



## **DIFFERENTIAL GENERAL RATES AND MINIMUM PAYMENTS OBJECTS & REASONS 2019/20**

### **GROSS RENTAL VALUES (GRV)**

Pursuant to section 6.36 of the *Local Government Act 1995*, the Town of East Fremantle is required to publish its Objects and Reasons for implementing Differential General Rates and Minimum Payments.

#### **Object:**

The overall objective of the proposed rates and charges in the 2019/20 Budget is to provide for the net funding requirement of the Council's Operational and Capital Program, being \$8.053M.

The rates-in-the-dollar (\$) are set against independent valuations for Gross Rental Value (GRV) provided by the Valuer Generals Office, in order to provide an equitable contribution to the shortfall in income that is required for the Town to provide necessary works and services in the 2019/20 financial year after taking into account all other non-rate sources of income.

The general increase in total rates yield across all differential general rate categories is 2.4%.

#### **Reasons:**

##### **Residential Improved and Not Improved**

Characteristics: This differential general rate category imposes a general rate on land valued on a gross rental value basis, which is zoned, held or used for residential purposes and having improvements erected on it.

Reasons and Objects: The object of this proposed rate is to apply a base differential general rate to land zoned and used for residential purposes and to act as the Town's benchmark differential rate by which all other GRV rated properties are assessed. The reason for this rate is to ensure that all ratepayers make a reasonable or minimum contribution towards the ongoing maintenance and provision of works, services and facilities throughout the Town. The proposed rate in the dollar of GRV

value for this category is 0.070359 with a minimum payment amount of \$1,112. This will apply to 3,011 or 92% of the Town's rateable properties, and this rate in the dollar is all-inclusive incorporating standard waste service charges.

### **Commercial Improved and Not Improved**

Characteristics: This differential rate category imposes a rate on land valued on a gross rental value basis, which is zoned, held or used for commercial purposes and having improvements erected on it.

Reasons and Objects: The object of this differential rate category is to apply a rate to Commercial properties in order to raise additional revenue to offset the costs associated higher levels of services to properties in this category, such as parking infrastructure, road construction, maintenance and refurbishment including road drainage systems, urban style guides and parking compliance. The proposed rate in the dollar of GRV value for this category is 0.10685 with a minimum payment amount of \$1,663. 8% of commercial properties will receive the minimum payment.

**Gary Tuffin**  
**Chief Executive Officer**