



Objects and Reasons

Proposed Differential Rates 2025/2026

INTRODUCTION

In accordance with section 6.36 Local Government Act 1995, the Shire is required to publish its Objects and Reasons for each proposed rate and minimum payment prior to implementing the differential rates categories.

Basis of Rating

The overall objective of the proposed rates in the 2025/2026 Financial Year Budget is to provide the net funding required for the Shire's services, activities, financing costs, and current and future capital requirements to achieve a balanced budget.

Property rates within the Shire are primarily based on two methods:

Gross Rental Value (GRV)

The Valuer General implements a Gross Rental Value (GRV) revaluation that typically applies to residential, commercial, and urban properties. This cycle is usually conducted every six years for all properties within the Shire of Menzies. However, due to adjustments made in the post-COVID period, the current GRV took effect on 01 July 2022, and operates within a five-year cycle.

Unimproved Value (UV)

Generally applicable for rural lands, the annual Unimproved Value (UV) is provided by the Valuer General's Office at Landgate for all properties within the Shire of Menzies.

A minimum payment applies to all differential rating categories in the Shire of Menzies.

The table below summarises the rating structure proposed for 2025/2026:

Description	Characteristics	Objects	Reason
Gross Rental Value (GRV)	This category includes all properties where the basis of rate is the Gross Rental Value (GRV)	To raise sufficient revenue to offset the costs associated with the provision of current and future services	Ensures all ratepayers make a reasonable contribution towards the ongoing maintenance, provision of works, services, and facilities across the Shire.

Unimproved Value (UV) Mining	This category is associated with all mining leases/tenements where the basis of rate is Unimproved Value (UV)	To achieve an appropriate contribution from mining operations toward budgeted deficiency.	Reflects the difference in valuation methodology and recognises the impact of mining related activities on the Shire
Unimproved Value (UV) Exploration and Prospecting	This category is associated with all exploration and prospecting leases where the basis of rate is Unimproved Value (UV)	Exploration and Prospecting leases are rated differentially to reflect the nature of the lease and acknowledge that these leases are generally not income generating.	Ensures an appropriate contribution towards the ongoing maintenance and services provision throughout the Shire.
Unimproved Value (UV) Pastoral and Other	This category is associated with all pastoral and other land not included in the above categories where the basis of rate is Unimproved Value (UV)	Pastoral and Other leases are rated differentially to reflect the nature of the lease and acknowledge that these leases are generally not for income generating.	Ensures an appropriate contribution towards the ongoing maintenance and services provision throughout the Shire.
Minimum Payment Gross Rental Value (GRV)	The Council has established minimum rates for Gross Rental Value (GRV)	These amounts represent the minimum rate that should be charged as reasonable contribution to services to the Community, and may exceed the actual result of calculating a property's rates based on its GRV.	Minimum rates have been prepared to comply with the Local Government Act 1995 which requires no more than 50% of properties to be levied on a minimum rate unless Ministerial approval is obtained.
Minimum Payment Unimproved Value (UV)	The Council has established minimum rates for Unimproved Value (UV)	These amounts represent the minimum rate that should be charged as reasonable contribution to services to the Community, and may exceed the actual result of calculating a property's rates based on its UV.	Minimum rates have been prepared to comply with the Local Government Act 1995 which requires no more than 50% of properties to be levied on a minimum rate unless Ministerial approval is obtained.

Submissions

All submissions with reference to the proposed differential rates should be forwarded to the Shire of Menzies, via:

Email: admin@menzies.wa.gov.au

By Post: Shire of Menzies, PO Box 4, Menzies – WA 6436

Submission closes at 4.00pm on Tuesday, 24 June 2025.

Once Council has considered any received submissions, the Differential Rates and the 2025/2026 Budget (with or without modifications) will be adopted by Council.