



Objectives and Reasons for Proposed Differential Rates for the 2023/24 Financial Year.

In accordance with Section 6.36 of the Local government Act 1995, the Shire of Wagin is required to publish its Objectives and Reasons for the implementing of differential rates.

The Shire of Wagin intends to impose differential general rates and minimum payments for the 2023/24 financial year as summarised in the following table:

Rate Category	Rate in the \$	Minimum Payment
GRV – Non-Commercial/Industrial	\$0.091866	\$650
GRV – Commercial/Industrial	\$0.122728	\$650
UV General	\$0.006070	\$650

Overall Objective

The purpose of the levying of rates is to meet Councils budget requirements in each financial year in order to deliver services and community infrastructure. Property valuations provided by the Valuer General are used as the basis for the calculation of rates each year. Section 6.33 of the Local Government Act 1995 provides the ability to differentially rate properties based on zoning and/or land use as determined by the Shire of Wagin. The application of differential rating maintains equality in the rating of the properties across the Shire, enabling the Council to provide facilities, infrastructure and services to the entire community and visitors.

Gross Rental Value (GRV)

The Local Government Act 1995 determines that properties of a non-rural purpose be rated using Gross Rental Valuation (GRV) as the basis for the calculation of annual rates. The Value General determines the GRV for all properties within the Shire of Wagin every five to six years and assigns a GRV. A revaluation was carried out in 2022 with the valuation effective from 1 July 2022. Interim valuations are provided monthly to Council by the Valuer General for properties where changes have occurred. In these instances, Council recalculates the rates for the affected properties and issues interim rate notices.

The following categories of GRV are proposed for the 2023/24 financial year:

GRV – Non-Commercial/Industrial

This rating category consists of properties which have a predominantly residential use. The object of the rate for this category is to be the base by which all other GRV rated properties are assessed. The reason is to ensure that all ratepayers make a reasonable contribution towards works, services and facilities within the Shire.

The proposed rate in the dollar for this category is 9.1866 cents, with a minimum rate of \$650.00.

GRV- Commercial/Industrial

This rating category consists of properties used predominantly for Commercial or Industrial purposes that are located within the townsites. The object of the rate for this category is to raise additional revenue to fund the costs associated with the higher level of service provided to the properties in this category. The reason is that the Shire incurs higher costs to service these areas including carparking, landscaping and other amenities. In addition, costs associated with tourism and economic development activities are incurred by council that also have a benefit to these ratepayers.

The proposed rate in the dollar for this category is 12.2728 cents, with a minimum rate of \$650.00.

Unimproved Value (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.

UV

The Shire of Wagin has one UV category. Included in this category are properties that are used exclusively for rural use – either residential or commercial and mining tenements. The reason for this rating category is to ensure that all ratepayers make a reasonable contribution to the cost of providing works, services and facilities within the Shire. The proposed rate in the dollar for this category is 0.06070 cents, with a minimum rate of \$650.00.

Summary

In arriving at the proposed rates in the dollar Council has attempted to balance the need for revenue to fund essential services, facilities and infrastructure to the entire community.

Any submissions by electors or ratepayers in respect of the proposed Differential Rates and Minimum Payments should be addressed to the Chief Executive Officer, Shire of Wagin and lodged by 4.30pm Monday 24 July 2023.

All submissions may be sent to PO Box 200 WAGIN WA 6315 or hand delivered to the shire administration 2 Arthur Rd WAGIN or shire@wagin.wa.gov.au

Ratepayers are welcome to contact the Shire Finance Department regarding the differential rating categories on 9861 1177 or email mfcs@wagin.wa.gov.au

Shire of Wagin
MODEL A - RATES MODELLING with Differential GRV Rates 3.8% increase in line with CPI - 2%
Annual Budget 2023/2024

	# of Prop	Rate in the \$	Budget 2022/2023	Interim Changes & Back Rates	Total Budget 2022/2023	Actual 2022/2023	# of Prop	Rate in the \$		Proposed Budget 2023/24 Up 3.8%
Min Amount			625						Min Amount	650
GRV Non-commercial	675	0.08683	755,928	4,000	759,928	757,275	678	0.091866	GRV Non Commercial	787,536
GRV Commercial	65	0.11508	183,322		183,322	183,322	65	0.122728	GRV Commercial	190,288
Min Non-Commercial	137		85,625		85,625	85,625	134		Min Residential	87,100
Min Commercial	13		8,125	0	8,125	8,125	14		Min Commerical	9,100
Total GRV	890		1,033,000	4,000	1,037,000	1,034,347	891			1,074,023
Min Amount			625						Min Amount	650
Rates UV	297	0.00568	1,515,628	2,000	1,517,628	1,516,627	296	0.006070	Rates UV	1,570,980
Rates UV Min	84		52,500	0	52,500	52,500	88			57,200
Total UV	381		1,568,128	2,000	1,570,128	1,569,127	384			1,628,180
Total	1,271		2,601,128	6,000	2,607,128	2,603,474	1,275			2,702,203

Change in revenue										101,075
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NOTE:
1% Rates equates to \$26,598