



POLICY – 4.10 – Rating Strategy

Relevant Delegation

N/A

Objective

In applying the rating principles set out by legislation and making decisions on the purpose for which the land is held or used, or identifying any other characteristics of the land, the following principles will be observed:

- Objectivity – The use of land should be reviewed and determined on the basis of an objective assessment of relevant criteria. External parties should be able to understand how and why a particular determination was made.
- Fairness and Equity – Each property should make a fair contribution to rates based on a method of valuation that appropriately reflects its use.
- Consistency – Rating principles should be applied, and determinations should be made in a consistent manner. Like properties should be treated in a like manner.
- Transparency – Systems and procedures for determining the method of valuation should be clearly documented.
- Administrative Efficiency – Rating principles and procedures should be applied and implemented in an efficient and cost-effective manner.

Policy Statement

In order for the Minister to ensure legislative rating principles are applied to any separately identifiable rateable portion of land within the district, the Shire must have systems and procedures to:

- Identify and record any changes in land use;
- Review the predominant use of land affected by significant land use changes;
- Consult with affected parties;
- Obtain Council approval to apply to the Minister for a change in the method of valuation; and
- Ensure timely application to the Minister.

The purpose for which the land is zoned shall form the initial guide to the predominant use of any land within the district.

An initial guide to the predominant use of land within the district is based on the zoning under the Local Planning Scheme. Where the current predominant use of the land differs from the zoning under the local planning scheme, the basis for this determination should be clearly documented, particularly if a different method of valuation appears appropriate. Nonconforming land use and land where the zoning does not provide an initial guide will require examination on a case-by-case basis.

Determination of the appropriate method of valuation requires examination of the extent to which the separately identifiable portion of land is being used for the alternative land use. This should be documented and considered using the principles detailed in this policy before making application to the Minister for a change in the method of valuation.

A uniform general rate in the dollar is to be applied for all GRV and UV valued properties within the district. The Council may, in certain circumstances, deem a differential general rate to be necessary. The imposition of a differential general rate represents a conscious decision by the

Council to redistribute the rate burden in the district by imposing a higher contribution on some ratepayers and a lower contribution on others.

The imposition of a differential general rate must follow the Benefit Principle – the concept that there should be some relationship between the rates paid and the benefits received. The Benefit Principle does not mean rates should equal benefits, but it is expected that those bearing the higher rate burden through the imposition of differential rating are receiving greater benefits from Shire activities. When imposing a differential general rate, the characteristics of the land to which the rate is to be applied, along with the objects and reasons for the differential rate should be clearly defined.

The purpose for which the land is zoned is considered the most appropriate basis for determining the characteristics of the land to which the differential general rate applies. Where the Benefit Principle is considered by Council not to apply within a particular land zoning, the purpose for which the land is held or used, as determined by the local government, and/or whether or not the land is vacant land, shall be used as the basis for determining the characteristics of the land to which the differential general rate applies.

Concessions and Waivers

Circumstances may arise where the Council resolves by absolute majority to grant a waiver or concession as provided by legislation.

– *End of Policy*

ADOPTED: 24 APRIL 2025