

City of Vincent

Proposed Differential Rates for Council Rates 2020/21



CITY OF VINCENT

2020/21

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

In accordance with the provisions of Sections 6.33, 6.35 and 6.36 of the *Local Government Act 1995*, and the Council's intention to continue levying differential rates for the 2020/21 Financial Year, the City of Vincent is required to publish its Objects and Reasons for implementing differential rates categories.

The overall objective of the proposed rates in the 2020/21 budget is to provide for the shortfall in income required to enable the City of Vincent to provide the necessary works and services in the 2020/21 Financial Year, after taking into account all non-rate sources of income.

Council has requested the Chief Executive Officer to initiate a budget for 2020/21 that results in a zero increase to total rates revenue. The approach taken is also consistent with instructions received from the State Government, the Premier and the Minister for Local Government.

To achieve a zero increase in rate revenue, the rate in the dollar has been amended accordingly.

Rationale for differential rate categories

The table below details the proposed differential rates for the 2020/21 financial year:

Rating Category	Rate in dollar	Minimum rates
Residential	0.07907540	\$1,211.90
Vacant-Residential	0.07250000	\$1,211.90
Vacant-Commercial	0.12817000	\$1,516.40
Other – Commercial/Industrial	0.06718000	\$1,197.70

Land is rated according to characteristics such as the:

- Nature of land use; and
- If the land is vacant.

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The Gross Rental Value (GRV) for the rateable property is determined by Landgate on behalf of the State Government. In 2020/21, Landgate has reviewed the GRV for all properties, which results in volatility to the rates levy applied by the Local Government compared to the previous year. Further information about the exact method of calculating the land value, and any objections to valuations, should be directed to the Valuer General's Office at Landgate.

The City applies the GRV to each property according to the differential rates category. The differential rates categories ensure the total rate burden is applied fairly to all rateable properties, given their nature and characteristics.

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

Residential Category:

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

The rate in the dollar has been set on the basis that ratepayers make a reasonable contribution to the cost of local government services and facilities.

Vacant - Residential Category:

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

The rate in the dollar has been set in an effort to promote development of these properties thereby stimulating growth and development in the community.

Vacant - Commercial Category:

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 for all vacant commercial land has been set in an effort to promote the development of these properties by attracting business and industry to the City thereby stimulating growth and development in the community.

Other – Commercial/Industrial:

The *Other – Commercial/Industrial* rate is imposed on non-residential properties that are primarily used for commercial or industrial purposes. Examples of properties that fall within this category are retail shops, 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 to provide an acceptable standard of infrastructure and parking needs due to the greater volumes of people and vehicular traffic.

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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. By adopting a minimum rate, Council take this benefit into consideration.

We welcome your feedback:

Ratepayers and electors are invited to comment on the proposed differential rates and minimum payments until **5pm Friday, 17 July 2020**.

Comments can be submitted online via www.imagine.vincent.wa.gov.au

Alternatively, comments can be submitted in writing and addressed to the Chief Executive Officer, City of Vincent, PO Box 82 Leederville WA 6902.

For further information:

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