



Objects and Reasons

Proposed Differential Rates 2024/2025

INTRODUCTION

In accordance with section 6.36 Local Government Act 1995, the Shire is required to publish its Objects and Reasons for each proposed rate and minimum payment for implementing the differential rates categories.

Basis of Rating

The overall objective of the proposed rates in the 2024/2025 Financial Year Budget is to provide the net funding requirements for the Shire's services, activities, financing costs, and current and future capital requirements to achieve a balance budget.

The basis for property rates is calculated using two types of values; Gross Rental Value (GRV) which generally applies for residential, commercial, urban areas; and Unimproved Value (UV) which is generally applies for rural land values are provided by the Valuer General's Office at Landgate. A minimum payment is applied to all differential rating categories within the Shire of Menzies.

The table below summaries the rating structure proposed for 2024/2025:

Description	Characteristics	Objects	Reason
Gross Rental Value (GRV)	This category includes all properties where the basis of rate is the Gross Rental Value (GRV)	The object of the rate in the dollar for this category is to raise sufficient revenue to offset the costs associated with the provision of current and future services	This rate ensures all ratepayers make a reasonable contribution towards the ongoing maintenance, provision of works, service, and facilities in the Shire.
Unimproved Value (UV) Mining	This category associated with all mining lease/tenements where the basis rate is Unimproved Value (UV)	The objective is to achieve an appropriate contribution from mining operations toward budgeted deficiency.	Due to the difference in valuation methodology and recognise the impact of mining related activities on the Shire

Unimproved Value (UV) Exploration and Prospecting	This category associated with all exploration and prospecting lease where the basis rate is Unimproved Value (UV)	Exploration leases are rated differentially to reflect the nature of the lease and acknowledge that these leases are not for the most part income producing.	This rate ensure an appropriate contribution towards the ongoing maintenance and provision throughout the Shire.
Unimproved Value (UV) Pastoral and Other	This category associated all pastoral and other land not included in other categories where the basis rate is Unimproved Value (UV)	Pastoral and Other leases are rated differentially to reflect the nature of the lease and acknowledge that these leases are not for the most part income producing.	This rate ensure an appropriate contribution towards the ongoing maintenance and provision throughout the Shire.
Minimum Payment Gross Rental Value (GRV)	The Council has established minimum rates for Gross Rental Value (GRV)	These amounts represent the minimum rate that should be charged reasonable contribution to services to the Community, and may exceed the result of calculating a property's rating basis valuation (GRV)	Minimum rates have been prepared to comply with the Local Government Act 1995 which required no more than 50% of properties to be levied on a minimum rate unless Ministerial approval is obtained.
Minimum Payment Unimproved Value (UV)	The Council has established minimum rates for Unimproved Value (UV)	These amounts represent the minimum rate that should be charged reasonable contribution to services to the Community, and may exceed the result of calculating a property's rating basis valuation (UV)	Minimum rates have been prepared to comply with the Local Government Act 1995 which required no more than 50% of properties to be levied on a minimum rate unless Ministerial approval is obtained.

Submissions

All submission with reference to the proposed differential rates should be forwarded to the Shire of Menzies:

Email: admin@menzies.wa.gov.au

By Post: Shire of Menzies, PO Box 4, Menzies – WA 6436

Submission close at 4.00pm on Monday 8 July 2024.

Once Council has considered any submissions received, the Differential Rates and the 2024/2025 Budget (with or without modification) will be adopted by Council.