



## Statement of Objects and Reasons for Differential Rates

The calculation of rates is based on the GRV (Gross Rental Value) of each individual property. A rate in the dollar is then applied to the GRV to calculate the rates amount. GRV's are supplied by the Valuer General (Landgate) and are updated on a three-year basis. The last update for the 2020/21 financial year saw average GRV's fall in all Stirling suburbs, however there was a significant change between property categories with residential falling by 14% on average compared to 5% for commercial.

In 2020/21, the City adopted a Differential Rates Strategy in accordance with the provisions of Section 6.33 of the Local Government Act 1995, to better manage these fluctuations in valuations for ratepayers. Differential Rates applies a different rate in the dollar to each of the 4 property categories. The key values of objectivity, fairness, equity, and transparency have been considered when setting the rate in the dollar.

The rate in the dollar for each property category and minimum rates have been reviewed for 2022/23 and it is intended to adopt the rates shown in the table below:

Rating Category	Rate in dollar	Minimum rates
Residential	\$0.059659	\$893
Commercial	\$0.054898	\$893
Industrial	\$0.060546	\$893
Vacant	\$0.082347	\$893
<b>Other Minimum Rates</b>		
Parkland Villas Retirement Village (Apartments under 36m <sup>2</sup> in total area)		\$742
Strata Titled Storage Units		\$579

### Residential

The Residential rate imposes a differential rate on land primarily used for residential purposes. Approximately 94% of the City's properties fall into this category. The purpose of this differential rate is to ensure that all ratepayers make a reasonable contribution towards the services and facilities provided and maintained by the City.

### Commercial

The Commercial category includes offices, shops, hotels, cafes, and restaurants. The purpose of this rate in the dollar is to balance the impact of Landgate revaluations while still ensuring that the rate category pay a reasonable contribution for the services and facilities

the City provides. By setting a lower rate in the dollar the City is supporting commercial ratepayers who have been impacted most by the current difficult economic environment.

### **Industrial**

The Industrial category includes factories, warehouses, depot, and some showrooms. The purpose of this rate is to ensure that a reasonable contribution is made towards the higher costs of ongoing maintenance and provision of works, services and facilities located in industrial zones.

### **Vacant**

The Vacant rate is imposed on all vacant or undeveloped properties and land. A higher rate in the dollar than other categories has been imposed to encourage the development of vacant land. The City considers the development of vacant properties in the best interest of the community as it supports the economy and will improve street appeal.

### **Minimum Rates**

Section 6.35 of the Local Government Act 1995 makes provision for the City to be able to set a minimum payment in relation to rateable land. By applying the minimum rate, the City recognises that all ratepayers have an equal opportunity to enjoy the facilities and services provided by Council, regardless of the value of their property. The City has adopted a General Minimum Rate across all property categories and lower Minimum Rates for two specific property types.

The General Minimum rate has been set at \$893 which for 2022/23 is 64% of the average Standard Residential property rate.

A lower minimum rate of \$742 has been set for Parkland Villas Retirement Village for apartment sizes under 36m<sup>2</sup> in total area as the general minimum rate was deemed to be unfair for an apartment of that size.

Similarly, a lower rate of \$579 has been set for Strata Titled Storage Units based on the size of the units.

The City of Stirling's proposed Differential Rates for 2022/23 are now available for public comment. Electors and Ratepayers are invited to make submissions in writing to the Chief Executive Officer, City of Stirling, 25 Cedric Street, Stirling WA 6021 or via email to [rates@stirling.wa.gov.au](mailto:rates@stirling.wa.gov.au) and must be received no later than 4.00pm, Friday 1 July 2022 to be considered.