City of Cockburn

wetlands to waves

Objects and Reasons
For Differential Rates
2026–27



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Acknowledgement of Country

The Mayor, Councillors and staff of the City of Cockburn acknowledge the Whadjuk Nyungar people of Beeliar boodja as the traditional custodians of this land. We pay our respect to the Elders, past and present.

Introduction

The City prepares a budget each year which must be adopted by Council. The budget aims to fund the City to deliver essential services and key infrastructure for the community while ensuring that rates provide good value for money.

It is a requirement of the Local Government Act that the City must advertise its differential rates in a document called 'Objects and Reasons'. This document explains what the proposed differential rates are, why different properties are charged different rates and what the proposed rate in the dollar is next year. In this document we also explain how rates are calculated and have provided an overview of the proposed capital works expenditure and key infrastructure projects for 2026-27.

What are the reasons for the 2026-27 differential rates?

To support the delivery of its 2026-27 Operational and Capital Budget, the City must generate sufficient revenue, including $153.95 million to be raised through rates. This funding pays for infrastructure and services like roads, parks, streetscapes, libraries, recreation and aquatic centres, youth and seniors centres, and community events to name a few.

In determining the proposed differential rates and minimum payments for the 2026-27 financial year, the City has had regard to the three-yearly Gross Rental Value (GRV) revaluation undertaken by the Valuer General. The revaluation has resulted in changes to property valuations across the City.

The revaluation does not, of itself, increase the total amount of rates revenue collected. Instead, it redistributes the rates burden between properties based on updated valuations. Council's decision on the rate in the dollar determines the total rates revenue to be raised.

In setting the proposed rates, the City has adjusted for the overall net movement in valuations arising from the revaluation to achieve the intended rates yield. The proposed rating structure is based on an average yield increase of 6.75 per cent across all rating categories. This approach is consistent with the City's established methodology in revaluation years and supports equitable and financially sustainable rate setting.

Rates and minimum payments for 2026-27

The table below shows the rates in the dollar and minimum payment amounts proposed for each rate category in 2026-27.

Rate Category Proposed for 2026-27	Rate in $	Min payment $
Differential rates		
Residential Improved (GRV)	0.05956	1,698
Vacant Land (GRV)	0.07905	910
Commercial and Industrial Improved (GRV)	0.08443	1,015
Commercial Caravan Park (GRV)	0.08623	1,015
Rural General Improved (UV)	0.00223	1,224
Rural Vacant Land (UV)	0.00343	1,224

Key projects and services for 2026-27

- Victor George Kailis Park development
- Atwell Reserve upgrades
- Beale Park redevelopment finalisation
- Ovals and playing fields upgrades
- Cockburn ARC asset renewal and replacement
- Enhancement of our natural areas, parks, and playgrounds
- Black Spot road projects
- Road resurfacing
- Footpath rehabilitation

Key services being delivered every year to ratepayers and the community include:

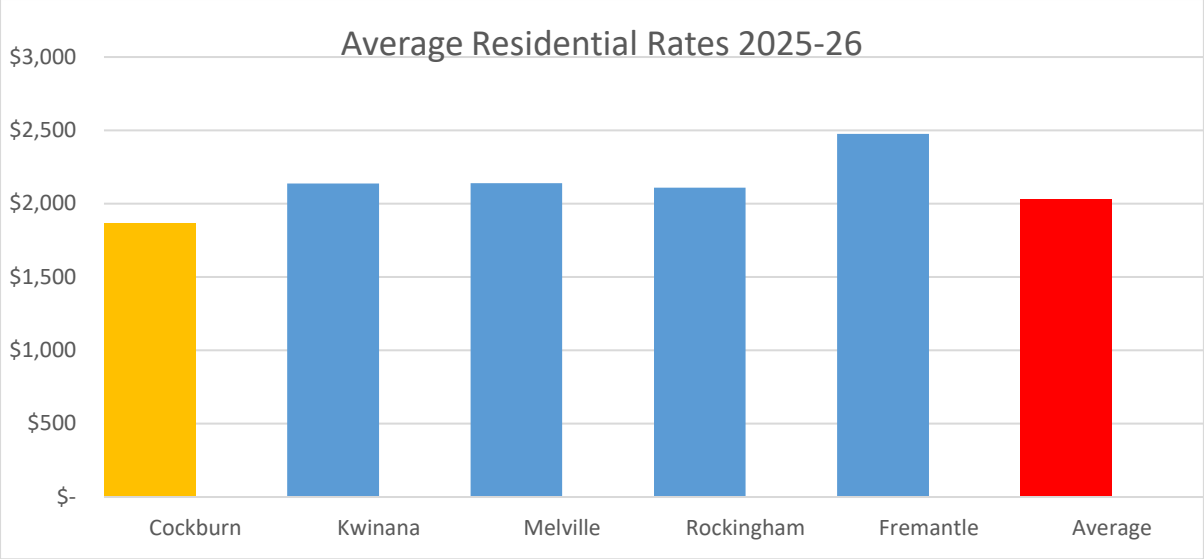
- Waste collection – three bin services, three verge collections and six trailer passes
- Libraries, Seniors Centre, Youth Centre, Family Support Services, Cockburn Care, Cockburn ARC, Volunteer Resource Centre
- Parks, sportsgrounds, recreation facilities, streetscapes, trees
- Roads, footpaths and drainage infrastructure
- CoSafe – providing a mobile safety and security patrol service to the community 24 hours a day, seven days a week

- Free concerts and events for our community.

Cockburn Community Grants provide funding and donations to local clubs, individuals, incorporated community groups, and not-for-profit organisations to support projects, programs, or activities that benefit the Cockburn community.

How do we compare with neighbouring Councils?

The graph below compares the rates charged by Cockburn to our neighbouring councils in the 2025-26 financial year. Data is sourced from the councils' annual budgets and includes rates for all residential improved properties (as well as waste collection and other service charges, if levied separately). The graph also factors in Cockburn's improved residential concession.



What is the objective for rates in 2026-27?

In accordance with Sections 6.33 and 6.36 of the *Local Government Act 1995* 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 2026-27 budget is to provide for the net funding shortfall of $153.95m in Council's Operational and Capital Program for 2026-27.

Understanding the pressure rising costs is putting on households, the City is extending its policy of waiving interest and administrative fees for installment payments, Smart Rates payment arrangements, and other approved payment options. This aims to ease the burden on our community by making it easier to manage rate payments over an extended period.

Who undertakes the GRV and UV valuations?

Gross Rental Value (GRV) valuations are statutory valuation undertaken by the Valuer General of Western Australia, with valuation services delivered on the Valuer General's behalf by Landgate. A GRV revaluation of properties within the City has been conducted for a three year valuation cycle commencing on 1 July 2026, based on the applicable Date of Valuation determined by the Valuer General. This revaluation replaces the GRV values used in the previous valuation cycle.

Unimproved Value (UV) valuations are also statutory valuation and are revalued annually.

In some cases, significant increases in GRV valuations may result in individual rate increase greater than the average increase adopted by Council. The City has no role in determining property valuations and cannot amend or appeal valuations issued by the Valuer General. However, property owners who do not agree with their GRV or UV valuation may lodge an objection directly with Landgate within the prescribed objection period.

Why are there different rates for different properties?

Different properties in Cockburn are charged different rates, hence the term 'differential rates'.

Improved and vacant properties under the residential, commercial and industrial rating categories are charged differently. An improved property is one where improvements have been added, such as a house or a manufacturing plant for example. The difference is to ensure that fair income is obtained from vacant land in residential areas, and there is an incentive to develop the land instead of land banking for future sale and development.

As commercial and industrial sectors generate higher traffic volumes with heavier loads than the residential sector, they contribute at a higher level for road construction, maintenance, and refurbishment. Road infrastructure is a large cost driver for the City.

The City sets a much lower rate in the dollar for rural and urban farmland areas which are rated based on UV valuations.

Under the *Local Government Act, 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 are rates calculated?

The council sets its own rate in the dollar every year for each rate category, and the independent State government authority, the Valuer General of WA sets the Gross Rental Value (GRV) every three years and Unimproved Value (UV) annually. The GRV is a property's estimated yearly rental income. The UV is a property's estimated land value (no improvements) and is mainly used for rural land uses. Your property's GRV or UV is stated on your annual rates notice.

To calculate your annual rates, multiply either your GRV or UV, depending on your property, and subtract any rate concessions you may receive if eligible.

Rates ($) = GRV OR UV X Rate Category – any rate concessions

Proposed rates and minimum payments for 2026-27

The table below shows the rate in the dollar proposed by Council and the minimum payment required for each rate category in 2026-27.

Rate Category Proposed for 2026-27	Rate in $	Min payment $
Differential rates		
Residential Improved (GRV)	0.05956	1,698
Vacant Land (GRV)	0.07905	910
Commercial & Industrial Improved (GRV)	0.08443	1,015
Commercial Caravan Park (GRV)	0.08623	1,015
Rural General Improved (UV)	0.00223	1,224

Rate Category Proposed for 2026-27	Rate in $	Min payment $
Rural Vacant Land (UV)	0.00343	1,224

What are the differential rate categories?

Residential Improved (GRV)

This rate category imposes a differential general rate on land valued on a GRV basis, which is zoned under the Town Planning Scheme No.3 for residential purposes and having improvements erected on it.

The objective of this proposed rate is to apply a base differential general rate to land zoned and used for residential purposes and to act as the City's benchmark differential rate by which all other GRV rated properties are assessed.

This rate ensures that all ratepayers make a reasonable contribution towards the ongoing maintenance and provision of works, services and facilities throughout Cockburn. It is lower than the vacant land differential rate as the City is encouraging landowners to develop land rather than land banking.

The proposed rate in the dollar of GRV value for this category is $0.05956 with a minimum payment amount of $1,698. These parameters will apply to 50,381 or 90.25 per cent of the City's rateable properties.

Single improved residential properties whose GRV is greater than $37,327 will also be eligible for a high GRV rates concession. The concession amount is calculated by using a rate in the dollar of $0.01835 and applying it to that portion of GRV over the $37,327 threshold.

This concession limits year on year rates increases for high GRV single improved residential dwellings. The concession was introduced due to the previous incorporation of fixed waste and security service charges into the general rates charge. The concession parameters have been adjusted this year to factor for the large GRV revaluation increase across residential improved properties.

Vacant Land (GRV)

This rate category imposes a differential general rate on land valued on a gross rental value basis, which is zoned under the Town Planning Scheme No.3 for the purpose of residential, commercial or industrial purposes and being vacant land.

The objective of this rate is to promote the development of vacant land within Cockburn. Vacant land has a higher differential general rate which provides a disincentive to owners for land banking and not developing their vacant land.

The proposed rate in the dollar of GRV value for this category is $0.07905 with a minimum payment amount of $910.

These parameters will apply to 2,231 or 3.99 per cent of the City's rateable properties.

Commercial and Industrial Improved (GRV)

This rate category imposes a differential general rate on land valued on a gross rental value basis, which is zoned under the Town Planning Scheme No.3 for non-residential, commercial or industrial purposes and having improvements erected on it.

The objective of this differential rate category is to raise sufficient revenue to offset the costs associated with increased maintenance of infrastructure, particularly transport related infrastructure, and higher levels of services associated with properties in this category.

The proposed rate in the dollar of GRV value for this category is $0.08443 with a minimum payment amount of $1,015.

This will apply to 3,109 or 5.57 per cent of the City's rateable properties.

Commercial Caravan Park (GRV)

This rate category imposes a differential general rate on land valued on a gross rental value basis, which is zoned under the Town Planning Scheme No.3 for the purpose of a commercial caravan park and catering for permanent trailer homes and non-permanent caravans.

The objective of this rate is to ensure that the City's caravan parks, predominantly permanent trailer homes, make an equitable contribution to the City's services and facilities like any other residential landowner. It is also to maintain rating equity with other small unit dwellings in the City.

The proposed rate in the dollar of GRV value for this category is $0.08623 with a minimum payment amount of $1,015. This will apply to only two of the City's rateable properties and no property will be on the minimum payment amount.

Rural General Improved (UV)

This rate category imposes a differential general rate on land valued on an unimproved value basis, which is zoned under the Town Planning Scheme No.3 for rural general or rural general urban farm land purposes and having relevant buildings erected on it including those being used for commercial or industrial purposes.

The objective of the rate is to impose a differential rate commensurate with the rural use of the land and to ensure that all ratepayers make a reasonable contribution towards the provision of works, services and facilities throughout the City and their ongoing maintenance. It is also the City's benchmark differential UV rate and the base rate by which all other UV rated properties are assessed.

The proposed rate in the dollar of UV value for this category is $0.00223 with a minimum payment amount of $1,224.

This will apply to 59 or 0.11 per cent of the City's rateable properties.

Rural Vacant Land (UV)

This rate category imposes a differential general rate on land valued on an unimproved value basis, which is zoned under the Town Planning Scheme No.3 for rural purposes and being vacant land.

The objective of this rate is to promote the development of vacant land within Cockburn, effectively providing a disincentive to owners for land banking and not actively developing their vacant rural land for its intended purpose.

The proposed rate in the dollar of UV value for this category is $0.00343 with a minimum payment amount of $1,224.

This will apply to 39 or 0.07 per cent of the City's rateable properties.

What are the Specified Area Rate Categories?

A Specified Area Rate (SAR) is an additional rate charge that is applied separately to designated areas within the City to cover additional maintenance and asset renewal costs.

Port Coogee Special Maintenance

This rate is the provision of a special maintenance service in the Port Coogee area (see Map 1 on page 13). Port Coogee requires a more intense management program than other parts of the district. As such, the City charges a marginal cost as the ratepayers and residents of the area benefit from the additional works and have better access to the facilities affected.

Port Coogee Waterways

This rate is for the maintenance of the waterways and associated infrastructure in the Port Coogee marina area (see Map 1 on page 13). It is considered that ratepayers adjacent to or having direct access to the waterways will directly benefit from the upkeep of these waterways. Ratepayers paying this SAR will not have to pay the Port Coogee Special Maintenance SAR.

Cockburn Coast

This rate is for special maintenance service in the Cockburn coastal area (see map 2 on page 14). Ratepayers and residents of the area benefit from the additional work and have better access to the facilities affected. All residential landholders in the Cockburn Coast area pay this SAR.

Are there other charges?

The Waste Management Service Charge for improved commercial, industrial and UV properties using the service is $458. For rates exempt properties, the charge is also $458.

The Annual Swimming Pool Levy for 2026-27 is proposed at $57.43 per swimming pool. This levy works on a full cost recovery basis and all funds raised by the levy will go towards the inspection of 8,378 swimming pools in Cockburn as required by legislation.

Payment options

Payment options include payment in full within 35 days of your rates notice being issued, payment over four instalments or Smart Rates (see paragraph below). To continue providing cost of living relief to ratepayers this year, the City is extending its policy of waiving interest and administrative fees for installment payments, and other approved payment plans. Penalty interest on overdue amounts will remain at 6 per cent for those properties without payment plans.

For increased affordability, the City provides the opportunity for ratepayers to make weekly, fortnightly, or four-weekly direct debits under its ‘Smart Rates’ initiative. This option will not attract interest charges as mentioned above.

The City will continue to accept credit card payments without any extra fees or surcharges in 2026-27.

Although not a Council related charge, the City collects the Emergency Services Levy (ESL) on behalf of the Department of Fire and Emergency Services (DFES) via the annual rates notice.

Submissions

6.36 (3)(b)(ii) of the *Local Government Act 1995* requires Council to invite submissions from electors and ratepayers in respect of the rates and minimum payments proposed for the differential general rating categories. Although not required to, Council is also willing to accept submissions on any specified area rate proposed.

All submissions are to be made by 5pm, Friday 5 June 2026.

Submissions are preferred via our engagement platform Comment on Cockburn, https://comment.cockburn.wa.gov.au/

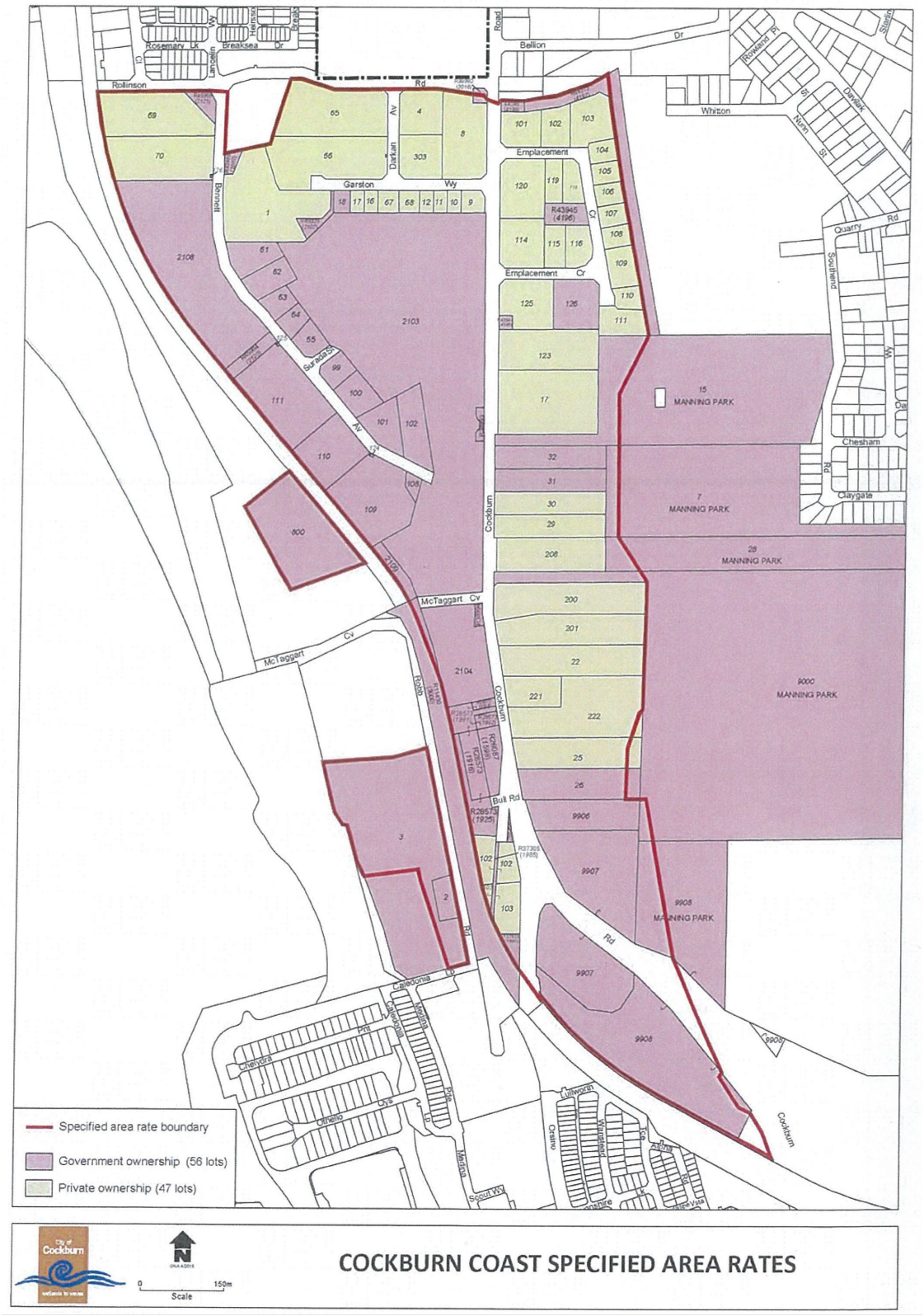
A report will be prepared on submissions, if any, and presented to the Special Council Meeting on Tuesday 30 June 2026.

Enquiries: Call **08 9411 3444** or email customer@cockburn.wa.gov.au.

Attached Map 1 Port Coogee Special Maintenance & Waterways



Attached Map 2 Port Coogee Cockburn Coast Specified Area Rates



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