From: [redacted]
To: DLGSC Act Review
Subject: Local Governemnt Act review - further to our online submissions
Date: Friday, 29 March 2019 6:58:21 AM

Dear Sir/Madam

On behalf of the Shire of Meekatharra, I offer the following further comments on the Local Government Act Review.

Firstly we commend the Minister and the Department on the thorough, balanced and comprehensive surveys that were provided for online submission.

We have completed all the surveys and make the following additional comments;

1. **Section 2.29 – Declaration**

We suggest that the deadline for making the declaration be included at Section 2.29 (within 2 months after being declared elected to the office)

The deadline is currently included in section 2.32 – How extraordinary vacancies occur …. If and officer or elected member is looking to find whether there is a deadline for the declaration they will logically look under Section 2.29 – Declaration.

The deadline requirement should be repeated under section 2.29 to avoid the possible situation where an elected member is disqualified because they were unaware of the deadline.

2. **Section 2.18 (2) –** consider reducing the minimum number of Councillors to five. This will allow overhead costs to be reduced in very small Councils and also allow reduction of the ratio of councillors to residents/electors in smaller Councils.

3. **Proposal to introduce mandatory training for Councillors**; we request that consideration be given to the possibility that this requirement may cause some people, who would be very good Councillors, to not nominate for election. The requirement may cause people to not nominate if are time poor, lacking computer literacy, lacking numeracy and/or literacy generally or lacking the confidence to attend training courses for fear of feeling ashamed or embarrassed. Mandatory training will cause good people to not nominate. This cohort may include socially disadvantaged people and some local aboriginal people in remote areas. It could cause as many as six of the current Councillor at Meekatharra not to renominate. Conversely persons of low integrity who will be destructive Councillors will still nominate even though they have no intention of completing any of the mandatory training. In remote areas mandatory training could lead to a significant drop in the integrity, and functional standards of Councils.

4. **Exemptions from rates**; these provision in the act should be amended to provide absolute clarity on exemptions. This will avoid the current situation where costly appeals to the SAT are lodged and processed.

5. **Mining Rates;** Currently the valuation of the various types of mining tenements provides a significant difference in the rates paid. For example a recent exercise we conducted using the same rate in the dollar for all mining tenements provided the following rates on a 10 square kilometre lease/licence area;

Mining Lease rates payable $17,256
Exploration Licence rates payable $243 (minimum is $350)
Prospecting Licence rates payable $2,549.

Whilst there are many variables and complexities in valuing mining tenements, this example demonstrates that the method of valuing mining tenements already provides significant incremental differences between the three main categories of mining, exploration and prospecting. Rates on Exploration and Prospecting Licences are already substantially less compared to Mining Leases due to the valuations that are provided on these licences. In remote areas prospecting and exploration licenses often have a greater impact on local government services and facilities than pastoral leases.

6. **Ministerial approval for differential rates where one rate within a category is more than twice the lowest rate in that category**.

Currently there are only two broad categories of valuation; Unimproved Value (UV) and Gross Rental Value (GRV).

Section 6.28 provides that the Minister determines the method of valuation of land.

6.28 (2) provides guidance to the Minister and suggests two broad land uses; rural and non-rural and provides the methods of valuation for each of these to be UV and GRV respectively.

The problem arises that with only two bases of rates there is inevitably going to be, across WA, the occurrence of broadly different land use categories under each of the two rate bases.

For example under the UV valuation basis is included pastoral leases, wheat belt farms and mining tenements. For the purposes of differential rates the Minister compares massive mines owned by multinational public mining companies to small family owned pastoral leases and freehold farms. These land uses are worlds apart and yet they placed in the same "basket" in terms of comparing their rate in the dollar. In the metropolitan area, under the GRV valuation basis, huge hotels owned by multinational companies are compared to tiny single bedroom units owned by retired couples.

How does any system, logically put these very different land uses in the same category ?

Valuations cannot be relied upon to maintain a level of equality between such diversely different land uses. We therefore suggest that consideration be given to increasing the number of Bases of Rates to more than two. For example the current UV basis could be expanded to UV Pastoral Leases, UV Freehold Rural and UV Mining.

Please contact me if you require any further information.

Kind regards

Roy

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