SHIRE OF HARVEY

Agenda Briefing Session

Addendum to Item: 5.4.3 – Annual Budget 2026–2027

Harvey Council Chamber
Tuesday, 21 July 2026
4PM

Item No.	**5.4.3.**
Subject:	**Annual Budget 2026–2027**
Proponent:	**Shire of Harvey**
Location:	**Shire of Harvey**
Reporting Officer:	**Manager Finance**
Authorising Officer:	**Director Corporate Services**
File No.:	**FM/B/001**
Attachments:	1. 2026–2027 Annual Budget DRAFT [**5.4.3.1** - 164 pages]

The following additional information is provided in regard to Item 5.4.3

On Wednesday, 24 June 2026, the Revenue and Rating Plan was advertised for public comment, with specific reference to the objects and reasons for the differential general rates.

The closing date for submissions was 4pm. Friday, 17 July 2026.

The number of responses received was 23.

A summary of the submissions along with Officer comments is included in this Addendum.

Location	Submission	Officer Comment
Australind	Opposition to the proposed 7% rate increase. The plan does not provide a working financial model to demonstrate the proposed rate structure is the most fair option possible. The 2026-27 fees and charges not being available at the time of issue is "material omission" and provides an "incomplete revenue picture". The differential rates and specified area rates do not provide evidence as to why they are fair and necessary. Request Council provide the below before adoption of the plan for transparency: 1.The officer report and all attachments considered by Council. 2.The full financial modelling and assumptions underlying the proposed differential rates. 3.The comparative analysis of alternative rating options considered and rejected. 4.The evidence supporting each differential category and each minimum payment. 5.The basis for each specified area rate, including cost allocation and benefit analysis. 6.The minutes, resolution and any legal advice relied upon in adopting the	Noted. Council will consider all submissions before determining the final rates and adopting the annual budget. The proposed structure complies with statutory requirements; property valuations are independently determined by the Valuer-General. Fees and charges form part of the draft budget considered at the same Council meeting. Differential and specified area rates are supported by published objectives, reasons and relevant service costs. Supporting reports, modelling and Council records will be publicly available where permitted by legislation.
Leschenault	Opposition to the proposed 7% rate increase. GRVs have continued to rise so ratepayers are paying considerably more than the advertised increase as higher rates are being applied to higher property valuations. Request Council reject the 7% increase and adopt a significantly lower increase that reflects current economic conditions, defer or reprioritise non-essential capital projects and maximise available grants or external funding. Request Council publicly demonstrate efficiencies and cost-saving measures so ratepayers can understand what they are paying.	Noted. Council will consider all submissions before determining the final rates and adopting the annual budget. GRV changes redistribute rates between properties; Council adjusts the rate-in-the-dollar to achieve the required overall revenue. Council balances affordability against service delivery, asset renewal and project funding requirements, including available grants and external funding. The budget process includes review of expenditure, efficiencies and service priorities before rates are determined.
Australind	Opposition to the proposed 7% rate increase. Request Council publicly outline what measures have been taken to reduce expenditure and improve operational efficiency before additional financial burdens are placed on them. Council should provide greater transparency around administrative and corporate expenditure trends, staffing and executive cost growth over recent years, operational efficiency initiatives undertaken, and benchmarking against comparable South West councils (surrounding local governments have proposed increases of 5.75-6.7%).	Noted. Council will consider all submissions before determining the final rates and adopting the annual budget. Expenditure reductions and operational efficiencies are considered during budget preparation before determining the required rates revenue. The annual budget and supporting reports provide information on staffing, administration, efficiencies and comparisons where reliable data is available.

Location	Submission	Officer Comment
Benger	Opposition to the proposed 7% rate increase.	Noted. Council will consider all submissions before determining the final rates and adopting the annual budget.
	Rates have increased 6-7% every year since 2022/23 which is unsustainable for ratepayers to continue paying well above CPI and inflation.	Annual increases reflect changing service, asset and construction costs, not CPI alone, and are considered against affordability.
	Concern that Council needs to ensure efficiency in staffing levels, contractor and supplies procurement and eliminate duplication and waste of resources.	Staffing, procurement, contracts and service delivery are reviewed through the budget and organisational planning processes.
	Concern that Council will lose community trust, keeping rates in line with inflation will help prevent this.	Council recognises community trust requires transparent decisions, responsible expenditure and consideration of ratepayer affordability.
Australind	Opposition to the proposed 7% rate increase.	Noted. Council will consider all submissions before determining the final rates and adopting the annual budget.
	The economic climate has caused households to strictly manage budgets, everything is going up in price.	Council acknowledges current cost-of-living pressures and will consider affordability when finalising the budget.
	Wages have never gone up 7% so households are having to cut spending such as running the heater or enrolling kids in sport during the cost of living crisis.	Council recognises household incomes may not increase at the same rate as local government costs.
Australind	Opposition to the proposed 7% rate increase.	Noted. Council will consider all submissions before determining the final rates and adopting the annual budget.
	The increase is well above inflation and is compounding each year, it is becoming a large burden on ratepayers during the cost of living crisis.	Council recognises and is mindfull household incomes may not increase at the same rate as local government costs.
	Concern that services should be reduced - FOGO bins should be removed and waste service cost reduced.	Waste service levels and charges are reviewed separately, considering contracts, statutory obligations and community needs.
	Concern that the cost of city status proposal vs the benefits have not been communicated and rates will increase as a result.	Any city-status proposal and associated financial implications would be separately considered and communicated.
	Landgate GRV revaluations are unreasonable for homeowners who don't rent out their home or receive tax deductions on rates.	Council acknowledges rental income or tax deductability can support the ability to pay rates.

Location	Submission	Officer Comment
Australind	Opposition to the proposed 7% rate increase.	Noted. Council will consider all submissions before determining the final rates and adopting the annual budget.
	An increase of 4-5% would be more reasonable, previous rate increases have been 2.8-5.8%.	Alternative rate increases are assessed against the resulting service, asset and project funding implications.
	Wages are not keeping up with inflation, only 1.5-2% in the last few years.	Council acknowledges wage growth may differ from inflation and local government cost increases.
	A 7% rate increase will force savings in other areas for families, including reduced spending in the community such as at local cafes.	Council recognises higher household costs may reduce discretionary spending within the local community.
Uduc	Opposition to the proposed 7% rate increase.	Noted. Council will consider all submissions before determining the final rates and adopting the annual budget.
	The plan does not provide enough detail to justify the increase, it does not show why a lower rate was not adopted or what savings/efficiencies were considered.	The budget process considers alternative increases, expenditure reductions, efficiencies and available funding before determining rates.
	As a rural ratepayer with limited access to Shire facilities (kerbside waste collection, footpaths, playgrounds, recreation facilities, libraries), having the same increase as non-rural ratepayers is not equitable or proportionate.	Rates fund community-wide services and infrastructure; differential categories consider land use, valuation characteristics and rating equity.
Leschenault	Opposition to the proposed 7% rate increase.	Noted. Council will consider all submissions before determining the final rates and adopting the annual budget.
	As a resident for 35 years, rates have always increased more than CPI, how can ratepayers be expected to afford these increases.	Council acknowledges cumulative increases and affordability concerns; CPI is one factor considered alongside service and asset costs.
Brunswick	Opposition to the proposed 7% rate increase.	Noted. Council will consider all submissions before determining the final rates and adopting the annual budget.
	Increase is significantly higher than CPI and inflation which puts undesirable financial burden.	Council acknowledges affordability concerns; CPI is considered alongside wage, construction, insurance and service delivery costs.
	Concern that spending should be focused on essential services not "vanity projects that benefit a small proportion of the local population".	Projects are prioritised against strategic objectives, community benefit, asset needs, affordability and available external funding.

Location	Submission	Officer Comment
Australind	Opposition to the proposed 7% rate increase. CPI is approximately 4%, meaning the 7% increase is around 75% higher than the current inflation rate. Request Council limit rate increases to match CPI, clearly demonstrate why an increase above inflation is necessary, identify cost-saving measures before passing addtional costs to ratepayers, and consider staging any increase above CPI over multiple years if additional revenue is genuinely required.	Noted. Council will consider all submissions before determining the final rates and adopting the annual budget. The proposed increase is based on the funding requirement, rather than a direct comparison with CPI. Council considers cost reductions, service level impacts and justification for above-CPI increases during budget deliberations. The increase was previously highlighted in the Shire's Long Term Financial Plan as required to exceed CPI over multiple years.
Australind	Opposition to the proposed 7% rate increase. Cost of living crisis is putting financial strain on a young family trying to make ends meet. Such increases will push away many homeowners as living here will simply be too expensive.	Noted. Council will consider all submissions before determining the final rates and adopting the annual budget. Council acknowledges the financial pressures currently affecting young families and other households. Affordability, community growth and long-term service sustainability are considered when determining rates.
Roelands	Opposition to the proposed 7% rate increase. The increase places undue financial burden due to cost of living crisis/impact on local business margins. Request Council to match the annual CPI of 4.8% to minimise impact on community.	Noted. Council will consider all submissions before determining the final rates and adopting the annual budget. Council acknowledges cost-of-living and business pressures and considers affordability during budget deliberations. CPI is considered, but rates must also fund service, asset, wage, insurance and construction cost increases.
Australind	Opposition to the proposed 7% rate increase. Had to pay rates on a direct debit schedule for the first time last year as they were so high. Wages have not increased along with cost of living, families should not have to go without just to pay rates. Concern why rates go up so much every year "when nothing really changes where we live".	Noted. Council will consider all submissions before determining the final rates and adopting the annual budget. Council acknowledges cost-of-living pressures and considers affordability during budget deliberations. Payment arrangements remain in place to assist ratepayers. Council acknowledges household incomes may not keep pace with increasing living and service costs. Rates fund Shire-wide services, infrastructure renewal and statutory responsibilities, including activities not always immediately visible locally.

Location	Submission	Officer Comment
Australind	Opposition to the proposed 7% rates increase. Cost of living crisis has put extra financial pressure on households across the community (mortgages, rent, utilities, groceries). Concern that additional infrastructure projects are unnecessary (playgrounds, footpaths, public buildings) at the expense of putting financial strain on residents with the rate increase.	Noted. Council will consider all submissions before determining the final rates and adopting the annual budget. Council acknowledges increased mortgage, rent, utility and grocery costs affecting households. Infrastructure projects are assessed against need, safety, asset condition, community benefit, affordability and available funding.
Australind	Opposition to the proposed 7% rates increase. Cost of living crisis has put extra financial pressure on households across the community (mortgages, rent, utilities, groceries). Surrounding councils (Capel, Dardanup & Bunbury) have only 6% increase - urge Council to show the same financial discipline. Concern rates should go to essential community services not "administrative growth or bureaucratic expansions" such as city status transition.	Noted. Council will consider all submissions before determining the final rates and adopting the annual budget. Council acknowledges increased household costs and considers affordability when finalising the budget. Comparisons between councils require caution because services, asset bases, growth, valuations and funding requirements differ. Rates support essential services and infrastructure; administrative initiatives are assessed through Council's budget and strategic planning processes.
Wokalup	Opposition to the proposed 7% rates increase. Rates are not fair or equitable for rural ratepayers, they are paying a 10.3% increase, going up $2000 a year. Rural ratepayers do not use the facilities that rates pay for, they also have to spend money clearing trees/weeds off roadsides and replacing fences after fires start in "fuel infested Shire roadsides". The Shire has "never ending wastage" with "hundreds of unnecessary costs every month" including "champagne, breathalysers, staff lunches, fuel for Shire cars, gifts to Japan, etc."	Noted. Council will consider all submissions before determining the final rates and adopting the annual budget. Individual increases may due to valuation movements, minimum payments and differential rating changes. Rural rates contribute to Shire-wide and local services, including roads, emergency management, governance and community infrastructure. Expenditure is subject to budget controls, procurement requirements and audit oversight.

Location	Submission	Officer Comment
Roelands	Opposition to the proposed 7% rates increase. The rate increase is based on the premise of inflation but no evidence is provided to demonstrate that the costs are increasing by inflation. It also leaves Council free to not challenge expenditure, or revist priorities/delay works where necessary. Specified Area Rates increasing by 7% is not acceptable, it should be justified by actual contracts and the contracts should be made public and open for scrutiny. The FCWP and the Annual Budget do not detail how much rate revenue is required. Council should make transparent the additional revenue required to be generated by rates. Request Council to refer making a decision on the Revenue and Rating Plan 2026-27 until questions are addressed (page 30 & 31 on submissions document).	Noted. Council will consider all submissions before determining the final rates and adopting the annual budget. Budget cost estimates use known contracts, forecasts and indexation; expenditure priorities are reviewed during budget deliberations. Specified area rates (SAR)are limited to relevant service costs and supported by budgeted expenditure for each area. SAR can only be spent in the areas they relate. The Shire's Long Term Financial Plan identifies future rates revenue requirments. The Council Plan and Service Plan support the levels of service requiring funding. The Budget itself reflects rates the requirement. Multiple request areas already previously considered by Council as part of Budeget depiberation process.
Roelands	Opposition to the proposed 7% rates increase. Rural ratepayers receive very little maintenance or support so another rate increase cannot be justified. The roads are in bad condition, overgrown grass and trees over roads, fallen trees do not get removed , run-off drains do not get cleaned. Residents are carrying the maintenance themselves. Requests an explanation of how the increase was determined for specific rural areas and what maintenance is scheduled for those areas.	Noted. Council will consider all submissions before determining the final rates and adopting the annual budget. Rural rates fund local and Shire-wide services; service access is one consideration within the broader rating framework. Reported road, vegetation, drainage and fallen-tree issues will be referred to the responsible service area for assessment. The rate increase reflects the overall budget requirement; local maintenance priorities are determined through operational and asset planning.

Location	Submission	Officer Comment
Leschenault	Opposition to the proposed 7% rates increase. Cost of living is significant and the higher costs are hard to offset. The Australind community does not get the level of investment (infrastructure, facilities, or new community projects) that reflects the substantial contribtion they provide in rate revenue. Example is Ridley Place, the project was promised years ago and little visible progress has been made. Request Council to provide greater transparency about how revenue is spent and ensure long-term projects like Ridley Place are delivered in a timely manner.	Noted. Council will consider all submissions before determining the final rates and adopting the annual budget. Council acknowledges current cost-of-living pressures and limited household capacity to absorb additional costs. Rates are allocated across Shire-wide priorities; investment levels vary according to asset needs, growth and approved projects. The Ridley Place project continues to proceed but has been held up due to required statutory processes. Budget and project reporting provides transparency, with major project progress monitored through Council's established reporting processes.
Leschenault	Opposition to the proposed 7% rates increase. Busselton have increased rates by a similar percentage, Harvey and Busselton have the "highest rates in the south west and both have recently received city status". Impression that receiving city status would mean more funding and more savings for ratepayers. Settlers Estate has no street lights, road sweepers or lawn mowing - request to see what rates actually pay for.	Noted. Council will consider all submissions before determining the final rates and adopting the annual budget. Although Shire of Havrey rates are lower than both Cities of Bunbury and Busselton, Council comparisons require consideration of differing valuations, services, assets, growth pressures and rating structures. The Shire of Harvey has not received City status as yet and City status does not directly affect rates. Rates fund Shire-wide services and infrastructure; specific local service concerns can be assessed through operational planning.
Australind	Opposition to the proposed 7% rates increase. It is the duty of the Shire to reduce outgoings to fit within the current budget rather than increase rates to generate sufficient income to cover costs. The Shire should be implementing cost cuts - appliances turned off at the power point, heater set a few degrees lower, staff to wear extra layers, etc. Households are scrutinising all costs where the Shire is engaging additional staff, incurring additional costs and engaging additional consultants. Request a formal review to be undertaken and Council recommend a rate freeze for the current financial year.	Noted. Council will consider all submissions before determining the final rates and adopting the annual budget. Local governments must balance expenditure, service obligations, asset renewal and other revenues before determining required rates. Energy efficiency and other operational savings are considered where practical and cost-effective. Staffing and consultancy expenditure is assessed against workload, specialist requirements, service delivery and organisational priorities. Council may amend the proposed increase, but a rates freeze would significantly highten future year rate increases and result in reduction of service levels.

Location	Submission	Officer Comment
Australind	Opposition to the proposed 7% rates increase.	Noted. Council will consider all submissions before determining the final rates and adopting the annual budget.
	This is a time where many households are struggling to maintain food on the table and a roof overhead.	Council acknowledges serious cost-of-living pressures affecting many households.
	It would be less of a financial shock if the increase was closer to CPI.	CPI is considered, but rates also reflect service, wage, insurance, construction and asset renewal costs.
	Council needs to consider internal cost cutting or deferring projects rather than expecting ratepayers to prop up spending.	Internal savings, service impacts and project deferrals have been considered as part of the draft Budget deliberations.