

PROPOSED DIFFERENTIAL RATES FOR COUNCIL RATES 2019/20

Statement of Objects and Reasons for the proposed Differential Rates & Minimum Rates

In accordance with the provisions of Section 6.33 and 6.36 of the Local Government Act 1995, the Town is proposing a differential rate and minimum rates on rateable properties consistent with key values of fairness, equity and transparency.

Rates are a primary source of revenue for the Town of Bassendean and are levied each financial year on all ratepayers, in a manner that is deemed to be fair and equitable so as to meet the Town's annual budget requirements.

Taking into account the Town's strategic community, corporate and long-term financial plans, a general rate increase of 1% is proposed on the general rate in the dollar and minimum rate.

For all vacant land, a new differential rate is proposed of 14.5 cents in the dollar and a minimum rate of \$2,100.

Objectivity

For properties within the Town, land on which differential rating is proposed is rated according to the following characteristics:

- Land use; and
- Vacant land.

The table below details the proposed differential rates for the 2019/20 financial year:

Rating Category	Rate in dollar	Minimum rates
<i>GRV - Residential, Commercial, Industrial</i>	7.3020	\$1106
<i>GRV - Vacant Land</i>	14.50	\$2,100

Differential Rating

Properties in the Town of Bassendean are rated by applying the rate in the dollar to the Gross Rental Value (GRV) of each property.

The following reflects the Objects and Reasons for each differential rating category:

Residential, Commercial & Industrial Category (GRV)

CHARACTERISTICS

The differential rate in this category imposes a differential general rate on land valued on a gross rental basis, which is zoned under the Town Planning Scheme for the purpose of residential, commercial or industrial and having improvements erected on it.

Town of Bassendean

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PROPOSED OBJECTS AND REASONS

The residential, commercial & Industrial rating category imposes a rate on land primarily used for these categories of use. The object of this rate is to ensure that ratepayers make a reasonable contribution towards ongoing maintenance and the provision of works, services and facilities throughout the Town.

Vacant Residential Commercial Industrial (GRV)

CHARACTERISTICS

The differential rate in this category imposes a differential general rate on land valued on a gross rental basis, which is zoned or held under the Town Planning Scheme for the purpose of residential, commercial or industrial and being vacant land

PROPOSED OBJECTS AND REASONS

A prime reason to apply a higher differential rate in the dollar to vacant land (than the base rate) is to distribute the rates burden equitably, where a higher differential rate for unimproved vacant land recognises the additional costs of servicing these types of properties. Vacant properties are more likely to be the sites of illegal dumping and in some cases, can become overgrown and unkempt, or become places of antisocial behaviour. Additional street cleaning and gully educting is also required due to sand and debris originating from vacant land spreading onto the roads and gutters. The above requires the allocation of Town resources over and above that required for improved properties. The higher differential category for vacant land also reflects the Town's obligations to maximise the per capita use of infrastructure and avoid dead spaces around the district by encouraging development of these vacant properties that will in turn stimulate growth, vibrancy and development in the community.

The proposed rate in this category is 14.50c in the dollar and a minimum payment of \$2,100. This will apply to 188 properties or 2.5%.

Objects for minimum rating

Rates are calculated by multiplying a property's assessed GRV by the adopted rate in the dollar. However, Council can apply a minimum rate, which recognises that all ratepayers have an equal opportunity to enjoy the facilities and services provided by Council, regardless of the value of their property.

For further information:

Enquires can be made to the Town of Bassendean Rates Department on (08) 9377 8000.

SUBMISSIONS

Section 6.36(3)(b)(ii) of the Local Government Act 1995 requires Council to invite submissions from electors and ratepayers in respect of the rates and minimum payments proposed for the differential rating categories.

All submissions are required to be made in writing, with reference to the proposed differential rates to the Chief Executive Officer. Town of Bassendean, PO Box 87, Bassendean WA 6934 by 12 noon on 15 July 2019. Alternatively, they can be emailed to yoursay@bassendean.wa.gov.au.

A report will be prepared on submissions, if any and presented to the Council meeting to be held on Tuesday 23 July 2019.

Once Council has considered the submissions, the differential rates (with or without modification) and the 2019/20 Budget will be adopted by Council.