



*Take a look around!*

Ref: 13179

The Honourable David Templeman MLA  
Minister for Local Government, Heritage, Culture and the Arts  
7th Floor Dumas House  
2 Havelock Street  
WEST PERTH WA 6005

Minister.Templeman@dpc.wa.gov.au

Dear Minister

### **SHIRE OF MENZIES - ABANDONED VACANT BLOCKS IN THE TOWNSITE**

The President of the Shire of Menzies and I were fortunate to meet with your political adviser Tarnya Widdicombe in early October 2017. The meeting was followed with a notice of explanation to Alan Carmichael of the Department of Local Government, Sport and Cultural Industries. The matter of abandoned property in older, townsites with historically transient population is a common one in the Goldfields.

The challenge of management of abandoned vacant lots in rural townsites is increasing as the value of low cost land is often exceeded by the cost of recovery of outstanding rates. If this were the only problem faced, many Councils would manage this by providing for a provision for doubtful debts in their budget to cover the increasing value of outstanding rates. However, this is not an answer. This is a "work-around".

Towns such as Menzies and Kookynie were first established during the goldrush of 1890's, underwent minor revivals followed by virtual abandonment during each of the World Wars. Many who purchased land either did not return from the War, or did not return to the district. As each period of boom and bust passes, the number of blocks abandoned increases.

The properties remain as rateable land with little or no chance of recovery of outstanding rates. (Please refer to attached note). Land titles were often lost, or the Estate had little interest in them. We have many titles that the Landgate database shows the date of issue of the title as 0/0/0. To trace the owners of these properties is beyond the resources of a small authority such as Menzies, where the dollar value of the land is low.

Having lots in this state of limbo has resulted in a significant number of properties in the townsite being unavailable for development, while at the same time distorting the rate base, for while Council could follow the process for sale of land for unpaid rates, the costs associated with this manner of sale far exceeds the value of the land.

The easiest process (economically) allowable by the Local Government Act 1995 is for the Shire to have the land re-vested in the State. This, however is an unattractive option for most Councils as it does not allow for any recovery of rates or charges that have been written off during the process. The ability for the Shire to take the title would at least allow for future



recovery of the costs. The removal of the requirement to sell the land through auction would certainly reduce the financial burden for this process.

We are seeking an amendment to the Local Government Act 1995 that allow Local Authorities the opportunity to take title in the same manner as that allowed for returning the property to the Crown (Local Government Act 1995 section 6.64(1)).

Please do not hesitate to contact me for additional comment or information.

Yours sincerely

A black rectangular box redacting the signature of Rhonda Evans.

Rhonda Evans  
**Chief Executive Officer**

14 November 2017



### **Abandoned Vacant Blocks in Menzies Townsite**

Shire of Menzies is an old townsite in the West Australian Goldfields. The history of land release and tenure is not documented, and in the early days of settlement, a reasonably casual attitude to land tenure for residences prevailed.

It would appear that the town was at its zenith between 1905 and the beginning of the First World War. Following the return of servicemen, there was again a brief resurgence in the Goldfields, with residential land being taken up and purchased. Maps of the era show the Menzies Townsite layout very similar to the maps of today.

It appears that during the period between the World Wars, blocks were sold. These blocks show the date of issue of Title on the Landgate database as 0/0/00. The owners, and their estates are long since passed.

About seven or eight years ago, there appears to have been a change (I suspect in the Valuer General's Department) that saw Council's in the area, certainly Coolgardie and Menzies add many of these properties to their property (rates) database, and commence to levy rates. In Menzies there are about 100 such properties. The rate notices are sent out each year, and returned as undelivered. Despite extensive enquiries, owners could not be located.

In other Local Authorities, this would be a mild irritation as at the end of three years of outstanding rates the properties would be sold, the unpaid rates recovered, and perhaps the blocks developed. The Local Government Act prescribed the process for this action.

There would appear to be no opportunity for Council to cease rating these properties, as they are legally owned by someone.

Older town in the Goldfields face a different challenge.

For the most part, the properties are in areas of the townsites where there are no services. No roads, indeed no access. The Shire is not in a position to provide these services, and would ideally choose to take Title of the properties so that future development can be managed. The current provisions of the Local Government Act 1995 require the following process.

- The total amount of rates or service charges raised and due on the land by the issue of rate notices remain unpaid for at least three years. (LGA S 6.64) AND
- The Local Government must take possession of the Land. AND
  - The land must be offered for sale by auction, or by private treaty where the auction is unsuccessful. Where no sale occurs, at the expiration of 12 months from the date the land is offered for sale by public auction, the land may be transferred to the Crown or the Local Government. OR
  - The Local Government may have the land re-vested in the State of Western Australia (without the requirement to have attempted to sell the land) OR

- The Local Government may, 12 years after the date of taking possession of the land may have the land transferred to the Local Government. (The Local Government Act is silent on whether the requirement to have attempted to sell the land applies).

The difficulty in Local Authorities being able to take the Title of abandoned properties means that they are faced with the prospect of both writing off the rates in the current period with no prospect of ever being able to recoup any costs in the future. The control of the land returns to the State, and in the event it is required in the future, must be purchased from the State at a portion of the market value.

It is not proposed to add complexity to the Local Government Act. We are seeking either a less complex process followed by other State Government Departments or an amendment to the Local Government Act that will give Local Authorities the opportunity to take title in the same manner as that allowed for returning the property to the Crown provided in the Local Government Act 1995 section 6.64(1), precluding the need for the Local Authority to hold the land for 12 years prior to action (Local Government Act 1995 section 6.75).

The author has been unable to access the process followed for the sale of land for unpaid Land Tax, and would seek this information as it may be that Local Government could be bound by the same rules, with the Title returning to the Local Authority instead of the Crown.