



STATEMENT OF OBJECTS AND REASONS 2021/22

In accordance with section 6.36 of the Local Government Act 1995 (the Act), the Shire of Denmark is required to publish its Objects and Reasons for implementing Differential Rates. Shire electors and ratepayers are invited to make submissions on the proposed rates, minimum rates and any related matters.

The overall objective of the proposed rates for 2021/22 is to provide funding for the Shire's services, activities, financing costs and capital expenditure programs. When proposing the annual differential rates in the dollar and minimum payments, the Shire considers community priorities as outlined in the Strategic Community Plan Denmark 2027 and as forecast in the Long Term Financial Plan.

The following are the proposed Differential Rates and Minimum Payments for the Shire of Denmark for the 2021/22 financial year, to be effective from 1 July 2021.

Rating Category	Rate in Dollar \$	Minimum Payment
Gross Rental Value (GRV)		
Non-Rural Improved	.101467	\$ 1,163
Holiday Purposes	.121761	\$ 1,396
Vacant	.202290	\$ 1,220
Unimproved Value (UV)		
Rural	.005105	\$ 1,424
Rural - Additional Use Holiday	.006126	\$ 1,709
Rural - Additional Use Commercial	.0086785	\$ 2,705

Following are the objects and reasons for each of the differential rates:

Non-Rural Improved

All properties held or used for Non-Rural Purposes and not for Holiday Purposes and that are not currently vacant. A property is determined to be held or used for Non-Rural purposes where the method of valuation used for the property of rating is the Gross Rental Value (GRV) of the property.

Objects and Reasons:

The object of this rate is to apply a base rate to improved land that is held or used for Non-Rural Purposes, excluding Holiday Purposes. This ensures that all ratepayers within the differential rate category make a reasonable contribution towards the ongoing maintenance and provision of works, services and facilities in the Shire and to achieve the required amount of revenue from the differential rate category.

Holiday Purposes

All properties held or used for Non-Rural purposes and for Holiday Purposes. A property is determined to be held or used for Holiday Purposes where the property has been granted planning approval by the Shire to operate as a holiday home (standard or large) or holiday accommodation, as defined in Town Planning Scheme 3, and where the method of valuation used for the property for rating is on a non-commercial basis.

Objects and Reasons:

The object of a higher rate in the dollar (20% premium on the Non-Rural Improved rate) for this category is to raise additional revenue to fund the level of service provided to these properties and the costs that result from visitors to these properties. The rate recognises the impact of such properties on infrastructure, the environment, housing availability and affordability within the Shire. This is to assist in meeting the additional costs associated with providing tourism related infrastructure and services.

Vacant

All properties held or used for Non-Rural purposes and that are currently vacant.

Objects and Reasons:

The object of this rate in the dollar is to encourage absent owners of vacant land to develop and infill to improve the local economy and improve local visual amenity of the town. This ensures that ratepayers within the differential rate category make a reasonable contribution towards the ongoing maintenance and provision of works, services and facilities in the Shire. The Shire considers the development of all vacant rateable land to be in the best interests of the community as it will improve the vibrancy of the Shire.

Rural

All properties held or used for Rural purposes. A property is determined to be held or used for Rural Purposes where the method of valuation used for the property for the purposes of rating is the Unimproved Value (UV) of the property.

Objects and Reasons:

The object of the rate in the dollar for this category is to set an appropriate rate for properties held or used for Rural purposes. This ensures that ratepayers within the differential rate category make a reasonable contribution towards the ongoing maintenance and provision of works, services, facilities in the Shire and to achieve the required amount of revenue from the differential rate category.

Rural – Additional Use Holiday

All properties held or used for Rural purposes and have additional Non-Rural Holiday Use(s). A property is determined to be held or used for Rural Additional Use Holiday Purposes where the method of valuation used for the property for the purposes of rating is the Unimproved Value (UV) of the property and where it has been granted planning approval by the Shire to operate a holiday homes (standard or large) or holiday accommodation as defined in Town Planning Scheme 3. Where there are approved holiday homes or chalets up to a quantity of four, then this Rural Additional Use category will apply.

Objects and Reasons:

The object of the rate in the dollar (20% premium on the base Rural rate) for this category is to recognise the additional non rural holiday use(s). The rate recognises the impact of such properties on infrastructure, the environment, housing availability and affordability within the Shire. This ensures that all ratepayers within the differential rate category make a reasonable contribution towards the ongoing maintenance and provision of works, services, facilities in the Shire and to assist in meeting the additional costs associated with providing tourism related infrastructure and services.

Rural – Additional Use Commercial

All properties held or used for Rural purposes and have additional Non-Rural Commercial Use(s). A property is determined to be held or used for Rural Additional Use Commercial Purposes where the method of valuation used for the property for the purposes of rating is the Unimproved Value (UV) of the property and where the property is operating approved non rural commercial activities. Where there is approved commercial activities or holiday accommodation over a quantity of four then this Rural Additional Use category will apply.

Objects and Reasons:

The object of the rate in the dollar (70% premium on the base Rural rate) for this category is to recognise the additional non rural commercial use(s). The rate recognises the impact of such properties on infrastructure and the environment, within the Shire. This ensures that all ratepayers within the differential rate category make a reasonable contribution towards the ongoing maintenance and provision of works, services, facilities in the Shire and to assist in meeting the additional costs associated with providing commercial related infrastructure and services.

This public notice was first issued on Thursday 17 June 2021. Submissions close Monday 12 July 2021.