates (s.6.33)

March 2016

Contents

Rating Policy – Differential Rates (March 2016)

Prepared by: Department of Local Government and Communities

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Introduction

Local governments impose rates on the properties within their district to raise revenue to fund the services and facilities provided to residents and visitors.

The quantum of rates payable is determined by three factors: the method of valuation of the land, the valuation of the land and improvements, and the rate in the dollar applied to that valuation by the local government.

Land is rated according to its unimproved value for land used predominantly for rural purposes or gross rental value for land used predominantly for non-rural purposes.

The Valuer General values the land in accordance with the provisions of the *Valuation of Land Act 1978.* The local government sets a rate in the dollar which is applied to this valuation to give the rates liability for each property.

A local government may impose a single general rate which applies to all of the properties in the unimproved value or gross rental value category. Alternatively the local government can distinguish between land in either category on the basis of its zoning, use or whether it is vacant land (or other characteristic set out in regulations), or a combination of these factors, and apply a differential general rate to each.

The purpose of the imposition of a differential general rate is generally to ensure that every landowner makes a reasonable contribution to the rate burden.

Objective

This document describes the legislative and policy basis for the application of differential general rates to land being rated by a local government. In particular, it sets out the policy that guides the Minister for Local Government's exercise of the power to approve the imposition of a differential general rate which is more than twice the lowest differential general rate imposed by that local government.

The second part of this document provides guidance for local governments in requesting such an approval.

Legislation

Local Government Act 1995

6.33. Differential general rates

(1) A local government may impose differential general rates according to any, or a combination, of the following characteristics:

(a) the purpose for which the land is zoned, whether or not under a local planning scheme or improvement scheme in force under the *Planning and Development Act 2005*; or
(b) a purpose for which the land is held or used as determined by the local government; or
(c) whether or not the land is vacant land; or
(d) any other characteristic or combination of characteristics prescribed.

(2) Regulations may:

(a) specify the characteristics under subsection (1) which a local government is to use; or
(b) limit the characteristics under subsection (1) which a local government is permitted to use.

(3) In imposing a differential general rate a local government is not to, without the approval of the Minister, impose a differential general rate which is more than twice the lowest differential general rate imposed by it.

(4) If during a financial year, the characteristics of any land which form the basis for the imposition of a differential general rate have changed, the local government is not to, on account of that change, amend the assessment of rates payable on that land in respect of that financial year but this subsection does not apply in any case where section 6.40(1)(a) applies.

(5) A differential general rate that a local government purported to impose under this Act before the *Local Government Amendment Act 2009* section 39(1)(a) came into operation is to be taken to have been as valid as if the amendment made by that paragraph had been made before the purported imposition of that rate.

Local Government (Financial Management) Regulations 1996

52A. Characteristics prescribed for differential general rates (Act s. 6.33)

(1) In this regulation:

commencement day means the day on which the *Local Government (Financial Management) Amendment Regulations (No. 2) 2012* regulation 5 comes into operation.

relevant district means a district that:

(a) is declared to be a district by an order made under section 2.1(1)(a) on or after commencement day; or
(b) has its boundaries changed by an order made under section 2.1(1)(b) on or after commencement day.

(2) For the purposes of section 6.33(1)(d), the following characteristics are prescribed in relation to land in a relevant district, where not more than 5 years has elapsed since the district last became a relevant district:

(a) (a) whether or not the land is situated in a townsite as defined in the Land Administration Act 1997 section 3(1);
(b) (b) whether or not the land is situated in a particular part of the district of the local government.

In relation to 52A(1), Regulation 5 of *Local Government (Financial Management) Amendment Regulations (No. 2) 2012* came into effect on 30 June 2012.

Policy

The Minister may approve the imposition of a differential general rate that is more than twice the lowest differential general rate imposed by that local government. Without that approval the difference between differential general rates imposed by a local government is limited to two times in each of the unimproved value and gross rental value categories.

Key values

The Minister's approval under section 6.33(3) will be made consistently with the key values of objectivity, fairness and equity, consistency, transparency and administrative efficiency. To that end, the Minister will not approve an application for an approval under this policy (**the application**) unless the Minister is satisfied of the following matters.

Objectivity

- The land on which differential general rates has been rated according to one or more of the following land characteristics:
  - zoning
  - land use
  - vacant land.
- Where there has been a change to the boundaries of the district within the past five years, the land on which differential general rates apply may also be rated according to one or more of the following land characteristics:
  - whether or not it is situated in a town-site
  - whether or not it is situated in a particular part of the district.
- The local government has proposed a differential general rate which is more than twice the lowest differential rate.

Fairness and Equity

- The Council of the local government has reviewed its expenditure and considered efficiency measures as part of its budget deliberations. This is to be reflected in the council minutes when it adopts the budget strategy and endorses objects and reasons for each differential rating category and each minimum payment.
- The objects of imposing differential rates and reasons for each proposed differential general rate are set out by the local government in a publically available document.
- These objects and reasons clearly explain why each differential general rate is proposed to be imposed.
- The objects and reasons clearly explain why it is proposed to set the differential general rate at that particular rate.

- If a category of ratepayer is significantly contributing to the local government's revenue through fees, charges and other payments, the local government has not used these same costs as the justification for the difference in differential general rate.

- If there are fewer than thirty ratepayers who will be subject to the differential general rate, each affected ratepayer has been informed in writing by the local government of:

    - the terms of this policy (through the provision of a copy of this document to the ratepayer
    - the local government's objects of and reasons for proposing to impose the differential general rates
    - the differential general rate that will apply to the ratepayer's property; and
    - the differential general rate that applied in the previous year for comparison

  and was given at least 21 days to make submissions to the local government on the proposal.

- The ratepayers' submissions, if any, and the local government's response to each ratepayer's submission (as recorded in the minutes of the Council meeting at which the response was adopted) have been provided to the Minister.

Consistency

- The local government has rated similar properties that are used for the same purpose in the same way.

- The proposed differential rates align with the rating strategy in the corporate business plan and long term financial plan or the council of the local government has detailed its reasons for deviating from that rating strategy.

- The local government has reviewed and considered rates proposed in neighbouring or similar local government districts in the rating strategy.

Transparency and administrative efficiency

- The local government has:

    - prepared and made publically available a document clearly describing the object of and reason for each differential general rate;
    - given public notice in a newspaper circulating generally throughout the district and exhibited to the public on a notice board at the local government's office and at every local government library in the district (refer to Rating Policy – Giving Notice)
    - published the notices after 1 May in the relevant year.

- The public notice published by the local government contained:
  - details of each differential general rate that the local government intends to impose
  - an invitation for submissions to be made by an elector or ratepayer
  - a closing date for submissions which is at least twenty one days after the day on which the notice is published
  - advice on the time and place where a document containing the objects of and reasons for the differential general rates can be inspected.

- The council of the local government has:
  - considered each ratepayer submission (if any)
  - resolved to make the application provided the Minister with the minutes and agenda papers relevant to these matters.

Guidance for Local Governments and Affected Ratepayers on Requesting Approval

The guidance below is directed to an application for approval under section 6.33(3) for the imposition of a differential general rate which is more than twice the lowest differential general rate imposed by it.

Local governments

The policy section of this document identifies the matters on which the Minister will want to be satisfied before he or she approves an application.

Before making an application, a local government should be satisfied that:

- it intends to impose a differential general rate which is more than twice the lowest differential general rate imposed by it

- in light of the application and its supporting material, the Minister will be able to be satisfied that making such a determination would be consistent with the key values of objectivity, fairness and equity, consistency, transparency and administrative efficiency, as detailed in the policy.

The starting point for a local government will be the matters identified under the key values of objectivity and consistency. The local government will need to ensure that all of the matters identified under those key values are addressed.

Once the local government is satisfied that it has addressed all the matters identified under the key values of objectivity and consistency, the local government will need to address the key value of fairness and equity. This includes the requirement for the local government to give public notice of its intent to impose the differential general rates.

The Rating Policy – Giving Notice provides more information on this process. If there are fewer than thirty ratepayers affected in any differential rate category, the local government will need to contact those ratepayers directly. That will involve the local government writing to the ratepayer, addressing each of the matters identified under that key value and giving the ratepayer at least 21 days to make submissions.

Once the local government has given public notice, written to the affected ratepayers if required, and received any submissions from ratepayers, the council of the local government will need to consider:

- those submissions
- the other information addressing the key values of objectivity, consistency and fairness and equity.

Even if the council has previously considered the matter, the council must consider the submissions and the other information and resolve to make the application to the Minister.

Once the council has resolved to make the application, the following should be sent to the Minister:

- the application
- a copy of the public notice showing the publication date
- the supporting material addressing each of the matters identified under the key values of objectivity, fairness and equity, consistency, transparency and administrative efficiency.

The Minister will then consider the application and may request more information from the local government before granting approval.

The ratepayer

The ratepayer should respond constructively to a request for submissions by a local government considering imposing specified differential general rates.

In particular, the ratepayer should form a view as to whether the matters set out under the key values have been correctly addressed.

If the ratepayer considers that these matters have not been correctly addressed, the ratepayer should set out why they hold this view in their submission to the local government.

In their submission, the ratepayer should address any other matter which they wish the local government and the Minister (if applicable) to consider.

In considering an application, the Minister may request information from the ratepayer before making their decision.

Application

The completed application form and relevant attachments must be sent to:

Email: legislation@dlgc.wa.gov.au
or
Executive Director
Sector Regulation and Support
Department of Local Government and Communities
GPO Box R1250
PERTH WA 6844

Timeline

January/February (approximately) – Planning

The local government commences budget planning by reviewing the Corporate Plan and other relevant plans.

April (approximately) – Budget Strategy

The council adopts the budget strategy and endorses objects and reasons for each differential rating category and each minimum payment.

1 May – Notice Period

In accordance with section 6.36(2)(a) of the *Local Government Act 1995*, the local government publishes a notice of its intention to impose differential general rates on or after this date.

At least 21 days after the notice is published

(not including date of appearance)
Council considers submissions and determines appropriate level of
differential rates.
Council decision to seek Ministerial approval for the imposition of differential general rates that fall within section 6.33(3).

Processing Time

A local government needs to allow three weeks for the processing of an application from the date all of the required information is received by the Department of Local Government and Communities.

Budget Deadline

The local government's budget is to be adopted by 31 August under section 6.2(1) of the *Local Government Act 1995.* The budget cannot be adopted until after the Minister makes their decision.

If the local government has submitted the final documents for Ministerial approval later than the end of July, consideration may need to be given by the local government to applying for Ministerial approval for an extension to the budget adoption

For more information please contact:

Department of Local Government and Communities
Gordon Stephenson House, 140 William Street, Perth WA 6000
GPO Box R1250, Perth WA 6844, Telephone: (08) 6551 8700, Fax: (08) 6552 1555,
Freecall: 1800 620 511 (Country only)
Email: legislation@dlgc.wa.gov.au
Website: www.dlgc.wa.gov.au/AdviceSupport/Pages/Rating-policies.aspx
Translating and Interpreting Service (TIS) – Telephone: 13 14 50

ATTACHMENT C

Government of **Western Australia**
Department of **Local Government and Communities**

Rating Policy

Minimum Payments (s.6.35)

March 2016

Contents

Rating Policy – Minimum Payments (March 2016)

Prepared by: Department of Local Government and Communities, 140 William Street, Perth WA 6000, GPO Box R1250, PERTH WA 6844, Tel: (08) 6551 8700, Fax: (08) 6558 1555, Freecall: 1800 620 511 (Country Only), Email: legislation@dlgc.wa.gov.au
Web: www.dlgc.wa.gov.au, Translating and Interpreting Service (TIS) - Telephone: 13 14 50

Introduction

Local governments impose rates on the properties within their district to raise revenue to fund the services and facilities provided to residents and visitors.

The quantum of rates payable is determined by three factors: the method of valuation of the land, the valuation of the land and improvements, and the rate in the dollar applied to that valuation by the local government.

Land is rated according to its unimproved value for land used predominantly for rural purposes or gross rental value for land used predominantly for non-rural purposes.

The Valuer General values the land in accordance with the provisions of the *Valuation of Land Act 1978*. A rate in the dollar is imposed by the local government on this valuation to determine a ratepayer's rates liability.

A minimum payment can be imposed by a local government irrespective of what the rate assessment would be if the rate is applied to the property valuation.

The purpose of the imposition of a minimum payment is generally to ensure that every ratepayer makes a reasonable contribution to the rate burden.

Objective

This document describes the legislative and policy basis for the application of minimum payments to land being rated by a local government. In particular, it sets out the policy that guides the Minister for Local Government's exercise of the power to approve the imposition of a minimum payment on vacant land which does not comply with legislative provisions covering the percentage of properties affected.

The document also explains the application of the legislative provisions, particularly in relation to general and lesser minimums.

The second part of this document provides guidance for local governments in requesting such an approval.

Legislation

Local Government Act 1995

6.35. Minimum payment

(1) Subject to this section, a local government may impose on any rateable land in its district a minimum payment which is greater than the general rate which would otherwise be payable on that land.

(2) A minimum payment is to be a general minimum but, subject to subsection (3), a lesser minimum may be imposed in respect of any portion of the district.

(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),

on which a minimum payment is imposed.

(4) A minimum payment is not to be imposed on more than the prescribed percentage of:

(a) the number of separately rated properties in the district; or
(b) the number of properties in each category referred to in subsection (6),

unless the general minimum does not exceed the prescribed amount.

(5) If a local government imposes a differential general rate on any land on the basis that the land is vacant land it may, with the approval of the Minister, impose a minimum payment in a manner that does not comply with subsections (2), (3) and (4) for that land.

(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.

Local Government (Financial Management) Regulations 1996

52. Percentage prescribed for minimum payment (Act s. 6.35(4))

The percentage prescribed for the purposes of section 6.35(4) is 50%.

53. Amount prescribed for minimum payment (Act s. 6.35(4))

The amount prescribed for the purposes of section 6.35(4) is $200.

Interpretation

A minimum payment can be separately applied to gross rental value (GRV) properties, unimproved value (UV) properties or each differential rating category where differential rates are imposed. This is known as the general minimum for each category.

There is no restriction on the proportion of properties subject to the minimum providing the minimum is not more than $200.

If the minimum is over $200, no more than half of the properties (50%) can be subject to the minimum unless the differential rating category is for vacant land **and** Ministerial approval is granted.

Ministerial approval is required when a differential general rate is applied to land where the differential rating category is **vacant** in the following circumstances:

- Where the minimum payment is to be imposed on more than 50 per cent of the properties in a differential rating category for vacant land, unless this minimum is no more than $200 (6.35(4)).
- Where a lesser minimum than this general minimum is proposed to be imposed and this lesser minimum will apply to more than 50 per cent of the properties in a differential rating category for vacant land to which the general minimum would have applied (6.35(2) and (3)).

If the land subject to the minimum is **not in a differential rating category for vacant land**, there is no Ministerial discretion to approve a local government imposing a minimum (general or lesser) that applies to more than half of the properties – and the local government cannot impose such a minimum.

Case Study

A new industrial site within the Shire of Alpha is being developed. There are twenty lots consisting of eight large lots and twelve small lots. Six of the lots (three of each) have services supplied and have higher valuations.

The Shire of Alpha sets a differential rate on the land in this development, classifying it as vacant industrial land. It further decides to impose a general minimum payment, which is more than $200, on the lots that do not have services supplied. As these make up 70 per cent (14/20) of the properties within this rate category and it is vacant land, Alpha must apply to the Minister for approval to set a rate that does not comply with section 6.35(4).

Following submissions to the local government from the owners of the smaller lots, Alpha decides to set a lesser minimum on the smaller vacant lots. As there are nine of these and five vacant large lots, the lesser minimum will apply to 64 per cent (9/14) of the lots subject to the general minimum and Ministerial approval for that lesser minimum will be required as the conditions in 6.35 (2) and (3) are not met.

Policy

The Minister may approve the imposition of a general minimum payment that applies to more than 50 per cent of the properties in a differential rate category for vacant land or a lesser minimum that applies to more than 50 per cent of the properties on minimum payment in a differential rate category for vacant land.

Key values

The Minister's approval under section 6.35(5) will be made consistently with the key values of objectivity, fairness and equity, consistency, transparency and administrative efficiency. The Minister will not approve an application (**the application**) under this policy unless satisfied of the following matters.

Objectivity

- A differential rate category of vacant land is in place for the land to which the application relates.
- If approved, the minimum payment would apply to more than 50 per cent of the properties in that category.

- If approval is sought for a lesser minimum, the lesser minimum would apply to more than half of the properties on a general minimum payment.

Fairness and equity

- The council of the local government has reviewed its expenditure and considered efficiency measures as part of its budget deliberations. This is to be reflected in the council minutes when it adopts the budget strategy and endorses objects and reasons for each differential rating category and each minimum payment.

- The objects of and reasons for the proposed minimum payments are set out by the local government in a publically available document.

- These objects and reasons clearly explain why a minimum payment is proposed to be imposed.

- The objects and reasons clearly explain why it is proposed to set the minimum payment at that amount.

- If more than one minimum payment is proposed, the objects and reasons clearly explain why these differ and the basis on which each is to be imposed.

- If there are fewer than thirty ratepayers who will be subject to the minimum, each affected ratepayer has been informed in writing by the local government of:

    - the terms of this policy (through the provision of a copy of this document to the ratepayer)
    - the local government's objects of and reasons for proposing to impose minimum payment(s)
    - the minimum payment that will apply to the ratepayer's property
    - the minimum payment that applied in the previous year for comparison

  and was given at least 21 days to make submissions to the local government on the proposal.

- The ratepayers' submissions, if any, and the local government's response to each ratepayer's submission (as recorded in the minutes of the council meeting at which the response was adopted) have been provided to the Minister.

Consistency

- If the effect of the proposal is to set different minimum payments on different categories of ratepayers, the local government provides reasons for the different treatment.

Transparency and administrative efficiency

- The local government has:
  - prepared and made publically available a document clearly describing the object of and reason for each minimum payment
  - given public notice in a newspaper circulating generally throughout the district and exhibited to the public on a notice board at the local government's office and at every local government library in the district (refer to Rating Policy – Giving Notice)
  - published the notices after 1 May in the relevant year.

- The public notice published by the local government contained:
  - details of each minimum payment that the local government intends to impose
  - an invitation for submissions to be made by an elector or ratepayer
  - a closing date for submissions which is at least twenty one days after the day on which the notice is published
  - advice on the time and place where a document containing the objects of and reasons for the minimum payments can be inspected.

- The council of the local government has:
  - considered each ratepayer submission (if any)
  - resolved to make the application
  - provided the Minister with the minutes and agenda papers relevant to these matters.

Guidance for Local Governments and Affected Ratepayers on Requesting Approval

The guidance below is directed to an application for approval under section 6.35(5) that a general minimum payment apply to more than 50 per cent of the properties in a differential general rate category for vacant land, or that a lesser minimum payment apply to more than 50 per cent of the properties on a general minimum in a differential general rate category for vacant land.

Local governments

The policy section of this document identifies the matters of which the Minister will want to be satisfied before he or she approves an application.

Before making an application, a local government should be satisfied that:

- the land, the subject of the application, is land which is in a differential rate category on the basis that the land is vacant land, and
- in light of the application and its supporting material, the Minister will be able to be satisfied that making such a determination would be consistent with the key values of objectivity, fairness and equity, consistency, transparency and administrative efficiency, as detailed in the policy.

The starting point for a local government will be the matters identified under the key values of objectivity and consistency. The local government will need to ensure that all of the matters identified under those key values are addressed.

Once the local government is satisfied that it has addressed all the matters identified under the key values of objectivity and consistency, the local government will need to address the key value of fairness and equity. This includes the requirement for the local government to give public notice of its intent to impose the minimum payment(s). The Rating Policy – Giving Notice provides more information on this process.

If there are fewer than thirty ratepayers affected by the minimum in any category, the local government will need to contact those ratepayers directly. This will involve the local government writing to the ratepayer, addressing each of the matters identified under that key value and giving the ratepayer at least 21 days to make submissions.

Once the local government has given public notice, written to the affected ratepayers if required, and received any submissions from ratepayers, the council of the local government will need to consider:

- those submissions
- other information addressing the key values of objectivity, consistency and fairness and equity.

Even if the council has previously considered the matter, the council must consider the submissions and the other information and resolve to make the application to the Minister.

Once the council has resolved to make the application, the following should be sent to the Minister:

- the application
- a copy of the public notice showing the publication date
- the supporting material addressing each of the matters identified under the key values of objectivity, fairness and equity, consistency, transparency and administrative efficiency.

The Minister will then consider the application and may request more information from the local government before giving their approval.

The ratepayer

The ratepayer should respond constructively to a request for submissions by a local government considering imposing minimum payments.

In particular, the ratepayer should form a view as to whether the matters set out under the key values have been correctly addressed.

If the ratepayer considers that these matters have not been correctly addressed, the ratepayer should set out why they hold this view in their submission to the local government.

In their submission, the ratepayer should address any other matter which they wish the local government and the Minister (if applicable) to consider.

In considering an application, the Minister may request information from the ratepayer before making a decision.

Application

The completed application form and relevant attachments are to be sent to:

Email: legislation@dlgc.wa.gov.au

or

Executive Director
Sector Regulation and Support
Department of Local Government and Communities
GPO Box R1250
PERTH WA 6844

Timeline

January/February (approximately) – Planning

The local government commences budget planning by reviewing the Corporate Plan and other relevant plans.

April (approximately) – Budget Strategy

The council adopts the budget strategy and endorses objects and reasons for each differential rating category and each minimum payment.

1 May – Notice Period

In accordance with section 6.36(2)(a) of the Local Government Act 1995, the local government publishes a notice of its intention to impose minimum payments on or after this date.

At least 21 days after the notice is published

(not including the date of appearance)
Council considers submissions and determines appropriate level of minimum payment.

Council decision to seek Ministerial approval for the imposition of minimum payments that fall within section 6.35(5).

Processing Time

A local government needs to allow three weeks for the processing of an application from the date all of the required information is received by the Department of Local Government and Communities.

Budget Deadline

The local government's budget is to be adopted by 31 August under section 6.2(1) of the *Local Government Act 1995.* The budget cannot be adopted until after the Minister makes their decision.

If the local government has submitted the final documents for Ministerial approval later than the end of July, consideration may need to be given by the local government to applying for Ministerial approval for an extension to the budget adoption date.

For more information please contact:

Department of Local Government and Communities
Gordon Stephenson House, 140 William Street, Perth WA 6000
GPO Box R1250, Perth WA 6844
Telephone: (08) 6551 8700 Fax: (08) 6552 1555
Freecall: 1800 620 511 (Country only)
Email: legislation@dlgc.wa.gov.au
Website: www.dlgc.wa.gov.au/AdviceSupport/Pages/Rating-policies.aspx

Translating and Interpreting Service (TIS) – Telephone: 13 14 50

8.3 TENDER 618KWN16 - Waste Management Services - Waste and Recycling Collections, Processing and Disposal

DECLARATION OF INTEREST:

There were no declarations of interest declared.

SUMMARY

The City of Kwinana invited Tenders from suitably qualified and experienced Tenderers, for the provision of Waste Management Services as detailed in the Specifications of the Tender documentation.

The Request for Tender was advertised in The West Australian newspaper on Wednesday, 4 April 2018. The Tender was also advertised and issued through the City's e-tendering portal Tenderlink www.tenderlink.com/kwinana.

A mandatory Tender Briefing session was held at 10am on Tuesday, 10 April 2018 with four organisations represented. Tenders closed at 2pm on Wednesday, 2 May 2018. Submissions were received from all four Tenderers who attended the Tender Briefing session:

- Cleanaway
- Drainflow Services
- Solo Resource Recovery (Solo)
- SUEZ Recycling and Recovery Pty Ltd (SUEZ) –
    - SUEZ nominated 'Conforming Tender' – Pricing not provided for Options
    - SUEZ nominated 'Alternative Tender' – Pricing provided for all services including Options.

Following a thorough evaluation of the Tenders, a recommendation is being made to Council to accept the Alternative Tender submission from SUEZ including the Options to dispose waste at their North Bannister landfill facility and process recyclables at the materials recovery facility (MRF) at Bibra Lake.

OFFICER RECOMMENDATION:

That Council:

1. Award contract 618KWN16 - Waste Management Services - Waste and Recycling Collections, Processing and Disposal to SUEZ Recycling and Recovery Pty Ltd, for a period of four years with one extension option of 12 months, for the estimated price of $3,288,929 per annum, including disposal of waste and processing of recyclables Options; in accordance with the special and general conditions of contract, specifications and Tender submission, clarifications, schedule of rates and the recommendations of the Advanced Financial Assessment.

2. In the event that a Contract is not executed in terms of Recommendation 1, Council delegate to the Chief Executive Officer, the authority to award contract 618KWN16 - Waste Management Services - Waste and Recycling Collections, Processing and Disposal to SUEZ Recycling and Recovery Pty Ltd, for a period of four years with one extension option of 12 months, for the estimated price of $1,375,310 per annum, with waste transported to Millar Road landfill and recyclables processed by the SMRC; in accordance with the special and general conditions of contract, specifications and Tender submission, clarifications and schedule of rates.

8.3 TENDER 618KWN16 - WASTE MANAGEMENT SERVICES - WASTE AND RECYCLING COLLECTIONS, PROCESSING AND DISPOSAL

3. Validates the Contract to be awarded is for a period of four years (plus one 12 month extension option) and all prices for services under this Contract are to be fixed for the first twelve months of the Contract Period and then reviewed on an annual basis for the remaining term of the Contract. On each Review Date, the Principal will review the Contract Price. A review of the contract price will be based on the Consumer Price Index (CPI) (All Groups) Perth number.

DISCUSSION

<u>Background</u>

The City of Kwinana's current waste and recycling services contract (since September 2015) with Cleanaway terminates on 30 June 2018. There are no options to extend the contract.

Cleanaway provide the following services through the current contract – '**Current Services**'

- Waste and recycling collections and transport for:
  - Residential and commercial properties;
  - Litter bin and events; and
  - Inside services for persons with disability and the elderly.
- Bin replacement and repairs; and
- Customer service

The City's waste is currently transported to the City of Rockingham owned Millar Road landfill facility. The City pays the advertised rate per tonne for disposal including the landfill levy. The City has not signed a contract for the disposal of waste to the Millar Road landfill.

The City's recycling is currently transported to the Southern Metropolitan Regional Council (SMRC) MRF at Canning Vale. The City pays SMRC the set fee for processing recyclables. The contract for this service expires on 30 June 2018.

<u>Tender Specification</u>

The Tender documentation required Tenderers provide pricing for all 'Current Services' (as above).

To improve services by providing flexibility and to measure contamination and associated improvements, Tenderer's were also requested to provide pricing for the following '**New Services**':

- Collection and transport of materials for annual audits.
- 660L bin collection and transport for waste and associated bin replacement and repair charges. (Service improvement for some multi-unit dwellings and commercial businesses).
- 360L commercial recycling collections.

Finally, in the interest of remaining flexible through a potential five-year contract and taking into consideration possible legislative changes, the City requested that Tenderers provide pricing for various '**Options**' including:

- Disposal of waste at a site nominated by the Tenderer until the Phoenix Waste to Energy plant is service ready;
- Processing of recyclables at a site nominated by the Tenderer;
- Changeover to a 3-bin garden organics (GO) system; and
- Changeover to a 3-bin food organics and garden organics (FOGO) system.

The Options above were requested in addition to the Current Services and New Services.

Tender Advertisement and Submissions

On 4 April 2018, the City of Kwinana advertised Request for Tender (RFT) 618KWN16 - Waste Management Services - Waste and Recycling Collections, Processing and Disposal in The West Australian newspaper and issued the documentation via the City's e-tendering portal Tenderlink - www.tenderlink.com/kwinana.

A mandatory Tender Briefing session was held at 10am on Tuesday, 10 April 2018 with four organisations represented. Tenders closed at 2pm, Wednesday 2 May 2018. Submissions were received (as below) from all four Tenderers who attended the Tender Briefing Session.

- Cleanaway – Pricing for all Options provided
- Drainflow Services – Pricing for all Options provided
- Solo – Pricing for some Options not provided
- SUEZ nominated Conforming Tender – Pricing for most Options not provided
- SUEZ nominated Alternative Tender – Pricing for all Options provided

Tender Evaluation

The evaluation panel comprised the Director City Regulation, Director City Infrastructure, Acting Coordinator Environmental Health and Waste Services, Contracts Officer and Manager Environmental Health.

The panel evaluated the Tender submissions in accordance with the documented compliance and qualitative criteria (refer to Confidential Attachment A). The evaluation recommendation report is under confidential cover as it contains commercial-in-confidence information.

Evaluation Summary

The attached Confidential Recommendation Report indicates that:

1. SUEZ scored the highest for the Qualitative Criteria – 58% from a maximum 65%.
2. The SUEZ Alternative Tender (Current and New Services and Options for disposal of waste and processing of recyclables) also scored the highest for Pricing, within budget - 31% from a maximum 35%.

The SUEZ Alternative Tender with Current Services, New Services and Options scored a total of 89 points out of 100. The Tender included options to dispose the City's waste at the SUEZ owned North Bannister landfill facility (until the Phoenix Waste to Energy plant is operational); and to process the City's recyclables at the SUEZ owned materials recovery facility (MRF) at Bibra Lake.

The SUEZ Conforming Tender (Current and New Services only) scored a total of 85 points out of 100.

Information about SUEZ and the Tender inclusions

Experience – SUEZ is an international company that bought the WA owned and operated company Perthwaste. Some of the key staff members, including Mr Dean Wells, managed the City of Kwinana's waste contract prior to Cleanaway taking over the contract in 2015.

Reliability – SUEZ has an exceptional track record with services provided to 78 local governments, while serving 3.7 million people every week.

Integrated Management System – SUEZ achieved the following certification in 2001 and has maintained them since then:
ISO 14001 – Environment, ISO 9000 – Quality and AS/NZS 4801 – Safety

Technology Improvement - SUEZ CORE is SUEZ's integrated collection reporting, tracking, mapping and navigational system, which provides a high level of data visibility, capturing real-time data and digital video recordings. The City's Officers will be given direct access via a log-in, enabling full visibility on property service history and service exclusions. The City will also have the option to integrate the City's CRM system with SUEZ CORE to create a fully automated records management system.

New Fleet - Upon contract award, SUEZ will order brand new Side Lift vehicles to service the contract. The new fleet will comply with Euro 5 emissions and exhibit state of the art technology.

Service Delivery - SUEZ will resource the contract effectively to ensure a seamless transition and ongoing daily quality service. SUEZ CORE automatically reports on progress, so the City can allocate additional resources as required to ensure completion of tasks each day.

Customer Service - SUEZ operates an established Customer Service Centre in Welshpool. SUEZ will utilise an experienced and dedicated full-time Customer Service Officer for this contract to liaise with the City of Kwinana contract representatives and residents. SUEZ CORE enables Operations Supervisors and Customer Service Officers to allocate tasks to trucks and drivers for prompt action. Through the Tender submission, it was evident that SUEZ understands and is capable of delivering on the City's customer service requirements.

Transition Planning – SUEZ provided a detailed transition plan for commencement of contract and procurement of new vehicles. The new vehicles come standard with the latest safety technology and the SUEZ CORE software. Due to SUEZ's experience as Perthwaste with the City of Kwinana contract for six years prior to 2015, SUEZ has the capability to use existing vehicles and the availability of trained staff (including drivers); SUEZ is able to commence the contract with the City as planned on 1 July 2018.

Future Flexibility - SUEZ has successfully helped five (5) Local Governments in Perth implement 3-Bin Systems. SUEZ will draw on this experience to help the City of Kwinana achieve a smooth and seamless transition to the new services should a 3-bin GO or FOGO system become a requirement for local government. SUEZ also manages the organics processing facility at North Bannister.

LEGAL/POLICY IMPLICATIONS

Local Government Act 1995

Local Government (Functions and General) Regulations 1996.
Part 4 – Provision of goods and services

City of Kwinana Procurement Policy

FINANCIAL/BUDGET IMPLICATIONS

The total annual value of the Alternative Tender proposed by SUEZ, including Current Services, New Services and Options for disposal of waste and processing of recyclables is estimated to be $3,288,929 for the first year of the contract, being the 2018/19 financial year. Perth CPI increases will apply at every anniversary following the first year of the contract.

The confidential Recommendation Report attached provides a comparison of the landfill disposal charges and recycling collection and processing charges so as to assess the full cost implications of the Tender.

ASSET MANAGEMENT IMPLICATIONS

There are no asset management implications. SUEZ will procure new fleet for the contract. The cost of purchase of new fleet has been included in the Tender pricing for services rendered.

ENVIRONMENTAL IMPLICATIONS

SUEZ maintains certification for Environment ISO 14001.

SUEZ will be purchasing new fleet vehicles that comply with the Euro 5 emission standards.

The transport of waste to the landfill facility at North Bannister from the Bibra Lake transfer station will create more carbon emissions.

The transport of recyclables to the Bibra Lake MRF will result in a reduction in associated carbon emissions.

Overall, it is anticipated that award of the contract to SUEZ will ensure a nett reduction in carbon emissions.

STRATEGIC/SOCIAL IMPLICATIONS

This proposal will support the achievement of the following objectives and strategies detailed in the Corporate Business Plan.

Plan	Objective	Strategy
Corporate Business Plan – 6. Optimise City Services	6.1 Encourage waste minimisation, recovery and recycling as well as ensure appropriate disposal and reuse	Strategic Waste Management Plan - 6.1.6 Engage a new contractor/s to deliver waste services for Kwinana

COMMUNITY ENGAGEMENT

Not applicable.

RISK IMPLICATIONS

The risk implications in relation to this proposal are as follows:

Risk Event	Disruption of Waste Collection Services
Risk Theme	Business and community disruption
Risk Effect/Impact	Service delivery Health Reputation
Risk Assessment Context	Operational
Consequence	Major
Likelihood	Possible
Rating (before treatment)	High
Risk Treatment in place	Reduce - mitigate risk
Response to risk treatment required/in place	Thorough evaluation process. Contract conditions, meetings and enforcement provisions. Contract meetings held every 3 months. Regular communications with the Contractor. Introduction of quality systems.
Rating (after treatment)	Low

Risk Event	Awarding contract to a supplier where quotations exceed the $150,000 Tender threshold and the City did not conduct a formal Tender process.
Risk Theme	Failure to fulfil statutory regulations or compliance requirement.
Risk Effect/Impact	Compliance
Risk Assessment Context	Operational
Consequence	Insignificant
Likelihood	Possible
Rating (before treatment)	Low
Risk Treatment in place	Reduce - mitigate risk
Response to risk treatment required/in place	Conduct formal Tender process
Rating (after treatment)	Low

8.3 TENDER 618KWN16 - WASTE MANAGEMENT SERVICES - WASTE AND RECYCLING COLLECTIONS, PROCESSING AND DISPOSAL

<u>COUNCIL DECISION</u>
187
MOVED CR P FEASEY **SECONDED CR M ROWSE**

That Council:

1. **Award contract 618KWN16 - Waste Management Services - Waste and Recycling Collections, Processing and Disposal to SUEZ Recycling and Recovery Pty Ltd, for a period of four years with one extension option of 12 months, for the estimated price of $3,288,929 per annum, including disposal of waste and processing of recyclables Options; in accordance with the special and general conditions of contract, specifications and Tender submission, clarifications, schedule of rates and the recommendations of the Advanced Financial Assessment.**

2. **In the event that a Contract is not executed in terms of Recommendation 1, Council delegate to the Chief Executive Officer, the authority to award contract 618KWN16 - Waste Management Services - Waste and Recycling Collections, Processing and Disposal to SUEZ Recycling and Recovery Pty Ltd, for a period of four years with one extension option of 12 months, for the estimated price of $1,375,310 per annum, with waste transported to Millar Road landfill and recyclables processed by the SMRC; in accordance with the special and general conditions of contract, specifications and Tender submission, clarifications and schedule of rates.**

3. **Validates the Contract to be awarded is for a period of four years (plus one 12 month extension option) and all prices for services under this Contract are to be fixed for the first twelve months of the Contract Period and then reviewed on an annual basis for the remaining term of the Contract. On each Review Date, the Principal will review the Contract Price. A review of the contract price will be based on the Consumer Price Index (CPI) (All Groups) Perth number.**

CARRIED
5/0

9 Councillor Reports

9.1 Councillor Matthew Rowse

Councillor Matthew Rowse reported that he had attended the Volunteer Thank You and Recognition Quiz Night and passed on his congratulations to the 2018 Volunteer of the Year Award recipient, Ashley Towns. Councillor Rowse added that his team had won the quiz and that everyone had enjoyed the evening and he passed his thanks to all of the City Officers involved.

Councillor Rowse advised that he had attended Kwinana’s Conciliation Journey: Let’s Take the Next Step and stated he was proud to take the first step.

Councillor Rowse mentioned that he had attended Reece Whitby's Community Safety Forum where there was a lot of good information shared.

9.2 Councillor Dennis Wood

Councillor Dennis Wood reported that he had attended the Western Australian Local Government Association (WALGA) Emergency Services Training and the Combined Emergency Management Desktop Exercise.

Councillor Wood advised that he had attended the United States of America (USA) Memorial Day held at Kings Park.

10 Mayoral Announcements (without discussion)

Mayor Carol Adams reported that she had attended the Volunteer Thank You and Recognition Quiz Night and passed on her congratulations to the 2018 Volunteer of the Year Award recipient, Ashley Towns.

The Mayor advised that she had attended Kwinana’s Conciliation Journey: Let’s Take the Next Step.

The Mayor mentioned that she had attended Reece Whitby's Community Safety Forum.

11 Matters Behind Closed Doors

Nil

12 Meeting Closure

The Mayor declared the meeting closed at 7:16pm.