


11.1 DIFFERENTIAL RATES 2026/2027

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File Reference:	R1.1.1 Rates General
Disclosure of Interest:	Nil
Attachments:	1. Differential Rates Advert 26/27, 2. Objects & Reasons for Differential Rates, 3. Statement of Rating Information

Signature:	Officer	ACTING CEO
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Purpose of the Report

Executive Decision

Legislative Requirement

The Purpose of this report is for Council to propose a Differential rate and initiate the legislative due process for doing so.

Summary

Council is requested to support the differential rates in the dollar and minimums proposed for the 2026/2027 financial year and advertise the proposed rates for a 21 day comment period. Council is required to seek Minister approval for proposing to impose a Mining GRV differential rate that is more than twice the lowest rate.

Background

In accordance with sections 1.7 and 6.36 of the Local Government Act 1995, Council is required to give local public notice of the intention of Council to impose differential rates, or a minimum payment under a differential rate category.

Local public notice includes publishing in a newspaper circulating in the district, exhibiting on the notice board of the local government office, and exhibiting on the notice board of the library inviting submissions in respect of the following information, for a minimum of 21 days (after 1st May).

- 1) Details of each rate or minimum payment the local government intends to impose,
- 2) Invitation for submissions to be made in respect of the proposed rate or minimum payment and any related matters.

Community / Stakeholder Consultation:

An advertisement on the 4th May 2026 will be included in the public notice section of the Newspaper circulated in the district. The community will have 21 days to make submissions. (25th May 2026)

Comment

The Local Government Act 1995 provides for Councils to levy rates to fund the estimated annual budget deficiency for the forthcoming financial year.

The estimated budget deficit for the 2026/2027 financial year has not yet been finalised, as the detailed budget estimates covering various expense and revenue items are currently being prepared. At present, the amount required from rates to fund the outcomes of the draft budget is in excess of the rate increase

proposed of 5%. Staff are revising the draft budget and service levels and are looking at all avenues to reduce the gap, including alternative revenue sources.

In the past Council has adopted rates that are more than twice the minimum differential rate and must therefore seek Ministerial approval, as required by the provisions of the Local Government Act 1995. The Department of Local Government has been scrutinising Council's differential rating strategy each year and may request modifications to be made, if they are not satisfied that the rating strategy is fair and equitable.

It must be understood the purpose of this Agenda Item is to set an estimated Differential Rate so a request can be sent to the Minister after advertising and seeking submissions from the electorate. Invariable the actual rate amount set may differ from the estimate once the valuations have been received from Landgate for the next financial year. However, the legislation allows these rates in dollar amounts to be adjusted to reflect the actual valuations by making notation in the Shires Adopted Budget and on the Rate Notices sent out. Such notation is to explain the reason for the difference between the advertise Differential Rate and that impose being due to valuation adjustments from Landgate. The actual Rate Revenue raised will not differ significantly.

The table below shows the rate categories for 2025/2026 and the rate in cents and minimum amounts; GRV Rate Category:

Category	Rate in the \$	Minimum Rate \$
GRV General	8.225	370.00
GRV Mining	24.239	370.00
UV - Rural/Pastoral	1.056	370.00
UV - Mining	1.056	200.00

The Proposed rates for 2026/2027 are listed below:

Category	Rate in the \$	Minimum Rate \$
GRV General	8.636	370.00
GRV Mining	25.450	370.00
UV - Rural/Pastoral	1.108	370.00
UV - Mining	1.108	200.00

Statutory Environment

Under section 6.36 of the Local Government Act 1995, Council is required to give local public notice of the intention of Council to impose differential rates, or a minimum payment under a differential rate category. Local public notice includes publishing in a newspaper circulating in the district, exhibiting on the notice board of the local government office, and exhibiting on the notice board of the library inviting submissions in respect of the following information, for a minimum of 21 days;

- Details of each rate or minimum payment the local government intends to impose,
- Invitation for submissions to be made in respect of the proposed rate or minimum payment and any related matters.

Policy Implications

Nil

Strategic Implications

Nil

Financial Implications

The Shire's principal source of income is through rates. It is an essential part of the budget process that the Council consider the level of rates that need to be raised in the context of funding the annual budget. It must also be noted that as other income, such as fees and charges are fixed by external legislation, there is very little scope for the Shire to increase this revenue source to keep up with the rising costs of service provision, therefore, these increasing costs must be borne by increases in rates or you will see a reduction in services.

The Shire has until 31 August each year to adopt the Annual Budget, as the Shire is a growing organisation and as such, we are heavily reliant on receiving rates income to fund our operations, including salaries. With this in mind, setting the level of rates for advertising and allowing the adoption of the annual budget in June, after the close of the advertising period, is a very high priority to enable rates notices to be issued. The Shire prepares its cash flow based on starting to receive rate payments in late August each year.



Voting Requirements

Simple Majority

Absolute Majority

OFFICER RECOMMENDATIONS

That Council:

1. Endorse the Differential Rating – Objects and Reasons for the 2026/2027 rating years as presented;
2. Endorse the following proposed Differential General Rates Categories, Rates in the Dollar and Minimum amounts for the Shire of Westonia for the 2026/2027 financial year:

Category	Rate in the \$	Minimum Rate \$
GRV General	8.636	370.00
GRV Mining	25.450	370.00
UV - Rural/Pastoral	1.108	370.00
UV - Mining	1.108	200.00

3. Endorse a public notice and consultation process on the proposed Differential GRV General Rates and GRV Mining Rates as follows:
 - Local public notice being placed on Councils website on Monday 4th May 2026 with ancillary notices being published as soon as practicable after this, as per the requirements of section 6.36 of the Local Government Act 1995.
 - Individual ratepayer consultation for all ratepayers in GRV Mining Rates Categories.



SHIRE OF WESTONIA
NOTICE OF INTENTION TO LEVY DIFFERENTIAL RATES 2026/2027

Pursuant to Section 6.33 and 6.36 of the Local Government Act 1995, notice is hereby given to ratepayers of the intention of the Shire of Westonia to impose the following differential and minimum rates for the 2026/2027 rating year. This rate is taking into consideration Council's proposal at May meeting to impose a 5% rate increase:

RATE IN THE DOLLAR

Category	Rate in the \$	Minimum Rate \$
GRV General	8.636	370.00
GRV Mining	25.450	370.00
UV - Rural/Pastoral	1.108	370.00
UV - Mining	1.108	200.00

The proposed rates-in-the-dollar and minimum payments are based on estimates at the time of giving public notice and may change as part of Council's 2026/27 budget consideration. The object and reasons for each proposed rate may be inspected at the Shire Office, Wolfram Street, Westonia during normal business hours or by visiting our web site www.westonia.wa.gov.au. All submissions in writing with reference to the proposed differential rates or minimum payments should be forwarded to the Shire of Westonia no later than 12.00pm Monday 25th May 2026.

Jasmine Geier
Acting Chief Executive Officer



SHIRE OF WESTONIA
2025/2026 DIFFERENTIAL RATES
STATEMENT OF OBJECTS AND REASONS

Objects and Reasons for Implementing a Differential Rate

In accordance with Section 6.36 of the **Local Government Act 1995** and the Council's "Notice of Intention to Impose Differential Rates", the following Information details the objectives and reasons for those proposals.

What are Rates?

The raising of rates is the primary source of revenue of all Councils throughout Australia. The purpose of levying rates is to meet Council's proposed budget requirements each year in a manner that is fair and equitable to the ratepayers of the community.

In Western Australia land is valued by Landgate Valuation Services (Valuer General's Office – a State Government agency) and those values are forwarded to each Local Government.

Two types of values are calculated:

- Gross Rental Value (GRV); and
- Unimproved Value (UV)

To calculate the rates to be charged, Council multiplies a rate in the dollar by the supplied value. The rate in the dollar is determined by the level of revenue the Council wishes to raise and is dependent on its proposed budget.

Apart from the need to ensure sufficient revenue to meet its expenditure needs, Council must be mindful of the impact and affordability of rates to the community.

The following are the estimated Differential Rates and Minimum Payments for the Shire of Westonia for the 2026/2027 financial year.

Rating Category	Minimum Rate	Rate in the Dollar (cents)
GRV General	\$370	8.636
GRV Mining	\$370	25.450
UV - Rural/Pastoral	\$370	1.108
UV - Mining	\$200	1.108

Differential Rating

Local Governments, under section 6.33 of the Local Government Act, have the power to implement differential rating in order to take into account certain characteristics of the rateable land. These characteristics include:

- The purpose for which the land is zoned under the town planning scheme in force;
- The predominant use for which the land is held or used as determined by the local government; and

Differential rates may be applied according to any, or a combination of the above characteristics. However, local governments are constrained in the range of differential rates that they may impose. That is, a local government may not impose a differential rate which is more than twice the lowest differential rate applied by that local government unless approval from the Minister is sought.

The Shire of Westonia proposes to Differentially Rate all Gross Rental Value (GRV) Mining rates to the Gold Mine as the land has an improved classification. The minimum payments proposed for all rate categories have been set at \$370, which are considered to be the maximum for the long term, with the exception of UV Mining which is set at \$200.00. and infrastructure to the entire community and visitors to the area.

GRV – Residential

The object of the GRV rates and minimum payments is to ensure a fair contribution to the revenue requirements of the Shire, while not imposing additional financial pressure on town residents. The minimum payments proposed for all rate categories have been set at \$370, which are considered to be the maximum for the long term. The proposed rate in dollar for GRV Residential is 8.636 cents in the dollar.

GRV – Mining

The object of the GRV rates associated with the Gold Mine is to ensure the mine contributes to the maintenance of the Shire's assets and services to the extent that the mining operators and their connections use them. The population of the 160-man mining camp situated in the Westonia townsite almost triples that of the general population of the town and creates a massive burden on the Council's resources. The minimum payments proposed for all rate categories have been set at \$370, which are considered to be the maximum for the long term. The proposed rate in dollar for GRV Mining is 25.450 cents in the dollar.

UV – Rural

The object of the UV Rural rate is to permit the imposition of rates on Rural Properties that is reasonably proportional to the financial resources of those who will bear the burden of the rates and striking a reasonable balance between the capacity to pay and the fairness of the requirement. The minimum payments proposed for all rate categories have been set at \$370, which are considered to be the maximum for the long term. The proposed rate in dollar for UV Rural is 1.108 cents in the dollar.

UV – Mining

The object of the UV Mining rate is to ensure a fair contribution to the revenue requirements of the Shire and to permit the imposition of rates on mining tenements that is reasonably proportional to the financial resources of those who will bear the burden of the rates and striking a reasonable balance between the capacity to pay and the fairness of the requirement. The minimum payments proposed for all rate categories have been set at \$200, *as per section 6.35 (4) of the Local Government Act 1995 and Regulation 53 of the Local Government (Financial Management) Regulations 1996* which are considered to be the maximum for the long term, subject to section 6.33 of the Local Government Act. The proposed rate in dollar for UV Mining is 1.108 cents in the dollar.

GRV Differential Rate - Mining

The Local Government Act 1995 determines that properties of a non-Rural purpose be rated using the Gross Rental Valuation (GRV) as the basis for the calculation of annual rates. The Valuer General determines the GRV for all properties within the Shire of Westonia every five years and assigns a GRV.

The current valuation is effective from 1 July 2024. Interim valuations are provided monthly to Council by the Valuer General for properties where changes have occurred (i.e. subdivisions or strata title of property, amalgamations, building constructions, demolition, additions and/or property rezoning). In such instances Council recalculates the rates for the affected properties and issues interim rates notices.

It refers to all land for which a mining tenement has been issued by the Department of

Mines and Petroleum (DMP), and valued as such by the Valuer General's Office
The valuation determined by the Valuer General for mining tenements is calculated by multiplying the following factors.

- Rental cost of the tenement type (mining lease, prospecting lease, exploration license, petroleum producing licence etc);
- GRV basis as determined by the DMP, and
- Tenement/license area

Objects and Reasons for GRV Mining Differential Rate

Land used for Mining is rated higher than the UV-Rural differential rate to improve fairness and equity outcomes by:

- Ensuring mining rates payable are no less than the average rates payable, per property, in

Policy Area C (General Farming), in part to;

- compensate for the different method and comparatively lower valuation level;
 - to recognise the often short term tenure of mining projects in the region; and
 - to maintain comparability with other commercial operations in the rural sector.
- Applying a percentage premium above the average rates payable, per property, in Policy

Area C (General Farming), at a level determined by the Council, to reflect the following:

- the impacts of higher road infrastructure maintenance costs to Council as a result of frequent very heavy vehicle use over extensive lengths of roads throughout the year;
- additional emergency service arrangements that have to be put in place;
- the monitoring of environmental impacts of clearing, noise, dust and smell;
- planning, building and health assessment cost; and
- additional costs of amenities and services provided to cater for the employees of the mining operations, such as recreation, parking and law, order and public safety.

Minimum Payments

The setting of general minimum payment level within all rating categories is an important method of ensuring all properties contribute an equitable rate amount to non-exclusive services.

Submissions

Submissions are invited from any elector or ratepayer with respect to the proposed rates, and any related matter, within a minimum 21 days of the date of this notice. Submissions should be addressed to the Chief Executive Officer, Shire of Westonia, PO Box 11, WESTONIA WA 6423, by 12.00pm Monday 25th May 2026.

Submissions should be clearly marked 'Submission – 2026/2027 Differential Rates.'

Jasmine Geier
Acting Chief Executive Officer.



Statement of Rating Information 2026-27

Including Objects and Reasons for the Current Rating Structure

This Statement is published by the Shire of Westonia in accordance with Section 6.36 of the Local Government Act 1995 to advise the public of its objectives and reasons for implementing differential rates.

The purpose of levying of rates is to meet Council's budget requirements in each financial year in order to deliver services, facilities and community infrastructure. Property valuations provided by the Valuer General are used as the basis for the calculation of rates each year. Section 6.36 of the Local Government Act provides the ability to differentially rate properties based on zoning and/or land use as determined by the Shire of Westonia. The application of differential rating maintains equity in the rating of properties across the Shire, enabling the Council to provide facilities, services and infrastructure to the entire community and visitors to the area.

Gross Rental Values (GRV)

The Local Government Act 1995 provides that properties of a non-rural purpose be rated using the Gross Rental Valuation (GRV) as the basis for the calculation of annual rates. The Valuer General determines the GRV for all properties with a non-rural purpose within the Shire of Westonia approximately every five years and provides a GRV. The current valuation is effective from 1 July 2024. Interim valuations are provided regularly to Council by the Valuer General for properties where changes have occurred during the year (i.e. subdivisions or strata title of property, amalgamations, building constructions, demolition, additions and/or property rezoning). In such instances Council recalculates the rates for the affected properties and issues interim rate notices.

GRV – General Rate

All land within the Shire used for non-rural purposes (GRV) is rated using a uniform GRV Rate. The uniform rate is calculated and adopted after the consideration of many factors such as current economic conditions, increases to land valuations as assessed by the Valuer General's Office, the infrastructure and service improvement proposals contained in the Budget, as well as other factors. The rate in the dollar set for the GRV-General category forms the basis for calculating all other GRV differential rates.

Unimproved Values (UV)

The Local Government Act 1995 provides that properties predominantly used for a rural purpose are assigned an Unimproved Value as supplied and reviewed by the Valuer General on an annual basis. The unimproved value of land refers to the market value of the land in its natural state without improvements such as buildings, fences, dams etc. Interim valuations are provided regularly to Council by the Valuer General for properties where changes have occurred during the year (i.e. subdivisions of property, amalgamations, and/or property rezoning). In such instances Council recalculates the rates for the affected properties and issues interim rate notices. It is considered that for this financial year the valuations imposed by the Valuer General

provides the capacity for the additional rate contributions that may be required from different zoning/land use and therefore the need for a differential rate is not deemed necessary.

GRV Differential Rate - Mining

The Local Government Act provides for rural use properties used for mining, exploration or prospecting purposes are assigned a Gross Rental Value supplied and reviewed by the Valuer General. It refers to all land for which a mining tenement has been issued by the Department of Mines and Petroleum (DMP) and valued as such by the Valuer General's Office.

The valuation determined by the Valuer General for mining tenements is calculated by multiplying the following factors.

- Rental cost of the tenement type (mining lease, prospecting lease, exploration license, petroleum producing licence etc);
- GRV basis as determined by the DMP, and
- Tenement/license area

The valuation of mining tenements is not reviewed each year, as occurs with other UV properties and only changes when the tenement rental is amended.

Objects and Reasons for GRV Mining Differential Rate

Land used for Mining is rated higher than the GRV-General rate to improve fairness and equity outcomes by:

- Ensuring mining rates payable are no less than the average rates payable, per property, in part to;
 - compensate for the different method and comparatively lower valuation level;
 - to recognise the often short term tenure of mining projects in the region; and
 - to maintain comparability with other commercial operations in the rural sector.
- Applying a percentage premium above the average rates payable, per property, at a level determined by the Council, to reflect the following:
 - the impacts of higher road infrastructure maintenance costs to Council as a result of frequent very heavy vehicle use over extensive lengths of roads throughout the year;
 - additional emergency service arrangements that have to be put in place;
 - the monitoring of environmental impacts of clearing, noise, dust and smell;
 - planning, building and health assessment cost; and
 - additional costs of amenities and services provided to cater for the employees of the mining operations, such as recreation, parking and law, order and public safety due to the increased population of the 160 man mining camp situated in the Westonia townsite which almost triples the population of the town and creates a massive burden on Council's resources.

Minimum Payments

The setting of general minimum payment level within all rating categories is an important method of ensuring all properties contribute an equitable rate amount to non-exclusive services.

Objections & Appeals

Objections to valuations must be lodged with the Valuer General's Office within 60 days after issue of the rates notice. Rates are still required to be paid if an objection is lodged with a refund paid if the objection is successful. Forms are available from the Shire Office or on our web site.

Under the provisions of the Local Government Act 1995, a property owner is able to lodge an objection to the rates imposed by a Council on the following grounds:

- There is an error on the rate assessment, either in respect to the owners or property details; or
- The characteristics of the land differ from that used in the differential rating system. The objection is to be received within 60 days of the issue of the rate notice.

Please contact Shire Staff if you would like to discuss this matter further.

Pensioner's Discount

Eligible Pensioners are entitled to receive a discount on their rates. Council shall determine the nature and extent of entitlement from details as at 1 July, in relation to ownership and occupation. Also a pro-rata rebate amount will be paid if a person becomes the holder of an eligible card type during the financial year which is effective from the date of registration. A deferral arrangement is also possible.

If the circumstances of a Pensioner, who is already claiming the rebate, have changed during the previous year, they will need to update their details (ie. card number, etc) with Council.

Submissions

Submissions are invited from any elector or ratepayer with respect to the proposed rates, and any related matter, within a minimum 21 days of the date of this notice. Submissions should be addressed to the Chief Executive Officer, Shire of Westonia, PO Box 11, WESTONIA WA 6423, by 12.00pm Monday 25th May 2026

Submissions should be clearly marked 'Submission – 2026/2027 Differential Rates.

Jasmine Geier
Acting Chief Executive Officer