



SHIRE OF
WAROONA
SEA TO SCARP

Differential Rates 2024/25
Statement of Objects and Reasons

Introduction

The Shire of Waroona (Shire) provides services and facilities to the community and visitors to the region. Rate revenue is a primary source of revenue for the Shire, and rates are imposed on properties within its district to enable the Shire to provide facilities, roads infrastructure, community buildings, recreational areas including parks, and to ensure that efficient administrative services are provided to our entire community and its many visitors.

The amount of rates payable by a ratepayer is determined by four factors, (1) the method of valuation applicable to their property, being either Gross Rental Value (GRV) or Unimproved Value (UV), (2) the amount of the valuation, (3) the differential rating category of the property, and (4) the rate in the dollar or minimum payment of that differential rating category. Valuations are provided by the Valuer General in accordance with the Valuation of Land Act 1978. Council sets the rate in the dollar in its annual budget, which is applied to a valuation to determine the rates applicable to the property.

To ensure that rates objectivity and fairness is achieved across the shire as whole, and to achieve an equitable level of rating between commercial properties within both the UV and GRV rating categories, in 2023/24 the Shire introduced a differential rate for properties located outside of the townsite that are held for light or heavy industry, mining, exploration, extractive industry, renewable energy facility or intensive agriculture use. Additional funds raised from the differential rating category of this nature provides funding for the maintenance of infrastructure as a result of heavy road use.

Proposed Differential Rates and Minimum Payments for 2024/2025

Section 6.36 of the Local Government Act 1995 (the Act) requires Council to give local public notice of its intention to impose Differential Rates and Minimum Payments, inviting submissions from electors and ratepayers.

This document describes the objects of, and reasons for, each proposed differential rate and minimum payment, required to be made available for inspection by electors and ratepayers per section 6.36(3)(c) of the Act.

The 2024/2025 Budget will not be adopted until after consideration by Council of any elector and ratepayer submissions, pursuant to Section 6.36(4) of the Act. The Act empowers Council to adopt differential rates or minimum payments different from those published in the public notice. In addition, the Local Government (Financial Management) Regulations 1996 require that if a Council does adopt any differential rates or minimum payments that are different from those set out in the public notice, then its adopted Budget must include a statement providing reasons for adopting any different rates or minimums from those set out in its public notice.

In its deliberations, prior to formally adopting the budget and imposing rates and minimum payments, Council will consider any submissions received and, as part of its due diligence processes, may also consider any new information on any budget-related matters not

available to it at the time of giving public notice of intention to impose proposed rates and minimum payments. This may include for example, Council consideration of any updated advice on inflation forecasts for 2024/2025, any amendments to forecast changes to costs of State Government utilities including electricity tariffs, street lighting, water or sewerage, or any changes related to any of the local government recurrent grants or any other Federal or State funds forecast to be received.

Minimum Payments

The Shire imposes a single minimum payment across all rating categories. The minimum payment recognises that all ratepayers have an equal opportunity to enjoy the facilities and services provided by Council, regardless of the value of their property. The minimum rate proposed for 2024/2025 is \$1,343.

Differential Rates

Gross Rental Valuation (GRV) Properties

Rate Category	Rate in the \$	Min Payment
GRV - General	10.9170	\$1,343

Unimproved Value (UV) Properties

Rate Category	Rate in the \$	Min Payment
UV - General	0.6410	\$1,343
UV – Industrial and Mining	1.2815	\$1,343
UV – Intensive Agriculture	0.9615	\$1,343

Objects and Reasons


Description	Characteristics	Objects	Reasons
GRV General	Properties that are used primarily for residential purposes and located within a townsite.	The objective of this category is to ensure that all residential ratepayers make a reasonable contribution towards the services and facilities provided and maintained by the Shire for the benefits of the residents.	Revenue redrived from this category assists in funding the service levels expected by the community, achieving the Strategic Community Plan and minimum standards of performance to which the Council will be measured by the State Government and others.
UV General	Properties that are used primarily for rural and farming purposes.	The objective of this category is to ensure that all ratepayers make a reasonable contribution towards the services and facilities provided and maintained by the Shire for the benefit of the residents.	Revenue derived from this category assists in funding the service levels expected by the community, achieving the Strategic Community Plan and minimum standards of performance to which the Council will be measured by the State Government and others.
UV Industry and Mining (excludes activities where a contribution agreement is in place under the Road Traffic Act 1974)	Properties located outside of a townsite that are held for light or heavy industry, mining, exploration, extractive industry and renewable energy facility.	The object of this category is to raise additional revenue to offset the costs associated with increased maintenance of infrastructure and higher levels of service provided to properties in this category.	The reason for this rate is the need to offset the higher level of costs associated in servicing these properties, including the costs of transport infrastructure maintenance and renewal/refurbishment, and costs relating to monitoring of land use and environmental impacts.
UV Intensive Agriculture	Properties located outside of a townsite that are held intensive agriculture use.	The object of this category is to raise additional revenue to offset the costs associated with increased maintenance of infrastructure and higher levels of service provided to properties in this category.	The reason for this rate is the need to offset the higher level of costs associated in servicing these properties, including the costs of transport infrastructure maintenance and renewal/refurbishment, and costs relating to monitoring of land use and environmental impacts.

Submissions are invited from any elector or ratepayer with respect to the proposed rates, and any related matter. Submissions should be addressed to the Chief Executive Officer, Shire of Waroona, PO Box 20, Waroona WA 6215 and clearly marked "Submission – Differential Rating 2023/2024". All submissions should be received no later than 12.00pm on Friday 2nd August 2024.



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