

# OBJECTS & REASONS

In accordance with Sections 6.33 & 6.36 of the Local Government Act 1995 and the Council's intention to continue levying differential rates for the 2024/2025 Financial Year, the City is required to publish its Objects and Reasons for implementing the differential rates categories.

The overall objective of the Rates and Charges in the 2024/2025 budget is to provide for the shortfall in income required to enable the City of Kalamunda to provide the necessary works and services in the 2024/2025 Financial Year after considering all non-rate sources of income. The Council at a Ordinary Council Meeting on the 28th May 2024 set the parameters to initiate the Budget 2024/2025 process.

A minimum rate is applied to all differential rating categories within the City of Kalamunda. The setting of the minimum rate is in recognition that every property within the City receives some minimum level of benefit from services provided. By adopting a minimum rate, Council takes this benefit into consideration.

Landgate has more information on the different land valuation methods on its website.

Differences in minimum rates between the differential categories are due to the same factors as explained in each differential category below:

## GROSS RENTAL VALUATION RATING CATEGORIES

The valuations provided to the City for GRV properties are reviewed on a Tri-annual basis by Landgate. 2024/2025 is not a revaluation year. GRV values in force have been effective since last year based on the valuation as at 1 July 2023 reflective of the estimated rental yield per year of the property. Further information about the exact method of calculation and any objections to valuations will need to be directed to the Valuer Generals Office at Landgate.

## GROSS RENTAL VALUATION RATING CATEGORIES

Rating Category	Objects & Reasons	Rate in the Dollar (c)	Minimum Rate
<b>GRV General</b> The GRV General rate applies to all GRV-valued properties in the City with predominant land use that does not fall within the categories of Commercial, Industrial or Vacant Land.	<p>The object of this rate is to apply a base differential general rate to land zoned and used for purposes other than Commercial, Industrial or Vacant Land and to act as the City's benchmark differential rate by which all other GRV-rated properties are assessed.</p> <p>The reason for this rate is to ensure that all ratepayers make a reasonable contribution towards the ongoing maintenance and provision of works, services and facilities throughout the City. It is also lower than vacant land as the City is endeavoring to</p>	\$0.067372	\$1,020

Rating Category	Objects & Reasons	Rate in the Dollar (c)	Minimum Rate
	encourage landowners to develop vacant land.		
<p><b>GRV Commercial/Industrial</b> The Industrial and Commercial GRV rate is levied on GRV-valued properties where the predominant use of the land is for either Industrial or Commercial purposes.</p>	<p>The object of this rate category is to apply a higher differential rate to raise additional revenue to offset the increased costs associated with service provision to these properties.</p> <p>The reason for this rate is that a higher differential rate is required to meet the higher level of service costs associated with Commercial and Industrial properties and the localities within which they are situated. This would typically include costs associated with increased maintenance and renewal of assets and infrastructure required.</p>	\$0.082058	\$1,280
<p><b>GRV Vacant Land</b> The GRV Vacant rate is levied on all GRV-valued land in the City where the property is considered vacant land.</p>	<p>The object of this rate is to promote the development of vacant land within the City's district.</p> <p>The reason for this rate is to impose a higher differential general rate on vacant land that acts as a disincentive to persons who are land banking and not actively developing vacant land.</p>	\$0.104031	\$810

## UNIMPROVED VALUATION RATING CATEGORIES

Rating Category	Objects & Reasons	Rate in the Dollar (c)	Minimum Rate
<p><b>UV General</b> The UV General rate applies to all UV valued properties in the City with a predominant land use that does not fall within the categories of Commercial or Vacant</p>	<p>The object of this rate category is to impose a differential rate commensurate with the use of land and is the base rate by which all other UV-rated properties are assessed.</p> <p>The reason for this rate is to ensure that all ratepayers on Unimproved Properties make a reasonable contribution towards the ongoing maintenance and provision of works, services and facilities throughout the City.</p>	\$0.003931	\$1,020
<p><b>UV Commercial</b> The UV Commercial rate is levied on UV-valued properties where the predominant use of the land is for either Industrial or Commercial purposes.</p>	<p>The object of this rate category is to raise additional revenue to offset the costs involved in servicing properties within this rate category, which include but are not limited to major outlays for transport infrastructure maintenance and renewal/refurbishment and significant related costs of land use and environmental impacts.</p> <p>The reason for this differential rate is to ensure that all ratepayers in this category make an equitable contribution to the City's revenue.</p>	\$0.004858	\$1,280

A statement of the Objects and Reasons for the proposed rates and minimum payments are also available for inspection at the Administration Centre and each of the City's Libraries during normal opening hours.

Submissions from any elector or ratepayer with respect to the proposed rates should be forwarded to the City of Kalamunda:

Online: provide comments via Engage.Kalamunda

Email: [enquiries@kalamunda.wa.gov.au](mailto:enquiries@kalamunda.wa.gov.au)

By Post: Chief Executive Officer, City of Kalamunda, PO Box 42, Kalamunda, 6926

**Submissions close at 5.00pm on Friday 21<sup>st</sup> June 2024.**

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