

Rating Strategy

PART 1

Purpose of communications and engagement:
The purpose of the engagement is to review rating methodology of properties throughout the Shire.

Background:
<p>Rating Strategy</p> <p>To ensure the Shire is levying rates equitably a rating review has been undertaken throughout the Shire. The first stage of the rating equity strategy is to identify properties within the Shire who would be financially better off changing the method of valuation for Unimproved Value (“UV”) to Gross Rental Value (‘GRV’)</p> <p>Shire Officers will be putting an item to Council recommending that Council approve the preparation of a submission to the Minister requesting that a change in method of valuation is approved for the identified properties</p>

Summary of project/proposal:
This Communications and Engagement Plan is to engage with specified residential ratepayers to review their current rating methodology and proposed changes from UV to GRV.

What do you want to achieve from the community engagement?	
<input type="checkbox"/> Gathering information <input type="checkbox"/> Obtaining local knowledge <input checked="" type="checkbox"/> Obtaining feedback on activity/proposal <input type="checkbox"/> Obtaining feedback on draft plan/document <input type="checkbox"/> Identifying need(s) <input type="checkbox"/> Exploring values and trade-offs	<input type="checkbox"/> Validating research/data <input type="checkbox"/> Seeking guidance/direction <input type="checkbox"/> Educating community members <input type="checkbox"/> Other

What is the relevant legislation to take into account?

Local Government Act 1995

6.28. Basis of rates

- (1) The Minister is to:
- (a) determine the method of valuation of land to be used by a local government as the basis for a rate; and
 - (b) publish a notice of the determination in the *Government Gazette* .
- (2) In determining the method of valuation of land to be used by a local government the Minister is to have regard to the general principle that the basis for a rate on any land is to be:
- (a) where the land is used predominantly for rural purposes, the unimproved value of the land; and
 - (b) where the land is used predominantly for non-rural purposes, the gross rental value of the land.
- (3) The unimproved value or gross rental value, as the case requires, of rateable land in the district of a local government is to be recorded in the rate record of that local government.
- (4) Subject to subsection (5), for the purposes of this section the valuation to be used by a local government is to be the valuation in force under the *Valuation of Land Act 1978* as at 1 July in each financial year.
- (5) Where during a financial year:
- (a) an interim valuation is made under the *Valuation of Land Act 1978*; or
 - (b) a valuation comes into force under the *Valuation of Land Act 1978* as a result of the amendment of a valuation under that Act; or
 - (c) a new valuation is made under the *Valuation of Land Act 1978* in the course of completing a general valuation that has previously come into force,
- the interim valuation, amended valuation or new valuation, as the case requires, is to be used by a local government for the purposes of this section.

Key messages to the community:

Rating Equity

As part of the Shire's adopted rating equity strategy an initial review of properties who are currently rated as UV but who's Land Use has been identified as GRV and would be financially better off changing will be contacted to initiate the process of changing via an application to the Minister of Local Government.

Target/stakeholder groups

- | | |
|---|---|
| <input type="checkbox"/> General community/residents/ratepayers | <input type="checkbox"/> Local businesses |
| <input type="checkbox"/> Young people | <input type="checkbox"/> Industry groups/peak bodies |
| <input type="checkbox"/> Seniors | <input type="checkbox"/> Local schools/educational institutions |
| <input type="checkbox"/> Community groups/sporting clubs | <input type="checkbox"/> Media |
| <input type="checkbox"/> Faith/religious groups | <input type="checkbox"/> Other local governments |
| <input type="checkbox"/> Environmental/friends' groups | <input type="checkbox"/> State government(s) |

<input type="checkbox"/> Resident/ratepayer groups <input type="checkbox"/> Parents' groups <input type="checkbox"/> Culturally and linguistically diverse people <input type="checkbox"/> People with disability <input type="checkbox"/> Aboriginal and Torres Strait Islander people	<input type="checkbox"/> Federal government <input checked="" type="checkbox"/> Parliamentarians/politicians <input checked="" type="checkbox"/> Shire Elected Members <input checked="" type="checkbox"/> Shire Executive <input checked="" type="checkbox"/> Shire staff <input checked="" type="checkbox"/> Other
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Specific stakeholders:

- Identified residential ratepayers where the Shire is proposing to change their current rating methodology from UV to GRV.
- Minister for Local Government, David Michael
- Member for Darling Range, Hugh Jones

Areas/location are to be targeted as part of the engagement:

<input checked="" type="checkbox"/> Issue specific – not location targeted <input type="checkbox"/> Whole of Shire <input type="checkbox"/> <Insert number> metres radius <input type="checkbox"/> Other <input type="checkbox"/> Byford <input type="checkbox"/> Cardup <input type="checkbox"/> Darling Downs <input type="checkbox"/> Hopeland	<input type="checkbox"/> Jarrahdale <input type="checkbox"/> Karrakup <input type="checkbox"/> Keysbrook <input type="checkbox"/> Mardella <input type="checkbox"/> Mundijong <input type="checkbox"/> Oakford <input type="checkbox"/> Oldbury <input type="checkbox"/> Serpentine <input type="checkbox"/> Whitby
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Expected/desired number of participants

<input type="checkbox"/> < 50 <input type="checkbox"/> 50 – 100 <input type="checkbox"/> 101 – 200	<input checked="" type="checkbox"/> 201 – 500 <input type="checkbox"/> 501 -1,000 <input type="checkbox"/> >1,000
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Budget for engagement

\$1,000 (approximately) postage

The budget excludes staff time and operational resources.

Planned start and end dates:

Start: 11 December 2023

End: 25 January 2024

Engagement methods

<input type="checkbox"/> Focus group <input type="checkbox"/> Forums/workshop	<input type="checkbox"/> Interview <input type="checkbox"/> Popup at venue or event
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<input type="checkbox"/> Hardcopy questionnaire <input checked="" type="checkbox"/> Online questionnaire <input type="checkbox"/> Interactive display board <input type="checkbox"/> Public open house <input type="checkbox"/> Door knocking	<input type="checkbox"/> Meeting <input type="checkbox"/> Working group <input type="checkbox"/> Feedback form <input checked="" type="checkbox"/> Letter box <input type="checkbox"/> Other
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Description of above methods:

Hard copy letter and Land Use Declaration form sent to identified residential property owners

Online submission form via Your Say SJ project page

Valid responses (if relevant)

For a valid Land Use Declaration form it needs to be completed as per the pro-forma

Multiple/duplicate responses (if relevant)

The Shire will only accept:

- 1 x Land Use Declaration form per ratepayer
- 1 x Online submission form

Communication methods

<p>Direct communication</p> <input type="checkbox"/> Email <input checked="" type="checkbox"/> Letter <input type="checkbox"/> Meeting/face-to-face <input type="checkbox"/> Telephone call	<p>Online communication</p> <input type="checkbox"/> SJ Matters (monthly Shire eNewsletter) <input type="checkbox"/> Facebook post <input type="checkbox"/> Facebook advertisement <input type="checkbox"/> Google advertising <input type="checkbox"/> Twitter post <input type="checkbox"/> LinkedIn post <input checked="" type="checkbox"/> Your Say SJ project page <input type="checkbox"/> Website (homepage banner)	<p>Electronic communication</p> <input type="checkbox"/> Television advertisement <input type="checkbox"/> Radio advertisement (Heritage FM) <p>Miscellaneous</p> <input type="checkbox"/> Bus stop advertising <input type="checkbox"/> On site meeting/listening post <input type="checkbox"/> Shopping centre pop up <input type="checkbox"/> Special event/launch <input type="checkbox"/> Signage <input type="checkbox"/> Other
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Phase 1: Rating Strategy - Engagement Schedule

#	Activity	Outcome / detailed description	Target stakeholder	Key dates	Notes	Responsibility	Output / record
2. Engagement Plan Activities							
Pre-engagement activities							
2.1	Your Say SJ project page content	Develop your Say SJ project page content	N/A	11 December	Refer to PART 2 of this document	Finance Team + Comms Team	
2.2	Submission form	Develop submission for Your Say SJ project page	N/A	11 December		Finance Team + Comms Team	
2.3	Develop letter to residential ratepayers	Draft letter to be sent to identified ratepayers	N/A	11 December		Finance Team	
2.4	OCM Council Meeting	Council approval to commence engagement	N/A	11 December		Council	
15 December 2022 – engagement commences							
2.5	Publish Your Say SJ project page	Project page published	All	15 December		Comms Team	
2.5	Grapevine	Inform staff of Your Say SJ project page	Shire staff	15 December		Finance Team	
2.6	Email to Councillors	Inform Councillors of Your Say SJ project page	Councillors	15 December		Finance Team	
2.7	Post letters	Letters sent to identified residential ratepayers	Identified residential ratepayers	15 December		Finance Team	
2.8	Inform Darling Range MLA	Email Hugh Jones to inform him of project	Hugh Jones	15 December		Finance Team	
5pm, 25th January 2023 - Consultation closes							
2.9	Email	Advise those who made a submission of Council Meeting to consider proposed changes	Those who made submission	TBC		Comms Team	
Council Meeting – TBC							

2.18	Email	Advise those who made a submission of outcome of rating strategy proposal	Those who made submission on rating strategy	TBC		Comms Team	
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Evaluation and reporting of engagement outcomes

Outcomes from the engagement will be analysed and reported via a Community Engagement Outcomes Report.

The report will be presented to a future Ordinary Council Meeting and will be uploaded to the project page on your Say SJ.

Approval

Manager Finance	Date
Director Corporate Services	Date
Chief Executive Officer	Date

PART 2

Title of engagement project	Rating Strategy
Reference number	TBC
Engagement dates	Starts: 11 December 2023 Ends: 25 January 2024
Description of engagement project	As part of the rating strategy process rate payers who would be financially better off moving from UV to GRV and who's properties meet the criteria have been identified. Identified rate payers will be sent a letter informing them of the proposed change and a land use declaration form for completion. A consultation period will be open from 15 th December 2023 to 25 th January 2024 for ratepayers to put forward their comments for council review.
FAQs	Refer to FAQs at end of this section
Making a submission	<p>Submissions on the Shire's Rating Strategy may be lodged by one of the following ways:</p> <ul style="list-style-type: none"> • Completing an online form below • Email your feedback to info@sjshire.wa.gov.au stating: Rating Strategy submission • A written submission, submitted by mail or in person to 6 Paterson Street, Mundijong, stating Rating Strategy submission <p>Submissions close 5pm, Thursday 25 January 2024.</p>
Who's listening?	<p>Full name/Team name: Finance Team</p> <p>Role: Shire of Serpentine Jarrahdale</p> <p>Phone: 9526 1111</p>

	Email: info@sjshire.wa.gov.au
Document library	Copy of letter (OC22/20855) Copy of Land Use Declaration (OC22/20855)

Timeline	<p>Consultation open</p> <p>Consultation for the Shire's Rating Strategy opened on 15 December 2023 and closes at 5pm, Friday 25 January 2024.</p> <p>Review of submission</p> <p>Contributions on the Shire's Rating Strategy are reviewed and feedback will be considered when finalising a report to Council.</p> <p>Decision</p> <p>Council considers submissions and makes a decision.</p>
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FAQS

What is Council's reason for reviewing the valuation method used?

The Shire of Serpentine Jarrahdale ("the Shire") is committed to keeping rates as low as possible and therefore is now reviewing the method of valuation for select properties which may be a beneficiary of a change in rating methodology applied to properties within the district to make a submission to the Minister of Local Government.

What is the difference between UV and GRV?

Unimproved Values (UV)

Where the land is predominately used for rural purposes and a livelihood is derived from the land, the land is assessed on value of the site without improvements. UV properties are revalued every year

Gross Rental Values (GRV)

Where the land is used predominately for non-rural purposes, values are determined based on the gross annual rental value of the property. GRV properties are revalued every three (3) years in the metropolitan area and every three (3) to five (5) years in other areas of Western Australia.

How do valuation methods determine rates?

The Valuer General's Office provide us with values for all properties within the Shire, either the GRV or UV depending on predominant land usage. This value is then multiplied by either the GRV or UV rate in the dollar determined by Council to calculate rates for each individual property.

If my property changes from UV to GRV will my rates increase?

It has been determined that if your property moves from unimproved value to gross rental value your rates will decrease (based on current valuation).

Actual rates will depend on the valuation provided by the Valuer General and the Rates in the dollar applied by Council.

Who determines the basis for the rating of a property?

The Minister for Local Government determines whether GRV or UV is appropriate.

Who determines the value of the property?

Valuations are carried out by the Valuer General's Office of Landgate.

What happens if I do not return this declaration?

If the Land Use Declaration Form is not returned it will be assumed that the land is used predominantly for non-rural purposes based on the data already obtained for your property and your current rating will be proposed to change from UV to GRV as at 1st July 2024.

When will these changes take place?

Our aim is to have these changes in place for the 2024/25 financial year, and involves the following steps:-

- Officers consider your submission and the evidence, using a range of techniques, from aerial photographs to site visits, to determine if they consider the change to be appropriate.
- A report is prepared for council who considers all submissions and makes a decision on the proposed changes.
- Details of the properties are sent to the Minister for approval of the change to land use. The Minister will decide on the effective date.
- Once finalised all changes will be published in the Government Gazette and the local government is notified by the Minister.
- The Valuer General will then revalue the property and notify the local government who will apply the new valuation method.

My services are still the same, so why is the method changing?

Changing the method of valuation from UV to GRV is not related to the services provided. It is solely determined on the use of the land.

Will a change in valuation method affect my current use of the property?

If the method of valuing your property changes from UV to GRV it does not affect, or change, the current land use approved for your property.

What if I think my property use will change in the future?

If your property use changes in future you can apply to the Shire of Serpentine Jarrahdale to have it reassessed.

PART 3 – Submission form

First name*

Last name*

Email address*

Residential address*

Suburb*

Please provide your comments regarding the Shire's proposal to change your property rating from UV to GRV. *(optional)*