



City of Nedlands

LATE ITEM

Ordinary Council Meeting

Wednesday, 03 September 2025



17.3 Specified Service Charge for Underground Projects

Report Number	CEO42.09.25
Meeting & Date	Council Meeting – 03 September 2025
Applicant	City of Nedlands
Employee Disclosure under section 5.70 Local Government Act 1995	Nil
Report Author	Jonathan Allen – Coordinator Governance, Legal and Risk
Director	Keri Shannon – Chief Executive Officer
Attachments	Nil

Purpose

To amend the Council resolution made at the Special Council Meeting of 27 August 2025, to include resolution '3A' specifying the service charge and amend instalment dates in resolution 4.

Resolution '3A' specifies the Service Charge amounts for the Nedlands North and Nedlands West underground power projects that were identified within the adopted annual budget.

Due to a delay in the printing of the rates notice the instalment dates in Resolution 4 have to be amended. The officers identified a discrepancy between the resolution and the fees and charges schedule for the administration fee relating to deferral options and it is recommended that this should also be corrected.

Administration Recommendation

That Council **AMENDS** the resolution adopted on the 27 August 2025 Special Council Meeting to include the following:

(A) Include **RESOLUTION 3A** as follows:

3A. ADOPTS pursuant to Section 6.38 of the *Local Government Act 1995* in respect of land within the defined part of the district, a service charge to be imposed to meet a proportion the cost in the provision of undergrounding power works, for 2025/26 as follows:

a. Area known as Nedlands North

For single meter properties

New connection

New connection – transmission line 10% discount

Existing connection

Existing connection – transmission line 10% discount

For Non-residential and multiple meter properties

\$

9,458.71

8,784.41

7,496.92

6,812.62



- | | |
|--|-----------|
| New connection - 2 meters or equivalent | 16,301.70 |
| New connection - 3 meters or equivalent | 23,144.68 |
| New connection - 4 meters or equivalent | 29,987.67 |
| New connection - 5 meters or equivalent | 36,830.65 |
| New connection – number of meters x \$6,842.99 + \$2,615.72 | |
| Existing connection - 2 meters or equivalent | 7,496.92 |
| Existing connection - 3 meters or equivalent | 14,339.90 |
| Existing connection - 4 meters or equivalent | 21,182.89 |
| Existing connection - 5 meters or equivalent | 28,025.88 |
| Existing connection – number of meters x \$6,842.99 + \$653.93 | |
- b. Area known as Nedlands West
- | | |
|--|----------|
| For single meter properties | \$ |
| New connection | 8,523.95 |
| New connection – transmission line 10% discount | 7,391.19 |
| New connection – transmission line 20% discount | 7,957.57 |
| Existing connection | 6,378.85 |
| Existing connection – transmission line 10% discount | 5,246.08 |
| Existing connection – transmission line 20% discount | 5,812.47 |
- For Non-residential and multiple meter properties
- | | |
|--|-----------|
| New connection - 2 meters or equivalent | 14,187.76 |
| New connection - 3 meters or equivalent | 19,851.58 |
| New connection - 4 meters or equivalent | 25,515.39 |
| New connection - 5 meters or equivalent | 31,179.20 |
| New connection – number of meters x \$5,663.81 + \$2,860.14 | |
| Existing connection - 2 meters or equivalent | 12,042.66 |
| Existing connection - 3 meters or equivalent | 17,706.47 |
| Existing connection - 4 meters or equivalent | 23,370.28 |
| Existing connection - 5 meters or equivalent | 29,034.10 |
| Existing connection – number of meters x \$5,663.81 + \$715.03 | |
- c. For the areas known as Nedlands West and Nedlands North to apply an administration fee of \$160 per property.
- d. For ratepayers who choose to pay by instalments, interest will be charged at the rate of 4.6% per annum in accordance with Section 6.45(3) and 6.13 of the *Local Government Act 1995*. An instalment administration fee of \$18 is payable on the underground power service charge instalment options.

(B) AMENDS Resolution 4 by REPLACING in its entirety as follows:

- 4. APPROVES the options of one or four instalments for the payment of rates, with interest and administration fees applicable as follows:**
- An amount of 5.5% per annum interest to be charged if a four-instalment option is selected;**
 - An administration charge of \$54 (3 instalments at \$18 each, 1st instalment at no charge) is to be applied to four instalment options if selected; and**
 - Nominates the following due dates for rate payment in full and by instalments, pursuant to Section 6.45 of the Local Government Act 1995**



and Regulation 64(2) of the Local Government (Financial Management) Regulations 1996:

- i. Full payment and first instalment - 21 October 2025
- ii. Second quarterly instalment - 22 December 2025
- iii. Third quarterly instalment - 23 February 2026
- iv. Fourth quarterly instalment - 27 April 2026

Voting Requirement

Absolute Majority

Background & Discussion

At the Special Council Meeting held on 27 August 2025, the Council adopted the City's Annual Budget for the financial year 2025/2026.

Identified within that budget were 'Service Charges' (within the meaning of section 6.38 of the *Local Government Act 1995*), to be imposed on residents in relation to underground power projects.

Specifically, the Annual Budget identified Service Charges to be imposed in relation to both the Nedlands North and Nedlands West underground power projects.

These projects involve moving residential overhead power infrastructure underground, delivering reliable and safe power to the community, whilst improving street appeal and allowing tree canopy to flourish.

The projects are being funded jointly by Western Power and the City. Under the City's Underground Power Policy, 50 per cent of the City's contribution is recoverable from ratepayers receiving underground power.

The Service Charge to be imposed on relevant owners within the areas of Nedlands North and Nedlands West are as follows:

Nedlands North

For single meter properties	\$
New connection	9,458.71
New connection – transmission line 10% discount	8,784.41
Existing connection	7,496.92
Existing connection – transmission line 10% discount	6,812.62
For Non-residential and multiple meter properties	
New connection - 2 meters or equivalent	16,301.70
New connection - 3 meters or equivalent	23,144.68
New connection - 4 meters or equivalent	29,987.67
New connection - 5 meters or equivalent	36,830.65



New connection – number of meters x \$6,842.99 + \$2,615.72	
Existing connection - 2 meters or equivalent	7,496.92
Existing connection - 3 meters or equivalent	14,339.90
Existing connection - 4 meters or equivalent	21,182.89
Existing connection - 5 meters or equivalent	28,025.88
Existing connection – number of meters x \$6,842.99 + \$653.93	

Nedlands West

For single meter properties	\$
New connection	8,523.95
New connection – transmission line 10% discount	7,391.19
New connection – transmission line 20% discount	7,957.57
Existing connection	6,378.85
Existing connection – transmission line 10% discount	5,246.08
Existing connection – transmission line 20% discount	5,812.47
For Non-residential and multiple meter properties	
New connection - 2 meters or equivalent	14,187.76
New connection - 3 meters or equivalent	19,851.58
New connection - 4 meters or equivalent	25,515.39
New connection - 5 meters or equivalent	31,179.20
New connection – number of meters x \$5,663.81 + \$2,860.14	
Existing connection - 2 meters or equivalent	12,042.66
Existing connection - 3 meters or equivalent	17,706.47
Existing connection - 4 meters or equivalent	23,370.28
Existing connection - 5 meters or equivalent	29,034.10
Existing connection – number of meters x \$5,663.81 + \$715.03	

The difference in charges between the areas reflects the estimated costs advised by Western Power.

For Nedlands North, the total cost of the project for the 272 participating properties is estimated at \$7,695,057 of which \$7,287,004 relates to capital costs for sinking the poles and wires and \$408,053 relates to operating expenses for connecting properties to the network. The City and affected ratepayers will contribute \$4,459,862 shared on a 50/50 basis. The final costs will not be known until after the conclusion of the project expected in September 2025.

For Nedlands West, the total cost of the project for the 668 participating properties is estimated at \$16,228,753 of which \$15,180,512 relates to capital costs for sinking the poles and wires and \$1,048,241 relates to operating expenses for connecting properties to the network. The City and affected ratepayers will contribute \$9,664,800 shared on a 50/50 basis. The final costs will not be known until after the conclusion of the project expected in April 2026.

When calculating the charges for non-residential and multiple meter properties, the City was unable to source reliable information to determine the energy usage charges using the \$/kVA method. The City has determined that a more equitable method is to charge on



a 'meter or equivalent basis', whereby the \$/kVA method is compared to the cost of an equivalent number of meters and then capped at the cost of 5 meters in Nedlands West and 10 meters in Nedlands North. There are 30 properties affected by these calculations and the City will correspond with these ratepayers once the rates notices are issued.

For properties affected by high voltage transmission lines which are not taken underground, the City will provide a discount of 10% to those residents who have transmission lines on the opposite side of the road and a discount of 20% to those residents who have transmission lines on the same side of the road. The discount recognises that the complete streetscape benefit of underground power will not be achieved for these property owners.

For ratepayers who choose to pay by instalments, these will be made over five equal annual instalments which incurs a fixed interest rate of 4.6% per annum (based upon quoted borrowing rates from Western Australian Treasury Corporation who will be supplying part of the funding for the project and may be subject to change) and an administration fee of \$72 (each deferred instalment after the initial payment attracts a charge of \$18). This is consistent with the instalment options offered on general rates. Irrespective of which option is selected, ratepayers may choose to pay their rates notice via four (4) instalments which includes the UGP service charge. When choosing the option to pay by instalments, the administration fee will be applied unless you qualify for a concession.

The administration fee relating to deferred instalments was incorrectly stated in the resolution and did not reflect the schedule of fees and charges which was adopted as part of the Annual Budget.

Consultation

Nil

Strategic Implications

As identified in report 7.1 – Adoption of the Annual Budget for the Financial Year 2025/26 – presented to the Council on 27 August 2025.

Budget/Financial Implications

As identified in report 7.1 – Adoption of the Annual Budget for the Financial Year 2025/26 – presented to the Council on 27 August 2025.

Legislative and Policy Implications



As identified in report 7.1 – Adoption of the Annual Budget for the Financial Year 2025/26
– presented to the Council on 27 August 2025

Decision Implications

As identified in report 7.1 – Adoption of the Annual Budget for the Financial Year 2025/26
– presented to the Council on 27 August 2025.

Conclusion

It is recommended that Council amends the resolutions made by Council at the Special Council Meeting of 27 August 2025, to include an additional resolution '3A'. This will ensure that the Service Charges are imposed in accordance with the requirements in section 6.38 of the Local Government Act 1995.

Further Information

Nil