



City of
Kalgoorlie
Boulder



Objects and Reasons for Differential Rating

2025-2026 Financial Year

Introduction

The purpose of levying rates is to meet the Council's annual budget requirements, ensuring the delivery of services and community infrastructure that enhances livability within the City of Kalgoorlie-Boulder. The required amount of rates is calculated by subtracting other revenue sources from the total cost of providing City services and maintaining City assets. These other funding sources include user fees, statutory charges, lease revenue, grants, and loan funds for capital projects.

As required by the *Local Government Act 1995 (WA)*, the City must advertise its differential rates in a document called "Statement of Objects and Reasons." This document explains the proposed differential rates, the rate in the dollar, and the minimum payment for the next financial year. Residents and electors are invited to make written submissions and lodge them with the City by the closing date of 10 June 2025.

1. Overall Objective

Objective for rates in 2025-26

In accordance with Sections 6.33 and 6.36 of the *Local Government Act 1995 (WA)* the City is required to publish its Objects and Reasons for implementing differential general rates.

The objective of the proposed rates and charges in the 2025-26 budget is to provide for the net funding shortfall in Council's Operational and Capital Program for 2025-26. We are proposing a 3.3% increase in the Rate In the Dollar for 2025-26 to ensure we can deliver essential services and projects to our community.

The annual revenue required from rates has been integrated into the City's comprehensive Planning and Reporting Framework, which includes the following Strategic Plans:

- Long Term Financial Plan 2024-2034
- Strategic Community Plan 2020-2030
- Corporate Business Plan 2023-2027

These Strategic Plans can be viewed on the City's website. Click the link to access the documents: [Publications - Strategic Documents](#):

Rating Strategy

The City's rating strategy is guided by the key values in the Rating Policy: Differential Rates by the Department of Local Government, Sport and Cultural Industries (DLGSC):

- Objectivity
- Fairness and Equity
- Consistency
- Transparency and Administrative Efficiency

To view the Rating Policy: Differential Rates on the DLGSC website, click the link to access the document: [Rating Policy: Differential Rates \(dlgsc.wa.gov.au\)](https://www.dlgsc.wa.gov.au/rating-policy-differential-rates)

Objectivity: Differential general rates are applied based on land characteristics such as zoning, land use, and vacant land. This allows the council flexibility in setting rates for specific properties or groups within the community, aligning with the services, facilities, assets, and projects provided. It ensures every landowner contributes fairly to the required rate revenue.

Fairness and equity: The proposed differential general rates and minimum payments are clearly explained in this document, detailing the reasons for each rate.

Consistency: The City applies rates uniformly to similar properties used for the same purposes. The proposed differential rates are consistent with the rating strategy in the corporate business plan and long-term financial plan. A review of rates in neighboring or similar local government districts for the 2024-2025 financial year is also included in this document (*refer to section 5. Differential Rating*).

Transparency and Administrative Efficiency: The City has prepared and made publicly available a document inviting submissions from electors and ratepayers. Each submission will be considered by the Council.

This strategy is determined through a structured process:

1. **Budget Requirements:** The Council first identifies the total budget needed to deliver services and maintain community infrastructure for the year.
2. **Revenue Sources:** They calculate the expected revenue from other sources such as user fees, statutory charges, lease revenue, grants, and loan funds for capital projects.
3. **Rates Calculation:** The amount required from rates is determined by subtracting these other revenue sources from the total budget.
4. **Property Valuations:** Rates are often based on the value of properties within the City. Property valuations are conducted to ensure each property owner pays a fair share.
5. **Rates Setting:** Finally, the Council sets the rate in the dollar, which is applied to the property valuations to determine the amount each ratepayer owes.

Overall, the City's strategy aligns with best practices seen in other local government councils, emphasising the creation of a fair, transparent, and efficient system that serves the interests of both the City and its residents.

2. Efficiency Measures

The City has reviewed its expenditure, its own source of revenue generating capacity (through schedule fees and charges) and considered efficiency measures as part of its budget deliberations. In particular, the following actions have been undertaken:

- Reviewed position descriptions and remuneration as vacancies arise.
- Condition assessments of all assets undertaken to better inform asset renewal priorities.
- Continued use of local suppliers whenever possible and appropriate.
- Commenced the City's digitisation journey with a view to delivering vastly improved systems and processes over the next years.
- Multiple budget reviews conducted and ongoing monthly reviews.
- Ongoing investment in additional properties to provide for growing workforce requirements, and

- Lobbying State and Federal Governments and the private sector for greater infrastructure investment.

3. Proposed Expenditure

The required rates revenue yield has been set at \$35.8M, after evaluating all revenue sources, expenditures, and efficiency measures during the 2025-26 budget deliberations.

Operating expenditure for 2025-26 is expected to increase by approximately 3% due to rising costs in electricity, water, insurance, depreciation, employees costs, building maintenance (due to new buildings and the ageing of existing ones), and public open space maintenance.

4. Methods of Rating

Valuations

The Local Government Act specifies that where land is used predominantly for rural purposes, the rates levied shall be based on its unimproved value (UV); and where land is used predominantly for non-rural purposes, the rate levied shall be on its gross rental value (GRV).

The City uses a combination of gross rental values and unimproved valuations in its calculation of annual rates. Property valuations are provided by the independent State Government authority Landgate and the Valuer General of WA. A fee is charged by Landgate for their services. The City plays no role in determining the value for any property, nor does it have the ability to appeal to a valuation provided by the Valuer General.

Properties rated under the following categories are valued at different intervals:

1. Gross Rental properties: every three years, effective from 1 July.
2. Unimproved properties: annually, effective from 1 July

Additionally, a property can be subject to an interim valuation (provided to the Council monthly by Landgate) if a change to the property has occurred, such as subdivision, building construction/demolition, surrendered/expired/forfeited tenement, or new tenement grant. The Council must amend the rates for these properties and issue an amended rate notice to the property owner.

When revaluation occurs, the current property values are used to determine the total rates yield for each differential rate type. The rates' yield is then adjusted by the new values supplied by Landgate to determine the proposed rate in the dollar. Rates modelling offers the Council an indicative predetermined total rate yield figure based on the valuations at the time of calculation.

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.

Rates Modelling

Rates modelling is conducted using valuation data available in the City's rates database as detailed in Table 1 below. This rating model provides the City with an indicative predetermined total rates revenue figure based on the current valuations in their prospective database.

Table 1 **2025/26 Valuation Register**

Rating Category	2024/25 Valuations	2025/26 Valuations	Change \$	Change %
Gross Rental Values	423,802,553	428,092,624	4,290,071	1.01%
Unimproved Values	39,283,983	40,800,975	1,516,992	3.86%
TOTAL	463,086,536	468,893,599	5,807,063	1.25%

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.

Based on forecasts for the coming year, a proposed 5.01% increase in the revenue rates yield from the previous 2024/25 financial year is necessary to meet the anticipated revenue requirements of the 2025/26 Budget, while addressing the changing economic conditions across the City.

A 5.01% increase in rates revenue from the previous financial year will result in a total rates revenue yield of \$35,822,553, compared to the current financial year revenue of \$34,112,213, representing an increase of \$1,710,340.

The proposed 2025/26 rates revenue yield is derived from the following rating categories as detailed in Table 2 below:

Table 2 **2025/26 Proposed Rates Revenue Yield**

Rating Category	2024/25 Budget Rates Revenue	2025/26 Proposed Rates Revenue	Change \$	Change %
Gross Rental Values	26,860,952	28,073,341	1,212,389	4.51%
Unimproved Values	7,251,261	7,749,212	497,951	6.87%
TOTAL	34,112,213	35,822,553	1,710,340	5.01%

5. Differential Rating

Reasons for the 2025-26 differential rates

Section 6.33 of the *Local Government Act 1995* permits the Council to levy differentials such that the highest is not more than twice the lowest differential. A greater difference in differentials may be used subject to Ministerial approval.

Differential ratings for properties are primarily based on Town Planning Scheme zoning; however, other criteria such as zoning, land use, and vacant land are also considered.

Differential rating allows:

- The council flexibility in the level of rates raised from specifically identified properties or groups of properties within the community.
- Alignment with the services, facilities, assets, and projects provided, and
- Ensuring every landowner makes a reasonable contribution to the required rate revenue.

Rates and Minimum Payments for 2025-26

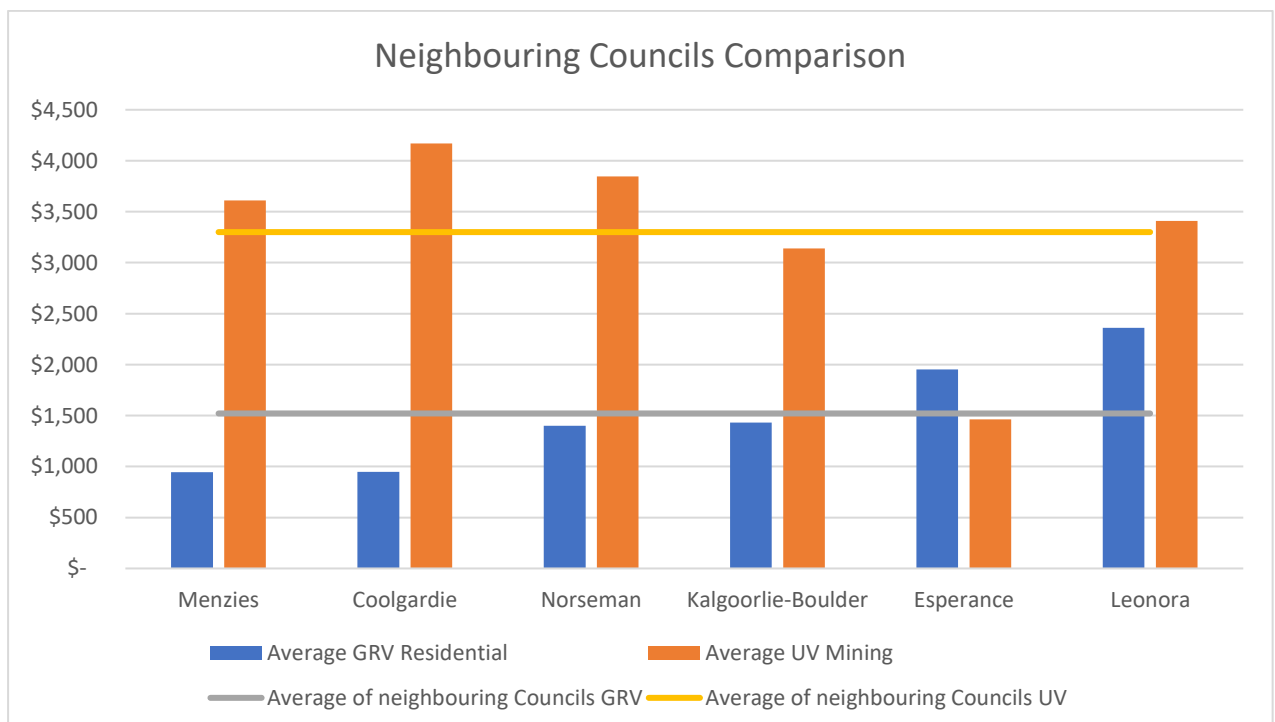
Table 3 below shows the proposed rate in the dollar, and the minimum payment required for each rate category in 2025-26.

Table 3. Proposed rates in the dollar and minimum payments

Rating Categories	Rate in Dollar (cents)	Minimum Payment \$
Gross Rental Values		
GRV Residential	0.053716	1,169
GRV Commercial / Industrial	0.080987	1,169
GRV Accommodation	0.096069	1,286
GRV Mining	0.107432	1,286
Unimproved Values		
UV Pastoral/Other	0.096895	364
UV Mining	0.193584	455

Neighbouring Councils Comparison

The graph below demonstrates how the City of Kalgoorlie-Boulder compares with our neighbouring Councils. The comparison is based on the 2024-25 financial year and the information is sourced from the annual budgets published by the Councils which includes all residential properties



Rating Categories based on property use

Different properties in the City are charged different rates, hence the term 'differential rates.' Properties are charged differently according to their primary use to ensure a reasonable contribution to the cost of local government services and facilities.

Commercial and industrial sectors generate higher traffic volumes with heavier loads than the residential sector, so they contribute at a higher level for road construction, maintenance, and refurbishment. Residential properties typically pay lower rates due to the lower Gross Rental Value (GRV) applied and the application of a high GRV concession.

Under the Local Government Act 1995 (WA), Section 6.33 - Differential General Rates, the Council can introduce differential rates as follows:

A local government may impose differential general rates according to any, or a combination, of the following characteristics:

- (a) The purpose for which the land is zoned under a local planning scheme in force under the Planning and Development Act 2005.
- (b) The predominant purpose for which the land is held or used as determined by the local government.
- (c) Whether or not the land is vacant land; or
- (d) Any other characteristic or combination of characteristics prescribed.

How rates are calculated

The Valuer General of WA sets the gross rental values (GRV) every three years and unimproved values annually. The council sets the rate in the dollar every year for each rate category.

- the gross rental value is the property's estimated yearly rental income, and
- the UV is based on the rent imposed by the Department of Mines, Industry Regulation and Safety (DMIRS). Any increase in the rent, therefore, results in an increase in a UV valuation and in turn an automatic increase to general rates levied. The GRV and UV values are stated on the annual rates notice.

Annual rates are calculated by

$$\text{rate in the dollar (RID)} \times \text{multiplied by the gross rental value or the unimproved value} \\ = \text{equals general land rates}$$

6. Differential Rating Categories

GRV Residential

Means any land that is predominately used for:

- Singular and multi-dwellings and is zoned Residential and approved by the City of Kalgoorlie-Boulder Planning Department under the City of Kalgoorlie-Boulder Local Planning Scheme, or
- Which is vacant of any construction and is zoned Residential under the City of Kalgoorlie-Boulder Local Planning Scheme.

Objects: The Object of this differential rate is to apply a base differential rate to residential properties for non-business purposes.

Reasons: The reason for the rate in the dollar for this category is to reflect the level of rating required to raise the necessary revenue to operate efficiently and provide the diverse range of services and programs and associated infrastructure/facilities required for developed residential and urban areas. Also to further the City's strategic goals to encourage and support residential development in the town sites.

The City is focused on sustainably managing its community and infrastructure assets through the funding of renewal and replacement asset programs. These programs include but are not limited to investment in the resealing of roads, replacement and development of footpath networks, refurbishing of public ablutions and other building maintenance programs.

The proposed rate in the dollar for this category is \$0.053716 with a minimum payment of \$1,169.

The minimum payment rate of \$1,169 is to ensure that all ratepayers make a reasonable contribution to basic services and infrastructure.

GRV Commercial / Industrial

Means any land:

- Identified as land being used for either commercial or industrial operations or zoned as identified as the City of Kalgoorlie-Boulder Local Planning Scheme. This includes but is not limited to, the City's central business centre, commercial business precincts, service commercial zones, mixed use zones, shopping centre, and Industrial Development zones, general industry and light service industry zones, and leased land inside and outside town site boundary and privately owned land, or
- which is vacant of any construction, and is zoned as Commercial, Industrial or Mixed Use under the City's Planning Scheme, or
- that does not have the characteristics of any other GRV differential rate category.

Objects: The object of this differential rate is to apply council rates to all income-producing facilities, raising revenue to fund costs associated with maintaining infrastructure renewal & services provided to these properties, or locations.

Reasons: The differential costs associated with the provision and maintenance & renewal of infrastructure used by commercial or industrial businesses including road structure, lighting and drainage, car parking, landscaping and higher costs in relation to infrastructure and regulatory services, landscape & infrastructure development to assist with dust mitigation.

The proposed rate in the dollar for this category is \$0.080987 with a minimum payment of \$1,169.

The minimum rate of \$1,169 is to ensure that all ratepayers make a reasonable contribution to basic services and infrastructure.

GRV Accommodation

Means any land:

- Where approved transient workforce accommodation facilities are located (TWA's), or
- Land approved and predominantly used for providing large scale accommodation for visitors to the City and identified as tourist zoning in the City of Kalgoorlie-Boulder Local Planning Scheme, or
- Holiday Accommodation, Hotel, Lodge, Motel, Tourist Development and Tourism Resort, Identified Air B & B's, Caravan Parks or alike.

Objects: The object of this differential rate is to ensure that rates are distributed equitably between residents and non-residential workers, who spend a significant portion of the year in the City of Kalgoorlie-Boulder.

Reasons: Patrons and employees of these premises are consumers of the City's services and facilities. Mass Accommodation properties have the potential to have a greater impact on Council services and assets than other properties due to the number of occupants on a relatively small land parcel.

This category is a new rating category that combines transient workforce accommodation and other large-scale accommodation that have a predominant land use of transient accommodation. Therefore, a higher differential rate is proposed compared to other GRV rating categories.

The proposed rate in the dollar for this category is \$0.096069 with a minimum payment of \$1,286.

The minimum rate of \$1,286 is to ensure that all ratepayers make a reasonable contribution for basic services and infrastructure.

GRV Mining

Means any land:

- With mining leases that have improvements on the land and are located within the City's town site boundaries, or
- that is predominately used for the purpose of resource processing, or
- that is predominately used for the purpose of supporting a transient workforce.

Properties with land use of GRV Mining have State or Regional significance, many of which are subject to legacy State Agreement Acts and have had their method of valuation change from UV to GRV with restrictive formulae for the calculation of the valuation.

Objects: The object of this differential rate is to apply council rates to all income-producing facilities, raising revenue to fund costs associated with maintaining infrastructure renewal & services provided to these properties, or locations,

Reasons: The reason for this category is to reflect the impact on utilisation of urban and rural infrastructure by heavy transport and associated higher traffic volumes by operations associated with State Agreements and/or significant resource sector operations. In addition, these properties have access to all other services and facilities provided by Council.

The proposed rate in the dollar for this category is \$0.107432 with a minimum payment of \$1,286.

The minimum rate of \$1,286 is to ensure that all ratepayers make a reasonable contribution for basic services and infrastructure.

UV Pastoral / Other

Means any land:

- that has been granted a pastoral lease under the repealed *Land Act 1933*, or
- renewal of pastoral leases (administered by the Department of Lands), or
- land predominately used for pastoral activities as defined in the *Land Administration Act 1997*, or
- Miscellaneous land use outside townsite boundary with infrastructure (e.g. telecommunication, phone towers) that is zoned as rural under the City of Kalgoorlie-Boulder Town Planning Scheme.

Objects: The object of this differential rate is to be the base rate by which all other UV rated properties are assessed. Raised revenue is to provide for rural infrastructure and services in addition to the City services, facilities and infrastructure which are available to be accessed by the properties in this category.

Reasons: The reason for a lower rate applied to the UV Pastoral, as compared to UV Mining, is because this rating category reflects the level of rating required to raise the necessary revenue to operate efficiently and provide for rural infrastructure and services in addition to the urban services, programs and infrastructure which are available to be accessed by the properties in this category.

The proposed rate in the dollar for this category is \$0.096895 with a minimum payment of \$364.

The minimum rate of \$364 is to ensure that all ratepayers make a reasonable contribution for basic services and infrastructure to roads.

UV Mining

This rating category covers:

- Mining Leases and Licenses, Exploration Licenses, Prospecting Licenses, Retention Licenses, General Purpose Leases, Special Prospecting Licenses for Gold and Miscellaneous Licenses (all approved uses) defined under the Mining Act 1978 that have been granted by Department of Mines Industry and Regulation & Safety and determined as ratable, or
- predominately used for the purpose of stock piling, or
- Does not have the characteristics of any other UV differential rate.

This category is an amalgamation of the previous UV Mining, UV General Purpose Leases, and Exploration and Prospecting differential rating categories.

Objects: The object of this differential rate is to reflect and raise revenue to manage the impact on the City by mining and resource sectors.

Reasons: The impact on utilisation of urban and rural infrastructure by heavier transport and higher traffic volumes associated with resource sector operations supports the large investment that the City of Kalgoorlie-Boulder makes to road and road drainage infrastructure. This services remote mining activities on rural roads throughout the district and reflects the extra maintenance, impacts and frequency that is required to ensure a minimum level of serviceability is achieved.

The proposed rate in the dollar for this category is \$0.193584 with a minimum payment of \$455.

The minimum rate of \$455 is to ensure that all ratepayers make a reasonable contribution to basic services and infrastructure to roads.

7. Minimum Payments

Section 6.35 of the Act allows Council to impose a minimum rate, which may not apply to more than 50% of rateable properties within a rating category.

Every property, regardless of size, value, and use, receives some minimum level of benefit from the City's works and services. Minimum rates ensure that all ratepayers make a reasonable contribution to essential services and infrastructure.

The setting of minimum payments within rating categories is an important method of ensuring that all properties contribute an equitable rate amount.

8. Important Note

Council is required to consider any submissions received before imposing the proposed rate or minimum payment with or without modification. Where any adopted rate or minimum payment has been modified from that advertised, there is no requirement to give further local public notice.

9. Invitation for Submissions

Section 6.36 (3)(b)(ii) of the Local Government Act 1995 (WA) requires the Council to invite submissions from electors and ratepayers in respect of the rates and minimum payments proposed for the differential general rating categories.

Submissions should be addressed to:

Chief Executive Officer
City of Kalgoorlie-Boulder
P O Box 2041
BOULDER WA 6432

Alternatively, by email to: mailbag@ckb.wa.gov.au.

All submissions are to be received no later than 4.30pm, Tuesday 10 June 2025.

A report will be prepared on submissions, if any, and present to a Council Meeting at a date to be advertised.

All enquiries to be directed by telephone to 08 90219654 or email rates@ckb.wa.gov.au.

Andrew Brien
Chief Executive Officer



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This information is available in alternative formats on request.

Please contact The City of Kalgoorlie-Boulder on (08) 9021 9600 for further details.