



Shire of

Bridgetown-Greenbushes

The heart and soul of the South West

AGENDA

Late Reports

Ordinary Council Meeting

Thursday, 23 April 2026

Garry Adams

Chief Executive Officer

Date: 22 April 2026

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ITEM 17 CORPORATE ECONOMIC AND COMMUNITY SERVICES

17.4 Notice of Intention to Levy Differential Rates

File Ref

Responsible Officer Casey Radford, Director Corporate, Economic and Community Development

Reporting Officer Xandra Curnock, Finance Contractor

Attachments 1. 2026/27 Statement of Objects and Reasons for Differential Rating

Voting Requirements Simple Majority

Disclosure of Interest Reporting Officer: Nil
Responsible Officer: Nil

OFFICER RECOMMENDATION

That Council;

- 1. Adopts the 2026/2027 Statement of Objects and Reasons for Differential Rating; and**
- 2. Endorses the proposed 2026/2027 differential general rates in the dollar and minimum payments for public comment, as required by section 6.36 of the Local Government Act 1995, as set out in the below table.**

Rate Category	Rate in the dollar (cents) \$	Minimum Payment \$
Residential GRV	0.076910	1,290
Mining GRV	0.232929	-
Commercial GRV	0.083391	1,310
Industrial GRV	0.080001	1,300
Shire Rural UV	0.004381	1,590
Mining UV	0.067928	280

- 3. Advertises and invites submissions from ratepayers and electors on the proposed differential rates in the dollar and minimum payments up to 5pm Thursday 28 May 2026 in accordance with section 6.36 of the Local Government Act 1995.**

IN BRIEF

This matter is brought before Council to consider a proposal for the setting of differential rates for the 2026/27 budget.

MATTER FOR CONSIDERATION**Rating Strategy**

The purpose of levying rates is to meet Council's annual budget requirements, ensuring the delivery of services and community infrastructure that enhance the liveability of the Shire.

The 'rates in the dollar' and 'minimum payments' being recommended will deliver an overall rate increase in keeping with the estimated budget requirements.

The required amount of rates is calculated by subtracting all other revenue sources from the total cost of providing Shire services and maintaining Shire assets. These other funding sources include user fees, statutory charges, lease revenue, grants, and loan funds for capital projects.

This is determined through a structured and strategic process, whereby Officers and Council consider the following;

- The outcomes from Council's annual assessment of the current Corporate Business Plan;
- The initiatives within the Shire's Strategic Community Plan;
- The review of the funding allocation included in Council's Forward Capital Works Plan;
- The review of the Plant Replacement Program; and
- Efficiency measures including organisational improvements and best practice service delivery.

As part of the 2026/27 rating strategy, Council is proposing to refine its differential rating framework to better align with land use and zoning under the Local Planning Scheme.

This includes:

- Renaming the existing "Shire" category to Residential; and
- Introducing two new Gross Rental Value (GRV) categories:
 - Commercial; and
 - Industrial.

The introduction of these categories represents a progression toward a more contemporary and equitable rating structure, ensuring that properties are rated in accordance with their predominant use and the relative demand they place on Shire infrastructure and services.

In particular:

- The Commercial category captures properties used for business and income-generating activities and ensures these contribute equitably in line with their economic function and service usage; and
- The Industrial category recognises the higher intensity of industrial activities, including manufacturing, processing and logistics operations, which typically generate increased heavy vehicle movements and place greater demand on road infrastructure and Shire services.

This refined structure improves transparency, strengthens alignment with planning frameworks, and supports a fairer distribution of the rating burden across all ratepayers.

Following consideration of the above items, Officers have determined the preliminary budget requirement for 2026/27 on the following basis:

- Review of all operational revenue sources and expenditure;
- All proposed Council Plan actions for 2026/27;
- Funding allocations identified in the Capital Works Plan;
- Increase in discretionary fees and charges as per estimates recommended; and
- Employee costs – 3 to 4% overall increase.

Council and staff will continue to work collaboratively throughout the budget process to identify and implement operational efficiencies and service improvements that contribute to sustainable financial outcomes.

Rates Modelling

The proposed differential rates and minimum payments have been developed through detailed modelling, taking into account updated property valuations, projected revenue requirements and the introduction of revised rating categories,

- As part of the 2026/27 modelling process, Council has incorporated;
- The annual revaluation of Unimproved Value (UV) Properties
- Any updated Gross Rental Values (GRV) as provided by the Valuer General; and

The transition to a refined differential rating structure, including the introduction of Commercial and Industrial categories.

The introduction of these new categories has required redistribution of the existing GRV rate base to ensure that revenue is apportioned more accurately in accordance with land use, while maintaining overall revenue neutrality (subject to the adopted increase in rate yield).

The below table shows current valuations, noting Landgate are expecting to release an update to Mining UV valuations at the end of April 2026;

Rating Category	2025/26 Valuations	2026/27 Valuations	Change \$	Change %
Gross Rental Values	\$55,298,503	\$56,057,607	\$759,104	1.37%
Unimproved Values	\$428,062,538	\$428,327,514	264,976	0.06%
TOTAL	\$483,361,041	\$484,385,121	\$1,024,080	0.21%

Due to individual changes in property valuations, the rates levied per property will fluctuate each year, regardless of the percentage change adopted by the Council.

The proposed model has been developed to:

- Achieve the required overall rate yield to meet budget requirements;
- Maintain fairness and equity between rating categories;
- Gradually transition to the new rating structure to minimise abrupt impacts on ratepayers; and
- Ensure compliance with legislative requirements, including maintaining rate revenue within the permissible range of the budget deficiency.

In determining the relativities between categories, consideration has been given to:

- The differing levels of infrastructure demand generated by each land use;
- The cost of service provision across the district; and
- The capacity of each category to contribute to the shire’s revenue base.

Based on forecasts for the coming year, a proposed 5.04% increase in the rates revenue yield from the previous 2025/26 financial year (excluding interims) is necessary to meet the anticipated revenue requirements of the 2026/27 Budget, while addressing the changing economic conditions across the Shire. A 5.04% increase in rates revenue from the previous financial year (excluding interims) will result in a total rates revenue yield of \$7,379,452, compared to the current financial year revenue (excluding interims) of \$7,025,297, representing an increase of \$354,155. The

proposed 2026/27 rates revenue yield is derived from the following rating categories as detailed in the table below:

Rating Category	2025/26 Budget Rates Revenue (excl interim)	2026/27 Proposed Rates Revenue	Change \$	Change %
Gross Rental Values	\$4,997,933	\$5,258,088	\$260,155	5.21%
Unimproved Values	\$2,027,364	\$2,121,364	\$94,000	4.64%
TOTAL	\$7,025,297	\$7,379,452	\$354,155	5.04%

Council will determine the final rates in the dollar and minimum payments as part of the adoption of the 2026/27 Budget, once the draft budget has been finalised and the Shire’s funding requirements are confirmed. This determination could result in a lower rate in the dollar or minimum payment being set.

BACKGROUND

There is provision under the Act to impose differential rates within the local government’s boundaries and in considering this imposition, there are certain statutory obligations that the local government must comply with.

Before any consideration to its budget, the local government is required to give local public notice of its intention to impose differential rates.

The local government must provide information of each new rate in the dollar or minimum payment.

Electors and/or ratepayers are invited to make submissions in respect of the proposed rates in the dollar and/or minimum payments. The submission period must be for a minimum period of 21 days and advertising must not commence before 1 May 2026.

A document is required to be made available for inspection by electors and ratepayers that describes the objects of and reasons for each proposed rate and minimum payment. Attachment 1, Statement of Rating Objects and Reasons for the 2026/27 Year at 5.05% increase on the 2025/26 rates revenue yield.

Where the Shire imposes a differential general rate that is more than twice the lowest differential general Rating Strategy rate, the Shire must seek approval from Minister for Local Government. The rates model recommended in this report to council where the highest differential rates is more than twice the lowest differential rate, meaning Ministerial approval will be required.

Rates should not be increased by a fixed amount without consideration of the deficiency. Unless Ministerial approval is given, the amount expected to be raised through all types of local government rates must be within 90% to 110% of the deficiency of the budget (section 6.34 of the

Local Government Act). This acts to limit the amount that may be raised by rates, but only in proportion to the expenditure requirement determined by the local government.

STATUTORY ENVIRONMENT

Local Government Act 1995

POLICY IMPLICATIONS

RV 1 - Method of Valuation of Rateable Properties

FINANCIAL IMPLICATIONS

The adoption of the recommendation is essential to adopt the Budget during July 2026.

STRATEGIC COMMUNITY PLAN

14 Effective governance and financial management.

CORPORATE BUSINESS PLAN

The Corporate Business Plan is an informing document to the Budget.

LONG TERM FINANCIAL PLAN

The Budget is in alignment with the Long Term Financial Plan.

ASSET MANAGEMENT PLANS

The Asset Management Plan is dependent on funds being available for asset maintenance.

WORKFORCE PLAN

Staffing costs are included in the budget for the year.

RISK MANAGEMENT

Measures of Likelihood			
Rating	Description	Frequency	Probability
Almost Certain	The event is expected to occur in most circumstances	More than once per year	> 90% chance of occurring
Likely	The event will probably occur in most circumstances	At least once per year	60% - 90% chance of occurring
Possible	The event should occur at some time	At least once in 3 years	40% - 60% chance of occurring
Unlikely	The event could occur at some time	At least once in 10 years	10% - 40% chance of occurring
Rare	The event may only occur in exceptional circumstances	Less than once in 15 years	< 10% chance of occurring

Risk Matrix					
Consequence Likelihood	1 Insignificant	2 Minor	3 Moderate	4 Major	5 Catastrophic
Almost Certain	Moderate	High	High	Extreme	Extreme
Likely	Low	Moderate	High	High	Extreme
Possible	Low	Moderate	Moderate	High	High
Unlikely	Low	Low	Moderate	Moderate	High
Rare	Low	Low	Low	Low	Moderate

COMMENT

The adoption of the 2026/27 Budget is essential to fund the operations of the Shire. Delays in adoption of the Budget, and the raising of rates, will have an adverse effect on cashflow.



**OBJECTS AND REASONS FOR PROPOSED DIFFERENTIAL RATES
FOR THE YEAR ENDING 30 JUNE 2027**

In accordance with Section 6.36 of the *Local Government Act 1995*, the Shire of Bridgetown-Greenbushes is required to publish its Objects and Reasons for implementing Differential Rates.

Overall Objective

The purpose of the levying of rates is to meet Council's Budget requirements in each financial year to deliver services and community infrastructure. The Shire of Bridgetown-Greenbushes maintains facilities for and provides services to a diverse and changing district comprising residential, commercial, industrial, rural and mining land.

Property valuations provided by the Valuer General are used as the basis for the calculation of rates each year. Section 6.33 of the *Local Government Act 1995* provides the ability to differentially rate properties based on zoning and/or land use as determined by the Shire of Bridgetown-Greenbushes.

The application of differential rating maintains equity in the rating of properties across the Shire, enabling the Council to provide facilities, infrastructure and services to the entire community.

Budget Considerations

As part of its Budget deliberations Council has estimated the Budget deficiency by:

- Assessing and taking into consideration the Shire's Council Plan
- Review the funding allocation included in Council's Forward Capital Works Plan
- Reviewed the Plant Replacement Program
- Consideration of various efficiency measures including but not limited to a review of costs across the organisation

The estimated Budget deficiency will require an increase to the rate yield of 5.04% from the 2025/26 rate yield (adjusted for natural growth).

Principles of Differential Rating

In setting the rates in the dollar Council has considered its existing differential rating categories in line with the key values contained within the Rating Policy Differential Rates (s.6.33 of the *Local Government Act 1995*), being:

- Objectivity
- Fairness and equity
- Consistency
- Transparency and administrative efficiency

Council seeks to ensure that the rate burden is distributed equitably across all ratepayers, taking into account land use, zoning and the level of demand placed on Shire infrastructure and services

RATING CATEGORIES

For the 2026/27 financial year, Council proposes to apply the following differential rating categories.

Gross Rental Value (GRV) Properties

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 Shire of Bridgetown-Greenbushes applies the following differential Gross Rental Value rating categories:

Shire Residential (GRV)

This category comprises properties used predominantly for residential purposes. This category forms the base rate by which other GRV categories are assessed. The rate in the dollar applied is designed to ensure that this category contributes a fair and equitable proportion of the overall rate yield relative to the level of services provided.

Shire Commercial (GRV) (*New category*)

This category comprises properties used predominantly for commercial, business or income-generating purposes, in accordance with the Shire's Local Planning Scheme.

The object of this differential rate is to:

- Align rating with land use and zoning;
- Reflect the higher level of economic activity and infrastructure demand associated with commercial land; and
- Ensure a more equitable distribution of the rate burden across different land uses.

The introduction of this category represents a transition toward a more refined rating structure and improves transparency and fairness in the rating system.

Shire Industrial (GRV) (New Category)

This category comprises properties used predominantly for industrial purposes, including manufacturing, processing, warehousing, logistics and trade-based activities, in accordance with the Shire's Local Planning Scheme.

The object of this differential rate is to:

- Align rating with land use and zoning;
- Reflect the operational characteristics and infrastructure demands associated with industrial land; and
- Ensure that properties with higher impacts on roads, services and infrastructure contribute equitably to the cost of those services.

The introduction of this category further enhances the Shire's ability to apply a fair and transparent rating system that reflects the diversity of land uses within the district.

Mining (GRV)

This category applies to mining leases where improvements exist on the land, including offices, workshops and processing facilities.

The object of this differential rate is to raise additional revenue to contribute towards:

- Increased road maintenance and renewal costs associated with heavy haulage; and
- Additional costs associated with environmental monitoring and regulatory oversight.

Unimproved Value (UV) Properties

The *Local Government Act 1995* indicates that where the land is used predominantly for rural purposes, the unimproved value of the land will be used as the basis for the rates.

Rural (UV)

Consists of properties that are exclusively for rural use, including farming and agricultural activities.

The rate in the dollar applied reflects the level of services provided to rural properties and recognises the extent and nature of infrastructure required to support these areas.

Mining (UV)

Consists of mining prospecting and exploration mining tenements located in the district where no substantial improvements exist.

The higher rate applied reflects the impact of these activities on the district, including:

- Increased use of local road infrastructure by heavy vehicles and equipment;
- Environmental management and monitoring requirements; and

- Administrative costs associated with tenement activity and approvals.

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Residential GRV	0.076910	1,290
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Industrial GRV	0.080001	1,300
Shire Rural UV	0.004381	1,590
Mining UV	0.067928	280

In determining the proposed rates in the dollar, Council has sought to balance:

- The need to raise sufficient revenue to fund essential services and infrastructure; and
- The need to limit increases to an affordable and equitable level for ratepayers.

Relativities

Council has reviewed the relativities between rating categories and proposes to adjust these to better reflect:

- Land use and zoning;
- The cost of providing services to each category; and
- The principle of fairness and equity across the district.

This includes the introduction of a separate commercial and industrial categories to more accurately reflect the differing impacts, infrastructure demands and service requirements of these land uses.

Future Review of Rating Categories

Council recognises that land use within the Shire continues to evolve.

In future years, Council may consider further refinement of differential rating categories, including (but not limited to):

- Short-term accommodation (e.g. holiday homes);
- Tourism-based land uses;
- Industrial land; and
- Vacant land categories.

Any changes will be subject to community consultation and Council approval.

SUMMARY

In arriving at the proposed rates in the dollar Council has attempted to balance the need for revenue to fund essential services and facilities with the desire to limit increase for ratepayers to an affordable level in an equitable manner.

PUBLIC SUBMISSIONS

Submissions in respect of the proposed Differential Rates for the 2026/27 financial year by electors or ratepayers in respect of the proposed Differential Rates are invited and should be made in writing to:

Chief Executive Officer

Shire of Bridgetown- Greenbushes,
P.O. Box 271,
Bridgetown WA 6255

Submissions must be received by 5pm Thursday 28 May 2026.

Submissions will also be accepted by email: BTNShire@bridgetown.wa.gov.au or lodge in person at the shires Administration office, 1 Steere Street, Bridgetown.