



**CITY OF VINCENT**

# **AGENDA**

## **Special Council Meeting**

**7 June 2022**

**Time: 6.00pm**  
**Location: E-Meeting and at the Administration  
and Civic Centre,  
244 Vincent Street, Leederville**

**David MacLennan  
Chief Executive Officer**

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**PROCEDURE FOR PUBLIC QUESTION TIME**

The City's Council Briefings, Ordinary Council Meetings, Special Council Meetings and Committee Meetings are held in the Council Chamber located upstairs in the City of Vincent Administration and Civic Centre. Meetings are also held electronically (as eMeetings), and live streamed so you can continue to watch our meetings and briefings online at <https://www.vincent.wa.gov.au/council-meetings/livestream>

Public Questions will be strictly limited to three (3) minutes per person.

The following conditions apply to public questions and statements:

1. Members of the public present at Council Briefings will have an opportunity to ask questions or make statements during public question time. Questions and statements at Council Briefings must relate to a report contained in the agenda.
2. Members of the public present at Council Meetings, Special Council Meeting or Committee Meeting have an opportunity to ask questions or make statements during public question time in accordance with section 2.19(4) of the City's [Meeting Procedures Local Law](#).
3. Questions asked at an Ordinary Council Meeting must relate to a matter that affects the City of Vincent.
4. Questions asked at a Special Council Meeting or Committee Meeting must relate to the purpose for which the meeting has been called.
5. Written statements will be circulated to Elected Members and will not be read out unless specifically requested by the Presiding Member prior to the commencement of the meeting.
6. Where in-person meetings are not permitted due to a direction issued under the *Public Health Act 2016* or the *Emergency Management Act 2005* questions and/or statements may be submitted in writing and emailed to [governance@vincent.wa.gov.au](mailto:governance@vincent.wa.gov.au) by 3pm on the day of the Council proceeding. Please include your full name and suburb in your email.
7. Shortly after the commencement of the meeting, the Presiding Member will ask members of the public to come forward to address the Council and to give their name and the suburb in which they reside or, where a member of the public is representing the interests of a business, the suburb in which that business is located and Agenda Item number (if known).
8. Questions/statements are to be made politely in good faith and are not to be framed in such a way as to reflect adversely or be defamatory on an Elected Member or City Employee.
9. Where practicable, responses to questions will be provided at the meeting. Where the information is not available or the question cannot be answered, it will be "taken on notice" and a written response will be sent by the Chief Executive Officer to the person asking the question. A copy of the reply will be included in the Agenda of the next Ordinary meeting of the Council.
10. It is not intended that public speaking time should be used as a means to obtain information that would not be made available if it was sought from the City's records under Section 5.94 of the *Local Government Act 1995* or the *Freedom of Information Act 1992* (FOI Act). The CEO will advise the member of the public that the information may be sought in accordance with the FOI Act.

For further information, please view the [Council Proceedings Guidelines](#).

**RECORDING AND WEBSTREAMING OF COUNCIL MEETINGS**

- All Council proceedings are recorded and livestreamed in accordance with the [Council Proceedings - Recording and Web Streaming Policy](#).
- All recordings are retained as part of the City's records in accordance with the State Records Act 2000.
- All livestreams can be accessed at <https://www.vincent.wa.gov.au/council-meetings/livestream>
- All live stream recordings can be accessed on demand at <https://www.vincent.wa.gov.au/council-meetings>
- Images of the public gallery are not included in the webcast, however the voices of people in attendance may be captured and streamed.
- If you have any issues or concerns with the live streaming of meetings, please contact the City's Governance Team on 08 9273 6500.

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**1 DECLARATION OF OPENING / ACKNOWLEDGEMENT OF COUNTRY**

“The City of Vincent would like to acknowledge the Traditional Owners of the land, the Whadjuk people of the Noongar nation and pay our respects to Elders past, present and emerging”.

**2 APOLOGIES / MEMBERS ON LEAVE OF ABSENCE**

Cr Susan Gontaszewski on approved leave of absence from 07 June 2022 to 10 June 2022.

Cr Ron Alexander on approved leave of absence from 28 May 2022 to 15 June 2022.

**3 (A) PUBLIC QUESTION TIME AND RECEIVING OF PUBLIC STATEMENTS**

**4 DECLARATIONS OF INTEREST**

## 5 COMMUNITY & BUSINESS SERVICES

### 5.1 DIFFERENTIAL RATING STRATEGY 2022/23

- Attachments:**
1. Proposed Rates 2022-2023
  2. Draft Rate Setting Statement 2022-2023
  3. Draft Revenue and Rating Plan 2022-2027
  4. Statement of Objects and Reasons for the Proposed Differential Rates and Minimum Payments for 2022-2023

#### RECOMMENDATION:

##### That Council:

1. **ADVERTISES** by local public notice for a period of 21 days, in accordance with Section 6.36(1) of the *Local Government Act 1995*, its intention to levy the following differential rates and minimum rates in 2022/2023 as set out in the Statement of Objects and Reasons for the Proposed Differential Rates and Minimum Payments for 2022/2023, at Attachment 4;
2. **AUTHORISES** the Chief Executive Officer to invite submissions from electors and ratepayers on the proposed differential rates and minimum payments for 2022/2023:

Rating Category	2022/2023	
	Rate in the Dollar	Minimum Rate
Residential	0.08579	\$1,335.32
Vacant-Residential	0.08191	\$1,180.00
Vacant-Commercial	0.13791	\$1,631.65
Other	0.07229	\$1,288.73

#### PURPOSE OF REPORT:

To obtain Council's approval to advertise the proposed differential and minimum rates for the 2022/2023 financial year and invite community feedback.

#### BACKGROUND:

The City of Vincent imposes differential rates based on the purpose for which land is zoned or for which the land is held or used.

In accordance with section 6.36 of the *Local Government Act 1995*, the City is required to give local public notice of its intention to impose differential general rates prior to adopting its 2022/2023 budget.

#### DETAILS:

##### **Budget Themes for 2022/2023**

The City of Vincent proposes a balanced budget for 2022/2023, as set out in the Budget Summary at **Attachment 1**, and DRAFT Rate Setting Statement at **Attachment 2**. The budget is in DRAFT and is subject to change.

The 2022/2023 draft budget continues Vincent's progress toward long term financial sustainability, and a maturing approach to financial and asset management.

It responds to the impact of COVID-19 on the City's revenue, and more recent inflammatory pressures driving up the cost of projects, materials, and insurance.

The City is proposing a 7.6% rate increase, including 2.1% of which will go towards establishing an underground power rolling fund to provide longer payback periods for ratepayer contributions, to be available for current and future projects.

To reduce the rates burden on ratepayers, Vincent is also proposing a reduction in free parking in its car parks from 1 hour to 30 minutes. This initiative alone is equivalent to a 2.8% rate increase and shifts the cost of providing parking services to users, for example, 83% of consumers in Leederville are non-residents. These parking changes reflect the objectives of the Vincent Accessible City Strategy 2020-2030.

As Vincent is one of Perth's lowest rating Councils, the proposed rates increase equate to \$2 per week, or \$104 per year for the median residential household.

### **DRAFT Revenue and Rating Plan 2022/2027**

Vincent has prepared a DRAFT Revenue and Rating Plan 2022/2027 (**Attachment 3**), that sets the principles to guide how the City calculates and raises the revenue required to fund its strategies, projects and priorities on behalf of the community. It also demonstrates how the funding burden will be apportioned between ratepayers and other users of Council facilities and services. The Revenue and Rating Plan 2022/2027 is in DRAFT and is subject to change. It will be updated and submitted to Council following approval of the Annual Budget 2022-2023.

In the Revenue and Rating Plan, the following principles apply to the revenue model:

1. Revenue will be sufficient to fund current expenditure commitments and deliverables, as outlined in the Corporate Business Plan, Asset Management Plans and other plans in the Integrated Planning and Reporting Framework (IPRF), **unless** in the case of large capital projects and master plans where external funding is being sought.
2. Vincent will fund through general revenue a small number of free or discounted services for the wellbeing of the most vulnerable in the community, such as library and community programs, community sponsorship.
3. The burden of raising revenue from rate payers through property rates is minimised by:
  - a. maximising revenue through non-rating revenue sources, and
  - b. critically considering what facilities and services are essential for our community, and
  - c. continually improving the efficiency and effectiveness of service delivery.
4. User charges are optimally priced, reflecting their purpose, seeking cost recovery where appropriate, and will consider:
  - a. market competitive benchmarks, such as Beatty Park memberships
  - b. statutory requirements
  - c. local government and other benchmarks for subsidised services such as the hire of sporting grounds
  - d. desired outcomes, such as shaping consumer behaviour such as parking fees
5. Assuming accurate Gross Rental Valuations by the Valuer General, ratepayers in similar situations should pay similar amounts of rates.
6. During the life of this plan Vincent will continue to review the way in which it levies and charges rates, to the benefit of its ratepayers.
7. The 10-Year LTFP will provide transparency on the City's 10-year revenue and rate setting forecast, along with underlying assumptions.
8. At least annually, Vincent will seek community feedback on the proposed differential rates.
9. Vincent is committed to providing flexible payment plans and financial hardship programs to assist ratepayers experiencing financial difficulties

**Revenue Mix**

Rates and annual charges comprise 62.6% of the revenue mix for the City of Vincent. This compares favourably to the WA metropolitan local government average of 63.6% (Source: PwC Local Government Excellent Program 2020).

Fees and charges ('User Charges') increase from \$19.1m (32.7%) to \$21m (33.2%) of total revenue. This comprises charges for the delivery of services and the use of community infrastructure, such as Beatty Park Leisure Centre membership fees and paid parking.

We have explored other options to raise revenue beyond rates to spread the load.



**REDUCE FREE PARKING FROM 1HR TO 30MIN**

Vincent carparks have had first hour free parking since 2011.

- Reducing the free period to 30 minutes would bring in revenue equivalent to a 2.8% rate rise across the City to spread the impact.
- It would also support our Accessible City Strategy by encouraging less car use in our town centres.
- If supported, this would come into effect 1 October 2022.

**83%**  
OF CONSUMERS TO VISIT LEEDERVILLE ARE NON-VINCENT RESIDENTS.  
*(Spendmapp data)*

**30MINS FREE PARKING** EQUIVALENT TO **2.8% RATE INCREASE**

In the DRAFT budget, the City proposes to reduce free parking in Vincent carparks from 1 hour to 30 minutes, which will generate additional revenue equivalent to a 2.8% rate raise.

The implementation program includes support for the most vulnerable in our community, including people with disability, seniors and people with babies and young children.

**Operating Grants, Capital Grants and Third-Party Contributions**

Vincent actively advocates for grant funding and third-party contributions to deliver important infrastructure and service outcomes for the community. In the DRAFT budget for 2022/2023 the City expects to receive \$5.9m in external funding, of which \$1.07m supports operational activities.

**Interest on Investments**

Council receives interest on funds managed as part of its investment portfolio. Investment decisions are managed in accordance with policy and are reasonably risk averse. In the DRAFT budget for 2022/23 interest earnings are estimated to earn approximately \$500,000.

## **Borrowing**

While not a source of income, borrowings are an important cash management tool in the City's overall financial and funding strategy.

Vincent has no additional debt planned and with scheduled loan repayments City debt levels will decrease by \$1.6m in 2022/2023.

57% of the City's debt portfolio is repaid by third parties, such as tenants. Further information on the City's debt portfolio and repayment strategy is included in the DRAFT Revenue and Rating Plan 2022-2027 at **Attachment 3**.

## **Commercial Operations**

The DRAFT Revenue and Rating Plan 2022-2027 sets out the basis on which the City's commercial operations are managed from 2022/2023 onward:

- Beatty Park Leisure Centre is managed as a contestable and integrated business. From 2022/2023 the business is forecasted to deliver an operating surplus of \$0.3m, after repayment of debt and overheads. It is intended that the business surplus will contribute to the Beatty Park Leisure Centre Reserve and will self-fund future capital works (excluding the heritage grandstand).
- Vincent is a 1/12<sup>th</sup> owner in the Mindarie Regional Council and the Tamala Park Regional Council. The City expects to receive revenue from Tamala Park in the range of \$1.2m in 2022/2023 which will be allocated to reserves and used to fund future significant programs (noted as 'Proceeds from Joint Ventures' in **Attachment 2**).
- The City's properties are managed in accordance with the Vincent Property Management Framework. Category 3 and 4 tenancies are managed on commercial terms via negotiation.

## **Capital and Operating Expenditure**

In 2022/2023 the City of Vincent plans capital expenditure of \$15,106,162 to continue to address asset management priorities that were postponed in previous years. The capital expenditure budget will be largely funded by grants, third party contributions and reserves with the residual \$5,528,044 to come from municipal funds.

The capital works program includes a Federal Government grant for the 'Local Roads and Community Infrastructure Program' of \$541,144, which will assist with funding the construction and fit-out of Beatty Park indoor pool changerooms.

Employee costs are expected to rise by \$1.8M due to 3.5% in enterprise bargaining payments, and superannuation payments increasing from 10.0% to 10.5%. Employees had a wage freeze in 2020/2021 which has impacted market competitiveness of Vincent wages and resulted in increased staff turnover.

Materials and contracts expenditure is forecasted to reduce mainly due to the removal of the 2021/2022 one off RRF exit payment of \$7.1m. This is partially offset by additional ICT investment, GRV triennial revaluation costs, unground power project management fees and inflationary cost pressures.

### **COST PRESSURES**

**7.6%**

ANNUAL CPI INCREASE  
AT MARCH 2022

**5.7%**

FORECASTED INCREASE TO THE LOCAL  
GOVERNMENT COST INDEX IN 2021/2022



Staff took a **salary freeze in 2020/21** to allow a **0% rate increase** and a minimal increase in 2021/22. Salary increases will help staff meet rising cost of living pressures and allow Vincent to remain competitive.

**DIFFERENTIAL RATES**

Vincent proposes the following differential rates be advertised for public comment:

Rating Category	2022/2023	
	Rate in the Dollar	Minimum Rate
Residential	0.08579	\$1,335.32
Vacant-Residential	0.08191	\$1,180.00
Vacant-Commercial	0.13791	\$1,631.65
Other – Commercial/Industrial	0.07229	\$1,288.73

In preparing the Differential Rates and Minimum Rates for 2022/2023, Vincent has applied a 7.6% increase to all categories, with the exception of a 0.9% increase on vacant-residential minimum payments. 7.6% includes a 2.1% contribution to an underground power rolling fund.

**APPROXIMATE INCREASE\***

**\$2 PER WEEK OR \$104 PER YEAR**

\*based on median Vincent Gross Rental Value (GRV) of \$17,160

**7.6% = 5.5% + 2.1%**  
UNDERGROUNDING POWER

**Underground Power Rolling Fund**

In 2022/23, Vincent will work with Western Power to deliver underground power to parts of the City. The fund will be used to provide longer payback periods for ratepayer contributions, for current and future projects.

The minimum rate for vacant – residential properties, this has been increased by only 0.9% to comply with the *Local Government Act 1995, Section 6.33 (3)* that the minimum payment cannot be imposed on more than 50% of the total rated properties in each differential category.

**Comparative view of Residential Rates – 2022/2023**

In developing an equitable rating model, it is useful to undertake a comparison with other metropolitan local governments.

The following table details how the rate in the dollar and waste collection charges (where they are applied separately) levied in 2021/2022 impact on the rate levied on an individual residential property at each of the local governments, based on a nominated Gross Rental Value (GRV) of \$17,160, being the Residential category median GRV.

2021/22 Residential Rating Comparison table

Council	Rate in \$	Minimum Rates	Waste Charge	Security	Total		Ranking Based on:	
					Total Minimum Payable	Residential Rates Levy based on a GRV of \$17,160	Minimum	\$17,160
Armadale	10.461500	1,194.00	\$ 385.50	\$ -	\$ 1,579.50	\$ 2,180.69	26	29
Bassendean	8.439500	1,106.00	\$ 395.00	\$ -	\$ 1,501.00	\$ 1,843.22	25	24
Bayswater	7.465000	1,000.00	\$ 368.30	\$ -	\$ 1,368.30	\$ 1,649.29	17	18
Belmont	6.673300	855.00	\$ 303.00	\$ -	\$ 1,158.00	\$ 1,448.14	3	10
Cambridge	6.275260	953.00	\$ 516.00	\$ -	\$ 1,469.00	\$ 1,592.83	24	14
Canning	5.764644	902.00	\$ 393.00	\$ 59.30	\$ 1,354.30	\$ 1,441.51	16	9
Claremont	6.633000	1,314.00	\$ -	\$ -	\$ 1,314.00	\$ 1,314.00	11	3
Cockburn	8.638000	1,373.00	\$ -	\$ 72.57	\$ 1,445.57	\$ 1,554.85	22	13
Cottesloe	7.100100	1,202.00	\$ -	\$ -	\$ 1,202.00	\$ 1,218.38	5	1
East Fremantle	7.637700	1,138.00	\$ -	\$ -	\$ 1,138.00	\$ 1,310.63	2	2
Fremantle	8.517600	1,397.00	\$ -	\$ -	\$ 1,397.00	\$ 1,461.62	19	11
Gosnells	7.493000	990.00	\$ 330.00	\$ -	\$ 1,320.00	\$ 1,615.80	12	17
Joondalup	6.021000	850.00	\$ 360.00	\$ -	\$ 1,210.00	\$ 1,393.20	6	7
Kalamunda	7.084300	882.00	\$ 572.00	\$ -	\$ 1,454.00	\$ 1,787.67	23	22
Kwinana	9.858000	1,083.00	\$ 301.00	\$ -	\$ 1,384.00	\$ 1,992.63	18	28
Melville	7.347628	1,283.43	\$ -	\$ 57.00	\$ 1,340.43	\$ 1,340.43	15	4
Mosman Park	7.457000	907.00	\$ 322.50	\$ -	\$ 1,229.50	\$ 1,602.12	7	15
Mundaring	9.140000	888.00	\$ 413.00	\$ -	\$ 1,301.00	\$ 1,981.42	10	27
Nedlands	6.558000	1,484.00	\$ 298.00	\$ -	\$ 1,782.00	\$ 1,782.00	29	21
Peppermint Grove	8.745000	1,424.00	\$ -	\$ -	\$ 1,424.00	\$ 1,500.64	21	12
Perth	6.450000	750.00	\$ 321.20	\$ -	\$ 1,071.20	\$ 1,428.02	1	8
Rockingham	8.624000	1,218.00	\$ 375.00	\$ -	\$ 1,593.00	\$ 1,854.88	27	25
South Perth	7.783600	1,004.00	\$ 325.00	\$ -	\$ 1,329.00	\$ 1,660.67	14	19
Stirling	5.750300	861.00	\$ 345.00	\$ 30.00	\$ 1,236.00	\$ 1,361.75	8	5
Subiaco	7.604300	1,190.00	\$ 505.00	\$ -	\$ 1,695.00	\$ 1,809.90	28	23
Swan	8.549900	890.00	\$ 436.00	\$ -	\$ 1,326.00	\$ 1,903.16	13	26
Victoria Park	9.340000	1,159.00	\$ -	\$ -	\$ 1,159.00	\$ 1,602.74	4	16
Vincent	7.973000	1,241.00	\$ -	\$ -	\$ 1,241.00	\$ 1,368.17	9	6
Wanneroo	7.772300	998.00	\$ 410.00	\$ -	\$ 1,408.00	\$ 1,743.73	20	20

### Rates Growth and Waivers

Rates revenue in the draft Rate Setting Statement (**Attachment 2**) has also provided for the following assumptions:

- An increase of approximately \$300,000 due to organic growth in rates revenue arising from property development or improvement (ie interim rates); and
- A decrease of approximately \$125,000 as a waiver of rates for particular community and sporting groups.

The City has been experiencing a moderate level of growth in the number of rateable properties over recent years, averaging nearly 1.32% between 2017 and 2022. However, there was a notable reduction in 2021/2022, due to economic factors.

For the 2022/2023 rates cycle an organic growth rate of 0.82% has been included in the rates modelling.

Year (30 June)	RATEABLE PROPERTIES	Increase	
		Number	%
2022	19267	29	0.15%
2021	19238	197	1.03%
2020	19041	163	0.86%
2019	18878	126	0.67%
2018	18752	404	2.20%
2017	18348	530	2.97%

**Rate Payments**

The City will provide 3 payment options namely:

- pay in full;
- pay by instalments (four instalments); and
- pay by rates smoothing.

A provision of \$50,000 for financial hardship has been included in the draft budget for 2022/23.

**PROPOSED DIFFERENTIAL RATES RELATIVITIES AND MINIMUM RATES FOR 2022/2023**

Having regard to the differential rates relativities and proposed minimum rates, the City of Vincent proposes the following differential rates for 2022/2023:

Rating Category	2022/2023	
	Rate in the Dollar	Minimum Rate
Residential	0.08579	\$1,335.32
Vacant-Residential	0.08191	\$1,180.00
Vacant-Commercial	0.13791	\$1,631.65
Other – Commercial/Industrial	0.07229	\$1,288.73

The overall objective of the proposed rates in the 2022/2023 Budget is to provide for the net funding requirements of the City of Vincent's various programs, services and facilities.

The *Local Government Act 1995 (Section 6.36)*, provides that a local government may impose a differential general rate (DGR) according to land zoning, land use, whether the land is vacant or not, or a combination of each characteristic.

The City of Vincent applies a differential general rate as Council has determined that different property categories should pay a fair and equitable contribution, considering the benefits those properties derive from the services and amenities of the City. Providing a lower DGR to any group of ratepayers, means the rates burden must be borne by increases to other ratepayers.

The General Rate reflects the proportional allocation of the City’s budget deficiency (excluding organic rates growth) across the total Gross Rental Values (GRV) for all Vincent properties:

$$General\ Rate = \frac{Budget\ Deficiency\ (excluding\ growth)}{Total\ GRV\ for\ Vincent\ Properties}$$

$$General\ Rate = \frac{\$39,765,511}{\$463,253,990}$$

$$General\ Rate = 0.085840$$

The differential rates are considered in relation to the general rate, and with due consideration for the impact of minimum rates.

The Statement of Objects and Reasons for the Proposed Differential Rates and Minimum Payments is at **Attachment 4**.

#### **CONSULTATION/ADVERTISING:**

In accordance with section 6.36 of the *Local Government Act 1995* (the Act), public comments will be invited through publication of a local public notice, with the consultation period being open for a minimum of 21 days. All submissions received will be submitted to Council for consideration.

Once approved by Council, advertising of the City's intention to levy and the Objects and Reasons for the 2022/2023 Differential Rates will be on the following forums which will satisfy the regulation requirements:

1. State paper advert
2. City of Vincent Website
3. Social media post (news subscribers, Facebook, etc)
4. Noticeboard in Library, Beatty Park and Administration offices
5. Vincent Reporter and Perth Voice advert

Advertising the City's intention to levy and the objects and reasons for the 2022/2023 differential rates on 8 June 2022 will be open for submissions for 21 days and will close **5pm Wednesday 29 June 2022**.

#### **LEGAL/POLICY:**

##### **'6.33. Differential general rates**

- (1) *A local government may impose differential general rates according to any, or a combination, of the following characteristics –*
  - (a) *the purpose for which the land is zoned, whether or not under a local planning scheme or improvement scheme in force under the Planning and Development Act 2005; or*
  - (b) *a purpose for which the land is held or used as determined by the local government; or*
  - (c) *whether or not the land is vacant land; or*
  - (d) *any other characteristic or combination of characteristics prescribed.*

##### **6.35. Minimum payment**

- (1) *Subject to this section, a local government may impose on any rateable land in its district a minimum payment which is greater than the general rate which would otherwise be payable on that land.*
- (2) *A minimum payment is to be a general minimum but, subject to subsection (3), a lesser minimum may be imposed in respect of any portion of the district.*
- (3) *In applying subsection (2) the local government is to ensure the general minimum is imposed on not less than –*
  - (a) *50% of the total number of separately rated properties in the district; or*
  - (b) *50% of the number of properties in each category referred to in subsection (6), on which a minimum payment is imposed.*

##### **6.36. Local government to give notice of certain rates**

- (1) *Before imposing any differential general rates or a minimum payment applying to a differential rate category under section 6.35(6)(c) a local government is to give local public notice of its intention to do so.*
- (2) *A local government is required to ensure that a notice referred to in subsection (1) is published in sufficient time to allow compliance with the requirements specified in this section and section 6.2(1).*
- (3) *A notice referred to in subsection (1) –*
  - (a) *may be published within the period of 2 months preceding the commencement of the financial year to which the proposed rates are to apply on the basis of the local government's estimate of the budget deficiency; and*
  - (b) *is to contain –*

- (i) *details of each rate or minimum payment the local government intends to impose; and*
- (ii) *an invitation for submissions to be made by an elector or a ratepayer in respect of the proposed rate or minimum payment and any related matters within 21 days (or such longer period as is specified in the notice) of the notice; and*
- (iii) *any further information in relation to the matters specified in subparagraphs (i) and (ii) which may be prescribed; and*
- (c) *is to advise electors and ratepayers of the time and place where a document describing the objects of, and reasons for, each proposed rate and minimum payment may be inspected.*
- (4) *The local government is required to consider any submissions received before imposing the proposed rate or minimum payment with or without modification.*
- (5) *Where a local government –*
  - (a) *in an emergency, proposes to impose a supplementary general rate or specified area rate under section 6.32(3)(a); or*
  - (b) *proposes to modify the proposed rates or minimum payments after considering any submissions under subsection (4),*

*it is not required to give local public notice of that proposed supplementary general rate, specified area rate, modified rate or minimum payment.'*

**RISK MANAGEMENT IMPLICATIONS:**

**Low:** Reputational risk if the City does not advertise its intention to levy differential rates and minimums.

**STRATEGIC IMPLICATIONS:**

- This is in keeping with the City's *Strategic Community Plan 2018-2028*:

- *Innovative and Accountable*

*12.5 We are open and accountable to an engaged community.*

**SUSTAINABILITY IMPLICATIONS:**

Achieving an effective rating strategy is an important part of the City's overall financial management, which will progressively enable the City to meet all its operational obligations, including asset renewal to ensure the current standard of service can be maintained for future generations.

**PUBLIC HEALTH IMPLICATIONS:**

Expenditure in this report facilitates the achievement of the Plan.

**FINANCIAL/BUDGET IMPLICATIONS:**

The advertising of the proposed differential and minimum rates is critical in the development of the annual budget. The budget deficit is linked to the delivery of services and level of funding for capital works, debt servicing and consolidation of reserve funds.

## PROPOSED RATES 2022/2023

The 2022/23 Budget continues Vincent’s progress toward long term financial sustainability, and a maturing approach to financial and asset management.

It responds to the impact of COVID-19 on the City’s revenue during lockdowns, and more recent inflationary pressures driving up the cost of projects, materials and insurance.

Vincent also prepares for the once-in-a generation delivery of Underground Power by establishing a rolling fund to cash flow current and future projects.

We respond by proposing a 7.6% rate increase, where 2.1% supports the underground power rolling fund. As Vincent is one of Perth’s lowest rating Councils, this increase equates to \$2 per week, or \$104 a year for the median household.

We also propose a reduction in free parking in City carparks from 1 hour to 30 minutes. This initiative alone is equivalent to a 2.8% rate increase and shifts the cost of providing parking services to those users, many of whom are non-residents. These parking changes reflect the outcomes of the Vincent Accessible City Strategy 2020 – 2030.

### APPROXIMATE INCREASE\*

**\$2 PER WEEK** OR **\$104 PER YEAR**

\*based on median Vincent Gross Rental Value (GRV) of \$17,160

**7.6% = 5.5% + 2.1%**  
UNDERGROUNDING POWER

#### Underground Power Rolling Fund

In 2022/23, Vincent will work with Western Power to deliver underground power to parts of the City. The fund will be used to provide longer payback periods for ratepayer contributions, for current and future projects.

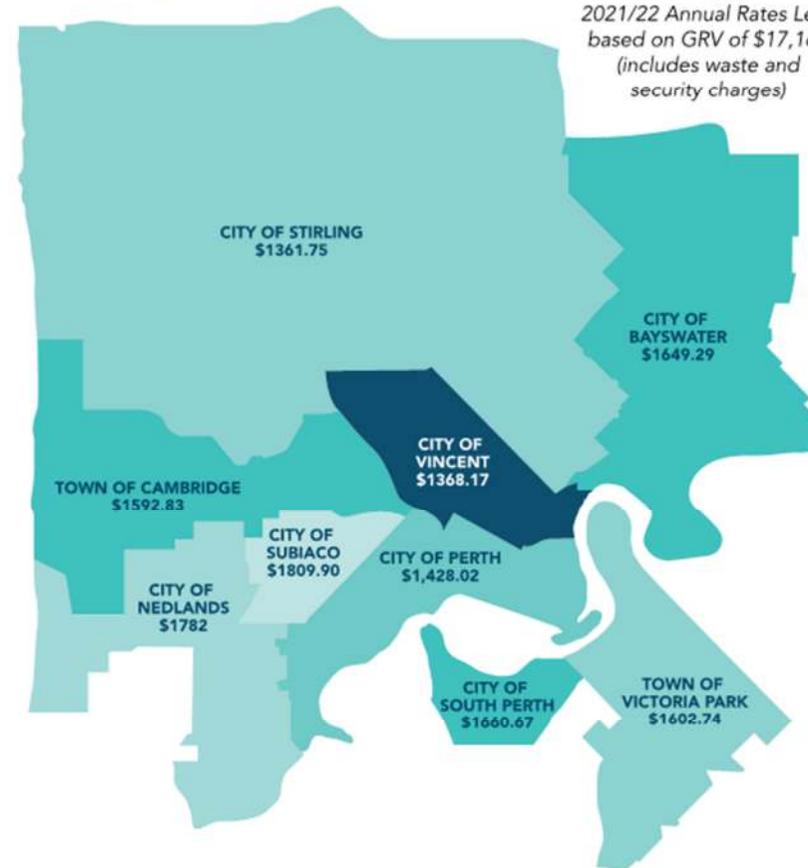
## VINCENT IS THE 6TH LOWEST RATING COUNCIL OF 29 METROPOLITAN AREAS



How we compare to our neighbours.

**GRV \$17,160**

2021/22 Annual Rates Levy based on GRV of \$17,160 (includes waste and security charges)



### COST PRESSURES

**7.6%**  
ANNUAL CPI INCREASE  
AT MARCH 2022

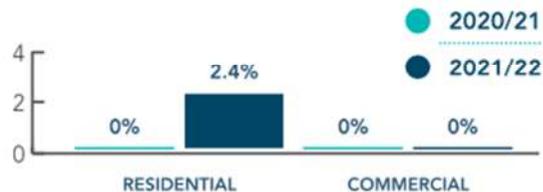
**5.7%**  
FORECASTED INCREASE TO THE LOCAL  
GOVERNMENT COST INDEX IN 2021/2022



Staff took a salary freeze in 2020/21 to allow a 0% rate increase and a minimal increase in 2021/22. Salary increases will help staff meet rising cost of living pressures and allow Vincent to remain competitive.

### COVID-19 IMPACT

We have kept rates low, while cost pressures have risen.



- Since 2020 Commercial rates have been frozen to support business owners in Vincent.
- The City lost \$4.7million in revenue during the COVID-19 measures.
- Financial Hardship support increased

### OTHER INCOME SOURCES

We have explored other options to raise revenue beyond rates to spread the load.



### REDUCE FREE PARKING FROM 1HR TO 30MIN

Vincent carparks have had first hour free parking since 2011.

- Reducing the free period to 30 minutes would bring in revenue equivalent to a 2.8% rate rise across the City to spread the impact.
- It would also support our Accessible City Strategy by encouraging less car use in our town centres.
- If supported, this would come into effect 1 October 2022.

**83%**

OF CONSUMERS TO VISIT LEEDERVILLE ARE NON-VINCENT RESIDENTS.

(Spendmapp data)

**30MINS FREE PARKING** EQUIVALENT TO **2.8% RATE INCREASE**

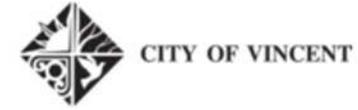


CITY OF VINCENT  
NEW YEAR BUDGET 2022/23  
DRAFT RATE SETTING STATEMENT  
BY NATURE OR TYPE

## Attachment - 1

	Mid Year Revised Budget	Next Year Budget
	2021/22	2022/23
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Net current assets at start of financial year - surplus/(deficit)	6,125,327	(80,144)
<b>Revenue</b>		
Operating grants, subsidies and contributions	938,940	1,067,601
Fees and charges	19,110,151	21,055,384
Interest earnings	518,000	508,000
Other revenue	1,189,937	1,139,329
	21,757,028	23,770,314
<b>Expenses</b>		
Employee costs	(26,990,488)	(28,799,171)
Materials and contracts	(27,641,604)	(21,518,777)
Utility charges	(1,764,610)	(1,800,499)
Depreciation on non-current assets	(11,774,828)	(12,865,818)
Interest expenses	(529,502)	(526,885)
Insurance expenses	(578,536)	(647,958)
Other expenditure	(2,140,810)	(1,143,844)
	(71,420,378)	(67,302,952)
	(49,663,350)	(43,532,638)
Profit on asset disposals	1,061,943	594,604
Loss on disposal of assets	(5,222)	(516,540)
Profit on Assets Held for Sale (TPRC Joint Venture)	833,333	1,848,288
	(47,773,296)	(41,606,286)
(Profit) on disposal of assets	(1,061,943)	(594,604)
Loss on disposal of assets	5,222	516,540
Depreciation and amortisation on assets	11,774,828	12,865,818
Profit/loss on Assets Held for Sale - TPRC Joint Venture	(833,333)	(1,848,288)
	9,884,774	10,939,466
<b>Amount attributable to operating activities</b>	(37,888,522)	(30,666,820)
<b>INVESTING ACTIVITIES</b>		
Non-operating grants, subsidies and contributions	3,208,355	4,821,577
Proceeds from disposal of assets	1,157,303	1,778,000
Proceeds from Joint Ventures	833,333	1,250,000
Purchase of property, plant and equipment	(9,308,733)	(5,520,500)
Purchase and construction of infrastructure	(7,135,506)	(9,585,662)
<b>Amount attributable to investing activities</b>	(11,245,248)	(7,256,585)
<b>FINANCING ACTIVITIES</b>		
Principal elements of finance lease payments	(92,839)	(70,602)
Repayment of long term borrowings	(1,354,877)	(1,605,165)
Proceeds from new borrowings	7,951,699	0
Transfers to reserves (restricted assets)	(4,632,133)	(4,215,000)
Transfers from reserves (restricted assets)	4,296,201	4,078,541
<b>Amount attributable to financing activities</b>	6,168,051	(1,812,226)
<b>Net current assets at June 30 c/fwd - surplus/(deficit)</b>	<b>(36,840,392)</b>	<b>(39,815,775)</b>
<b>Total amount raised from general rates</b>	<b>36,760,248</b>	<b>39,948,733</b>
<b>Net current assets at June 30 c/fwd - surplus/(deficit)</b>	<b>(80,144)</b>	<b>132,958</b>





# REVENUE AND RATING PLAN

## INTRODUCTION

*The City of Vincent’s Revenue and Rating Plan (2022/23-2026/27) sets the principles that guide how the City calculates and raises the revenue required to fund its strategies, projects, and priorities on behalf of the community. It also demonstrates how the funding burden will be apportioned between ratepayers and other users of Council facilities and services.*

The Revenue and Rating Plan (the **Plan**) provides transparency to our community about the variety of revenue sources available to the City of Vincent (**Vincent**).

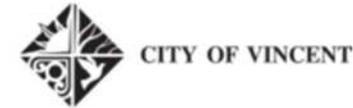
Vincent also generates revenue from Council rates to fund the deficit arising between the cost of delivering services on behalf of the community and revenue raised in other ways. This plan describes the legislative basis for rate setting and how the community will be engaged in this process.

The plan does not set revenue targets for Council. It outlines the strategic framework and decisions that inform how Council will calculate and collect revenue, to ensure Vincent continues to be financially sustainable and well placed to deliver services and infrastructure for its community.

To diminish the rates burden on ratepayers Vincent seeks to continually improve service delivery and the management of community infrastructure, ensuring the cost of service is as low as possible. This plan is delivered within the Integrated Planning and Reporting Framework (**IPRF**). Operating efficiencies are achieved across short- and long-term horizons, within the broader framework of the IPRF.

### Contents

- Introduction ..... 1
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## PLANNING FOR THE FUTURE

### Strategic Community Plan

In 2018 the Vincent worked with the community to prepare the Strategic Community Plan (2018-2028). This *plan for the future* is implemented through the Integrated Planning and Reporting Framework (IPRF), and:

- Articulates the community's vision, outcomes and priorities
- Allocates resources to achieve the vision, striking a considered balance between aspirations and affordability
- Monitors and reports progress

### Informing Strategies, Plans and Policies

Having identified the Community's vision and aspirations, Vincent prepares a series of plans and policies that demonstrate how the strategy is executed. This includes master plans, town plans, workforce plans and asset management strategies.

The City's Governance Framework describes how these informing documents relate to each other and shape decision making.

### Relationship of the LTFP to the Revenue and Rating Plan

Having identified the Community's vision and aspirations, Vincent prepares a 10-year Long Term Financial Plan (LTFP). The LTFP is a critical document that demonstrates how strategies, plans and services will be prioritised, resourced, and funded.

In the LTFP, Vincent demonstrates how it will deliver a program of relevant services to the community, while maintaining and renewing community infrastructure and facilities. It is based on a range of assumptions including

population growth, community and demographic trends, inflation, and anticipated cost increases.

Assumptions are more certain in the earlier years of the LTFP, and flexibility is allowed for later years to address new or emerging community priorities and projects. Dynamic treasury management will also occur and the LTFP and Annual Budget will evolve dynamically. Assumptions and predictive modelling in the LTFP will be updated as the impact of decisions and external factors become known.

All significant financial decisions in the LTFP are to be evaluated and modelled over long-term financial horizons and at least for a period of 10-years.

The LTFP will identify the funding gap to be met by Council rates, after other funding sources have been considered. It also identifies how the City will fund future and intergenerational needs.

## OPERATING EFFICIENCY

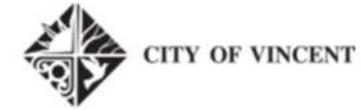
It is the role of Council to ensure Vincent is managed efficiently and effectively.

Service levels are captured on the 'Service-on-a-Page' and periodically reviewed to establish best value for money by considering the balance between community demand, resource and funding requirements and price.

The Service-on-a-Page will inform the Workforce Plan and Business Continuity Plan.

An annual service review will be conducted prior to the annual budget process to identify efficiencies and improvements that might be achieved in the following years. This will ensure Vincent continually improves the cost-of-service delivery,<sup>1</sup> providing downward pressure on the rates burden applied to ratepayers.

<sup>1</sup> Local Government Act 1995, Section 3.18 (c)



REVENUE PROFILE

Vincent provides a number of services and facilities to our community, and in doing so, must collect revenue to cover the cost of providing these services and facilities.

Some Vincent services are mandatory and are required to be delivered under legislation or regulation. Other services are discretionary and are provided at the request of Council, to the benefit of the Vincent community.

Revenue sources to fund these services include:

- Rates and Annual Charges
- Statutory Fees & Charges
- User Fees & Charges
- Parking Revenue
- Leases & Licences
- Contributions from other parties (eg developers, community groups)
- Investments
- Loans & Borrowings
- Cash, Savings & Reserves
- Operating and Capital Grants from other levels of government
- Sale of Assets

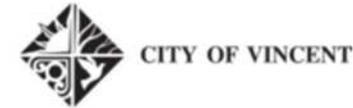
Revenue Mix

Rates and annual charges comprise 62.6% of the revenue mix for the City of Vincent. This compares favourably to the WA metropolitan local government average of 63.6% (Source: PwC Local Government Excellence Program 2020).

Compared to other metropolitan Western Australian local governments, Vincent has a higher reliance on user charges at 27.6%, reflecting the revenue collected through entry fees and membership at Beatty Park Leisure Centre and parking fees.

Revenue Source	Vincent 2020	Metro WA 2020
Rates & Annual Charges	62.6%	63.6%
User Charges	27.6%	17.9%
Grants	6.0%	13.6%
Interest & Investment Income	1.4%	1.5%
Other Revenue	2.4%	3.4%

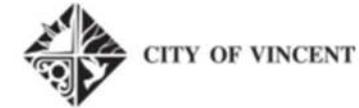
Table 1: PwC. Local Government Excellence Program. 2019-2020. Note: Vincent has a lower ratio of grant funding, however this may be distorted due to the size of the user charges category.



## REVENUE AND RATING PRINCIPLES

Vincent has identified the following principles to apply to its revenue model:

1. Revenue will be sufficient to fund current expenditure commitments and deliverables, as outlined in the Corporate Business Plan, Asset Management Plans and other plans in the IPRF, **unless** in the case of large capital projects and master plans where external funding is being sought.
2. Vincent will fund through general revenue a small number of free or discounted services for the wellbeing of the most vulnerable in the community, such as library and community programs, and community sponsorship.
3. The burden of raising revenue from rate payers through property rates is minimised by:
  - a. maximising revenue through non-rating revenue sources, and
  - b. critically considering what facilities and services are essential for our community, and
  - c. continually improving the efficiency and effectiveness of service delivery.
4. User charges are optimally priced, reflecting their purpose, seeking cost recovery where appropriate, and will consider:
  - a. market competitive benchmarks such as Beatty Park memberships
  - b. statutory requirements
  - c. local government and other benchmarks for subsidised services such as the hire of sporting grounds
  - d. desired outcomes, such as shaping consumer behaviour such as parking fees
5. Assuming accurate Gross Rental Valuations by the Valuer General, ratepayers in similar situations should pay similar amounts of rates.
6. During the life of this plan Vincent will continue to review the way in which it levies and charges rates, to the benefit of its ratepayers.
7. The 10-Year LTFP provides transparency on the City's 10-year revenue and rate setting forecast, along with underlying assumptions.
8. At least annually, Vincent will seek community feedback on this plan when considering the Corporate Business Plan and the Annual Budget.
9. Vincent is committed to providing flexible payment plans and financial hardship programs to assist ratepayers experiencing financial difficulties.



## STRATEGIC CONTEXT

The following strategic factors influence City expenditure, long-term revenue planning and rate setting decisions.

### COVID-19 & Inflationary Pressures

Vincent is impacted in various ways by the COVID pandemic, this includes:

- Lockdowns and restrictions impacting Beatty Park Leisure Centre
- Reduced commercial activity in Town Centres impacting Parking revenue
- Staff shortages impacting service delivery
- Increase to the cost of materials and labour impacting the cost of projects

The City estimates that a COVID outbreak or restriction may impact annual revenue in the range of \$1m to \$10m per annum.

Costs of materials, utilities and labour are expected to increase due to supply shortages. These impacts are assumed to continue for the first 4-years of the Plan.

### COST PRESSURES

**7.6%**

ANNUAL CPI INCREASE  
AT MARCH 2022

**5.7%**

FORECASTED INCREASE TO THE LOCAL  
GOVERNMENT COST INDEX IN 2021/2022



Staff took a salary freeze in 2020/21 to allow a 0% rate increase and a minimal increase in 2021/22. Salary increases will help staff meet rising cost of living pressures and allow Vincent to remain competitive.

### Workforce Planning

Vincent staff took a salary freeze in 2020/21 to allow a 0% rate increase and a minimal increase in 2021/22. Salary increases of 3.5% (plus compulsory Superannuation increases) will help staff meet rising cost of living pressures and allow Vincent to remain a competitive employer.

### Underground Power

In 2022/23, Vincent will commence a project with Western Power to deliver underground power to parts of the City. The City will establish the Underground Power Rolling Fund which will provide longer payback periods for ratepayer contributions, and current and future Underground Power projects.

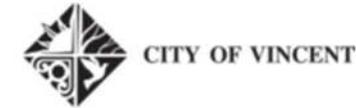
For more information, refer to item 12.6 at the Ordinary Council Meeting held 29 March 2022.

*Underground Power is a once-in-a-generation project. It takes advantage of diverting Western Power's network upgrade expenditure toward underground power distribution assets.*

### Asset Management Sustainability

Vincent has identified that our current level of asset renewal demand currently exceeds the City's ability to fully resource asset renewal investment. To meet this challenge, the City must strike the balance between maintaining our current portfolio and the scale of ageing assets whilst meeting the needs of a growing and diverse community and a changing environment. This needs to happen within our means and be financially sustainable in the long term.

In 2018/19 the asset sustainability ratio for Vincent was 33%, equating to an asset renewal gap in a single year of approximately \$7.5m. This is well below the established Local Government benchmark of 90%.



In response, the City has prepared an Asset Management Sustainability Strategy (AMSS). Notably, the strategy identifies two major capital projects requiring investment. The Beatty Park Leisure Centre Grandstand is a highly-valued asset that is in need of significant additional investment to keep it maintained for future generations (AMSS, p20). Additionally, the facilities at Leederville Oval are dated and ageing and not keeping pace with community expectations (AMSS, p31).

The strategy includes feedback from the community about our asset management priorities and how Vincent ought to respond.

For more information, refer to item 10.2 at the Ordinary Council Meeting held 16 November 2021 and item 10.1 at the Ordinary Council Meeting held 8 March 2022.

#### Waste Management Services

In 2021/22 Vincent used a \$7m loan to exit the Mindarie Regional Council's Resource Recovery Facility (RRF) facility. (See also: Borrowing)

Vincent was one of 12 Councils involved in this decision. Financially, all Councils agreed it was financially beneficial given changes to the waste management market to exit the existing contract, rather than allow the contract to continue.

Exiting the contract and making other changes to waste service delivery are forecast to save the City of Vincent \$2.5M over 10 years. This was approved by Council in a confidential paper, as item 17.1 at the Ordinary Council Meeting held 15 December 2020.

For more information, refer also to the discussion on materials and contracts in the Annual Budget, item 11.7 at the Ordinary Council Meeting held 22 June 2021.

#### Litis Stadium Grant

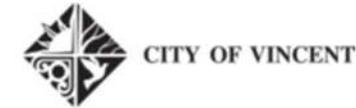
In partnership with Floreat Athena Soccer, in 2022/23 Vincent the expects to receive \$3m in Grant funding to improve community facilities at Litis Stadium.

#### Unfunded Projects & Masterplans

Vincent is unable to fund all major capital projects and has insufficient funds to pay for more expensive, multi-generational projects. This will require the City to build reserves over time, toward funding this expenditure.

The following significant projects are not included in the LTFP:

- Investment in Beatty Park Leisure Centre to deliver new or enhanced services
- Leederville Oval Precinct development and improvement
- Investment to enhance delivery of the Public Open Space Strategy



## NEW REVENUE AND DEBT REDUCTION

While the City has a focus on operating efficiency, it also continuously seeks new revenue and debt reduction opportunities to take the rates burden off ratepayers.

### Leederville Carparks Expression of Interest (EOI)

The City of Vincent has commenced an expression of interest (EOI) process for redevelopment of the City's major landholdings in Leederville, being the Avenue Car Park and/or Frame Court Car Park.

The Chief Executive Officer (CEO) will undertake a selection process for potential development, in alignment with the City's strategic intent for the sites and as contained in the Leederville Precinct Structure Plan.

Shortlisted proposals will be reported back to Council, and the CEO will also provide options to Council on how development proceeds could be used.

For more information, refer to item 9.9 at the Ordinary Council Meeting held 17 14 December 2021.

### Sydney Haynes Reserve

The City of Vincent has identified that the current use of 15 (Lot 9) Haynes Street, North Perth is in breach of the Deed of Trust, dated 2 October 1941. The City sought the approval of the Office of the Attorney General to transition the land back to public open space, ie the Sydney Haynes Reserve.

An accompanying block of land at 25 Sydney Street, North Perth was used as a car park by tenants of 15 Haynes Street. This block of land was not required, and the City determined that selling the Land would have a greater community value if it was sold, as the proceeds from the sale could fund the construction and development of the public open space.

Residual proceeds from the sale will be available for Council to allocate to reserves, repayment of borrowings, or some other community benefit.

For more information, refer to item 9.4 at the Ordinary Council Meeting held 17 May 2022.

### Mindarie Regional Council

The City of Vincent is a 1/12<sup>th</sup> owner of the Mindarie Regional Council (MRC), Western Australia's largest waste management authority.

As a part owner, the City may derive a benefit from commercial activities of the MRC.

For more information on Mindarie Regional Council, refer to their website: [Waste Management Authority | Perth WA - Mindarie Regional Council \(mrc.wa.gov.au\)](http://Waste Management Authority | Perth WA - Mindarie Regional Council (mrc.wa.gov.au))

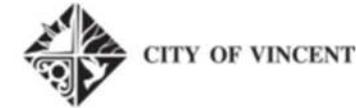
### Third Party Partnerships

Where it is financially beneficial, the City of Vincent may create partnerships with third parties. These partnerships are established following a competitive market process, and the terms are approved by Council.

In one example, Vincent has a lease agreement and a management agreement with Belgravia Leisure (**Belgravia**) to operate the Loftus Recreation Centre on the City's behalf. Belgravia pay a leasing fee, a management agreement fee, repay the Loftus Recreation Centre Loan, and contribute toward the Loftus Recreation Centre Reserve.

The City has oversight of the performance of the business in a quarterly management report, and ensures a community benefit is delivered.

For more information, refer to item 9.6 at the Ordinary Council Meeting held 8 February 2022.



## RATES AND CHARGES

The Rates Levy (**Rates**) is a legislated charge that Vincent uses to raise revenue to fund essential public services for our community. It includes some flexibility for Council to use different tools in its rating structure to accommodate issues of equity and to ensure fairness in rating for all ratepayers.

Rates and annual charges are an important source of revenue, accounting for approximately 63% of operating revenue. The collection of rates is an important factor in funding Council services.

Vincent is aware of the balance between rate revenue (as an important income source) and community sensitivity to rate increases.

Planning for future rate increases is therefore an essential component of the LTFP.

### Key Facts about Council Rates

Rates are calculated based on the operating requirements of the Local Government. The rates you pay are a proportionate share of what is needed by the Local Government to provide local services and facilities. That is, if one home has greater potential rental return than their neighbours, they will pay a higher share of the total rates budgeted by Council.

Rate will increase if an individual property increases their potential rental value faster than others in their area. For example, through home improvements or development of land.

Where changes to property values affect the whole market – such as times of boom or recession – it does not directly affect rates. The comparative value

between neighbouring properties remains the same. Rates are not linked to movements in the property market.

Rates may also increase if the Local Government requires more funds for local services and facilities. For example, increases to wages and materials costs, or if it builds new facilities or adds new services. Local Government budgets, and funds required through rates, are also affected by changes to charges by other sectors of Government, such as electricity pricing.

### Rate Setting Legislation

Vincent sets rates in accordance with legislation, including the *Local Government Act 1995 - Part 6, Division 6 (the Act)*. (Refer to Appendix 1 for a comprehensive list).

### Gross Rental Value

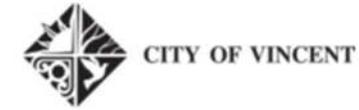
The manner of calculating Council rates is set by the State Government. In particular, the Valuer General sets the Gross Rental Value (**GRV**) for each property. This is used by Vincent to calculate property rates. Ratepayers can appeal against their valuation if they believe it to be inaccurate.

The calculation of the Gross Rental Value is a comparative measure

The GRV is updated every 3 years and was last updated in 2020. It is also updated if properties are developed or improved, referred to as **Interim Rates Growth**.

**The Valuer General determines the method for the valuation of land that is to be used by Vincent as the basis for a rate<sup>2</sup>**

<sup>2</sup> *Local Government Act 1995*, Section 6.28



The GRV values by category are:

Rating Category	2019-2020	2020-2021	2021-2022
<b>Residential</b>	\$373,922,864	\$323,505,648	\$ 325,434,068
<b>Commercial</b>	\$111,360,777	\$108,229,628	\$ 110,438,600
<b>Industrial</b>	\$ 19,182,083	\$ 18,244,932	\$ 18,118,932
<b>Vacant Commercial</b>	\$ 2,524,550	\$ 2,437,750	\$ 2,633,150
<b>Vacant Residential</b>	\$ 5,738,140	\$ 6,087,630	\$ 6,629,240
<b>Total</b>	<b>\$506,990,274</b>	<b>\$458,505,588</b>	<b>\$ 463,253,990</b>

### The General Rate

The Rate Setting Statement (RSS) is published with the annual budget. It provides the breakdown of Vincent’s operating revenue and expenses, and the resulting budget deficiency ie the amount to be raised from rates.

The General Rate can then be calculated and is known as the ‘Rate in the Dollar’ (RID):

$$General\ Rate = \frac{Budget\ Deficiency}{Total\ GRV\ for\ Vincent\ properties}$$

The rates calculation is consistent across Local Government and set out in legislation. It demonstrates that individual properties share the Council’s budget deficiency, based on their GRV.

This calculation is not a fee for service, and its calculation may differ to how other levies or taxes are calculated.

### Differential Rates

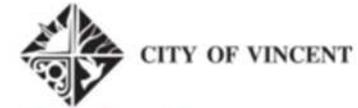
Council makes a further distinction in applying the general rate, considering the purpose for which the property is used, that is:

- Residential or Commercial/Industrial
- Vacant or not, where vacant refers to vacant land that is available to be developed (rather than unoccupied)

This differential rate is based on the concept that different property categories should pay a fair and equitable contribution, considering the benefits those properties derive from the local community.

The Act provides that a local government may impose a differential general rate (DGR) according to land zoning, land use, whether the land is vacant or not, or a combination of each characteristic (Section 6.36).

Providing a lower DGR to any group of ratepayers, means the rates burden must be borne by increases to other ratepayers.

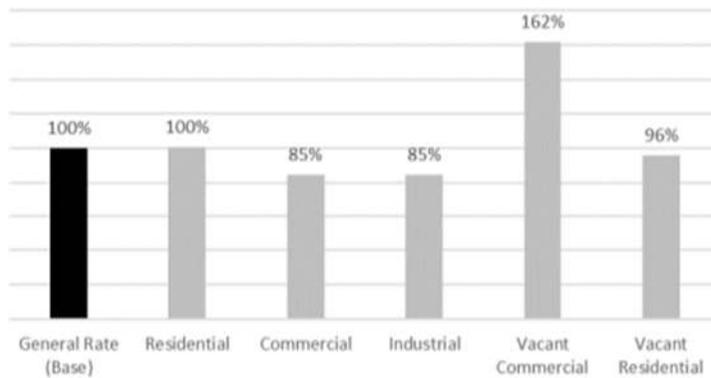


**Rating Ratios**

In 2021/22 differential rates are set as a rate-in-the-dollar (RID) and are currently based on the following general rate:

*General Rate = 100% (base)*

Differential Rates Relativities (2021)



**Residential Rates, compared to the General Rate**

*Residential Rate = 100%*

*Vacant Residential Rate = 96%*

The residential rate is currently set at 100% of the general rate and the vacant residential rate at 95%.

91% of ratepayers are residential and therefore bear the primary share of the Vincent rates burden.

**Commercial and Industrial Rates, compared to the General Rate**

*Commercial & Industrial Rate = 85%*

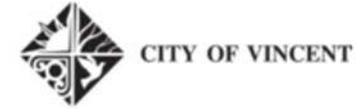
A lower commercial and industrial rate (85% of the General Rate) has been designed to support the Vincent economy which has been impacted by the COVID-19 pandemic. This also provides temporary relief for commercial businesses as Vincent removed a free commercial waste service in 2021/22 and acknowledges these businesses have incurred additional waste expenditure during the transition.

In 2021/22, the Commercial and Industrial Rates category also received a once-off rebate of \$520 per property.

**Vacant Commercial & Industrial Rates, compared to the General Rate**

*Vacant Commercial & Industrial Rate = 162%*

A higher vacant commercial rate encourages the development of vacant properties. This improves the City's streetscape and builds business infrastructure that contributes to the local economy. Note that a vacant commercial property is not an empty business, but a vacant block of land, zoned commercial.



Minimum Rates

Minimum rates are imposed to establish the minimum amount any property must pay to contribute to the cost of services provided by a local government, regardless of the value (GRV) of their property.

The Act establishes limits on the percentage of properties to be minimum rated. (Refer Appendix 2). In 2021, approximately 34% of ratepayers were on the minimum rate.

The minimum rate sits between 2% and 8% of the median GRV for each category. The median rate is between 6% and 13% and of the median GRV for each category.

	Minimum Rate (2021/22) [A]	Median GRV [B]	% A/B	Median Levy (2021/22) [C]	% C/B
Residential	\$1,241.00	\$17,160	7.23%	\$ 1,368.17	7.97%
Commercial	\$1,197.70	\$38,784	3.09%	\$ 2,605.51	6.72%
Industrial	\$1,197.70	\$52,000	2.30%	\$ 3,493.36	6.72%
Vacant Commercial	\$2,339.10	\$44,750	5.23%	\$ 5,735.61	12.82%
Vacant Residential	\$1,170.00	\$14,550	8.04%		

The City of Vincent's Minimum Rate Levy is the 9th lowest of 29 metropolitan Councils

Includes waste & security charges

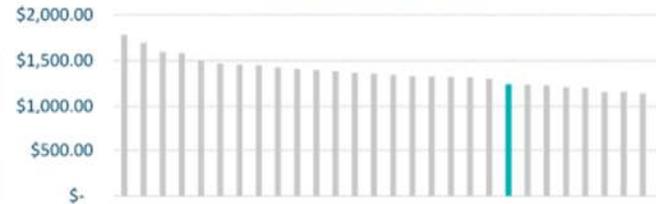


Figure 1: In 2021 the City of Vincent has the 9th lowest rated minimum rates levy of 29 metropolitan Councils. This is calculated using the minimum residential rate, including all waste and security charges

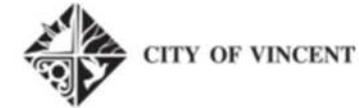
Baseline Rates and Interim Rates

The rates revenue forecast includes two components:

- a) **Baseline rates revenue** - achieved from existing rateable properties; and
- b) **Interim rates growth** - achieved from the addition of:
  - new rateable properties created through either redevelopment or new property developments; and
  - property improvements and renovations.

**Existing ratepayers** are only impacted by increases to the baseline rates year to year.

Between 2017 and 2021, annual Interim Rates Growth averaged 1.61% and added an additional \$453,591 to rates revenue each year.



Calculating Rates

The formula for calculating the property rates levy (excluding additional charges, arrears, or additional supplementary rates) is:

$$\text{Property Valuation (GRV)} \times \text{Rate in the Dollar (Differential Rate)}$$

The rate in the dollar for each rating differential rate is published in Vincent’s annual budget.



**A Residential property has a Property Valuation (Gross Rental Value) of \$17,160.**

This is set by Landgate.

The Vincent residential rate-in-the-dollar is set by Council at \$0.07973. The property rates are:

$$\$17,160 \times \$0.07973 = \$1368.17$$



**A Commercial property has a Property Valuation (Gross Rental Value) of \$38,784.**

This is set by Landgate.

The Vincent commercial rate-in-the-dollar is set by Council at \$0.0671800. The property rates are:

$$\$38,784 \times \$0.0671800 = \$2605.51$$

<sup>3</sup> Occasionally this decision is made in July

Pensioner Concessions

The Pensioners and Seniors Rebate Scheme is established under the Rates and Charges (Rebates and Deferments) Act 1992. The purpose of the scheme is to provide concessions to pensioners and seniors on their local government rates, water service charge and Emergency Service Levy. The concessions available are either a rebate on, or the deferment of these charges.

Setting the Annual Rates

The **actual rates** for the year are determined by Council during the Annual Budget (**the Budget**) process.

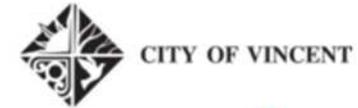
While in draft, the proposed differential rates are advertised around May of each year for community feedback during the budget process. They are:

- Published in the agenda of the Ordinary Council Meetings
- In local Community newspapers
- On the City’s website and social media channels
- In public notices posted at the City’s administration office and Library

Community members have a final opportunity to provide input at the June<sup>3</sup> Briefing and Ordinary Council meetings.

Council receives and reviews community feedback and may vote to change the rate recommended by Administration.

**When Council approves the rate in the dollar at the June or July Council meeting, the rates decision has been made.**



Modelling and Forecasting

The LTFP will include financial scenarios for Council and the community to consider. This will include modelling of likely rates increases to inform forward planning.

Should Council approve a lesser rate as compared to the LTFP, the LTFP forecast will need to be rebalanced by either:

- establishing another revenue stream or funding source, or
- reducing the scope or level of services, or
- scaling down the capital projects program.

Rates Benchmarking

Vincent considers Local Government benchmarks when making rating decisions and forecasts. Particular attention is given to Inner City Councils with similar services, GRV, and asset management and demographic profiles.

HOW WE COMPARE TO OUR NEIGHBOURS

Vincent is the 6th lowest rating council of 29 metropolitan areas.



GRV \$17,160

2021/22 Annual Rates Levy based on GRV of \$17,160 (includes waste and security charges)

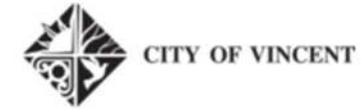


Residential Rates Levy - Perth Metro Area

Based on a median GRV of \$17,160 includes waste & security charges



Figure 2: In 2021 the City of Vincent is the 6th lowest rated Council of 29 metropolitan Councils. This is calculated using the median GRV for residential properties in Vincent, and includes all waste and security charges

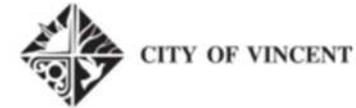


Rates Comparisons

Vincent is a low rating local government in the Perth metropolitan cohort. In a field of 29 local governments, Vincent’s median rates levy is ranked 6 in residential rates, or at the 20<sup>th</sup> percentile (2021/22). [See also: Rates Benchmarking]

2021 Ranking	Statistics	Local Government Authority	Population	Area (km2)	Revenue (\$M)	Expenditure (\$M)	Assets under Management (\$M)	Rate in the Dollar (cents)	Minimum Rate (\$)	Waste & Security Charges	Total if GRV is \$17,160
1	Low	Cottesloe	8,258	4	13.3	13.9	123.98	7.100100	1,202.00	-	1,218.38
<b>6</b>		<b>Vincent</b>	<b>36,618</b>	<b>11</b>	<b>55.4</b>	<b>61.89</b>	<b>474.52</b>	<b>7.973000</b>	<b>1,241.00</b>	<b>-</b>	<b>1,368.17</b>
8		Perth	28,916	12	191.36	192.42	1117.46	6.450000	750.00	321.20	1,428.02
14		Cambridge	28,897	22	46.80	50.10	393.39	6.275260	953.00	516.00	1,592.83
16	Median	Victoria Park	37,021	18	61.1	61.47	550.05	9.340000	1,159.00	-	1,602.74
18		Bayswater	68,423	33	78.84	73.41	732.6	7.465000	1,000.00	368.30	1,649.29
19		South Perth	43,823	20	58.55	62.42	733.75	7.783600	1,004.00	325.00	1,660.67
21		Nedlands	22,632	20	34.55	30.63	244.45	6.558000	1,484.00	298.00	1,782.00
23		Subiaco	17,270	7	43.81	38.89	328.19	7.604300	1,190.00	505.00	1,809.90
29	High	Armadale	90,843	560	105.62	110.63	1,191.67	10.461500	1,194.00	385.50	2,180.69

Source: My Council, Council Websites



### Collection and Administration of Rates and Charges

Ratepayers have the option of paying rates and charges by way of instalments.

Instalment plans incur an instalment plan interest rate and administrative charge, both of which are published on the rates notice and in the annual budget.

Overdue payments also incur an interest charge.

#### Financial Hardship

All ratepayers are encouraged to speak to the City if they have difficulty paying their rates, to agree a repayment plan.

Council approves a financial hardship program as a component of the annual budget.

Eligible ratepayers who have entered into a financial hardship payment plan are exempt from service charges and penalties.

### Service Charges and Special Area Rates

Vincent has chosen not to apply service charges or special area rates through the rates process.

#### Rates Waivers for Community Groups

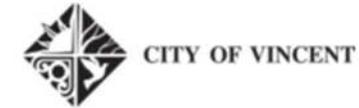
Vincent waives the rates of a range of not-for-profit organisations that have a community and/or sporting purpose, amounting to approximately \$130,000 per year.

The waivers are itemised and approved by Council when approving the Annual Budget.

### SALE OF ASSETS

In the course of normal operations, the City will sell assets such as plant and equipment. This typically relates to vehicle trade-ins, or a contractual buy-back arrangement for light fleet. The City does not sell assets to fund normal operations.

In the event that the City decided to sell a more significant asset, such as land, this would require a specific Council resolution to direct both the sale of land, and the use of proceeds.



## FEES AND CHARGES

Fees & Charges (User Charges) are forecast to return approximately \$19.1m to the City of Vincent in 2021/22 and represents 32.7% of total revenue. This increases to 33.2% in the draft 2022/2023 budget.

We have explored other options to raise revenue beyond rates to spread the load.



Figure 3: Proposed Revenue Ratios for 2022/2023

### User Pays

User fees and charges are those that Vincent will charge for the delivery of services and use of community infrastructure and include:

- Beatty Park Leisure Centre
- Vincent Community Centre
- Hire of sports grounds, halls, and facilities

One of the key sources of revenue in the user pays category is paid parking, in carparks and kerbside. This is also used as a strategy to simultaneously take pressure off City carparks by generating turnover in parking bays.

In the proposed budget for 2022/23 it is suggested that free parking is reduced from 1 hour to 30 minutes. Vincent carparks have had first hour free parking since 2011 and reducing the free period will generate revenue equivalent to a 2.8% rate raise across the City. It shifts the cost of providing parking services to users, for example, 83% of consumers in Leederville are non-residents.

It also supports the objectives of the Accessible City Strategy by encouraging less car use in our town centres. If supported, this change will come into effect 1 October 2022. The proposed implementation program will also support the most vulnerable members of our community, including people with disability, seniors and people with babies and young children.

### Emergency Services Levy

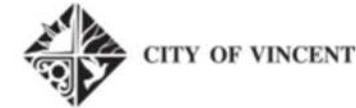
Emergency Services Levy (ESL) is collected on behalf of the State Government and is used by DFES to deliver fire and emergency services throughout WA. The City is paid \$37K per annum to administer this levy.

In 2021/22, the ESL is calculated using the property GRV at the rate-in-dollar of \$0.015497 and is expected to increase by 5% in 2022/23.

### Statutory Fees & Charges

Statutory fees and fines are those collected by Vincent under the direction of legislation or other government directives. The rates used for statutory fees and fines are generally advised by the State Government department responsible for the corresponding service or legislation. Generally, the City of Vincent has limited discretion in applying these fees. Examples of statutory fees and fines include:

- Planning & subdivision fees
- Building & inspection fees
- Infringements & fines



## OPERATING AND CAPITAL GRANTS

Grant revenue represents income usually received from other levels of government. Some grants are singular and attached to the delivery of specific projects, whilst others can be of a recurrent nature and may or may not be linked to the delivery of projects.

**In 2020/21, grants totalled \$2.5 million (\$1.3m in capital grants and \$1.2m in operating grants) and is forecasted to total \$4.1 million in 2021/22. Operating grants represent 2.1% of total revenue in 2020/21 and 1.3% in 2021/22.**

Council will pro-actively advocate to other levels of government for grant funding support to deliver important infrastructure and service outcomes for the community. When preparing its financial plan, Council considers its project proposal pipeline, advocacy priorities, upcoming grant program opportunities, and co-funding options and determines where grant applications can be made.

Grant assumptions are detailed in Council's budget document. The City may also be required to administer the project with staff and will contribute additional funds to secure the grant.

Council actively advocates for grant funding from other levels of government to ensure that services and infrastructure are delivered to the community.

Examples of operating and capital grants received by Vincent include:

- Community Sporting and Recreation Facilities Fund
- Local Government Roads and Community Infrastructure
- Black Spot Program

## THIRD PARTY CONTRIBUTIONS

Contributions represent funds received by Council, usually from non-government sources, and are usually linked to projects. Contributions can be made to Council in the form of either cash payments or asset handovers.

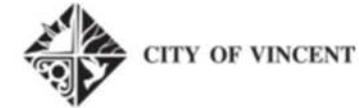
**In 2020/21, contributions totalled \$0.2 million or 0.4% of total revenue which is consistent with the forecast total of \$0.2 million or 0.3% of total revenue in 2021/22.**

Examples of contributions include:

- Monies collected from developers under planning and development agreements Monies collected under developer contribution plans and infrastructure contribution plans
- Contributions from user groups towards upgrade of facilities
- Assets handed over to council from developers at the completion of a subdivision, such as roads, drainage, and streetlights.

Examples of third-party contributions received by the City of Vincent include:

- Tenants contributing to the cost of installing solar panels where they receive the benefit of a lower electricity bill
- Sports club contributing 1/3 of the cost of installing sports lighting
- Developers' contribution to the Percent-for-Art reserve



### INTEREST ON INVESTMENTS

Council receives interest on funds managed as part of its investment portfolio. The investment portfolio is managed in accordance with Council’s Investment Policy, which seeks to earn the best return on funds whilst minimising risk.

**Investments in 2022/23 are budgeted to result in \$0.5 million interest earned which is consistent with interest earned in year 2021/22.**

Vincent is reasonably risk averse, and any investment will be taken prudently having regards to risk. The *Local Government Act 1995 WA* also provides strict regulatory requirements for Local Government.

### BORROWING

Whilst not a source of income, borrowings are an important cash management tool in Council’s overall financial and funding strategy.

Description	1 July 2021	How is this loan repaid?
246 Vincent Street	\$1,335,293	Building is tenanted and rent covers the loan repayment
Loftus Centre Redevelopment	\$1,335,293	Loan is repaid by tenant
Underground Car Park Loftus	\$305,474	Loan is fully repaid in 2022
Beatty Park Redevelopment	\$5,417,205	Loan paid by Beatty Park users
Beatty Park Equipment	\$868,366	Loan paid by Beatty Park users
Resource Recovery Facility	\$7,083,333 <sup>4</sup>	This was cost beneficial for the City to exit the RRF contract rather than remain in the contract and pay higher fees. NPV Positive business case over 10 years (after finance).

<sup>4</sup> The RRF exit was initially estimated to be valued at \$7,500,000.

### COMMERCIAL OPERATIONS

Vincent has specific financial strategies for the management of the following commercial operations. These strategies comply with the requirements of the *Local Government Act 1995*.

#### Beatty Park Leisure Centre

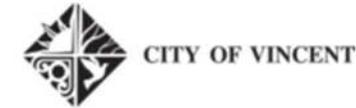
Beatty Park Leisure Centre is a significant operation that delivers recreation services to over 1 million patrons each year. Sound commercial management practices are applied that ensure Beatty Park is run efficiently and delivers a competitive, value for money, service.

Beatty Park Leisure Centre is managed as a contestable and integrated business unit. Where possible and appropriate, it operates on a user-pays basis. Fees and charges consider the competitive market context and are set annually during the budget process. Fees and charges may be used to fund Beatty Park operational requirements, such as equipment upgrades, such that the users pay for the delivery of these service improvements.

A positive Gross Profit Margin is to be achieved for the following services:

- Gym and Fitness
- Swim School
- Retail Store
- Tenancies – Beatty Park Physio and Beatty Park Café

This is used to offset a negative Gross Profit Margin for Aquatic Services (indoor and outdoor pool) and the subsidised creche, with the overall objective that the centre seeks to break even.



The business unit profit and loss statement includes:

- Revenue generated through fees and charges
- Revenue generated from commercial leases in the centre
- Repayment of debt associated with capital works and substantial equipment purchases
- Depreciation of assets, excluding the Heritage Grandstand
- Operating and capital expenditure required to deliver services
- Reasonable and proportionate administrative and corporate overheads, including HR, Finance and technology support

To create a contestable benchmark for market comparison, the business unit profit and loss statement excludes revenue and expenditure that is unrelated to Beatty Park Leisure Centre, including:

- City of Vincent sport and recreation functions
- City of Vincent parks, halls and facility bookings
- Expenditure imposed on Beatty Park by virtue of association with the City of Vincent, that would not be applied to a commercial operator

Beatty Park Leisure Centre surplus will be directed to the Beatty Park Leisure Centre Reserve and will fund the major upgrade and redevelopment of the Beatty Park Leisure Centre including the replacement or purchase of major plant, equipment, fixtures, and fittings (excluding the Heritage Grandstand).

**Beatty Park is forecasted to deliver an operating surplus of \$0.3m in 2022/23.**

Tamala Park Regional Council

Vincent is a 1/12<sup>th</sup> owner of the Tamala Park Regional Council, along with 6 other local authorities.

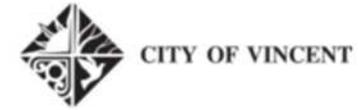
The purpose of the Tamala Park Regional Council is to undertake the rezoning, subdivision, development, marketing, and sale of the Tamala Park land.

The objectives of the TPRC are:

- to develop and improve the value of the land;
- to maximise, within prudent risk parameters, the financial return to the participants;
- to balance economic, social and environmental issues; and
- to produce a quality development demonstrating the best urban design and development practice.

Revenue received by Vincent from Tamala Park Regional Council is directed to the Tamala Park Land Sales Reserve and used to fund future significant/major capital works, infrastructure, project or debt reduction programs.

**Tamala Park is forecasted to deliver \$0.8 million or 1.4% of total revenue for 2021/22, increasing to \$1.25m in 2022/23.**



Property Management

Vincent provides access to property for the benefit of the Vincent community.

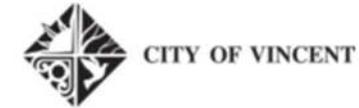
The Property Management Framework determines how these leases and licences operate across four categories:

Category One	Small Community Groups
Category Two	Sporting Clubs, Community Groups and Organisations
Category Three	Commercial entities, state and national clubs, associations and community organisations
Category Four	Government agencies

The City does not seek to derive profit from leases in categories 1 or 2. The annual fee methodology for these categories is based on the Gross Rental Value (GRV) of the property with a subsidy applied based on a community benefit matrix.

Organisations that fall into categories three and four are responsible for all costs associated with the property. Rent for category three and four tenants is negotiated by reference to the total GRV for a property. More information can be found on the City of Vincent website: [Property Management Framework » City of Vincent](#)

Tenancies are forecasted to deliver \$1.3 million or 2.2% of total revenue in 2022/23.



APPENDIX 1: RATE SETTING LEGISLATION

Legislation regulating Rate Setting:

- *Local Government Act 1995 (Part 6, Division 6) (the Act)*
- *Local Government (Financial Management) Regulations 1996 (Part 5)*
- *Valuation of Land Act 1978*
- *Rates and Charges (Rebates and Deferments) Act 1992*

Specific Provisions of the Local Government Act influencing the Rate Setting Strategy:

Section 6.26	Except as provided in Section 6.26, all land within a district is rateable land.
Section 6.28	The Minister is to determine the method of valuation of land to be used by a local government as the basis for a rate.
Section 6.32	In order to make up the budget deficiency, a local government is to impose a general rate which may be imposed either uniformly or differentially. A local government may also impose a specified area rate, a minimum rate and a service charge.
Section 6.33	A local government may impose a differential general rate (DGR) according to land zoning, land use, whether the land is vacant or not, or a combination of each characteristic.
Section 6.34	The amount shown in the Annual Budget as being the amount estimated to be yielded by the general rate is not to vary by +/- 10% of the budget deficiency.
Section 6.35	The local government can impose differential minimum rates, however it is not to be applied to more than 50% of the properties within the district or within each category.
Section 6.35	A minimum is to be applied separately for each differential rating category where a differential rate is imposed.
Section 6.35	If a separate DGR is imposed on the basis of vacant land status, a separate minimum rate can be imposed with the approval of the Minister not in accordance with the 50% requirements
Section 6.35	A lesser minimum charge can be applied to any portion of the district, providing the total is less than 50% of the properties on minimum rates (within the district or within the category)
Section 6.36	Before imposing any differential general rates or minimum rates a local government is to give local public notice of its intention to do so and invite public submissions for a minimum period of 21 days.

## City of Vincent

## Proposed Differential Rates for Council Rates 2022/23



CITY OF VINCENT

2022/23

### Statement of Objects and Reasons for the Proposed Differential Rates & Minimum Payments

#### Proposed Differential Rates and Minimum Payments for 2022/23:

The City of Vincent advises Council's intention to levy differential and minimal rates for the 2022/23 Financial Year, in accordance with section 6.36 of the *Local Government Act 1995*. Vincent electors and ratepayers are invited to make submissions on the proposed rates, minimum rates and any related matters.

#### Council Considerations

Rates levied in the 2022/23 DRAFT budget provides for the shortfall in income required to enable the City of Vincent to provide the necessary works and services in the 2022/23 Financial Year, after taking into account all non-rate sources of income.

The Gross Rental Value (GRV) for the rateable property is determined by Landgate on behalf of the State Government. The General Rate reflects the proportionate allocation of the City's budget deficiency, excluding rates growth, across the total GRV for Vincent Properties.

$$\text{General Rate} = \frac{\text{Budget Deficiency (excluding rates growth)}}{\text{Total GRV for Vincent Properties}}$$

$$\text{General Rate} = \frac{\$39,765,511}{\$463,253,990}$$

$$\text{General Rate} = 0.085840$$

#### Rationale for differential rating categories

According to section 6.33 of the *Local Government Act 1995* differential general rates are imposed on the following characteristics:

- The purpose for which the land is zoned; and
- A purpose for which the land is held or used; and
- If the land is vacant.

Page 1 of 3

**City of Vincent**

**Proposed Differential Rates for Council Rates 2022/23**

The table below details the proposed differential rates for the 2022/23 financial year:

Rating Category	Rate in dollar	Minimum rates
Residential	0.08579	\$1,335.32
Vacant-Residential	0.08191	\$1,180.00
Vacant-Commercial	0.13791	\$1,631.65
Other – Commercial/Industrial	0.07229	\$1,288.73

The GRV is multiplied by the rate in dollar to determine the rates levy for each property.

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

**Residential Category:**

The *Residential* rate imposes a differential rate on land used for residential purposes.

The following applies in determining if land is used for residential purposes only:

- a) Land that includes a residential use, and also includes other land that has no apparent or actual use and is considered as being used for residential purposes only.
- b) Land that includes a residential use, and also includes an additional or mixed uses, regardless of the degree or dominance of the residential use, is **not** considered as being used for residential purposes only.

The rate in the dollar has been set at or about the general rate, on the basis that residential properties represent 74% of the total gross rental value of all Vincent properties and therefore they will make a reasonable contribution to the cost of local government services and facilities.

**Vacant - Residential Category:**

The *Vacant-Residential* rate is imposed on vacant, inhabitable or undeveloped residential properties that are zoned Residential.

The rate in the dollar is designed to promote development of these properties thereby stimulating growth and development in the community.

**Vacant - Commercial:**

The *Vacant-Commercial* rate is imposed on vacant or undeveloped non-residential properties that are zoned Mixed Use, Local Centre, District/Regional Centre, Special Use and Commercial.

The rate in the dollar has been set at or about 160% of the general rate. A higher vacant commercial rate encourages the development of vacant properties, improving the City's streetscape and builds business infrastructure that contributes to the local economy.

**City of Vincent****Proposed Differential Rates for Council Rates 2022/23****Other – Commercial/Industrial:**

The *Other – Commercial/Industrial* rate is imposed on non-residential properties that are used for commercial or industrial purposes and residential properties with multiple uses.

Examples of properties that fall within this category are retail shops, storerooms, car bays, advertisements, wholesalers, warehouses, offices, service stations, hotels, taverns, and properties generally used for business purposes.

The rate in the dollar for all Commercial/Industrial Improved property has been set at or about 85% of the general rate. A lower commercial and industrial rate has been designed to support local businesses which were significantly impacted by the COVID-19 pandemic.

**The objective for minimum rating:**

A minimum rate is applied to all differential rate categories within the City of Vincent.

The setting of the minimum rate recognises that every property within the City receives a minimum level of benefit from works and services provided throughout the City. By adopting a minimum rate, Council take this benefit into consideration.

**For further information:**

Enquires can be made to the City of Vincent Rates Department on (08) 9273 6000.

**6 CLOSURE**