

POLICY FA8 - Method of Valuation of Rateable Properties

Responsible Officer: Chief Executive Officer	Approved By: Council
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1. Purpose

The purpose of this Policy is to:

- Ensure compliance with Section 6.28 of the *Local Government Act 1995*;
- Provide a fair, equitable and transparent basis for the levying of rates;
- Align rating categories with land use and zoning under the Shire's Local Planning Scheme;
- Support the application of differential rates to reflect the varying characteristics and uses of land within the district; and
- Establish a framework that allows for future refinement of rating categories as land use evolves.

2. Scope

This Policy applies to all rateable land within the district of the Shire of Bridgetown-Greenbushes and provides guidance on:

- The method of valuation to be applied (GRV or UV);
- The classification of land as rural or non-rural; and
- The alignment of land use and zoning with differential rating categories

3. Definitions

Term	Definition
GRV (Gross Rental Value)	The annual rental value of land as determined by the Valuer General.
UV (Unimproved Value)	The value of land excluding the value of any improvements, as determined by the Valuer General.
Differential Rates	Rates applied to different categories of land based on zoning, land use or other characteristics as permitted under the Local Government Act 1995

4. Policy

4.1 Application of Valuation Methods

The Shire will apply:

- GRV to land used predominantly for non-rural purposes, including:
 - Residential land;
 - Commercial land; and
 - Other urban or township-based uses.

- UV to land used predominantly for rural purposes, including:
 - Farming and agricultural land;
 - Rural lifestyle properties; and
 - Mining and resource-related land.

4.2 Determination of Land Use

In determining whether land is classified as “rural” or “non-rural”, the Shire will consider:

- The zoning of the land under the Local Planning Scheme;
- The actual use of the land;
- The primary purpose or activity conducted on the land;
- The income or livelihood derived from the land; and
- The size and characteristics of the property.

Zoning shall be the default consideration to ensure consistency and transparency in classification.

4.3 Differential Rating Structure

The Shire currently applies differential rates and will continue to do so to ensure a fair and equitable distribution of the rating burden.

To better reflect land use and zoning, the Shire will adopt the following broad rating categories:

GRV Categories

- Residential
- Commercial
- Industrial

UV Categories

- Rural
- Mining

The introduction of a commercial category ensures that properties used for business and income-generating activities contribute equitably in accordance with their use and impact on Shire services and infrastructure.

The introduction of an industrial category ensures that land used for industrial purposes, including manufacturing, processing, warehousing and trade-based activities, is rated in a manner that reflects its operational characteristics, infrastructure demands and impact on local services.

4.4 Future Refinement of Categories

The Shire recognises that land use is evolving and that additional categories may be required to maintain fairness and equity in the rating system.

In the future, Council may consider introducing further differential rating categories, including but not limited to:

- Short-term accommodation (e.g. holiday homes, Airbnb-style uses);
- Tourism-based land uses;
- Vacant land categories; and
- Further refinement of commercial and industrial sub-categories based on land use intensity or zoning.

Any changes will be subject to:

- Community consultation;
- Consideration of impacts on ratepayers; and
- Adoption by Council in accordance with legislative requirements.

4.5 Split Valuations

Split valuations (i.e. applying both GRV and UV to a single property) will not generally be pursued unless required under exceptional circumstances as determined by the Valuer General or legislation.