

## Statement of Objects and Reasons

This Statement is published by the Shire of Boddington 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 rates is to meet Council's budgetary 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 Boddington. 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.

Summary of the proposed minimum payments and rates in the dollar for 2025/26.

Rating Category	Rate in the Dollar	Minimum Rate
GRV General	0.083499	\$1,052
GRV Rural Residential	0.058650	\$1,052
GRV Mining	0.139166	\$1,052
UV General	0.003815	\$1,052
UV Mining	0.026823	\$1,052
UV Commercial	0.018591	\$1,052
UV Rural Residential	0.007536	\$1,052

### Gross Rental Values (GRV)

The Local Government Act 1995 provides that properties of a Non-Rural purpose are assigned a Gross Rental Valuation (GRV), as supplied and reviewed annually by the Valuer General. GRVs are reviewed approximately every six years, with the current valuation effective from 1 July 2025. Interim valuations for changes such as subdivisions, amalgamations, or building alterations are provided regularly, enabling the Shire to recalculate rates and issue interim rate notices as needed.

#### GRV – General

This rating category covers all properties located within the Boddington and Ranford townsites that are zoned as residential, commercial, or general industry under the Shire's Local Planning Scheme.

#### Objects

To provide a base level of rating for properties valued under the Gross Rental Value (GRV) method. It specifically applies to properties within the townsite boundaries and excludes those categorised as GRV Mining or GRV Rural Residential, which are outside these boundaries.

#### Reasons

This rate ensures sufficient revenue to support the Shire's operations and deliver local government services and infrastructure, including, but not limited to, roads, parks, footpaths, and public facilities, benefiting residents and businesses.

#### GRV – Mining

This rating category covers all Mining Leases, Exploration Licenses, Prospecting Licences, Retention Licenses, General Purpose Leases, Special Prospecting Licences for Gold and Miscellaneous Licenses as defined under the Mining Act with a GRV valuation. It also includes properties with a GRV Valuation held by or leased by a Mining company for workers accommodation.

### Objects

To ensure an equitable distribution of rates by applying a higher rate in the dollar than GRV General, recognising the distinct land use and service demands associated with mining activities and properties designated for workers' accommodation.

### Reasons

The rates for mining properties are set to ensure an appropriate contribution toward the Shire's services and infrastructure, considering the unique demands placed by the resource sector. These demands include increased transport requirements, higher traffic volumes, and additional services associated with mining activities. Mining properties designated for workers accommodation, often with a relatively small land parcel and higher occupancy levels, have a greater potential to impact local infrastructure and services.

### **GRV – Rural Residential**

This rating category covers all properties with a GRV valuation which are outside the townsite boundary and are Non-Rural properties including properties zoned Residential, Rural Residential, Rural Smallholdings, Environmental Conservation and Special Use as per the Shire's Local Planning Scheme

### Objects

To ensure an equitable distribution of rates by applying a lower rate in the dollar than GRV General, recognising the unique characteristic and service levels of these properties.

### Reasons

This rate acknowledges the unique characteristics and reduced service demands of properties outside the townsite boundary, including larger land parcels and less reliance on townsite services. The lower rate in the dollar reflects the Shire's consideration of these factors while ensuring these properties contribute appropriately to the overall cost of maintaining infrastructure and delivering essential services.

### **Unimproved Values (UV)**

The Local Government Act 1995 provides that properties predominantly used for rural purposes are assigned an Unimproved Value (UV), as supplied and reviewed annually by the Valuer General. UV represents the market value of land in its natural state, excluding improvements like buildings, fences, or dams.

The UV-Rural rate in the dollar forms the basis for calculating other UV differential rates. Interim valuations are regularly provided by the Valuer General for properties undergoing changes such as subdivisions, amalgamations, or rezoning. In such cases, the Shire recalculates the rates and issues interim rate notices accordingly.

### **UV - General**

This rating category covers properties with a UV valuation and predominantly used for rural or farming practices.

### Objects

To provide a base level of rating for properties valued under the Gross Rental Value (GRV) method.

### Reasons

This rate reflects the level of rating required to raise the necessary revenue to operate efficiently and provide local government services and infrastructure.

### **UV - Mining**

This rating category covers all Mining Leases, Exploration Licenses, Prospecting Licences, Retention Licenses, General Purpose Leases, Special Prospecting Licences for Gold and Miscellaneous Licenses as defined under the Mining Act with a UV valuation. It also includes properties with a UV valuation that are held for mining purposes.

### Objects

To ensure an equitable distribution of rates by applying a higher rate in the dollar than UV General, recognising the distinct land use and service demands associated with mining activities.

### Reasons

This differential rate is higher than UV-General to improve fairness and equity outcomes by:

- Applying a premium to compensate for the different valuation method and comparatively lower valuation level compared to equivalent properties in built-up areas.
- Applying a premium to reflect the following key points:
  - A mining buffer was originally identified in 2007 to assist in accommodating bauxite and gold mining and to reduce land use conflict. The mining buffer protects mining operations from sensitive land uses and development which could prejudice the extraction (now and in the future) of mineral and basic raw material resources.
  - Mining operations have resource implications on other Shire services and assets including environmental health, emergency management, town planning services and administration.
  - The impact of higher road infrastructure maintenance costs to the Shire as a result of frequent vehicle use over extensive lengths of roads.

### **UV - Commercial**

This rating category covers all properties with a UV valuation with any intensive usage which is significantly different from agricultural or horticultural production.

### Objects

To ensure an equitable distribution of rates by applying a higher rate in the dollar than UV General, recognising the cost impacts to the Shire from this type of development.

### Reasons

This category is rated higher to reflect the higher infrastructure maintenance required from commercial activities within a rural zone.

### **UV – Rural Residential**

This rating category covers all properties with a UV valuation which are zoned Residential, Rural Residential, Rural Smallholdings, Environmental Conservation and Special Use as per the Shire's Local Planning Scheme

### Objects

To ensure an equitable distribution of rates by applying a higher rate in the dollar than UV General, recognising the unique characteristic and service levels of these properties.

### Reasons

This rate acknowledges the unique characteristics and increased service demands of properties compared to Rural properties, including smaller land parcels and greater reliance on townsite services. The higher rate in the dollar reflects the Shire's consideration of these factors while ensuring these properties contribute appropriately to the overall cost of maintaining infrastructure and delivering essential services.

### **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. The minimum payment has been set at \$1,052 for all rating categories.