



LOCAL GOVERNMENT ACT REVIEW ►► DELIVERING FOR THE COMMUNITY

DETAILED
DISCUSSION PAPER

AGILE

Rates, Fees and Charges

Our vision is for the local government sector to be agile, smart and inclusive.

Our objective is to reform local government so that it is empowered to better deliver quality governance and services to their communities now and into the future.

A new Local Government Act will be drafted, Transforming Local Government.

Agile includes topics that focus specifically on how local governments can best use their resources. It is important that they are transparent and accountable to their communities, while striking a balance between community expectations and the practical limitations of revenue and expenditure.

The topics addressed in this theme are:

- Financial management;
- Rates, fees and charges; and
- Beneficial enterprises.

Have your say!

We need your input to inform how local government will work for future generations.

Submissions

The simplest way to have your say is to answer the questions via the online surveys.

The survey questions relate to the matters discussed in the papers and we encourage you to read the relevant paper before completing the survey.

While you may lodge multiple written submissions via email at actreview@dlgsc.wa.gov.au, you will only be able to complete each online topic survey once. The public submission period closes on 31 March 2019. This is the last day that you will be able to respond to the surveys.

Note: Unless marked as confidential, your submission (including survey responses) will be made public and published in full on the Department of Local Government, Sport and Cultural Industries' (the Department) website. Submissions that contain defamatory or offensive material will not be published.

Introduction

Local governments impose rates to raise revenue to fund services and facilities.

The quantum of rates payable is determined by three factors:

- 1) The method of valuation of the land
- 2) The valuation of the land; and
- 3) The rate in the dollar applied to that valuation by the local government.

Each property in Western Australia is assigned a method of valuation which is either the unimproved value (UV) or gross rental value (GRV). The *Local Government Act 1995* (the Act) specifies that a property used for rural purposes is rated as UV and a property used for non-rural purposes will be rated as GRV. In practical terms, land used predominately for residential purposes is generally classified as GRV.

This paper looks at key aspects of local government rating and seeks to identify options where the legislation could assist in achieving the objectives of smart, agile and inclusive local government.

A review of the method of valuation of land is currently being undertaken by the Valuer General's Office. Once this review is completed and amendments proposed, the relevant provisions in the Act will be examined, in line with any submissions received.

Local governments have to comply with specific requirements set out in the Act, including the imposition of differential general rates and minimum payments. Opportunities for potential reform of these provisions are discussed below.

Rating

Rate setting is a challenging process, made difficult by fluctuating valuations because of the growth or decline of communities.

The Act requires that in the period from 1 June to 31 August a local government is to prepare and adopt an annual budget. As part of preparing the budget, each local government must raise enough in rates to cover the shortfall (budget deficiency) between its predetermined expenditure and available revenue. It does this by applying a rate in the dollar to the valuation of each property.

Rates can be imposed uniformly (a single rate in the dollar) or differentially (different rates in the dollar for different categories).

Local government rates and revenue strategy

Local governments are currently required to prepare a long-term financial plan that addresses rate increases. In Victoria it is a requirement that local governments have a Revenue and Rating Strategy¹ and in Queensland they must prepare a Revenue Statement.

¹ https://www.localgovernment.vic.gov.au/_data/assets/pdf_file/0020/48260/LG-Revenue-and-Rating-Strategy.pdf

An option is to introduce the requirement for local governments in Western Australia to develop a Rates and Revenue Strategy, which could include:

- Rating categories (and potentially how they are determined);
- Rates in the dollar;
- Objects and reasons for each rating category;
- Fees, charges and levies including the methodology where appropriate; and
- Long term rating strategy.

The Rates and Revenue Strategy, including the schedule of fees and charges, would be prepared prior to the budget process and would be adopted by council before the budget is adopted.

Local governments would be required to make the Strategy available on their website and it would be used as a basis for consultation on rates.

Public notice

In considering potential reforms, an overarching question is whether local governments should be required to consult on the proposed rates or simply notify their ratepayers.

If a local government introduces a rating strategy that uses a uniform rate in the dollar, unlike differential general rates, there is no requirement for public notice to be given. This means that there is no opportunity for the community to provide a submission and there is no need for local governments to justify the rate in the dollar.

Local governments are required to advertise their intended differential general rates prior to considering and adopting their annual budget. The local government must issue a notice that details each rate or minimum payment they intend to impose and the objects and reasons for doing so. The local government must then allow 21 days for submissions and consider each submission at a meeting of the council. Council can then choose to adopt the advertised rates or amend the rates.

What are the options for reform?

A possible reform for public notices is outlined below.

Public notice for all rates

Local governments will be required to:

- Give public notice of all rates;
- Prepare objects and reasons for the rating strategy;
- Provide 21 days for submissions; and
- Consider each submission at a meeting of council.

Differential General Rates

Differential general rates are generally imposed to ensure that the rate burden is more evenly distributed across ratepayers, with those requiring or using more services being charged a higher rate in the dollar.

What are the options for reform?

Local governments are currently permitted to impose differential general rates according to land zoning, land use (including if the land is vacant) and a combination of the two.

While the categories must comply with the Act, there is still scope for a variety of rating categories which does not allow comparability across local governments.

In New South Wales, the legislation sets out and defines the categories for rating purposes. There are four categories of rate: Residential, Business, Farmland and Mining. The Act also provides that local governments can introduce sub-categories.

Alternatively, Victoria is proposing to expand the differential rate categories to include geographic location, types of buildings on the land and any other criteria council determines is relevant.

While increasing the ability for local governments to expand the current categories would reduce the ability for comparability between local governments, it may ensure that rates are set at a more appropriate level for groups of ratepayers. It also has the potential to lead to more inequities.

Some local governments have requested that the differential rate categories be expanded to enable categories specific to long term vacant land, holiday houses or timeshare properties.

The possible options for reform are summarised below.

NSW model	Proposed Vic model
Under this option, differential rate categories would be set in legislation.	Under this option, local governments could increase the types of differential rate categories.
Local governments would have to categorise properties into set categories, for example: <ul style="list-style-type: none"> • Residential • Semi-rural • Commercial/industrial • Farmland • Mining • Exploration and prospecting 	In addition to land zoning or land use (including if the land is vacant), local governments could set categories based on: <ul style="list-style-type: none"> • Geographic location • Types of buildings on the land, and • Any other criteria council determines is relevant.

Ministerial approval

Local governments have the autonomy in the way they set rates in the dollar to make up the budget deficiency with some limitations.

A local government that seeks to impose a rate in the dollar that is more than twice the lowest must seek Ministerial approval. For example, in the UV category, the rate in the dollar for mining might be 30 cents whereas pastoral might be 10 cents. Local governments need to comply with the Rating Policy – Differential Rates when making an application.

The application process adds an administrative burden not only for the local government but also the Department which assesses all applications.

While Western Australia appears to be the only jurisdiction that provides for Ministerial approval in relation to approving differential rates more than twice the lowest, it is also a jurisdiction that does not currently have rate capping or an equivalent. It could be argued that this is because there is oversight provided by the State Government.

What are the options for reform?

There are several opportunities to reform the controls that are currently in place on differential rating.

One option is to increase the differential from two times the lowest to three or four times the difference before Ministerial approval is required. This would reduce the regulatory burden on both local governments and the department. It would also provide an element of oversight to ensure that local governments are not imposing significant differences.

Alternatively, the difference could be set to a maximum of four times with no ability to seek Ministerial approval. This is consistent with Victoria. This may introduce greater fairness between categories, especially for the mining sector which is levied a significantly higher rate in the dollar than other categories by some local governments.

The mining sector argues that it is treated differently from other industries and carries a heavier rate burden without being provided with a strong rationale by local governments. The mining sector is of the view that greater oversight is required to ensure that rates are applied fairly across all industry sectors.

The possible options for reform are summarised below.

	Increased differential	No Ministerial approval
Options	The differential could be increased to three or four times the lowest before Ministerial approval is requirement.	The differential could be set to a maximum of four times with no ability to seek Ministerial approval.
Benefits	It reduces regulatory burden on local governments and the	It increases fairness between rating categories,

	Increased differential	No Ministerial approval
	department while maintaining some oversight.	especially for the mining sector. It provides greater certainty for local governments.

Minimum payments and maximum rates

A minimum payment can be imposed by a local government irrespective of what the rate assessment would be if the rate is applied to the property valuation. The purpose of a minimum payment is generally to ensure that every ratepayer makes a reasonable contribution to the rate burden.

While the Act allows local governments to impose a minimum payment that is greater than the general rate would otherwise be, there are regulatory limits that apply. Unless the general minimum is \$200 or less, a minimum payment cannot be imposed on more than 50 per cent of properties in any category. Local governments can apply to the Minister for a minimum payment that does not comply with these limitations, but only for a minimum payment that applies to a differential rate on vacant land.

Rating of Mining Licences

Mining tenements include prospecting and exploration licences and mining leases which are granted under the *Mining Act 1978*. The mining sector argue that as prospecting and exploration licences are not a mining business, they should be exempt from paying local government rates.

Exemptions apply in some other jurisdictions as they are considered an 'access right' not a 'property right'. The table below shows the range of positions taken across Australia.

Jurisdiction	Local Government Act provisions
Western Australia	Relevant interests, which include a mining tenement under the <i>Mining Act 1978</i> or permit, drilling reservation, lease or licence under the <i>Petroleum and Geothermal Energy Resources Act 1967</i> , are rateable as unimproved value of the land. Land with capital improvements can be rated as GRV if approved by the Minister.
New South Wales	Mineral claims, as defined in the <i>Mining Act 1992</i> , are exempt from all rates, other than water supply special rates and sewerage special rates.

Jurisdiction	Local Government Act provisions
Queensland	Concessions can be granted to land subject to a greenhouse gas storage tenure, mining tenement or petroleum tenure.
Victoria	Currently not rateable, although amendments are being drafted to make land used exclusively for mining purposes rateable.
South Australia	Lease or licence in relation to exploration for, or recovery of, minerals or petroleum exempt from rates as unalienated Crown land.
Northern Territory	Mining tenements are conditionally rateable. Local governments can apply to the Minister to rate.

What are the options for reform?

Some jurisdictions do provide exploration and prospecting licences an exemption from general rates. In Victoria, amendments are currently being drafted to specify that land used for mining purposes is to be rateable.

The possible options for reform are outlined below.

Status quo	Exemption	Lower rate in the dollar than mining
Prospecting and exploration licences continue to pay rates.	Prospecting and exploration licences are exempt from paying rates.	Local governments must rate exploration and prospecting lower than general mining.

Mining licences have a limited intrinsic value unless minerals are found and mined. As a result, they have a high turnover of ownership. If a licence is terminated or the lessee does not pay rates for the period of the licence, the rates are generally not able to be recovered by the local government. There have also reportedly been some circumstances where the lessee has not provided correct details when completing the documentation for a mining licence leaving no ability for a local government to take the matter further.

If rates remain unpaid, local governments have the option of lodging a caveat on the land with the Department of Mines, Industry Regulation and Safety. The caveat forbids the registration of any transfer and can be a tool to encourage the payment of rates, although a fee of approximately \$120 applies to lodge and withdraw the caveat. Alternatively, local governments can seek unpaid rates through the court system.

Rate exemptions

The Act provides that all land is rateable unless it is listed as exempt.

Not all land is required to pay rates. While the Act sets out a number of specific categories, it also provides the power for the Minister for Local Government to approve other land as exempt from rates.

According to information provided by the Western Australian Local Government Association (WALGA), in 2017/18, local governments lost more than \$44 million in revenue due to rate exemptions. Charitable organisations accounted for a majority of rate revenue loss (35 per cent), followed by Crown Land (16 per cent). The City of Canning noted that in 2017/18, the value of rate exemptions was approximately \$820,000 for that district alone.

What are the options for reform?

Other than land used or held by the Crown (State Government) for a public purpose, a local government or a regional local government, exemptions from rates apply to:

- Land used or held exclusively for churches (religious bodies);
- Land used or held exclusively for schools;
- Land used exclusively for charitable purposes;
- Land vested in trustees for agriculture or horticultural show purposes;
- Land owned by Co-operative Bulk Handling Limited (CBH); and
- Land exempted by the Minister for Local Government.

There is an argument that everyone should pay local government rates as everyone uses the services and facilities provided by the local government, from roads to parks and community facilities. In addition, rate exemptions can have a significant impact on the capacity of local governments to raise rate revenue, especially in regional and remote areas. It is then left to the ratepayers to make up the shortfall.

CBH Group (commonly known as CBH, an acronym for Co-operative Bulk Handling) is a grain growers' cooperative that handles, markets and processes grain from the wheatbelt of Western Australia.

Currently land owned or leased by CBH is exempt from paying local government rates where CBH has agreed, in writing, to make a contribution to the local government. Local governments have expressed a view that the contributions made by CBH are not adequate.

In all other jurisdictions, similar sites are rateable.

Nevertheless, a number of organisations provide important services within the community with very limited funding. If those organisations are required to pay rates, it may impact on the ability for them to continue to provide those services. This may

ultimately cost the local government in having to provide the services in house or alternatively the services to the community are removed or reduced. Examples could include aged care, domestic violence support services and disability service providers.

Rather than requiring everyone to pay rates, an alternative approach could be to require every occupier of land to pay a contribution to the local government. The capped rate could be the minimum payment set by the local government, or alternatively, an amount set in legislation.

Concessions can also be used by local governments, including to reduce the rate burden on a ratepayer when there have been significant valuation changes. Currently, offering a concession is at the discretion of individual local governments.

Possible options for reforms are outlined in the below table.

Everyone pays rates	Minimum contribution
Every owner of land is required to pay rates.	Every occupier of land has to pay a minimum contribution to the local government.
Local governments could offer concessions to land owners if determined by council.	The capped amount could be the minimum payment set by the local government, or an amount set in legislation.

Exemptions: Charitable Organisations

One of the more contentious exemptions is for ‘land used exclusively for ‘charitable purposes’. The meaning of ‘land used exclusively for charitable purposes’ is not defined in the Act and differing interpretations of the meanings of ‘charity’ and ‘charitable purposes’ have continued to prove challenging across all levels of government in Australia. Each jurisdiction has taken a different approach to defining ‘charity’ and ‘charitable purposes’.

In Western Australia the meaning of what constitutes ‘land used exclusively for charitable purposes’ has been the subject of several key decisions by the State Administrative Tribunal (SAT). These decisions have been a matter of contention for the local government sector as exemptions have been provided to facilities for aged care even when residents are paying market rates for the individual housing within an estate, and to industry associations because they have a training arm.

Across Australia

Jurisdiction	Rating of land used for charitable purposes
Western Australia	<ul style="list-style-type: none"> ‘land used exclusively for charitable purposes’ is not rateable land.

Jurisdiction	Rating of land used for charitable purposes
	<ul style="list-style-type: none"> • Not defined in the Act and has instead been determined by decisions in common law.
New South Wales	<ul style="list-style-type: none"> • The NSW LG Act 1993 exempts certain land from all rates other than water supply special rates and sewage special rates. This includes charitable organisations and public institutions. • The Act also allows local government to exempt a public charity from water supply special rates and sewage special rates.
Victoria	<ul style="list-style-type: none"> • The Victorian <i>Local Government Act 1989</i> provides for a rate exemption for land used exclusively for charitable purposes. • A proposed amendment clarifies that any part of land is not used exclusively for charitable purposes if it used as a residence.
Queensland	<ul style="list-style-type: none"> • Mandatory and discretionary categories for rating exemption based on charitable purpose. • Local governments have discretion to determine if land should be exempted because it is used for charitable purposes.
South Australia	<ul style="list-style-type: none"> • Mandatory and discretionary categories for rating exemption based on charitable purpose • 75% rebate for community service organisations that are not-for-profit for benefit of public and provide a community service without charge or below cost.
Tasmania	<ul style="list-style-type: none"> • An exemption for land or part of land owned and occupied exclusively for charitable purposes. • The inclusion of the clause 'owned and occupied exclusively' means that occupation rather than use is the key determinant.
Northern Territory	<ul style="list-style-type: none"> • Land is exempt from rates if the land is used for a non-commercial purpose by a public benevolent institution or a public charity

What are the options for reform?

Reforms to the charitable organisation exemptions hinge on clarifying who is or isn't eligible to receive a rates exemption.

Commercial not exempt	Qualified under Commonwealth legislation	Land not used as a residence
Exemptions do not apply to commercial (non-charitable) business activities.	Certain categories of ratepayers, for example Independent Living Units, would only be exempt from rates where they qualify under the <i>Commonwealth Aged Care Act 1997</i> .	Clarify that land is not used exclusively for charitable purposes if the land is used as a residence and is exclusively occupied by persons, including a caretaker.

Fees and Charges

Local governments have the ability to set fees and charges for a range of services. Services can be categorised into three areas:

- Basic community services, such as waste collection;
- Additional services, such as providing security; and
- Competitive services, such as services provided by other business in the area (for example gymnasiums).

When setting fees and charges for basic and additional services, local governments should consider the cost of providing the service but may decide to subsidise the service for the common good. When it comes to competitive services, competitive neutrality principles must be observed. This requires local governments to avoid a competitive advantage as a result of being part of the public sector.

Other fees and charges are set in legislation, for example registration fees for dogs and cats.

What are the options for reform?

Annual rate charges

At the time of issuing a rates notice, local governments can impose a uniform or differential rate, a minimum payment, specified area rate or service charges.

In other States, a range of other charges can also be imposed. Under Victorian legislation, local governments can impose a municipal charge to cover some administrative costs. In Tasmania, local governments can impose a separate rate or charge for the purpose of planning, carrying out, making available, maintaining or improving anything.

To increase transparency and accountability, the Act could be amended to allow local governments to impose a levy on all ratepayers to fund a particular service, facility or activity that benefits the entire community.

A simple and transparent approach could be to provide a model similar to Tasmania whereby the general rate consists of two components: the rate based on the valuation and a fixed charge.

Cost recovery fees and charges

Some States require local governments to develop and publish a Rates and Revenue Strategy. The Strategy includes a schedule of fees and charges set by local governments, including the methodology where the fees are set at cost recovery.

Currently, fees and charges are set during the annual budget process. By moving the setting of fees from the annual budget process and combining it into the Rates and Revenue Strategy (discussed above), the methodology for cost recovery of fees could be included. This would make it more transparent for ratepayers.

What do you think?

The easiest way to have a say on the future of your community is to complete the survey available [here](#).

Your responses to this survey will inform the review and will take approximately 10 minutes to complete.

We ask that you take care in completing a survey. While you may lodge multiple written submissions via email at actreview@dlqsc.wa.gov.au, you will only be able to complete each online topic survey once.

The public submission period closes on 31 March 2019. This is the last day that you will be able to respond to the surveys.

Unless marked as confidential, your submission (including survey responses) will be made public and published in full on the Department's website. Submissions that contain defamatory or offensive material will not be published.

The questions in the survey are provided below but we encourage you to complete the survey online which is available [here](#).

Survey - Rates, Fees and Charges

1. Have you read the discussion paper associated with this survey?
 - a. Yes
 - b. No
2. Who are you completing this submission on behalf of?
 - a. Yourself
 - b. An organisation, including a local government, peak body or business
3. What is the name of the organisation? Shire of Carnarvon
4. What is your name? David Burton
5. What best describes your relationship to local government?
 - a. Resident / ratepayer
 - b. Staff member or CEO
 - c. Council member, including Mayor or President
 - d. Peak body
 - e. State Government agency
 - f. Supplier or commercial partner
 - g. Community organisation
6. What best describes your gender?
 - a. Male
 - b. Female
 - c. Other
 - d. Not applicable / the submission is from an organisation
7. What is your age?
 - a. 0 – 18
 - b. 19 – 35
 - c. 36 – 45
 - d. 46 – 55
 - e. 56 – 65
 - f. 66 – 75
 - g. 76+
 - h. Not applicable
8. Which local government do you interact with most? Shire of Carnarvon
9. Would you like to be updated on the progress of the *Local Government Act 1995* review and further opportunities to have your say?
 - a. Yes
 - b. No
10. Do you wish for your response to this survey to be confidential?
 - a. Yes
 - b. No
11. What is your email address? [REDACTED]
12. To what degree are you concerned about rates?
 - a. Not at all
 - b. A little
 - c. A moderate amount
 - d. A lot
 - e. A great deal

13. Do you support the following statements?

	Yes	No	Unsure
“Local governments should be required to prepare a Rates and Revenue Strategy each financial year.”		x	
“The value of the property should continue to be used to partially determine the value of the rates payable.”	x		
“Local governments should be required to advertise all of their proposed rates and consider any submissions made, prior to adopting their budget.”		x	
“Under the <i>Local Government Act 1995</i> , local governments may not advertise their rates prior to 1 May. Local governments should be permitted to advertise their rates at any time leading up to the adoption of their budget.”	x		
“All types of rateable property should pay the same rate in the dollar, regardless of how the land is used.”		x	

14. Should the legislation set the rating categories that can be used by local governments?

- a. Yes
- b. No
- c. Unsure

15. If rating categories are set in legislation, what would be appropriate categories?

	Yes	No	Unsure
Residential	x		
Rural residential	x		
Commercial	x		
Industrial	x		
Vacant	x		
Mining	x		

Mining - exploration and prospecting (separate from general mining)	x		
Farming	x		
Not-for-profit organisation or charity		x	

Other (please specify)

16. If rating categories were set in legislation, should local governments be permitted to introduce sub-categories within the set categories based on factors such as the type of mining being undertaken, the intensity of the land use or the type of commercial activity?

- a. Yes
- b. No
- c. Unsure

17. What powers should local governments have to recover payment of rates on exploration and prospecting leases? **Same as normal rates, if lease has been surrendered, rates should still be payable up to point of surrender.**

18. To what extent do you support the following statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
“Local governments should be permitted to rate properties differently based on their location.”				x	
“Local governments should be permitted to rate long term vacant properties differently to land that is being used.”				x	
“Local governments should be permitted to rate holiday houses, timeshare properties or AirBNB properties differently.”				x	
“A lower rate in the dollar should apply to land used for exploration and prospecting compared to land used for mining.”				x	

19. Currently, local governments are required to seek Ministerial approval when seeking to impose a rate in the dollar that is more than twice the lowest of its other rating categories. What is your preferred approach to differential rates?

- a. Ministerial approval for rates twice the lowest category

- b. Ministerial approval for rates three times the lowest category
- c. Ministerial approval for rates four times the lowest category
- d. No Ministerial approval required for any differential rates
- e. Differential rates to a maximum of four times may be set with no option for Ministerial approval
- f. Other (please specify)

20. To what extent do you support the following statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
"All land should be subject to rates."				x	
"The types of land subject to rates should be consistent between local governments."			x		

21. Should the following types of land be subject to rates?

	Yes	No	Unsure
Land owned by the Crown that is used or held for a public purpose		x	
Land used or held exclusively for churches (religious bodies)			x
Land used or held exclusively for schools		x	
Land used exclusively for charitable purposes			x
Land vested in trustees for agriculture or horticultural show purposes		x	
Land owned by Co-operative Bulk Handling Limited (CBH)	x		
Land used primarily as a place of residence (no matter who owns the land)	x		
Land used for mining exploration or prospecting	x		
Aged care facilities		x	
Child care facilities		x	

Sporting clubs and Surf Lifesaving clubs		x	
Land used for the pursuit of the Arts			x

22. Which of the following charges should be levied on properties exempt from rates?

- a. Waste charges
- b. A service charge to cover basic services and maintenance
- c. Both
- d. Neither
- e. Other (please specify)

23. Should a concession on rates be granted in any of the following scenarios?

	Yes	No	Unsure
The land is owned by a person who currently receives a pensioner or health related concession	x		
The land is owned or used by a not-for-profit organisation			x
The land is owned or used by an entity that provides assistance or encouragement for arts or cultural development		x	
The land is owned or used by a sporting or recreation body and is available for use by the general community without charge or below cost	x		
Community service organisations that are not-for-profit, for the benefit of the general public and provide community services without charge or below cost	x		
The payment of rates or charges will cause hardship to the land owner		x	
The concession will encourage the economic development of all or part of the local government district	x		
The concession will encourage land that is of cultural, environmental, historic, heritage or scientific significance to the local government area to be preserved, restored or maintained	x		
Land that is subject to a mining tenement		x	
Land that is determined by the Minister to be subject to a concession	x		

24. Should any other scenarios be subject to rates concessions? **None known.**

25. Which of the following charges should be levied on that part of the land that receives a rates concession?

- a. Waste charges
- b. A service charge to cover basic services and maintenance
- c. **Both**
- d. Neither
- e. Other (please specify)

26. To what extent do you support the following statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
“Rate exemptions for the commercial (non-charitable) business activities of charitable organisations should be removed.”				x	
“Certain categories of ratepayers, for example Independent Living Units, should only be exempt from rates where they qualify under the Commonwealth <i>Aged Care Act 1997</i> .”				x	
“Land used as a residence should not be regarded as charitable.”				x	

27. To what extent do you support this statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
“Local governments should be able to impose fixed charges or levies for particular services, facilities or activities.”				x	
“Local governments should be able to vary fees and charges at any time without advertising the change.”		x			

“Local governments should have the autonomy to set fees and charges for all services they provide.”					X
“Services that are consistent across local governments should have the same fees or charges.”	X				
“Local governments should not set a fee or charge higher than the cost of delivering that service.”				X	
“A fee or charge should not be set lower than the cost of delivering that service.”				X	
“Fees and charges imposed by local government and fixed under legislation should increase by CPI annually.”				X	

28. Do you have any additional comments on the topic of rates, fees and charges? Additional information can also be provided to the review team via email at actreview@dlgsc.wa.gov.au.

CPI should not be used as a tool to gauge local government fees and charges as CPI is a consumer or individual index which takes into account items that are not relevant to Local Government which can significantly alter the impact when compared to local government.