

Our Ref: [Our reference no]
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The Hon Hannah Beazley MLA
Minister for Local Government; Disability
Services; Volunteering; Youth; Gascoyne
Dumas House
2 Havelock Street

CC: The Hon John Carey MLA
Minister for Planning and Lands;
Housing and Works; Health Infrastructure

Dear Minister

GROSS RENTAL VALUATION METHODOLOGY

I write regarding ongoing community concerns associated with the current Gross Rental Value (GRV) methodology and its impact on ratepayers within the City of Karratha and regional Western Australia more broadly.

The City continues to experience significant concern from residents regarding valuation outcomes which are increasingly viewed as inequitable and disproportionately impacting regional communities, particularly in the Pilbara.

To better understand the impact of the 2025/26 General Revaluation, the City undertook a sensitivity analysis based on a neutral rates scenario, where the City's overall rate yield remained unchanged from the previous year.

The analysis identified significant inconsistencies in valuation movements within individual suburbs. In Baynton, Millars Well, Nickol and Pegs Creek, some properties experienced valuation decreases while others received increases exceeding 20 per cent. In Baynton alone, movements ranged from decreases of 15 per cent to increases above 20 per cent.

This level of variation demonstrates the difficulty for local governments in using the rate in the dollar (RID) mechanism to offset impacts equitably across the community. As a result, despite no increase to the City's overall rates yield in 2025/26, 5,203 out of 8,144 residential properties (63 per cent) still received a rate increase.

Table 1: Distribution of residential valuation movements by suburb 2025/26 GRV revaluation

	< -20%	-20 to -15%	-15 to -10%	-10 to -5%	-5 to 0%	0 to 5%	5 to 10%	10 to 15%	15 to 20%	> 20%	Grand Total
BAYNTON	-	-	22	426	693	220	121	46	8	100	1,636
BULGARRA	-	-	-	-	3	321	833	62	9	6	1,234
DAMPIER	-	-	-	4	264	231	19	3	-	-	521
GAP RIDGE	-	-	-	1	-	-	-	-	-	-	1
KARRATHA	-	-	-	-	-	60	-	-	-	-	60
MILLARS WELL	-	-	-	-	41	563	101	17	93	12	827
NICKOL	-	-	-	23	532	546	625	116	3	6	1,851
PEGS CREEK	-	108	178	-	1	288	405	21	6	-	1,007
POINT SAMSON	-	-	-	1	4	20	62	27	1	1	116
ROEBOURNE	8	24	3	16	5	140	-	1	1	1	199
WICKHAM	112	4	17	217	234	107	-	-	-	1	692
Grand Total	120	136	220	688	1,777	2,496	2,166	293	121	127	8,144

The analysis highlights the difficulty of achieving equitable rating outcomes through adjustment of the rate in the dollar alone.

The City is also concerned that the current GRV methodology does not adequately account for the unique characteristics of resource-based regional housing markets. Approximately 66 per cent of residential properties within the City are owned by companies or government agencies, meaning the market operates differently to a conventional metropolitan housing market.

The City believes there is a growing need to review whether the current methodology remains appropriate for regional resource communities such as Karratha. In this regard, we note WALGA's position that Section 6.28 of the *Local Government Act 1995* should be reviewed to examine the limitations of the current valuation methods and explore alternative approaches.

The City also believes there is merit in considering alternative rating methodologies used in other Australian jurisdictions, including land value and capital improved value models, which may provide fairer and more equitable outcomes for regional communities.

We would welcome the opportunity to meet with your office to further discuss these matters and explore potential reforms or improvements that could provide fairer outcomes for our community.

Thank you for your consideration of this important issue and we look forward to continuing constructive discussions on how the valuation system can better reflect the realities of regional Western Australia.

Yours sincerely



Daniel Scott
CITY OF KARRATHA MAYOR

29 May 2026