

Shire of Victoria Plains



Objects and Reasons for Differential Rating For the year ending June 2025

In accordance with Section 6.36 of the *Local Government Act 1995* (the Act), the Shire of Victoria Plains is required to publish its objects and reasons for implementing differential rates.

1 Objective

Rates are levied on all rateable properties within the boundaries of the Shire of Victoria Plains in accordance with the *Local Government Act 1995*. The overall objective for the raising of the proposed rates and charges in the 2023/2024 Budget is to provide for the funding requirements of the Shires services, activities, financing costs and the current and future capital requirements of the Shire in light of the Ten-Year Long-Term Financial Plan.

Property valuations provided by the Landgate are used as the basis for the calculation of rates each year. Section 6.33 of the *Local Government Act 1995* provides the power to differentially rate properties based on zoning and/or land use as determined by the Shire of Victoria Plains. The application of differential rating maintains equity in the rating of properties across the Shire, enabling the Council to provide facilities, infrastructure and services that benefit the whole Shire and its visitors.

2 Rating Categories

The Shire of Victoria Plains has the following rating categories –

Category	Differentiation	2024-2025 application
Gross Rental Value	Townsites	General rate
	Commercial / Industrial (in rural area, less than 5 ha)	No properties within differentiation
	Mining (accommodation village etc in rural area)	No properties within differentiation
Unimproved Value	Agricultural	General rate
	Commercial / Industrial (in rural area, greater than 5 ha)	No properties within differentiation
	Mining / Other	Differential rate

As per Council Policy –

GRV means those properties having a gross rental value as supplied by Landgate.

townsite means –

- the towns of – Calingiri, Bolgart, Yerecoin and Piawaning
- the areas valued as GRV by Landgate in the localities of – New Norcia, Mogumber and Gillingarra

UV means those properties having an unimproved value as supplied by Landgate.

3 Gross Rental Valuation (GRV)

The *Local Government Act 1995* determines that properties of a non-rural purpose be rated using the Gross Rental Valuation (GRV) as the basis for the calculation of annual rates.

Landgate determines the GRV for all properties within the Shire of Victoria Plans every five years and assesses a GRV. The last general revaluation occurred in 2023-24 with the re-valuation planned effective from 1 July 2024.

Interim valuations are provided by Landgate for properties where changes have occurred (i.e. subdivisions, amalgamations, building constructions, demolition, additions and/or property rezoning). In such instances, the rates for the affected properties are recalculated and an interim rates notice is issued.

The table below summarises the proposed 2024-2025 rates in the dollar and minimum payments for GRV –

Gross Rental Value	Rate / \$	Minimum payment
Townsites	0.11778	\$623.00
Commercial / Industrial (rural, < 5 ha)	n/a	n/a
Mining (intensive use)	n/a	n/a

Townsites – means all properties, regardless of zoning or land use within a townsite, and not otherwise categorised

Rating objective – the base rate for GRV properties

Commercial / Industrial – means properties outside of a townsite, where the land either in whole or part

–

- i) is used for commercial or industrial purposes in excess of those directly related to the agricultural use of the land; or
- ii) the commercial or industrial activity offers services or products to other parties; and
- iii) the activity is on a portion of the land not exceeding 5 hectares unless otherwise determined by Council;

Rating objective – to maintain relativity comparative to commercial and industrial properties located in townsites, alleviating cross-subsidy from GRV Townsites, and UV Agricultural.

Mining (intensive use) – concentrated mining activity that if located in a townsite, would be rated as a GRV property, including but not limited to –

- i) accommodation villages;
- ii) support services such as offices, workshops, processing facilities, industrial area, etc

Rating objective – to maintain the relativity comparative to residential rates and provides an average rate per accommodation unit of less than Council's proposed minimum payment for GRV Townsites.

4 Unimproved Valuation (UV)

Properties that are predominantly of a rural purpose are assigned an Unimproved Value that is supplied and updated by the Valuer-General on an annual basis.

Interim valuations are provided by Landgate for properties where changes have occurred (i.e. subdivisions, amalgamations). In such instances, the rates for the affected properties are recalculated and an interim rates notice is issued.

The table below summarises the 2024-2025 rates in the dollar and minimum payments and for UV –

Unimproved Value	Rate / \$	Minimum payment
Agricultural	0.004715	\$728.00
Commercial / Industrial (rural, > 5ha)	n/a	n/a
Mining / Other	0.009430	\$1,456.00

Agricultural – all properties, regardless of zoning or land use outside a townsite –

- i) not otherwise UV categorised, generally being agricultural in nature;
- ii) excluding commercial or industrial properties valued as UV 2;

Rating objective – the base rate for UV properties

Commercial / Industrial – properties outside of a townsite, where the land either in whole or part –

- i) is used for commercial or industrial purposes in excess of those directly related to the agricultural use of the land; or
- ii) the commercial or industrial activity offers services or products to other parties;
- iii) the activity is on a portion of the land exceeding 5 hectares unless otherwise determined by Council; and
- iv) the property or portion of property is not valued as GRV Commercial / Industrial (rural, > 5 ha) ;

Rating objective –to maintain relativity comparative to commercial and industrial properties located in townsites, alleviating cross-subsidy from GRV Townsites, and UV Agricultural.

Mining / Other – all mining activity other than GRV Mining (intensive).

Rating objective – to generate revenue to support the large investment made in roads and road drainage infrastructure to service mining activities and reflects the extra maintenance, impacts and frequency that is required to ensure a minimum level of serviceability above that normally required to meet the needs of farmers.

5 Submissions

Written submissions may be made to the Shire of Victoria Plains –

- in person – at the Shire Office, 28 Cavell Street, Calingiri
- by post – to PO Box 21, Calingiri 6569; or
- by email – to reception@victoriaplains.wa.gov.au

Submissions close at 4.00pm on Monday 22 July 2024.

Once Council has considered the submissions, the Differential Rates and the 2024/25 Budget (with or without modification) will be adopted by Council.

Sean Fletcher

Chief Executive Officer