



## *Special Council Meeting*

*Thursday 16 June 2022*

# ***AGENDA***

### **NOTICE OF MEETING**

Dear Elected Member

This Special Council Meeting of the Shire of Meekatharra will be held on Thursday 16 June 2022 in the Council Chambers, Main Street Meekatharra commencing at 5pm to consider objections received in relation to Differential Rates proposed for 2022/23.

A handwritten signature in black ink, appearing to read 'Kelvin Matthews', with a long horizontal flourish extending to the right.

Kelvin Matthews  
Chief Executive Officer  
15 June 2022



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**1 DECLARATION OF OPENING/ ANNOUNCEMENT OF VISITORS**

**1.1 DECLARATION OF OPENING**

**1.2 DISCLAIMER READING**

*No responsibility whatsoever is implied or accepted by the Shire of Meekatharra for any act, omission or statement or intimation occurring during this Meeting.*

*It is strongly advised that persons do not act on what is heard at this Meeting and should only rely on written confirmation of council's decision, which will be provided within fourteen (14) days of this Meeting.*

**2 RECORD OF ATTENDANCE/ APOLOGIES/ APPROVED LEAVE OF ABSENCE**

**Members:**

**Staff:**

**Apologies:**

**Approved Leave of Absence:**

**Observers:**

**3 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**

**4 PUBLIC QUESTION TIME**

**5 APPLICATIONS FOR LEAVE OF ABSENCE**



**6 PETITIONS/ DEPUTATIONS/ PRESENTATIONS/ SUBMISSIONS**

**7 CONFIRMATION OF MINUTES FROM PREVIOUS MEETINGS**

**8 ANNOUNCEMENTS BY THE PRESIDING PERSON WITHOUT DISCUSSION**

## 9 REPORTS OF COMMITTEES AND OFFICERS

### 9.1 2022 – 2023 SETTING OF THE ANNUAL RATE IN THE DOLLAR – SUBMISSION CONSIDERATION

<b>Applicant:</b>	McMahon Mining Title Services Pty Ltd	
<b>File Ref:</b>	ADM 139	
<b>Disclosure of Interest:</b>	Nil	
<b>Date of Report:</b>	17 June 2022	
<b>Author:</b>	Peter Dittrich DCEO	 <i>Signature of Author</i>
<b>Senior Officer:</b>	Kelvin Matthews Chief Executive Officer	 <i>Signature Senior Officer</i>

#### **Summary/Matter for Consideration:**

Council may consider a submission received concerning the proposed differential rating structure.

#### **Attachments:**

Copy of submission from McMahon Mining Title Services Pty Ltd 17 May 2022.

#### **Background:**

At its ordinary meeting held 9 April 2022 Council discussed a detailed report on rates and resolved as follows;

“That Council:

- in arriving at the proposed differential rates in the dollar have attempted to balance the need for revenue to fund essential services and facilities with the desire to limit any increase on the ratepayer to affordable levels.
- acknowledge that it reviews its expenditure and considers efficiency measures as part of budget deliberations.
- authorize that the following proposed rates in the dollar for differential rates be advertised for 21 days on or after 1 May 2022 (as per Local Government Act 1995 Section 6.36).

Gross Rental values	8.8869 cents (0 % change )	Minimum \$400
UV Mining	20.0000 cents (1.99% change )	Minimum \$350
UV Pastoral	8.5 cents (14.15% change )	Minimum \$350

- furthermore, if no submissions are received at close of the advertising period, staff are to proceed with seeking Ministerial approval to allow for these rates to be adopted as part of the 2022/23 Budget adoption at the June 2022 Ordinary Council Meeting.
- adopts the Objects and Reasons for the 2022/23 differential rates as presented.

CARRIED 5/0"

As required, Council advertised its proposed differential rates on 1 May 2022 with a closing date for submissions of 24 May 2022.

One submission was received from McMahon Mining Title Services Pty Ltd.

**Comment:**

On the 17 May 2022 McMahon Mining Title Services Pty Ltd submitted a submission and requested Council consider the impact a proposed increase in rent of 3.4% for exploration licences and 10% for prospecting licences and mining leases the Department of Mines, Industry Regulation and Safety imposed from 1 July 2021 will have on the UV Mining rate revenue for 2022/23.

They state in their letter that “Any increases in the rent therefore result in an increase in valuation and in turn an automatic increase in rates.”

**Statutory Environment:**

Local Government Act 1995 – Section 6.32 Rates and service charges.

“6.32. *Rates and service charges*

- (1) *When adopting the annual budget, a local government —*
  - (a) *in order to make up the budget deficiency, is to impose\* a general rate on rateable land within its district, which rate may be imposed either —*
    - (i) *uniformly; or*
    - (ii) *differentially;**and*
  - (b) *may impose\* on rateable land within its district —*
    - (i) *a specified area rate; or*
    - (ii) *a minimum payment;**and*
  - (c) *may impose\* a service charge on land within its district.*
- (2) *Where a local government resolves to impose a rate it is required to —*
  - (a) *set a rate which is expressed as a rate in the dollar of the gross rental value of rateable land within its district to be rated on gross rental value; and*
  - (b) *set a rate which is expressed as a rate in the dollar of the unimproved value of rateable land within its district to be rated on unimproved value.*
- (3) *A local government —*
  - (a) *may, at any time after the imposition of rates in a financial year, in an emergency, impose\* a supplementary general rate or specified area rate for the unexpired portion of the current financial year; and*
  - (b) *is to, after a court or the State Administrative Tribunal has quashed a general valuation, rate or service charge, impose\* a new general rate, specified area rate or service charge.*

\* Absolute majority required.

\* Absolute majority required.

- (4) *Where a court or the State Administrative Tribunal has quashed a general valuation the quashing does not render invalid a rate imposed on the basis of the quashed*

*valuation in respect of any financial year prior to the financial year in which the proceedings which resulted in that quashing were commenced.*

*[Section 6.32 amended by No. 55 of 2004 s. 690.]”*

#### Local Government Act 1995 – Section 6.33 Differential general rates

##### *“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 planning scheme as defined in 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.*

*[Section 6.33 amended: No. 38 of 2005 s. 15; No. 17 of 2009 s. 39; No. 28 of 2010 s. 34; No. 45 of 2020 s. 113.]*

*[Section 6.33 modified: SL 2020/57 IM.]*

Local Government Act 1995 – Section 6.35 Minimum payment

“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.*

*[Section 6.35 amended: No. 49 of 2004 s. 61.]*

*[Section 6.35 modified: SL 2020/57 1M.]*

Local Government Act 1995 – Section 6.36 Notice of certain rates.

“6.36. *Local government to give notice of certain rates*

- (1) *Before imposing any differential general rates or a minimum payment applying to a differential rate category under section 6.35(6)(c) a local government is to give local public notice of its intention to do so.*



- (2) *A local government is required to ensure that a notice referred to in subsection (1) is published in sufficient time to allow compliance with the requirements specified in this section and section 6.2(1).*
- (3) *A notice referred to in subsection (1) —*
  - (a) *may be published within the period of 2 months preceding the commencement of the financial year to which the proposed rates are to apply on the basis of the local government’s estimate of the budget deficiency; and*
  - (b) *is to contain —*
    - (i) *details of each rate or minimum payment the local government intends to impose; and*
    - (ii) *an invitation for submissions to be made by an elector or a ratepayer in respect of the proposed rate or minimum payment and any related matters within 21 days (or such longer period as is specified in the notice) of the notice; and*
    - (iii) *any further information in relation to the matters specified in subparagraphs (i) and (ii) which may be prescribed;*  
*and*
  - (c) *is to advise electors and ratepayers that the document referred to in subsection (3A) —*
    - (i) *may be inspected at a time and place specified in the notice; and*
    - (ii) *is published on the local government’s official website.*
- (3A) *The local government is required to prepare a document describing the objects of, and reasons for, each proposed rate and minimum payment and to publish the document on the local government’s official website.*
- (4) *The local government is required to consider any submissions received before imposing the proposed rate or minimum payment with or without modification.*
- (5) *Where a local government —*
  - (a) *in an emergency, proposes to impose a supplementary general rate or specified area rate under section 6.32(3)(a); or*
  - (b) *proposes to modify the proposed rates or minimum payments after considering any submissions under subsection (4),*  
  
*it is not required to give local public notice of that proposed supplementary general rate, specified area rate, modified rate or minimum payment.*

*[Section 6.36 amended: No. 16 of 2019 s. 62.]*

*[Section 6.36 modified: SL 2020/57 1M.]”*

**Policy Implications:**

**4.7.5 Budget Preparation**

**Budget/Financial Implications:**

Not known.

**Strategic Implications:**

Nil

**Voting Requirements:**

Absolute Majority

**Officers Recommendation/Council Resolution:**

**Moved:**

**Seconded:**

**That Council:**

- proceed with the differential rating model as proposed at the Ordinary Council Meeting held 9 April 2022 and as advertised.
- request Staff seek Ministerial approval to allow for these rates to be adopted as part of the 2022/23 Budget adoption.

**Further that McMahon Mining Title Services Pty Ltd be advised of this decision.**

17 May 2022

Mr Kelvin Matthews  
Chief Executive Officer  
Shire of Meekatharra  
PO Box 129  
Meekatharra WA 6642

By email: [ceo@meekashire.wa.gov.au](mailto:ceo@meekashire.wa.gov.au)

**SUBMISSION - DIFFERENTIAL RATING 2022-2023**

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

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

Effective from 1 July 2021, the Department increased the rent rate for exploration licences by 3.54%, prospecting licences by 10% and mining leases by 10%. With the Shire proposing an increase in the rates in the dollar for 2022-23 from 0.196101 to 0.20, a significant increase in the actual rates levied will occur as illustrated in the table below.

	<b>2021/22 RID: 0.196101</b>			<b>2022/23 Proposed RID 0.2</b>	
	<b>2021 Rates</b>	<b>2022 Rates - no change in RID</b>	<b>Actual percentage increase in rates - no change in RID</b>	<b>2022 Rates - proposed increase to RID</b>	<b>Actual percentage increase in rates - proposed increase to RID</b>
P (200Ha)	\$588.30	\$647.13	10%	\$660.00	12.2%
E (10sbk)	\$691.26	\$715.77	4%	\$730.00	5.6%
M (100Ha)	\$1,961.01	\$2,157.11	10%	\$2,200.00	12.2%

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

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

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

Yours faithfully,



Shannon McMahon  
Director  
McMahon Mining Title Services

**10. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

**11. ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

**12. NEW BUSINESS OF AN URGENT NATURE – INTRODUCED BY RESOLUTION OF THE MEETING**

**13. CONFIDENTIAL ITEMS**

**14. CLOSURE OF MEETING**