Attachment 11.7.2

From: Phil Hewitt
Sent: Friday, 31 May 2024 7:57 AM
To: Shire of Nannup
Subject: [External] Submission – Differential Rating 2024/2025.

Acting Chief Executive Officer:

Dear Sir.

If I read your document (Differential Rating Proposal 2024/2025 Statement of Objectives and Reasons) correctly, the Shire plans to double my rates for the 24/25 year.

I run a 3-bedroom BnB within my main primary residence, so would fall under the classification of GRV Short Term, I suspect.

I am busiest (and fully booked) for Nannup Events - music, garden, rally and cycling, but am very quiet the rest of the year. My profits are slim, and if I was subject to what I consider unreasonable extra costs, I would consider taking the BnB off the market. This is not a good time to lose beds generally, with the focus on the larger events coming up towards 2026.

If your aim was to single out those homes that are empty except for BnB guests (absent landlord),I I could understand your motive, but this aim is not stated. So I must therefore believe it also applies to me as your document states:

> This includes lodging houses, bed and breakfasts, self-contained accommodation, caravan and camping grounds

Finally, with the Federal Government and the RBA focusing extremely hard on CPI and inflation, I find it difficult to understand the Shire/Landgate imposing such a huge increase (98.15%?) all at once.

Best Regards
Phil
0451 995 827
phil@keladryfarm.com.au

Keladry Farm

From: Shelley Marrison
Sent: Monday, 27 May 2024 7:06 PM
To: Shire of Nannup
Subject: [External] Submission – Differential Rating 2024/2025

Dear Nannup Shire

We are a local bed and breakfast operator and would like to voice our opposition to the increased differential rating for the 2024/25 year. We understand the average valuation has increased by 23.25% and we appreciate the need for accommodation providers to contribute to tourism development, marketing and event costs. However, with Tourism WA data indicating that each tourist who visits Nannup spends $101 per person per day, the increase in the differential rating shouldn't be so steep. If we booked 2 people, just 1 night a week for the year, they would contribute over $10,000 to the Nannup community. This isn't an insignificant amount.

It appears with the minimum rate of $2,640, that our rates will almost double from 2023/24 when we didn't have a B&B to 2024/25 when we will have a B&B. We would like to request that the increase isn't as steep. Perhaps a 50% increase, rather than a 100% increase would be more reasonable.

Thanks for your consideration.

Regards
Shelley & David Marrison

From: blue house
Sent: Friday, 31 May 2024 12:29 PM
To: Shire of Nannup
Subject: [External] Submission - Differential Rating 2024/2025

Follow Up Flag: Follow up
Flag Status: Flagged

Good afternoon Dale

Having read through the proposed Differential Rating notice we think we may have understood what the Shire is attempting to achieve.

According to our reckoning the GRV Short Term charge will be 41% more than the previous year which to us is extravagant.

The Blue House is our main place of living and feel we should not be treated in the same way as “actual” Short Term Accommodation places. To say the least, we are not happy with the proposal and in all honesty we would be better placed to close the B&B and just have the property rated GRV. Considering the Town is attempting to attract more Tourists losing another accommodation place would be a shame.

Hopefully the Shire is able to review it’s proposed rate hike. Look forward to your reply.

Kind regards

Michael & Susan Pickup
Blue House b&b
34 Miller Road, (prev. 109 Barrabup Road)
Nannup WA 6275
Ph. (08) 9756 3091

FIFWA
FOREST INDUSTRIES FEDERATION (WA) Inc.

Unit 1, Abridge House
5 Turner Avenue, Bentley WA 6102
Phone: (08) 9472 3055
Email: info@fifwa.asn.au
www.forestindustries.com.au

30 May 2024

Mr Dale Putland
Acting Chief Executive Officer
Shire of Nannup
PO Box 11
NANNUP WA 6275

By email: nannup@nannup.wa.gov.au

Dear Dale,

SUBMISSION 2024/2025 Differential Rates

The Forest Industries Federation of WA (FIFWA) is the industry association for the timber industry in Western Australia. Our membership includes all the major companies and businesses that operate in the WA timber industry, including commercial plantation growers and managers, harvest and haulage operators, and timber processors in both the plantation and native timber industry sectors.

We welcome this opportunity to provide comment on the Shire's proposed 2024/2025 differential rates for UV Plantations.

The Shire proposes to impose a 57.88 per cent increase in the rate in the dollar for UV Plantations on top of a 17.5 per cent increase in the rate in the dollar imposed in 2022/2023. FIFWA notes however, that the rate in the dollar for UV General, being other land zoned rural and used for "bona-fide farming", is proposed to be increased by 6.40 per cent only.

The use of the term "bona-fide farming" by the Shire is of concern to FIFWA. The WA Planning Commission's State Planning Policy 2.5 – Rural Planning provides that plantations (or tree farming, being the term used in the document) "is supported and encouraged on rural land". During Budget Estimates in the Legislative Council on 23 June 2022, the Hon Alannah MacTiernan MLC, then Minister for Agriculture, stated, "growing wood for timber is an agricultural pursuit like any other". The proposition that plantations are not an agricultural pursuit, or a 'bona-fide' agricultural pursuit, is simply not supported by the planning legislative framework or State Government policy.

When compared to proposed rate increases for other categories, plantations (and GRV short term) are being required to carry a disproportionate portion of the Shire's rate increase, with no adequate explanation or supporting evidence provided in support of the disproportionate rate increases for plantations.

The Shire, in proposing differential rate increases of this magnitude bears an onus to provide well-reasoned justification for the proposed substantial and disproportionate rate increases.

The Shire's *Statement of Objectives and Reasons* for the differential rate for UV Plantations, provides no genuine explanation of the Shire's reasons for imposing a substantially higher rate in the dollar for plantations as opposed to other agricultural pursuits.

The document states that the differential rate is to ensure:

> "…all ratepayers make a fair and reasonable contribution towards ongoing maintenance and provision of works and services, particularly roadworks maintenance and renewal throughout the Shire."

All agricultural activity requires agricultural product to be transported by road to market, and for most, by heavy vehicles. Unlike other agricultural pursuits, plantations have a long growth cycle of about 25-30 years. With exception of first thinning at about year 12, a possible second thinning at 20 years, and the end of growth cycle harvest, there is very little impact on the Shire's roads by the plantation industry in the intervening years when compared to other agricultural activities which require seasonal or weekly movements of product by heavy vehicles.

The implication that plantations are placing annual wear and tear on local roads is simply without foundation.

The Shire provides no comparative information on the use of and wear of local roads by different agricultural activities in support of its proposed substantially higher differential rate for plantations. In the absence of such evidence clearly showing a greater use of and wear of local roads by plantation growers, the Shire has not made its case for the application of such a substantially higher differential rate.

The Shire's argument that the proposed differential rate is necessary to "ensure all ratepayers make a fair and reasonable contribution towards the ongoing maintenance and provision of workers and services, particularly roadworks maintenance and renewal throughout the year", is simply without foundation for the reasons stated above.

The stated reason for the differential rate, also fails to acknowledge conditions imposed on plantations at the time of development approval and granting of a heavy haulage/multi combination vehicle permit with respect to roadworks maintenance, renewal and construction. Plantation growers are required to make good public roads (including local roads) damaged by haulage. In addition, they are required to remove loose gravel or debris dragged off unsealed roads onto sealed roads. In some instances, plantation owners are required to construct roads and junctions where unsealed roads meet sealed roads. All works are to be completed to the standards required by the Shire and at the cost of the plantation grower. No evidence has been advanced by the Shire to show the roadworks contribution by plantation growers, as imposed through the development approval and permit processes, is inadequate justifying the imposition of a differential rate, much less such a substantial increase in the differential rate.

In addition, the Shire fails to acknowledge that it provides no services, such as rubbish collection, to plantation properties.

Further, the Shire's position does not align with State and Federal Governments policy for greater investment in and expansion of the plantation estate to assist mitigate climate change impacts and to meet current and growing demand for timber house frames. Plantation expansion is critical to replace plantation area lost over the last two decades. The Australian Forest Products Association (AFPA) and Master Builders Australia (MBA) are predicting a timber house frame supply gap nationally of 250,000 by 2035 and in Western Australia, a supply gap of 40,855 timber house frames. AFPA and MBA predict Australia will need to increase the area of plantations by 400,000 ha to meet the looming national supply deficit. The 400,000 ha represents one tenth of one percent of the land used for agriculture in Australia. All local governments have a role to play in facilitating an increase in the plantation estate.

A differential rate increase, especially a differential rate increase of the magnitude proposed, lowers investment returns and serves as a disincentive to much needed investment in plantation expansion to meet the timber house frame supply shortfall.

If the Shire wishes to proceed with its substantial proposed increase in differential rates for plantations it bears a duty to provide genuine reasons supported by financial analysis and evidence of the wear and tear impact to local roads in support of its position. The perfunctory 'explanations' provided by the Shire in its document *Differential Rating Proposal 2024/2025 – Statement of Objectives and Reasons* simply do not meet this duty.

There is no justification provided by the Shire for applying a differential rate for plantations of a higher quantum than other agricultural pursuits, and no justification for the magnitude of rate increased proposed. On the face of the document, the Shire has failed to meet its burden to "ensure all ratepayers make a reasonable contribution towards the services and facilities provided and maintained by the Shire for the benefit of residents." Indeed, on the face of the document, the Shire has placed a disproportionate and unreasonable impost on plantations.

The application of the UV General rate to plantations together with roadworks conditions placed on plantations through the development approval and permit processes, already ensures plantations make a fair and reasonable contribution towards ongoing maintenance and provision of works and services in the Shire. The imposition of the proposed differential rate, in addition to the roadworks contributions already made by plantation growers, would be unfair, disproportionate, unreasonable and inequitable.

FIFWA respectfully asks the Nannup Shire Council to reconsider not only the imposition of a differential rate for UV Plantations, but also the magnitude of the proposed rate increase.

Furthermore, FIFWA respectfully requests an opportunity to meet with the Shire of Nannup Council to discuss this matter and its concerns regarding the plantation industry before Council makes a determination on the proposed substantial differential rate increase for plantations.

We look forward to your favourable consideration of this submission lodged on behalf of the plantation industry and our request to meet with the Shire of Nannup to discuss this important matter.

Yours sincerely

Adele Farina
CEO (Acting)
FIFWA

PF OLSEN (AUS) PTY LTD
A.C.N. 117 085 373
378-382 Albany Hwy | Orana | WA 6330 | Australia
m: +61 428 195 499| +OFFICE NUMBER: 08 6819 7000 |
email: stewart.tutton@pfolsen.com

21/05/2024

Nannup Shire Office

15 Adam Street, Nannup, WA 6275

Via email: nannup@nannup.wa.gov.au

To whom it may concern,

Submission – Differential Rating 2024/2025

I am writing on behalf of PF Olsen (Australia), the authorised property manager of The Trust Company (Australia) as trustee for Forestry Investment Trust (FIT). FIT own six properties in the Scott River area within the Shire of Nannup. FIT is an investment fund growing timber plantations to produce woodchip for export.

The proposed 57.88 percent increase in rates attributed to 'UV – Plantation' categorisation for 2024/2025, on top of a 17.5 percent increase in rates for the 2022/2023 financial year, is an exorbitant increase of approximately 85 percent over only three years.

Reasoning provided for the differential rate increase suggests that heavy vehicle use from plantation harvesting is a major cause of the shortening of road life span within the Nannup Shire. Despite several attempts to source metrics from the Nannup Shire over the last 18 months, to better understand the association between the calculated increases and impact of haulage from plantations, no such information has been forthcoming.

The plantation industry has invested in the road network throughout the Scott River region leading to improved benefits for haulage and for the local community. Despite this investment, it appears, without clear justification, that the Nannup Shire is double dipping on rates.

The equitability of the differentiation seems questionable given that other industries (UV – General) in the Scott River region, not constrained by permits to maintain road quality, have seen a relatively minor increase in rates over the last 3 years (approximately 22 percent). Damage caused from this sector has been evident and has even required repair by plantation owners.

We ask the following:

- no further differentiation of rates for 'UV – Plantation' until clear and justifiable data is provided and discussed with plantation owners
- an independent party verifies the data as detailed above to release any opportunity for bias
- management of road networks within the Nannup Shire are equitable across all industries, including the permitting of heavy vehicles and required upkeep of roads.

Look forward to the opportunity of discussing this matter further.

Best Regards

Stewart Tutton
Regional Manager (WA)
PF Olsen (Aus) Pty Ltd

New Forests

27 May 2024

By Email only: nannup@nannup.wa.gov.au

Chief Executive Officer
Shire of Nannup
PO Box 11
NANNUP WA 6275

Attention: David Taylor

Dear Mr Talyor

Submission – Differential Rating 2024/2025

Thank you for the opportunity to make a submission regarding the Shire's *Differential Rating Proposal 2024/2025* (**Proposal**).

New Forests is an Australian based fund manager of forestry real assets in Australia and New Zealand. We manage a diversified portfolio of sustainable timber plantations and conservation areas, carbon and conservation finance projects, agriculture, timber processing and infrastructure.

Through our managed funds, we hold both freehold and leasehold properties across the Shire's area. Currently, we are managing approximately 7,886 hectares of land in the region.

Relevantly, all our properties are located within the UV – Plantations Zone (**Plantation Zone**).

The Proposal has not provided any concrete data to justify why:

(a) the Plantation Zone should be subject to a 57.88% increase in rate; and

(b) the rate increase in the Planation Zone is much higher than the other zones,

apart from referencing the increase in land valuation by Landgate.

We consider the Proposal as grossly unfair and unreasonable for the following reasons:

- Because of the nature of our business, we (and other many landowners/operators operating in the Planation Zones) do not utilise much of the Shire's services and facilities (e.g. sewer and waste management); and

- While our operations do require the use of the Shire roads from time to time (but mainly during harvesting seasons), we are already legally required to undertake road repair work either by virtue of a development approval condition or through the heavy haulage permit system. So, road maintenance costs can hardly be used as a reason to justify the Proposal.

It is worth noting that the Shire has previously raised the rate for the Plantation Zone by approximately 17% pursuant to its *Differential Rating Proposal 2022/2023*. If the Proposal were to be implemented, that would result in our rate being increased by more than 75% in just 2 financial years for no apparent reasons!

New Forests Asset Management Pty Ltd | ABN 42 114 545 283

Level 22, 101 Miller Street, North Sydney NSW 2060 Australia
PO Box 434, North Sydney NSW 2059 Australia
+61 2 9406 4100 | www.newforests.com

Final Comments

Any substantial rate increase (like the Proposal) would be passed on to our customers and would affect our ability to keep our existing local workforce. What is more, the Proposal will have the effect of driving away any future planation operations from the Shire area. With reduced investments, the demand to acquire or lease lands in the region will be reduced. This will have a significant impact in driving the property values down in the region compared to your peers, thereby affecting elderly landowners to fund their own retirement. Australia and the rest of the world are moving into a more carbon conscious environment to tackle climate change, and commercial plantation forestry has been identified as having the potential to offset and store significant volumes of carbon, making a positive contribution. The value-added service of commercial plantation forestry improves the capacity-to-pay for land which would benefit both landowners and the Shire.

The Proposal ultimately would adversely affect the Shire's economy and its ability to generate revenue.

While we do not oppose to "make a reasonable contribution towards the services and facilities provided and maintained by the Shires", the current Proposal is simply not justifiable by any data.

Therefore, we respectfully ask the Shire not to implement the Proposal, at least not until the Shire is willing to engage in further discussion with all stakeholders as well as providing data supporting why the ratepayers in the Plantation Zone should be subject to another 57.88% increase in rate.

In addressing our concerns, there is an absolute need for the Shire to provide real data supporting the Proposal. It is rather unhelpful if the Shire continues to repeatedly provide unsubstantial statements it made in the past such as:

- "*The Shire has identified plantation harvesting, characterized by heavy vehicle movements with significantly greater axle loads over a short period, as a major contributor to the deterioration of the Shire's local road network*"; and

- "*In summary, plantation operations, especially during thinning and harvest operations, have been observed to cause substantial wear and tear on the road infrastructure*."

Opponents to the Proposal are less concerned with what the Shire believes or has identified or observed. Rather, they need to see real data and evidence to establish the correlation between plantation operations and the "skyrocketed" road maintenance fee currently being incurred by the Shire.

If you have any questions, please feel free to contact the undersigned.

Yours faithfully,

New Forests Asset Management Pty Limited

Ed Warren (May 27, 2024 18:25 GMT+10)

Phil Mason
Director, Operations
ANZFF
Email: pmason@newforests.com

Ed Warren
Manager, Operations
ANZFF3
Email: ewarren@newforests.com

From: Dale Putland
Sent: Monday, 27 May 2024 10:47 AM
To: John Brockman
Subject: RE: [External] Differential Rates
Attachments: A1745.pdf
A1753.pdf

Dear Mr Brockman,

Thanks for your email relating to your current use of the property.
Your emails will be submitted to Council for consideration at the close of the advertising period, with your request that the rating of your property revert to that for general agriculture.
If you wish to make any further submission, please feel free to forward it to me for inclusion in the report to Council. Please note that submissions may be made prior to 5pm Friday 31st May 2024.

Regards

Dale

Kind Regards,

Dale Putland
Acting Chief Executive Officer

+61 8 9756 1018
PO Box 11 / 15 Adam Street Nannup WA 6275
nannup@nannup.wa.gov.au
www.nannup.wa.gov.au

From: John Brockman <brocky.jb51@gmail.com>
Sent: Saturday, May 25, 2024 4:43 PM
To: Dale Putland <Dale.Putland@nannup.wa.gov.au>
Subject: Re: [External] Differential Rates

Dear Mr. Putland,

Thank you for your explanation of the reason for applying the differential rates to my property.
Some of my land is under offer to purchase from a company who wishes to put it under tree plantations. The conditions of the offer are that the shire will approve this and also that surveys to amalgamate some titles will be approved and leave me with one title which will remain as farming land.
The purchaser has applied for the plantations as a part of the sale conditions.
Also the surveys are being carried out at present also part of the sale conditions.
Until the surveys are completed and all the processes have gone through State Planning and Landgate and the titles have been issued to me there is no sale.
This may take some considerable time . The purchaser has told us not to destock for another twelve months because they have no plans to plant the trees.
Until I am issued with the new titles I cannot tell you how much of the land is still used for farming.
If you want to levy the differential rate that is alright, but not on all the land.
I think that you are twelve months in advance for the rate change but if the titles are through inside the coming rate year you can always issue another rate notice to collect the differential rate.
Please phone me to discuss this or otherwise let me me know what you have decided.

Regards.

John Brockman

On Tue, 21 May 2024, 4:12 pm Dale Putland, <Dale.Putland@nannup.wa.gov.au> wrote:

Dear Mr Brockman,

Thanks for your email requesting that your properties are rated for general agriculture.
The Shire's records show that development approval was granted by the Shire for "tree farming" to be conducted on these lots on the 19 December 2023, which is now an approved use for these lots and this approval has resulted in the differential rates being applied.

Kind Regards,

Dale Putland
Acting Executive Manager Corporate Services

+61 8 9756 1018
PO Box 11 / 15 Adam Street Nannup WA 6275
nannup@nannup.wa.gov.au
www.nannup.wa.gov.au

From: John Brockman <brocky.jb51@gmail.com>
Sent: Monday, May 20, 2024 9:33 AM
To: Shire of Nannup <nannup@nannup.wa.gov.au>
Subject: [External] Differential Rates

Dale Putland,

I have received an email re differential rates for my three blocks of land being

Nelson locations 522, 732.and lot 11.

It would appear that you think these blocks have tree plantations on them.

This is not correct there are no plantations on these blocks, they are used for grazing

livestock and have been for many years. My understanding of the rating system is that

these blocks would therefore be rated at the standard rural rate.

Can you please take these blocks of your list for differential rating as they do not have

tree plantations on them.

Regards,

John Brockman

20/05/2024

This email has been scanned for spam and viruses by Proofpoint Essentials. Click here to report this email as spam.

From:	Glen Samsa
Sent:	Thursday, 30 May 2024 2:48 PM
To:	Shire of Nannup
Cc:	Brent Donaldson
Subject:	SUBMISSION - 2024/2025 DIFFERENTIAL RATES
Attachments:	20240529125520_001.pdf

Dear Dale,

We have received the attached in the mail. Delta Forestry Pty Ltd ("**Delta**") are the local forestry managers for Cultura Australia Pty Ltd ("**Cultura**"), however, Cultura are not the proprietors of 320 Cundinup-Dudinyillup Road.

Nonetheless, Cultura does currently own the following properties ("**Properties**") within the Shire of Nannup ("**Shire**") which will be subject to the proposed differential rates for 2024/25.

Lot	Plan	Volume	Folio	Road	Locality	Land Use
567	255781	4048	56	Cundinup-Dudinyillup	Nannup	Plantation
11176	204907	1440	74	Gold Gully	Nannup	Plantation

We have reviewed the differential rating proposal for 2024/2025 ("**Proposal**") and note that since the implementation of the differential rating policy in 2022/2023, Plantation Use rates have increased by 27% whilst General Use rates have reduced by 11%.

Cultura is a small private plantation grower and ratepayer which has recently acquired the Properties in the Shire as an investment to establish and grow long rotation *Pinus radiata* plantations to supply critical forest products into the domestic market (the Properties are existing or have recently been short rotation *Eucalyptus globulus* plantations).

The Australian Bureau of Agricultural and Resource Economics and Sciences ("**ABARES**") reported in its 'Australian plantation statistics 2023 update', that Australia's total plantation area had decreased by 15% (304,200 hectares) between 2008–09 and 2021–22. Over the same period, Western Australia's plantation estate decreased by 134,469 hectares (contributing to 44% of the national decrease).

As a result of the reduction in plantation area and the under investment in plantation development reported by ABARES, the Australian Forest Products Association ("**AFPA**") and Master Builders Australia ("MBA") are predicting a 250,000 timber house frame supply gap by 2035. Furthermore, in Western Australia, AFPA and MBA are expecting a supply gap of 40,855 timber house frames - the number of house frames to build a city the size of Bunbury. AFPA and MBA predict Australia will need to increase the area of plantations by 400,000 ha to meet the looming national supply deficit. The 400,000 ha represents one tenth of one percent of the land used for agriculture in Australia and is essentially replacing the plantation area which has been recently lost during the period between 2008–09 and 2021–22 reported by ABARES.

Increased rates lower investment returns and provide a significant barrier to new plantation development and also negatively impact values for rural General Use properties where plantations are a legitimate land use.

Delta (on behalf of Cultura) formally requests access to the data and analysis (together, "**Analysis**") relied on by the Shire to conclude that Plantation Use ratepayers impose costs on the Shire materially greater than rural General Use ratepayers. We assume that the Analysis has compared the average roading cost to the Shire over the life of a plantation (where road use is concentrated at harvest only once every 10 to 15 years and operators contribute to road maintenance during harvest) to existing intensive rural General Use ratepayers who generally do not additionally contribute for their annual (often considerable) road use.

Notwithstanding our request for the Analysis, we believe the current differential rating policy is unfair and inappropriate.

Nannup has had a long and proud association with the forest industry which has been a major economic contributor and employer within the Shire for a very long period. The continuation and transition to long rotation plantations by entities such as Cultura and other ratepayers in the Shire will help mitigate the adverse impacts of the closure of the native forest industry.

We feel the differential rating policy is prejudicial to Plantation Use ratepayers compared to other rural General Use ratepayers and this unfair treatment of Plantation Use ratepayers will have unintended consequences for rural General Use ratepayers (reduction in land values).

We request that the Shire (in tandem with the plantation forestry industry) reviews the differential rates and/or existing obligations on plantation operators during harvest with the objective of developing a more equitable and sustainable road maintenance funding model.

Regards,
Glen

Glen Samsa
Managing Director
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gsamsa@deltaforestry.com.au
www.deltaforestry.com.au

FORESTRY
FOREST MANAGEMENT

31st May 2024

Shire of Nannup
Acting Chief Executive Officer
Att: Mr. Dale Putland
PO Box 11
Nannup WA 6275

Dear Mr. Putland

RE: SUBMISSION - 2024/2025 DIFFERENTIAL RATES

WA Plantation Resources (WAPRES) has been establishing plantations in the Shire of Nannup since the early 1990's and continue to have a relationship both as ratepayers within the Shire (1070ha), and through our land leasing program with 12 Landowners (totalling 1860ha), representing a managed estate of 2,930ha in the Shire.

WAPRES appreciates the opportunity to provide our feedback on the Shire of Nannup's 2024/2025 Differential Rating Proposal.

In the Statement of Objectives and Reasons for the need for Differential Ratings, it is stated:

In arriving at the proposed rates in the dollar, Council has attempted to balance the need for revenue to fund essential services and facilities with the desire to limit any increase on ratepayers to an affordable level in an equitable manner.

When comparing annual percentage change in Differential Rates proposed for UV - General (9.73%) and UV - Plantations (57.8%), the proposed increase does not appear to be equitable. There is also no data supplied to show what information is being used to justify these proposed increases in rates and how these have been calculated.

One of the points that is raised for the rate differential between Unimproved Valuations, is the notion that plantations need to make a fair and reasonable contribution towards the ongoing maintenance of roadworks throughout the Shire.

Again, no data is supplied to show if there is any difference, and therefore a justification for the need for the Differential Ratings, in local road use by plantation companies and the other agricultural producers.

WAPRES believes that the issue of road maintenance is already being addressed as part of plantation development, including:

- The use of the local road networks for establishment and ongoing maintenance operations may not be too dis-similar to the current road usage.
- At harvest time, we are very pro-active in working with the local Shire about road usage. This can involve:
  1. Seeking endorsement of nominated routes for Multi Combination Vehicles (if required)
  2. Supplying a Haulage Management Plan
  3. Inspection of proposed haulage route's pre-harvesting and agreeing to monthly inspections and maintenance requirements. As per the Code of Practice for Timber Plantations in WA, haulage roads are reinstated following harvest to at least the condition existing before harvesting.

Also contained In the Statement of Objectives and Reasons on the Shire of Nannup website, it is stated that the objective of UV - General is to apply a differential general rate to land zoned or used or held typically for bona-fide farming. We would argue that plantations are a bona fide farming option for landowners throughout the Shire in rural area. This is also supported by the WA Planning Commission State Planning Policy 2.5 – Rural Planning, that supports and encourages treefarming (umbrella term to describe the planting of trees) on rural land as a means of diversifying rural economies and providing economic and environmental benefits.

In regards Proposed Rates (Shire web site), we note Council are proposing a standard UV rate ($) for General and Mining whereas the UV rate for Plantations is higher! Given the commentary within the Statement of Objectives and Reasons, and suggested justification being infrastructure impacts, it is hard to understand how Mining (or extractive use) is considered less of an impact than growing trees. We request further explanation from Council to explain their reasoning.

Timber is recognized as a renewable and sustainable resource. The demand for wood fibre, particularly in a decarbonizing economy is growing. We currently import an increasing volume of timber and wood fibre products to meet local consumer demand. Growing plantations to produce the timber and fibre products for the future is essential. This creates opportunities rather than threats to regional & rural communities.

Included in the State Budget 2021-22, the WA Government is committed to delivering a prosperous low-carbon future and creating climate-resilient communities through:

- Providing $350 million to significantly expand the State's softwood plantation estate
- Providing $118 million fund to invest in future climate-related initiatives to respond to climate change and create climate-resilient communities
- Investing in industries of the future, such as renewable hydrogen and carbon farming, to create sustainable WA jobs.

(Western Australia State Budget 2021-22 Climate Action Fact Sheet).

BUNBURY OFFICE
Level 2, Ommanney On Victoria,
53 Victoria Street, Bunbury WA 6230.
PO Box 2453, Bunbury WA 6231
T. (08) 9791 0700

Timber plantations do make a diverse economic, social and environmental contribution to the Shire of Nannup and therefore should be encouraged. Both Industry and the State Government have made a commitment to invest in expansion of the softwood & hardwood plantation estate for future supply of resource, to create sustainable WA jobs, sustain communities and assist meeting community demand to reduce carbon emissions (by planting more trees). We also note an investment into plantations supports a significant investment into processing & manufacturing, producing products to meet our consumer demands.

WAPRES strongly encourage the Shire of Nannup to support this initiative and not proceed with the Differential Rating Proposal. The proposal discourages investment, discourages suitable land use decisions and is contrary to Government policy objectives. Further it will impact on the Shire and the opportunity to benefit from commercial tree farming (environmental and economic).

We look forward to further discussing this matter with Council and remain available to discuss any aspect of our submission.

Yours sincerely

Grant Johnson
Estate Manager
WAPRES

BUNBURY OFFICE
Level 2, Ommanney On Victoria,
53 Victoria Street, Bunbury WA 6230.
PO Box 2453, Bunbury WA 6231
T. (08) 9791 0700

31st May 2024

Mr Dale Putland
Acting Chief Executive Officer
Shire of Nannup
PO Box 11
Nannup
WA 6275

by email: nannup@nannup.wa.gov.au

Dear Mr Putland

Submission 2024/2025 Differential Rates - Without Prejudice

Thank you for the opportunity to make comment on the Shire's proposed 2024/2025 differential rates for UV Plantations.

With the closure of the native sawmilling industry, softwood tree plantations are now the sole contributor to WA's locally grown sawn timber and home construction capacity.

Softwoood plantations are a major contributor to ACCU offsets for major key Australian polluting industries such as gas and energy production, with the carbon stored in lumber being an important and necessary for the Australia to meet its Kyoto emissions reduction targets.

As you are likely aware, the WA State Government in 2021 recognised the importance of securing our sovereign lumber production capacity with a commitment of $350 million investment by the State Government in plantations to secure the much-needed timber supply necessary for construction of housing in the future.

Plantation harvests are episodic and often geographically intense. This can cause a misconception of higher levels of wear and tear compared to annual crops, periodic stock transport or daily dairy production. But between harvests, road usage by heavy vehicles for plantations is essentially zero. The GMT haulage per road km is materially less over a 27 year (pine) rotation period than other crops such as grain and cattle, as there is essentially nil or virtually nil road haulage from years 1 to 10, and 11 to 18, and from 19 to 27.

In addition, industry has well established working arrangements, which are often formalised as conditions of discretionary extra mass permits, that roads are assessed prior to harvest, and returned to the previous condition after harvest, at the forestry company's expense. No justification exists for local Government to seek to double, or triple dip with respect to road maintenance.

Therefore, it seems incredulous to Wespine that the Shire of Nannup proposes to impose on one class of farmer (tree farmers) a staggering 57.88 percent increase in rates upon land classified as UV Plantation. This is on top of a 17.5 percent increase in 2022/2023.

UV General, by way of contrast is subject to a 6.40 percent increase in 2024/25, and in 2022/2023 received an 11 percent *decrease*.. UV General and UV Mining have been classified with rates that are 42% lower than UV Plantations.

Despite the Shire's document stating that the purpose of the differential rate is to ensure that "*all ratepayers make a fair and reasonable contribution towards ongoing maintenance and provision of works and services, particularly roadworks maintenance and renewal throughout the Shire*", it is the view of Wespine that the proposed rate increases, especially relative to other agricultural users or UV Mining, are neither fair, or reasonable.

Wespine note that mining activities have the following attributes:

- A permanent loss of the non-renewable valuable minerals from the land
- Carbon emissions intensive
- Heavy haulage on a regular basis within the Shire
- Permanent loss of natural land amenity due to large scale excavation.

Wespine does not understand how an agricultural activity that does not impact on the land with minimal to nil haulage activity and nil impact on the visual amenity of land on a permanent basis (compared to mining), should somehow bear a 42% higher rate than mining?

The justification provided by the Shire for the imposition of the differential rate is indefensible and not backed by any economic modelling to justify the proposed differential pricing.

Wespine is not aware of any comparative analysis of the cumulative impacts on road maintenance of different agricultural activities that would warrant singling out one farming sector over another. In the absence of any supporting evidence, we feel that the Shire has not made its case for the application of a differential rate.

This proposed change will likely result in plantation owners suffering significant losses over the long duration crop rotation (12 - 30 years).

Wespine requests that the Nannup Shire Council completely withdraw the differential pricing proposed to be applied to UV plantations, and revert to a single and equitable rate for all UV land.

Wespine may seek for this matter to be referred to the relevant Minister and the State Administrative Appeals Tribunal if it is implemented by council as currently drafted.

Wespine reserve all rights in regard to this matter.

Regards

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To the Acting Executive Officer

I am writing this submission in the hope that you will accept my concerns in regards to the differential rate rise for short term accommodation businesses in Nannup, even though it is a late submission. I do not believe enough time was given for a thorough response to the proposal.

I am seeking clarification and justification on the reasonings for a 185% rise for short term accommodation in Nannup. It is my understanding so far, that this rise is to support the additional costs associated with supporting tourism and economic development in Nannup such as car parks, landscaping, street cleaning, amenities, maintenance costs for attractions etc. I would like to know why only short term accommodation businesses are being targeted and not all businesses associated with tourism. There are plenty of businesses in Nannup that have improved income and exposure due to the increase in the tourism market and it seems unrealistic to target only a portion of businesses with an unrealistic increase to cover the increased costs. Surely a smaller increase across a wider variety of businesses would be just as effective in generating the extra income the Shire is chasing.

I have spent time comparing this new rate increase to neighbouring towns and would like to use Margeret River as an example. Margeret River accommodation businesses have the luxury of charging at least double of what we can in Nannup yet their GRV differential rate proposal for 2024/25 is .136056 with a minimum payment of $1673.00. Nannup in comparison is .194643 with a minimum payment of $2460.00. Personally, my rates last year were $3198.09 and a 185% increase will mean I will be paying $5916.30 for 2024/25. My fear is that such an increase will for one cause many of the small Bed and breakfasts and 1 dwelling accommodation venues to not be able to justify this increased payment amount and find it financially beneficial to close rather than pay the increase in costs. Secondly with the increase of costs associated with running our accommodation business, especially in regards to insurances we will have to increase our nightly rate to such an extent that we will push ourselves out of reach of our target market.

I have many more questions and as such I would like to request to do a presentation at the next Council meeting to further reiterate my reasoning for justification. If you would like to have a chat with me before the meeting please do not hesitate to call.

Kind Regards

Lynette Curtis