



THE CITY OF
GREATER GEELONG

2019-20 RATING STRATEGY

ADOPTED 25 JUNE 2019

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1. Rating Framework

Introduction

The rating framework is set down in the *Local Government Act 1989* and determines a council's ability to develop a rating system. The framework provides considerable flexibility to suit requirements within the context of public finance methodology which includes principles of equity, benefit, efficiency and community resource allocation.

Context

Council has a duty to continue to review and refine the impact of its major decisions.

It is incumbent upon the City of Greater Geelong to regularly evaluate the current rating system to ensure it best satisfies the legislative objectives and the Ministerial Guidelines to which it must have regard. Other objectives including ratepayer satisfaction, which the City believes, is relevant.

The *Local Government Act 1989* was amended in December 2015 to include Part 8A – Rate Caps, sections 185A to 185G to promote the long term interests of ratepayers and the community in relation to sustainable outcomes in the delivery of services and infrastructure.

The Minister for Local Government announced on 20 December 2018 under section 185D(1) of the LGA that the 2019–20 rate cap would be 2.5% for all Victorian councils.

Not all council charges are included in the rate cap calculation.

- Rates and the Municipal Charge are included in the rate cap calculation.
- The Waste charge and the Fire Services Property Levy are not included in the rate cap calculation.

The 2018–19 base average rate is calculated at \$1,557.54 and the 2019–20 Budget proposes this will increase by 2.5% to \$1,596.48

The City has prepared and Council adopted the Rating Strategy within the context of current legislative constraints and to improve community understanding by providing a detailed explanation of rating concepts and decisions.

The City has a responsibility to communicate to ratepayers the consultation process, to review the strategy and to publish and inform the community of its decisions in respect to the strategy and budget determinations.

Background

The City acknowledges that the existing taxation of property (wealth tax) value method is imperfect; however, the application of an alternate rating model (e.g. income tax) is not available within the current constraints of the existing legislation.

The City, via a process of consultation and determination, can modify certain aspects of the rating system in accordance with the legislation, to assist sections of the community. Such assistance must be in the context of having wide acceptance in respect to social and equity principles whilst minimising any penalty, via a shift in rate burden, to other ratepayers.

There is a common misconception that if a property's valuation rises, then the City receives a "windfall gain" with additional income. This is not the case, rather, the revaluation process results in a redistribution of the rate burden across all properties in the municipality. Any increase to total valuations of the municipality is adjusted by recalculating the rate in dollar (ad valorem rate) used to calculate the rate for each property. Budgeted rate income is adjusted each year as part of the budget process and the relevant rate cap percentage taking into account adjustments for supplementary rate income. Rate capping has been introduced by the State Government from 2016–17. The Minister for Local Government announced on 20 December 2018 that the 2019–20 rate cap would be 2.5% for all Victorian councils.

Public finance theory and practice implies that taxation revenue whether it is at federal, state or a local level is generally used to finance various forms of "public goods, services and community obligations" not necessarily in direct relation to user benefit, but ultimately of benefit to the community as a whole. In this respect, rates are a general purpose levy not linked to user pays principles. Other charges such as waste services are linked to costs associated with the service.

Therefore, rates are the balancing item between total expenses and all other revenue sources. Rate revenue is a major source of income providing some 62.8% of recurrent income for 2019–20.

The City acknowledges that property taxes do not recognise the situation where ratepayers are "asset rich" and "income poor". In some cases ratepayers may have considerable wealth reflected in property they own but have a low level of income. Examples include pensioners, self funded retirees, businesses subject

to cyclical downturn, households with large families and property owners with little equity but high levels of mortgage debt. Moreover, the Australian taxation system which allows for annuities, allocated pensions income and other assets to be treated differently in an assessment for government concessions and benefits, may further distort the true disposable income status of one household compared to another.

While personal income tax is more reflective of the capacity to pay, it is not possible to expect a property tax system to deal practically with all aspects of capacity to pay based on individual households and businesses. It is also not practical or acceptable to shift, modify or manipulate the existing system to the benefit of one group of ratepayers at the expense of another unless such shift is widely accepted and for a proper purpose. In fact, local government has no mandate or ability to universally apply a “capacity to pay” test. In recognition of this fact, the City has developed its rates assistance and payment options to ensure that officers can provide ratepayers with assistance upon request.

In the local government context, the rating system determines how we will raise money from properties within the municipality while the annual budget determines how that money will be spent. The rating system comprises the valuation base and the rating instruments that are used to calculate property owner’s liability for rates.

The rating framework is set down in the *Local Government Act 1989* (as amended) and determines a council’s ability to develop a rating system. The framework provides considerable flexibility to suit its requirements within the context of public finance methodology, which includes principles of equity, benefit, efficiency and community resource allocation.

Under the legislation, the City of Greater Geelong has the power to levy:

- Municipal charge,
- Uniform rates,
- Differential rates,
- Special rates and charges,
- Services rates and charges,
- Provide rebates and concessions, and to
- Provide deferrals and waivers based on hardship.

We acknowledge that this framework may not universally cater for significant revaluation property movements in a non-homogenous market place and may result in significant movements in rates (“rates shock”) on a case by case basis.

2. Highlights of 2019-20 Rating Strategy

Rate Structure

The City of Greater Geelong retains 11 rating or tariff groups with the application of differential rates to each of these groups in accordance with section 161 of the Act. The purpose of the various rating groups is to ensure that each group makes a fair and equitable contribution to rates. Full disclosure of the rating groups, number of properties, valuations and revenue is shown in the Statutory Information on Rates.

2019 Revaluation

Summary by Differential

Rate Type	Number of Properties	2018 CIV	2019 CIV	\$ Difference	% Movement
Residential	110,102	53,177,015,500	60,132,285,000	6,955,269,500	13.1%
The Point Residential	150	90,930,000	107,250,000	16,320,000	17.9%
Farm	991	1,609,127,000	2,133,454,000	524,327,000	32.6%
Commercial	5,927	5,552,981,300	5,924,888,319	371,907,019	6.7%
The Point Commercial	3	9,334,000	8,670,000	- 664,000	-7.1%
Industrial	2,153	1,770,424,374	1,946,875,223	176,450,849	10.0%
Vacant	6,198	2,271,125,622	2,850,290,847	579,165,225	25.5%
The Point Vacant	73	38,030,000	42,070,000	4,040,000	10.6%
Cultural & Recreational	53	124,146,400	144,866,229	20,719,829	16.7%
Mixed Use	330	214,170,000	243,390,000	29,220,000	13.6%
Petroleum	1	145,100,000	145,100,000	-	0.0%
TOTAL	125,981	65,002,384,196	73,679,139,618	8,676,755,422	13.3%

Overall

The Valuation of Land Act 1960 (section 11) requires that valuing authorities conduct a revaluation of all municipal land every year.

The Victorian Valuer General (VGV) has appointed Opteon Property Group to conduct the 2019 revaluation and valuations have been returned in order for impact analysis to commence.

The revaluation date is 1 January 2019 and takes effect from 1 July 2019 for the 2019–20 rating period.

The summary results indicate:

- Total growth in property numbers is 2.6% over the last year with residential 2.3%.
- Average increase in residential valuation is 13.1% compared to 19.9% in 2018.
- The average increase in farm valuations is 32.5% compared with 12.9% in 2018.
- Commercial properties have increased by 6.7% with the increase for the CBD at 7.7%.
- Industrial properties have increased on average at 10.0% compared to an increase of 10.7% in 2018.
- Average increase in vacant land is 25.5% compared with an increase of 18.2% in 2018.

Residential

Overall 110,102 residential properties have increased by an average of 13.1% compared to an average increase of 19.9% at the 2018 revaluation. The average residential capital improved value has moved from \$482,976 to \$546,151.

The average growth in the number of residential properties is 2,465 properties or 2.3% overall from 2018 to 2019. This growth contributes to the increase in CIV.

Impact Analysis

The preliminary results indicate that there is significant spread of valuation movements and the average movement of 13.1% is not uniform. The lowest movement was in Swan Bay at 0.9% with the largest in Batesford at 34.7%.

Nearly half of Geelong's residential population is in nine suburbs. Of the 110,102 residences, 54,409 are affected by the following suburb revaluation movements:

Suburb	No of Residencies 2019	2018 Revaluation Increase Av 19.9%	2019 Revaluation Increase Av 13.1%	
Belmont	6,544	25.8%	9.6%	2019 Below Average
Ocean Grove	7,846	22.7%	10.1%	
Highton	7,745	18.1%	10.2%	
Newtown	4,501	19.0%	11.1%	
Grovedale	6,100	17.5%	11.9%	
Norlane	4,260	31.1%	15.7%	2019 Above Average
Corio	6,161	29.1%	16.2%	
Leopold	5,100	17.3%	17.1%	
Lara	6,152	18.1%	17.8%	
Total	54,409			

Residential property on the Bellarine Peninsula represents 22.6% of the municipality and the average increase is 15.4%. The following table provides a comparison by suburb for the 2018 and 2019 revaluations:

Suburb	No of Residencies 2019	2018 Revaluation Increase Av 19.9%	2019 Revaluation Increase Av 13.1%	
Swan Bay	14	4.7%	0.9%	2019 Below Average
Barwon Heads	2,255	19.0%	8.0%	
Connewarre	306	14.7%	8.9%	
Ocean Grove	7,846	22.7%	10.1%	
Point Lonsdale	710	14.1%	13.5%	2019 Above Average
Breamlea	108	15.4%	14.2%	
Curlewis	1,094	7.9%	14.6%	
Portarlinton	2,876	23.8%	16.6%	
Marcus Hill	40	21.5%	17.1%	
Clifton Springs	3,470	18.8%	17.4%	
St Leonards	2,515	19.1%	18.1%	
Mannerim	17	16.6%	18.4%	
Drysdale	1,964	14.6%	18.9%	
Indented Head	1,229	23.7%	20.6%	
Wallington	425	17.1%	22.9%	
Bellarine	46	7.4%	28.2%	
Total	24,915			

Farm

Overall 991 farm valuations recorded an average increase of 32.5% compared to an increase of 12.9% in 2018.

Impact Analysis

Farms on the Bellarine Peninsula make up 43.1% of all farms and the average increase is 19.0%.

Larger than average valuation movements have been in the northern suburbs. The following table shows the increases in those suburbs:

Suburb	No of Farms 2019	2018 Revaluation Increase Av 12.9%	2019 Revaluation Increase Av 32.5%	
Staughton Vale	8	-2.6%	29.4%	Below Avg
Moorabool	29	15.8%	36.0%	2019 Above Average
Anakie	88	5.6%	42.3%	
Balliang	57	6.1%	57.2%	
Avalon	7	19.3%	59.5%	
Little River	50	24.0%	59.7%	
Lara	69	11.5%	70.3%	
Corio	2	20.3%	90.3%	
Point Wilson	4	17.3%	90.6%	
Lovely Banks	34	-3.8%	101.1%	
Total	348			

Commercial

A total of 5,927 commercial properties valuations have increased on average 6.7% compared to 10.3% in 2018. The number of properties has increased by 1.4%.

Impact Analysis

The main area of commercial activity (1,698 properties) in central Geelong increased by an average of 7.7%.

The following table shows a comparison of the suburbs with the highest number of properties for the 2018 ad 2019 revaluations:

Suburb	No. of Properties 2019	2018 Revaluation Increase Av 10.3%	2019 Revaluation Increase Av 6.7%	
Corio	252	11.9%	-4.4%	2019 Below Average
South Geelong	149	13.2%	4.0%	
Geelong West	450	19.0%	5.1%	
Lara	162	8.9%	5.3%	
Ocean Grove	314	13.9%	5.4%	
Waurm Ponds	73	5.2%	5.8%	
Grovedale	355	7.5%	6.0%	
Belmont	322	11.4%	6.0%	
Drysdale	150	14.0%	7.0%	2019 Above Average
Highton	155	16.7%	7.5%	
Geelong	1,698	7.1%	7.7%	
Bell Park	96	2.9%	8.3%	
Norlane	120	6.7%	8.7%	
Leopold	146	7.7%	9.3%	
Newcomb	114	5.3%	10.2%	
Moolap	107	13.6%	10.3%	
North Geelong	160	11.0%	10.9%	
Newtown	311	14.9%	12.5%	
Total	5,134			

Industrial

A total of 2,153 industrial properties valuations have increased on average 10.0% compared to 10.7% in 2018. The number of properties has increased by 2.8%.

Impact Analysis

The majority of industrial properties are in the following five suburbs which have had movements of between -5.4% and 46.7%.

Suburb	No. of Properties 2019	2018 Revaluation Increase Av 10.7%	2019 Revaluation Increase Av 10.0%	
South Geelong	229	5.8%	6.9%	2019 Below Average
North Geelong	490	13.1%	7.7%	
North Shore	134	11.2%	11.2%	2019 Above Average
Breakwater	163	12.9%	13.3%	
Moolap	353	11.0%	23.3%	
Total	1,369			

Vacant

A total of 6,198 vacant land properties valuations have increased on average 25.5% compared to 18.2% in 2018. The number of properties has increased by 10.0%.

Impact Analysis

The following table shows a comparison of the suburbs with the highest number of properties for the 2018 ad 2019 revaluations:

Suburb	No. of Properties 2019	2018 Revaluation Increase Av 18.2%	2019 Revaluation Increase Av 25.5%	
Indented Head	188	33.7%	10.1%	2019 Below Average
Mount Duneed	213	20.0%	19.2%	
Ocean Grove	499	19.4%	19.7%	
Armstrong Creek	832	23.0%	22.5%	
Highton	374	18.1%	23.5%	
Corio	310	16.0%	26.3%	2019 Above Average
Clifton Springs	255	12.3%	30.8%	
Portarlinton	428	21.5%	31.3%	
Leopold	94	20.6%	32.5%	
Charlemont	118	14.3%	34.5%	
St Leonards	435	9.4%	35.4%	
North Geelong	82	13.7%	42.0%	
Curlewis	343	8.6%	45.4%	
Lara	285	16.5%	47.3%	
Total	4,456			

Mixed Use

A total of 330 vacant land properties valuations have increased on average 13.6% compared to 19.9% in 2018. The number of properties has decreased by (1.5 %).

Impact Analysis

The following table shows a comparison of the suburbs with the highest number of properties for the 2018 ad 2019 revaluations:

Suburb	No. of Properties 2019	2018 Revaluation Increase Av 18.6%	2019 Revaluation Increase Av 13.6%	
Geelong	34	32.0%	5.8%	2019 Below Average
Geelong West	19	21.0%	6.6%	
Ocean Grove	41	12.6%	7.1%	
Barwon Heads	15	21.1%	7.6%	
Belmont	15	28.7%	10.1%	
Portarlington	24	24.7%	10.9%	
Highton	17	2.5%	11.5%	2019 Above Average
Newtown	10	5.6%	18.6%	
Lara	18	13.2%	42.2%	
Total	193			

Cultural and Recreational

A total of 53 cultural and recreational land properties valuations have increased on average 16.7% compared to 3.4% in 2018. The number of properties has increased by one.

Impact Analysis

The following table shows a comparison of all suburbs for the 2018 and 2019 revaluations:

Suburb	No. of Properties 2019	2018 Revaluation Increase Av 3.4%	2019 Revaluation Increase Av 16.7%	
Point Lonsdale	2	-4.6%	-5.1%	2019 Below Average
Leopold	2	-13.1%	-1.3%	
Breakwater	2	-3.9%	0.0%	
Barwon Heads	2	2.5%	0.2%	
North Geelong	2	40.0%	3.7%	
Ocean Grove	2	20.5%	4.4%	
Batesford	1	5.9%	5.6%	
Newtown	1	-2.0%	6.0%	
Geelong	3	5.2%	6.4%	
Highton	1	-14.5%	8.5%	
East Geelong	2	22.2%	8.9%	
Indented Head	2	6.5%	9.2%	
Hamlyn Heights	1	11.3%	10.2%	
Clifton Springs	2	2.6%	13.4%	
Portarlington	3	5.6%	17.3%	
Corio	5	2.4%	18.6%	
Lara	3	-9.0%	23.5%	
Fyansford	1	26.8%	23.7%	
St Leonards	2	18.9%	25.2%	
Norlane	1	17.8%	27.6%	
Drysdale	1	3.1%	29.3%	
Avalon	1	34.2%	40.8%	
South Geelong	6	-0.1%	41.7%	
Mount Duneed	1	8.3%	47.2%	
St Albans Park	1	14.0%	49.1%	
Belmont	3	18.8%	51.2%	
Total	53			

Petroleum

The valuation for the one petroleum property has remained at the 2018 valuation of \$145,100,000 for 2019.

Rate Cap

The *Local Government Act 1989* was amended in December 2015 to include Part 8A – Rate Caps, sections 185A to 185G to promote the long term interests of ratepayers and the community in relation to sustainable outcomes in the delivery of services and infrastructure.

The Minister for Local Government announced on 20 December 2018 under section 185D(1) of the LGA that the 2018–19 rate cap would be 2.5% for all Victorian councils.

Not all council charges are included in the rate cap calculation.

- Rates and the Municipal charge are included in the rate cap calculation.
- The Waste charge and the Fire Services Property Levy are not included in the rate cap calculation.

The 2018–19 base average rate is calculated at \$1,557.54 and the 2019–20 Budget proposes this will increase by 2.5% to \$1,596.51.

The rate cap calculation for 2019–20 is:

	2018–19	2019–20
Proposed Average Rate Increase all Rateable Property		2.5%
Rates and Municipal Charge (adjusted for Supplementaries 2018–19)	191,401,869	201,045,049
Number of Rateable Properties	125,928	125,928
Base Average Rate (BAR)	1,557.54	1,596.51

The rates and charges for individual properties may have increased or decreased by a different percentage amount to the rate cap for the following reasons:

1. The valuation of a property relative to the valuation of another property in the municipal district;
2. The application of a differential rate based on land use;
3. The inclusion of other charges not included in the rate cap.

Rating Model

Key features of the Rating Model for 2019–20 are:

- After adjusting for the impact of the 2019 revaluation, the rate in the dollar for the Residential and Mixed Use differentials has increased in accordance with the 2.5% rate cap. The farm differential has decreased and when combined with the farm rebate, the overall increase is 2.3%. Other differential rate increases are as follows, Commercial has increased by 3.5%, Industrial has had no change 0.0%, Cultural and Recreational has increased by 5.8% and Petroleum has decreased by (9.9%).
- The waste collection service charge is calculated based on a fee for service, including direct, indirect and overhead costs. The service charge does not form part of the rate cap. The waste collection charge will increase from \$316.90 to \$332.00 or 4.8%. The EPA landfill levy increases to \$35.88 per tenement (included in the service charge).

- A section 162 service charge known as Additional Bins Service was introduced in 2016–17. Households may apply for an additional garbage bin, upsized garbage bin, recycling bin or a green waste bin. The charges for 2019–20 are \$146.85 for a 140L garbage bin, \$105.25 to upgrade to a 240L garbage bin, \$82.40 for a 240L recycling bin and \$95.30 for a 240L green waste bin.
- The Municipal Charge represents a fee on all rateable assessments as a contribution to the fixed and unavoidable costs of governance. The Municipal charge is to increase from \$102.00 to \$105.25 or 3.2%.
- The Farm rebate has been set at 33.3% to maintain an average rate increase consistent with residential rates and represents a cost to the City of \$1.233m.
- The City has reverted to the definition of Cultural and Recreational Lands Act 1963 from 2017–18. Any properties removed from the differential are eligible for a transitional rebate to the otherwise applicable rate. The transitional rebate is set at 25% for 2019–20.
- The housing support waiver for eligible charitable housing will be maintained for 2019–20 and is available upon application.
- The rates assistance waiver is retained for 2019–20 with the valuation threshold at 50% where the 2019 revaluation may cause financial hardship.
- A rates waiver introduced for the New Corio Estate from 2013–14 recognising this inappropriate subdivision and Planning Scheme Amendment C243 will be maintained.
- The pensioner concession will increase from \$229.40 in accordance with movement in CPI for Melbourne as advised by the Bureau of Statistics to \$235.15.
- The gap between the Commercial and Industrial differentials has been reduced from 26.1% in 2018–19 to 14.9% in 2019–20 in line with council policy. The intention is for these two rates being set at the same rate in future years.
- The petroleum differential has been aligned to the industrial rate in the dollar, as per Councils adopted Statement of Principle.

Residential Rates and Charges

The average capital improved value of residential properties within the municipality has increased from \$482,976 to \$546,151.

The total increase in rates and charges for the average residential property with a capital improved value of \$546,151 is \$47.15 or 3.0%. This increase is made up of \$28.80 for General Rates, \$3.25 for Municipal Charge and \$15.10 for the Waste Collection Service.

Residential Properties	2018-19 Rates on Average CIV \$	2019-20 Budgeted Rates on Average CIV \$	% increase
General Rates CIV x Rate in \$	1,151.90	1,180.70	2.5%
Municipal Charge	102.00	105.25	3.2%
Total Rates including Municipal Charge	1,253.90	1,285.95	2.6%
Waste Collection Service	316.90	332.00	4.8%
Total Rates and Charges	1,570.80	1,617.95	3.0%

The Essential Services Commission measure rate increases as the movement in Rates & Municipal Charge for all rateable property. The 2018–19 base average rate is calculated as \$1,557.54 and the 2019–20 Budget proposes this will increase by 2.5% to \$1,596.51.

[Rebates – section 169 of the LGA Rebates](#)

For 2019–20 the following rebates will apply:

- Farm Rebate.
- Cultural and Recreational Transitional Rebate.

[Waivers – section 171 of the LGA Waivers](#)

For 2019–20 the following waivers will apply:

- Rates Assistance Waiver (Valuation increase over 50%).
- Housing Support Waiver.
- New Corio Estate (Inappropriate Subdivision) Waiver.

[Recycling and Waste Collection Service Charge](#)

The Annual Service Charge is proposed at \$332.00 for each rateable land and non–rateable land. The charge is levied on the following criteria:

- Geographic existence within those areas of the municipal district in which the City provides a domestic refuse collection and disposal service.
- The charge will be raised irrespective of whether the service is used or not.

The waste collection service charge is calculated based on a fee for service,

including direct, indirect and overhead costs. The service charge does not form part of the rate cap. The waste collection charge will increase from \$316.90 to \$332.00 or 4.8%. The EPA landfill levy increases to \$35.88 per tenement (included in the service charge).

The Annual Service Charge – Additional Bin Service.

From 1 July 2016 the additional bin service was made available via application compliant with the following criteria:

- In all cases of application for additional bins, the City reserves the right to inspect the applicant's existing bins to confirm that they are overloaded. If this cannot be confirmed, the additional bins will not be provided.
- The property owner or their authorised agent signs the additional bin application form, provides appropriate supporting evidence and agrees to the application service charge.
- The green waste additional bin has become available at the Anakie Road green organics processing facility from 2019–20.

Applications that meet the criteria will be billed via the Rate, Valuation & Charges notice.

If an application is received and approved in the first six months of the financial year, that is, from July to December, the full annual cost of the additional bin will be charged. If an application is received and approved in the second half of the financial year, that is January to June, half the annual cost will be charged.

The following costs will apply for the additional bin service per year:

■ Garbage bin 140L	\$146.85
■ Garbage bin from 140L to 240L	\$105.25
■ Recycling bin 240L	\$ 82.40
■ Green waste bin 240L	\$ 95.30

Fire Services Property Levy

The *Fire Services Property Levy Act 2012* (FSPL) came into effect from 1 July 2013 and requires local government to bill, receipt and collect FSPL on rateable and non-rateable properties. The FSPL appears on the rate notice and it is estimated that the City will levy \$28.3m in 2019–20 and remit to the State Revenue Office. The 2019–20 levy once again will consist of a fixed component plus a variable component based on the property's capital improved value. The levy was confirmed by the Minister on 3 June 2019.

Future Issues

This Rating Strategy is now generally available and will be placed at all City of Greater Geelong customer service centres and be published on the City's web site at www.geelongaustralia.com.au.

Finally, it is acknowledged that the strategy will not address everyone's concerns in respect to revaluations, setting of differential rates and charges and particularly the "rates shock" issues that will occur from time to time. However, the strategy has been prepared based on consultation and legal advice and is considered to be within the framework of the legislation (which is a property taxation system based on valuation).

3. Rating Strategy 2019-20

3.1 Introduction

City of Greater Geelong Responsibilities

The purpose of local government is to provide for the peace, order and good government, facilitate and encourage development, to provide services and facilities for the community and to maintain, improve, and develop the resources of the municipal district.

Local Government must operate in accordance with the *Local Government Act (1989)* and has responsibility for implementing many diverse programs, policies and regulations set by State and Federal Government. Councils have to be flexible and therefore have powers to set their own regulations and by-laws and provide a range of discretionary services in response to local community needs.

Each Victorian municipality is different. Community demographics will vary in terms of age, prosperity, topography and service requirements between councils.

The City of Greater Geelong Profile

The City of Greater Geelong serves a population of some 245,751 and covers an area of 1,250 sq. km. From Little River and Balliang in the north through to the Bellarine Peninsula and west to Waurn Ponds, Barrabool, Ceres and Fyansford, there is significant and diverse land use activities, demographics, topography and community needs.

We are a leading industrial centre for Victoria's southwest, with approximately 8,083 commercial and industrial properties and a strong labour force.

The residential sector is experiencing growth which impacts on services. Tourism is now more important while a diverse culture and environment is unique in a regional municipal setting in Australia.

The City of Greater Geelong is responsible for \$2.5 billion worth of regional assets and infrastructure including roads, bridges, town hall, recreation and leisure facilities, drains, libraries and parks.

There are more than 126 services provided to the local community from cradle to grave.

Every time a person leaves their house they use services provided by the City.

From roads, foot and bike paths, public street lighting, litter bins, school crossings, library books, sporting facilities, community meeting spaces and places, community halls, swimming pools, playgrounds, parking spaces, public tips, youth and family counselling and support, childcare programs, preschools, school holiday programs, maternal and child health services, head lice and immunisation programs. In-home services include child care, parenting and baby health advice, provision of parking permits, access via internet, demolition, building and renovations, garbage, recycling and green waste removal, personal care, home maintenance, meals on wheels and respite care.

Local laws are important for community amenity for the safety, peace and order as well as public health, care of the City's property and the environment. Hazard reduction to noise, fire, abandoned vehicles, parking, street stalls, disabled parking, street furniture, graffiti, animals, nuisance pets and busking permits are all required to be controlled by the City.

We collect rates from residents and businesses to help fund community infrastructure and service obligations.

Our approach to service strategies, budget setting according to priorities and annual rate setting is crucial as to how these services are provided to the community.

In terms of per capita rates the City of Greater Geelong has a lower rate when compared to some rural municipalities; however, we are required to and can provide a full range of services due to economies of scale, scope and aggregation. Services are utilised by non-residents of neighbouring councils, marginally increasing the cost of service to residents.

The following table compares the City of Greater Geelong to other municipalities including neighbouring councils.

[Average Rates & Charges](#)

The following table provides a comparison made to other regional, neighbouring and some metropolitan councils which highlights that the City of Greater Geelong is a low rating council.

2016-17		
	*Per Assessment \$	**Per Residential Assessment \$
Regional Cities		
Wodonga	2,331	2,072
Horsham	2,029	1,787
Wangaratta	1,936	1,713
Warrnambool	2,038	1,759
Latrobe	1,957	1,582
Greater Geelong	1,713	1,488
Ballarat	1,774	1,592
Greater Bendigo	1,884	1,636
Neighbouring Councils		
Surfcoast	2,264	2,151
Wyndham	1,724	1,617
Golden Plains	1,907	1,824
Metropolitan Councils		
Maribyrnong	2,353	1,951
Whittlesea	1,707	1,449
City of Port Philip	1,674	1,430
* Source: Council Budget Documents		
** Source: Know your Council website		

Many metropolitan councils tend to have lower per capita rates due to economies of scale and interlinking of services with other neighbouring councils. For example, one council may have a high amenity retail sector, another focusing on industry, whilst another council may provide specialist training or aquatic venues. This cross use of facilities and the ability to specialise leads to a reduced cost of service provision.

However, the City of Greater Geelong must provide a full range of services due primarily to its population diversity, geographic spread, as well as providing corporate development and regional leadership.

The average residential rate for Geelong residents for 2019–20 is \$1,617.95 (\$1,570.80 for 2018–19), including waste service charges.

This Rating Strategy includes a summary of rating principles and policies including reasons for policy and historical trends.

Purpose

The purpose of this policy is to outline the City's approach towards rating its' community and to meet the requirements of Part 8 of the *Local Government Act 1989* – Rates and Charges on Rateable Land.

This policy is to be reviewed and adopted by Council each year as part of its budget setting objectives. The City of Greater Geelong aspires, through its budget, to achieve service standards, within resource allocation limits, that benefit the entire community.

Principles

The City must raise revenue each year sufficient for the purpose of good

governance, administration, and to provide for appropriate goods and services for the community. The goods and services the organisation provides are broad and are allocated according to community lifecycle and lifestyle needs. In particular, the City provides goods and services that are not provided by private enterprise (eg. infrastructure, street lighting, regulatory and compliance activities).

Council rates constitute a system of taxation on the local community for the purposes of local government. The value of land and its improvements is generally used as the basis of taxation, which is a measure of the property wealth of the ratepayer. By legislation (*Valuation of Land Act 1960*) the value of all property is to be reassessed every year and is to be relative to all other like property within the municipality.

Rates are in the form of a general purpose levy and the benefits that a ratepayer may receive will not necessarily be to the extent of the tax (rates) paid. Benefits are consumed in different quantities and types over the lifecycle of the ratepayer (e.g. maternal and child health, libraries and aged care, roads and footpaths, local laws).

Our practices and decisions regarding rating are underpinned by:

- Accountability, transparency and simplicity;
- Efficiency, effectiveness and timeliness;
- Equitable distribution of the rate burden across the community according to assessment of property wealth;
- A “safety net” approach to assist eligible ratepayers significantly affected by increasing rates;
- Consistency with the organisation’s strategic, corporate and financial directions and budgetary requirements; and
- Compliance with relevant legislation and accepted professional conventions and ethics.

Reason for Policy

The City of Greater Geelong believes that overall policy must be underpinned by sound principles, which are well understood, communicated to ratepayers and compliant with current legislation. Equity and impact issues are best dealt with in application of all facets of rating policy, including valuation, budgetary requirements, differential rating, government taxation and concessions, collection and hardship considerations.

We aspire to balance service levels in accordance with the needs and

expectations of its community and sets taxation levels (rating) to adequately resource its roles and responsibilities.

In setting rates, the City gives primary consideration to its strategic directions, budget considerations, the current economic climate, other external factors and likely impacts upon the community.

Rating Framework

The general rating framework for local government was set out in research undertaken for development of the *Local Government Act 1989*. The research recommended that property rating should be based on the following objectives:

- The entire community should contribute to the unavoidable costs of local government.
- Where feasible, services should be funded on a user pays system.
- Where specified, local objectives can be achieved using differential rates.
- Residual service costs should be apportioned on the basis of property valuation.

In addition to rates on property, local governments are able to levy a municipal charge on each property. This charge is set to achieve the first objective above, i.e. to fund the unavoidable costs of local government. The municipal charge cannot raise more than one fifth (20%) of the total amount raised through rates (including the municipal charge) – LGA section 159.

Waste collection services are based on user-pays principles while a wide variety of other services provided by the City have fees set to recover the full cost or, where subsidisation occurs, to fully notate such cross-subsidisation.

The third element is the use of differential rate groups using variable “rates in dollars” to collect an ad valorem rate against the property value.

In addition to the objectives above, public finance theory sets three major criteria for successful taxation policy:

- Equity – including both horizontal and vertical equity. Horizontal equity means that those in the same position (e.g. with the same property value), should be treated the same. Vertical equity in respect to property taxation means that higher property values should incur higher levels of tax.
- Efficiency – meaning that in a technical sense the tax should not unduly interfere with the efficient operation of the economy. For local government the tax should be consistent with the major policy objectives of the City.

- Simplicity – for both administrative ease (and therefore lower cost) and to ensure that the tax is understood by taxpayers. The latter ensures that the tax system is transparent and capable of being questioned and challenged by ratepayers.

In adopting a differential rating structure for ad valorem tariffs, the City considers that they will contribute to the equitable and efficient carrying out of its functions”– LGA section 161(1)(b). It must also give consideration to the Ministerial Guidelines.

The *Local Government Act 1989* at Part 1A Local Government Charter – section 3C(f) provides that an objective of council should be “to ensure the equitable imposition of rates and charges”. The LGA does not further define equity or efficiency of the rating structure, and it can be presumed that the adoption of a legal rating framework will ensure equity and efficiency within the meaning and principles of the legislation.

Definitions and Abbreviations

LGA	Local Government Act (1989).
EA	Enterprise Agreement.
Council	Generally refers to the Greater Geelong City Council or the City.
CPI	Consumer Price Index.
VCAT	Victorian and Civil Administrative Tribunal.
FSPL	Fire Services Property Levy.
ESC	Essential Services Commission

Ad Valorem A tax, duty or fee that varies according to value of products, service or property upon which it is levied. Particularly well used to define property rating in NSW and USA.

Strategic Directions

The City has determined that its annual rate setting objectives should be developed within a framework which integrates planning from a strategic directions level through to service delivery.

The strategic directions of the City are set out in the following documents:

Council Plan 2018-22

This document includes strategic objectives, performance indicators and the Strategic Resource Plan.

2019-20 Budget

Annual funding allocations (action plan) for activities and initiatives, with linkages to the Council Plan, together with key financial performance targets and measures.

Annual Report

Audited statutory operational and financial report including performance statement on key targets and measures identified in the Budget and Council Plan.

The City of Greater Geelong operates as a separate entity to other councils. Each council has different local issues, costs and service provision needs. Each council budget is different to reflect local community needs and priorities. There are 79 Local Government councils in Victoria and some 671 local government entities throughout Australia.

In Victoria, there is a common legislative framework for setting a budget that council's must follow, as set out in the LGA.

Budget Considerations

The City prepares and publishes its annual budget as a separate document in compliance with the LGA, which includes a comprehensive submissions and approval process.

As part of the financial planning and budget process, the rate revenue is calculated in accordance with the rate cap set by the State Government.

Rate modelling is calculated using the following steps:

Step 1

Adjusted 2018–19 rate base. Use the current number of properties (via differential) and multiply by the 2018–19 rate in the dollar using the 2018 level valuations.

Step 2

Replace 2018 level valuations with the 2019 level valuations. Use the current number of properties (via differential) and multiply by the 2018–19 rate in the dollar using the 2019 level valuations to show the increase to revenue. Without adjusting the rate in the dollar, excessive revenue is achieved.

Step 3

Reduce the rate in the dollar to achieve 2018–19 rate revenue. Adjust the rate

in the dollar to achieve the same level of revenue prior to changes in valuation.

Step 4

Introduce 2019–20 rate cap revenue increase. Adjust the rate in the dollar by the rate cap of 2.5% to increase the total revenue target.

Other revenue sources include statutory fees for building and planning through to user pays fees assessed annually in accordance with movements in CPI, wages and market factors. Council relies on Federal and State funding mainly via the Grants Commission allocations. Specific purpose grants for new services and capital works are also received.

Each year the City establishes the maintenance needs of its assets and infrastructure and the community services and facilities that will be provided in the next financial year.

Generally, the City of Greater Geelong seeks to have a balanced budget (ie. that revenue is equal to expenses). Any surplus or deficit result should be minor in context of the overall budget.

Policy Statement: Council, as required by legislation, will prepare a draft budget for community consultation and then adopt and publish the approved budget.

External Influences

The City is subject to numerous economic factors. Since its major expenditure item is salaries and wages, any CPI and EA adjustments will have a significant impact on costs and subsequent rating decisions. We are also subject to significant movements in funding from State and Federal sources. Cost shifting back to council has been a major concern for all councils and has been subject to a Federal Government Inquiry⁵ which found that “*the extent and effects of cost shifting as detailed are the major problems facing Local Government’s deteriorating infrastructure*”. Regulatory and compliance changes affect councils operations and changes to population and demographics will influence change particularly in the medium to long term.

Community Impact

Policy Statement: Council will publish a rates impact statement biannually in its budget papers to inform the community. The impact statement will have reference to historical and future trend information including property valuation movements and rates in the dollar by tariff group.

3.2 Property Valuations

For the purpose of the *Local Government Act 1989* and its rating provisions, the *Valuation of Land Act 1960*, is the principal act in determining property valuations. Generally, each separate occupancy on rateable land must be valued and rated. Contiguous areas of vacant land with more than one title in the same ownership may be consolidated for rating purposes.

An assessment for the purpose of rating may be against any piece of land subject to separate ownership or occupation. In this context, land has been defined to include buildings, structures or improvements and may include automatic teller machines, show case, signage, advertising, radio and mobile telecommunications towers.

Local government may adopt one of the following three valuation methodologies to value properties in its area (LGA section 157).

Capital Value: (CIV) the value of land and other improvements including the house, other buildings and landscaping.

Site Value: (SV) the value of the land plus any improvements which permanently affect the amenity or use of the land, such as drainage works, but excluding the value of buildings and other improvements. Also referred to as the unimproved market value of the land.

Net Annual Value: (NAV) the value of the rental potential of the land, less the landlords' outgoings (such as insurance, land tax and maintenance costs). For residential and farm properties this must be set at 5% of the CIV (Valuation of Land Act 1960 – section 2).

Policy Statement: Council has adopted the Capital Improved Value as the value to which the rate in the dollar will be assessed.

Reason for Policy: Being a measure of the realisable value of the property, the CIV most closely reflects wealth and affordability and thus it is more equitable to tax residents on the total value of their property rather than the notional value of their land alone. In addition, differential rating combined with CIV allows greater flexibility in developing rating outcomes enabling the City to pursue its particular objectives.

Every year council valuers have a statutory requirement under the Valuation of Land Act section 13DC (5), to conduct a review of property values based on market movements and recent sales trends. For the 2019–20 rating years valuations will be based on values returned as at 1 January 2019.

The valuers undertake a physical inspection of some properties during each revaluation. Other valuations are derived from a complex formula based on sectors, sub market groups, property condition factors (including age, materials and floor area), influencing factors such as locality and views, and land areas compared to sales trends within each sector / sub-market group. The municipality has defined sub-market groups of homogeneous property types which are reviewed during the revaluation process. The valuers determine the valuations according to the highest and best use of a property.

In valuing large areas of land without buildings, residential zoning, permits for subdivision or structure plans are indications of potential for subdivision. If the land is capable of subdivision it will be valued accordingly as potential subdivisional land rather than farm land, despite its use. The value of subdivisional land will typically be higher than farm land. The amount of valuation increase will depend on market factors at the time of valuation.

The differential rate applied to the valuation is determined in accordance with the criteria set out in the annual report to Council. The criteria is based on the actual land use and the geographic area of the property.

Valuations are conducted at general revaluation or where any circumstances as listed under section 13DF of the Valuation of Land Act change the valuation and cause the City to undertake a supplementary valuation between revaluations.

Supplementary valuations are notified to ratepayers by the issue of a rates notice.

The Valuer General of Victoria is responsible for reviewing the total valuation of each municipality for accuracy before certifying that the valuations are true and correct. Valuations are conducted using best practice guidelines formulated and published by the Valuer General Victoria.

The total value of the municipality is used as a base against which Council strikes its rate in the dollar for each defined tariff group.

No Windfall Gain

There is a common misconception that if a property's valuation rises then the City receives a "windfall gain" with additional income. This is not so as the revaluation process results in a redistribution of the rate burden across all properties in the municipality. Any increase to total valuations of the municipality is adjusted by recalculating the rate in dollar (ad valorem rate) used to calculate the rate for each property. Budgeted rate income is adjusted each year as part of the budget process and the relevant rate cap percentage taking

into account adjustments for supplementary rate income.

Objections to Property Valuation

The Valuation of Land Act 1960 provides that objection to the valuation may be made each year within two months of the issue of the original or amended (supplementary) Rates and Valuation Charges Notice (Rates Notice), or within four months if the notice was not originally issued to the occupier of the land.

Objections must be dealt with in accordance with the Valuation of Land Act – Division 3 sections 16–21.

The Act was amended in 2006 in order to improve the valuation objection process and reduce the number of lengthy and costly disputes. The Act specifically improves the processes and practices for lodging an objection, sharing and exchange of information, referring an objection dispute to VCAT, awarding of costs, Valuer General notifications and certification of supplementary valuations. Further information can be obtained by contacting the City of Greater Geelong or accessing the Land Victoria web site at www.land.vic.gov.au/valuation.

The City will continue to advise ratepayers via the “Rates, Charges and Valuation Notice (the Rate Notice), brochure, web site and City News, of their right to object and appeal the valuation.

Property owners also have the ability to object to the site valuations on receipt of their land tax assessment. Property owners can appeal their land valuation within two months of receipt of council Rate Notice (via the City) or within two months of receipt of their Land Tax Assessment (via State Revenue Office).

3.3 Rating Differentials and Rate Types

Rating Equity

Council has determined that the issues concerning equity within the community and the impact of rates across the municipal district are best addressed by the application of all the policies in respect to differential tariffs, government funded rebates and provisions for relief based on hardship in accordance with LGA section 171 and 171A as amended.

Council has determined that identical land uses should be treated in the same manner with the exception of the land known as the Point. The Point land at Point Lonsdale is unique in that it requires expenditure to maintain the water quality of the waterways in line with the environmental obligations. Equity and impact issues being best dealt within application of the entire Rating Policy

having regard to:

- Land use – differential groups;
- Valuation – valuation relative to other properties within land use groups;
- Rate in dollar – based on the City’s revenue requirements and % contribution by differential group;
- Collection arrangements – access to multiple payment methods to suit; and
- Hardship being taken into consideration – subject to rating impact on class of persons or by application for individuals.

Ministerial Guidelines

The *Local Government Legislation Amendment (Miscellaneous) Act 2012* allows the Minister to set differential rating guidelines for compliance by councils. The final version of the Ministerial Guidelines, was gazetted on 26 April 2013 and came into effect from 1 July 2013. The City needs to consider the objectives, the suitable uses and the types of classes of land when introducing a differential rate. There are no new differential rates being introduced as part of the 2019–20 Budget.

Reasons for Differential Rates Policy

The application of the rating strategy should be simple, efficient, and include a mechanism that contains principles of public benefit taxation.

While general rates are not a user pay mechanism, elements of the rating strategy will embrace the user pays principle where practicable. The City may consider the imposition of specific costs that may warrant the striking of new or higher differentials.

Rating must ensure that there is sufficient funding to meet the cost of providing and maintaining infrastructure assets and services for the benefit of current and future communities.

The City of Greater Geelong applies a capital improved valuation (CIV) method to all properties within the municipality to take into account the full development value of the property. This method is applied irrespective of whether the property is subject to rates or exempt under legislation. The City recognises that people with higher value properties generally have higher wealth and a greater ability to meet the provision of council services.

Rating, through the application of higher differentials recognises the ability of some ratepayers to obtain concessions from the tax deductibility of council rates and provides for a series of differential rates. This takes into account low economic return to large landholdings, avoid distortions in the market or an

ability to contribute above the standard charge.

Rating shall endeavour to promote and encourage economic development throughout the municipality.

The farm differential is to recognise the benefits of large holdings, open space and traditionally, generally less demand upon council services per land area held. The City of Greater Geelong has used a combination of a differential tariff and a LGA section 169 rebate in order to maintain the status of farms as the lowest rated tariff group.

Vacant Land is rated at a higher rate in the dollar than residential to encourage the prompt development of vacant land to attract new residents and businesses to the City of Greater Geelong and to discourage untimely and unnecessary divisions of land.

To promote equity in rating, a "Municipal Charge" may be used, or where appropriate an ex-gratia amount may be negotiated.

Differential Tariff Groups

The local government Act allows councils to "differentiate" rates based on the use of the land, the geographic locality of the land or the use and locality of the land.

Policy Statement: Council has determined that the following differential tariff groups based on land use characteristics and geographical area are appropriate for rating purposes.

Reason for Policy: Council has a diverse mix of geographically located and land use properties. Valuation methodology is not consistent between differing land use property types and the establishment of differential tariff groups ensures greater equity and contribution from rates according to land use characteristics in relation to affordability and taxation principles. Council has also introduced a geographic rate to ensure that the land defined as The Point makes a contribution to the management of the environmentally sensitive land.

Rating Differentials

In accordance with LGA section 161 council is required:

- to specify the objectives of the differential rate;
- to define the types and classes of land and a statement of reasons for the use and level of that rate; and

- to identify the types and classes of land in respect to uses, geographic location, planning scheme zoning, building types and any other relevant criteria.

The purpose is to ensure that council has a sound basis on which to develop the various charging features when determining its revenue strategies and ensure that these are consistent with the provisions of the LGA.

The general objectives of each of the differential rates is:

- To ensure that all rateable land makes an equitable financial contribution to cost of carrying out the functions of council, including the:
 - construction and maintenance of public infrastructure;
 - development and provision of health and community services;
 - provision of general support services; or
 - a specific objective as described within the differential characteristic.

Types and Classes

Rateable land having the relevant characteristics described in each category below.

Use and Level of Differential Rate

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council.

The level of the differential rate is the level, which council considers is necessary to achieve the objectives specified above.

Geographic Location

Wherever located within the municipal district or by reference to specific location within the differential tariff description.

Use of Land

Any use permitted under the Greater Geelong Planning Scheme.

Planning Scheme Zoning

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the Greater Geelong Planning Scheme.

Types of Buildings

All buildings which are now constructed on the land or which are constructed prior to 30 June 2020.

Differential Tariff Definitions and Characteristics

Residential Land – means any land:

- i) that is used exclusively for residential purposes; or
- ii) on which a habitable building is erected, which building is unoccupied, and which is zoned residential under the Greater Geelong Planning Scheme.

Rating Objective:

To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of the City generally, including the:

- a) construction and maintenance of public infrastructure;
- b) development and provision of health and community services; and
- c) provision of general support services.

Vacant Land – means any land:

- i) that does not have the characteristics of Farm Land; and
- ii) on which no building is erected, save for any uninhabitable shed or shelter, the size of which does not exceed 5% of the total area of the land.

Rating Objectives:

To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of the City generally, including the:

- a) construction and maintenance of public infrastructure;
- b) development and provision of health and community services; and
- c) provision of general support services.

To encourage the prompt development of vacant land to attract new residents and businesses to the City of Greater Geelong.

To discourage untimely and unnecessary divisions of land.

These objectives will be met by setting the Vacant Land differential at 146.1% of the Residential Land differential.

Commercial Land – means any land that:

- i) does not have the characteristics of:

- a) Farm Land; or
 - b) Industrial Land; and
 - c) Petroleum Production Land
- ii) is used predominantly for the sale of goods or services or other commercial purposes; or
- iii) on which a habitable building is erected, which building is unoccupied, and which is zoned other than residential under the Greater Geelong Planning Scheme.

Rating Objective:

To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of the City generally, including the:

- a) construction and maintenance of public infrastructure;
- b) development and provision of health and community services; and
- c) provision of general support services.

The Point – Residential Land – means any land that:

- i) is used exclusively for residential purposes; or
- ii) on which a habitable building is erected, which building is unoccupied, and which is zoned residential under the Greater Geelong Planning Scheme; and
- iii) forms part of the land formerly described in Certificate of Title Volume 09901 Folio 324 and also described as Lot B PS 635643, PS 640648Y, PS 722221H, PS 722220K, PS 743868K, PS 732908M, PS 638301D, PS 635642R, PS 722215C, PS 722214E, PS 743877, PS 816893, PS 743876, PS 743878, PS 822924, PS 822922, PS 822918 and PS 816907.

Rating Objectives:

To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of the City generally, including the:

- a) construction and maintenance of public infrastructure;
- b) development and provision of health and community services;
- c) provision of general support services; and
- d) management of environmentally sensitive land.

To ensure that, following the development of the Point Land, and transfer to the City of the management of environmentally sensitive land, including the provision of a range of services around an existing waterway, constructed lake and canal system, an equitable and efficient financial contribution to the cost of the City's management responsibilities will be made by the ratepayers in respect of that land.

The Point – Vacant Land – means any land:

- i) that does not have the characteristics of Farm Land; and
- ii) on which no building is erected save for any small uninhabitable storage shed or shelter, the size of which does not exceed 5% of the total land area; and
- iii) forms part of the land formerly described in Certificate of Title Volume 09901 Folio 324 and also described as Lot B PS 635643, PS 640648Y, PS 722221H, PS 722220K, PS 743868K, PS 732908M, PS 638301D, PS 635642R, PS722215C, PS 722214E, PS 743877, PS 816893, PS 743876 and PS 743878, PS 822924, PS 822922, PS 822918 and PS 816907.

Rating Objectives:

To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of the City, generally including the:

- a) construction and maintenance of public infrastructure;
- b) development and provision of health and community services;
- c) provision of general support services; and
- d) management of environmentally sensitive land.

To ensure that, following the development of the Point Land, and transfer to the City of the management of environmentally sensitive land, including the provision of a range of services around an existing waterway, constructed lake and canal system, an equitable and efficient financial contribution to the cost of the City's management responsibilities will be made by the ratepayers in respect of that land.

To encourage the prompt development of vacant land to attract new residents and businesses to the City of Greater Geelong and, more specifically, to the Point Land.

To discourage untimely and unnecessary divisions of land.

The Point – Commercial Land – means any land that:

- i) does not have the characteristics of:
 - a) Farm Land; or
 - b) Industrial Land; and
- ii) is used predominantly for the sale of goods or services, or other commercial purposes; or
- iii) on which a habitable building is erected, which building is unoccupied, and which is zoned other than residential under the Greater Geelong Planning Scheme; and
- iv) forms part of the land formerly described in Certificate of Title Volume 09901 Folio 324 and also described as Lot B PS 635643, PS 640648Y, PS 722221H, PS 722220K, PS 743868K, PS 732908M, PS 638301D, PS 635642R, PS722215C, PS 722214E, PS 743877, PS 816893, PS 743876 and PS 743878, PS 822924, PS 822922, PS 822918 and PS 816907.

Rating Objectives:

To ensure that all rateable land makes an equitable and efficient financial contribution to cost of carrying out the functions of the City, generally including the:

- a) construction and maintenance of public infrastructure;
- b) development and provision of health and community services;
- c) provision of general support services; and
- d) management of environmentally sensitive land.

To ensure that, following the development of the Point Land, and transfer to the City of the management of environmentally sensitive land, including the provision of a range of services around an existing waterway, constructed lake and canal system, to ensure that an equitable and efficient financial contribution to the cost of the City's management responsibilities will be made by the ratepayers in respect of that land.

Industrial Land – means any land that:

- i) does not have the characteristics of:
 - a) Vacant Land; or
 - b) Commercial Land; and
 - c) Petroleum Production Land

- ii) is used predominantly for industrial purposes, which includes manufacturing, repairing, servicing, processing and reprocessing or warehousing.

Rating Objective:

To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of the City generally, including the:

- a) construction and maintenance of public infrastructure;
- b) development and provision of health and community services; and
- c) provision of general support services.

Mixed Use Land – means any land that:

- i) has the characteristics of Residential Land combined with the characteristics of Commercial Land or Industrial Land; and
- ii) is used partly for residential purposes and partly for commercial and/or industrial purposes.

Rating Objective:

To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of the City generally, including the:

- a) construction and maintenance of public infrastructure;
- b) development and provision of health and community services; and
- c) provision of general support services.

Farm Land – means any land which:

- i) is not less than 2 hectares in area; and
- ii) is used predominantly for the business of grazing (including agistment), dairying, pig-farming, poultry farming, fish farming, tree farming, bee-keeping, viticulture, horticulture, fruit growing or the growing of crops of any kind or for any combination of those activities; or
- iii) satisfies the criteria for municipal purpose benefit for large holdings to the extent that it is, for example, land that is predominantly used and maintained for heritage, cultural or environmental purposes, or land that is held as natural bushland under a trust for nature covenant, or land that is held under some other type of similar formal undertaking.

To avoid doubt, 'business' for the purposes of identifying Farm Land has the same meaning as that given to it by section 2(1) of the *Valuation of Land Act* 1960 for the same purpose, being a business that:

- a) has a significant and substantial commercial purpose or character; and
- b) seeks to make a profit on a continuous or repetitive basis from its activities on the land; and
- c) is making a profit from its activities on the land, or that has a reasonable prospect of making a profit from its activities on the land if it continues to operate in the way that it is operating.

Rating Objectives:

To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of the City generally, including the:

- a) construction and maintenance of public infrastructure;
- b) development and provision of health and community services; and
- c) provision of general support services.

To encourage and support the business of primary production and, where appropriate, expand the business of primary production.

These objectives will be met by setting the Farm Land differential at 80% of the Residential Land differential and by the provision of a farm rebate under section 169 of the LGA.

Petroleum Production Land – means any land that is:

- i) used primarily for the production or conveyance of petroleum and/or petroleum by-products; and
- ii) described as all that land generally bounded more or less by Princes Highway, Shell Parade, Corio Bay Foreshore, Wharf Road, Station Road and neighbouring land.

Rating Objective:

To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of the City generally, including the:

- a) construction and maintenance of public infrastructure;

- b) development and provision of health and community services; and
- c) provision of general support services.

The Petroleum Production Land differential is set at the Industrial Land differential from 2017–18.

Cultural & Recreational Land – means any land that:

Has the characteristics of Recreational land as defined by the Cultural and Recreational Lands Act 1963. As described in the Council report.

Differential Rates for Year 2019-20

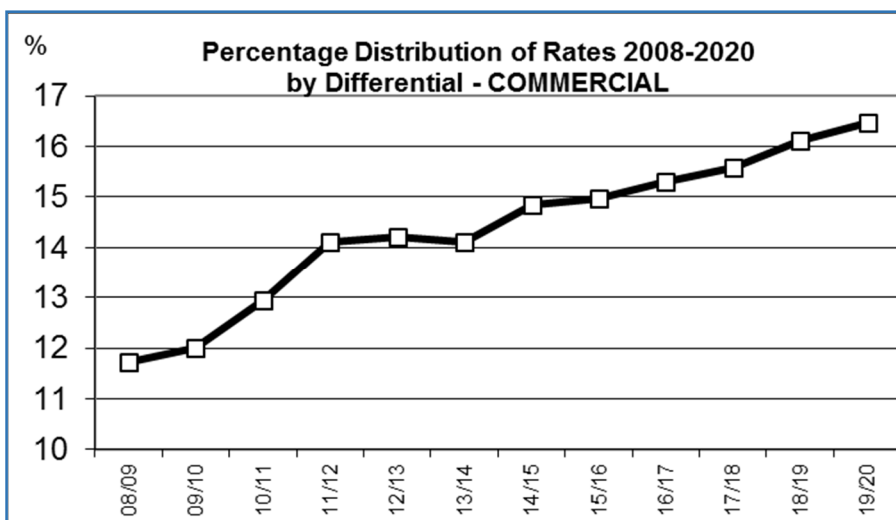
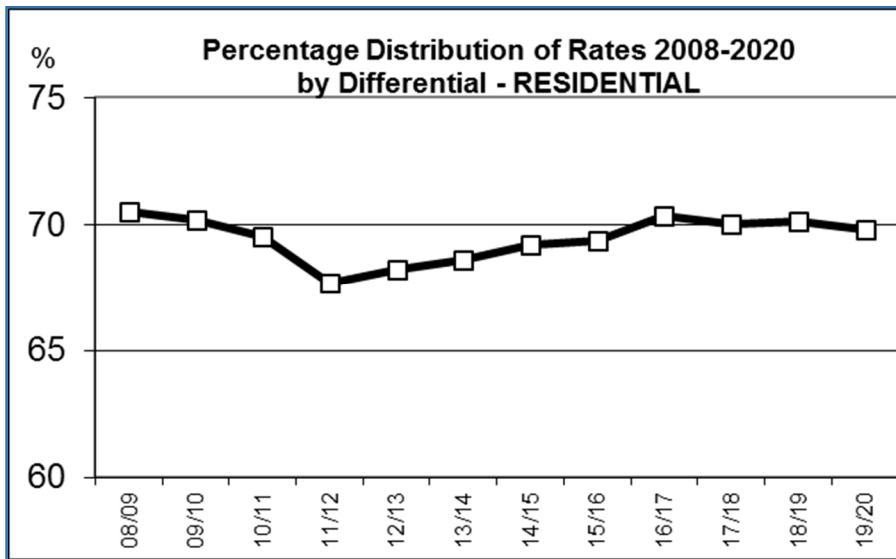
Council has declared the following rates and charges for 2019–20:

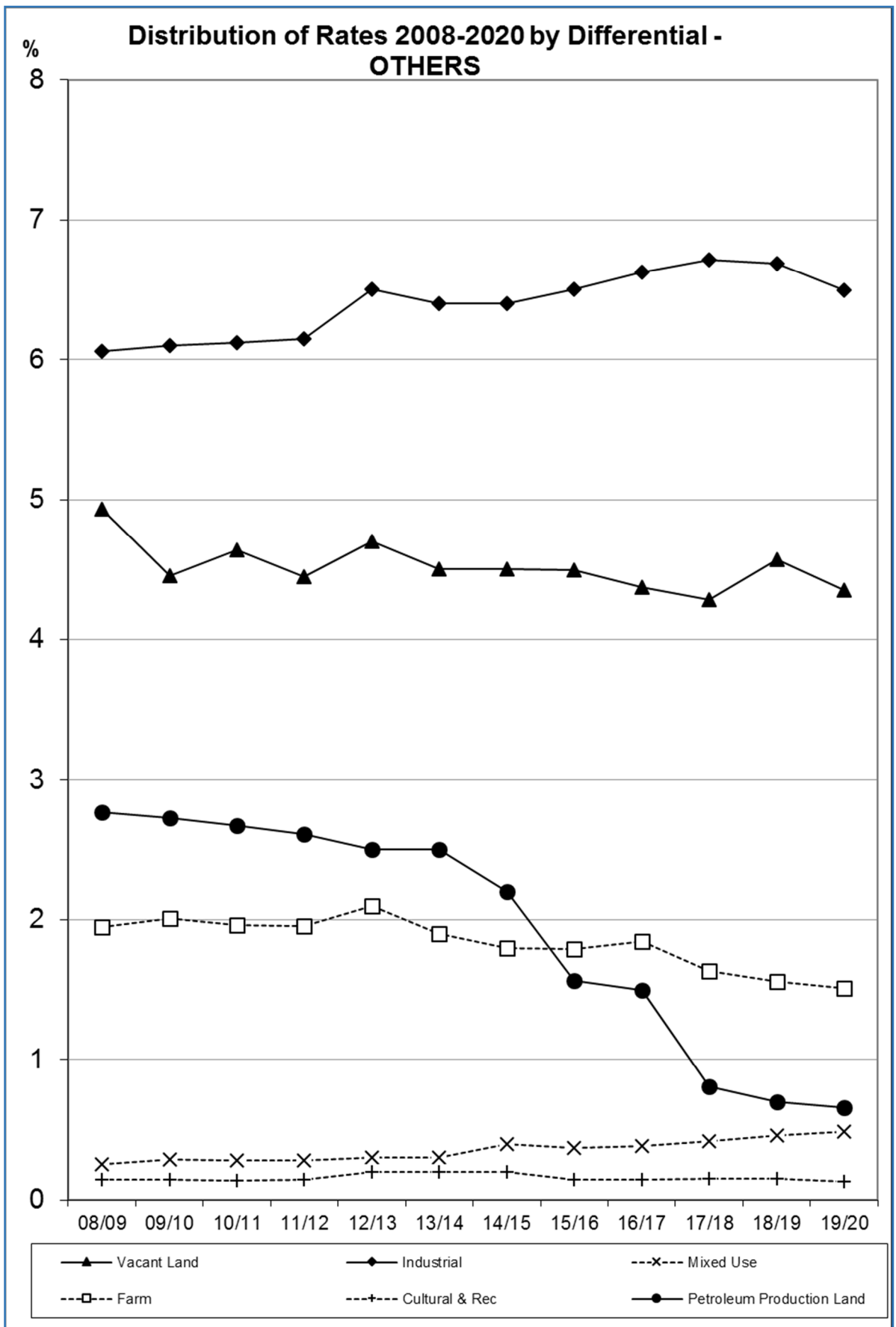
Category	Short description	2018-19 Rate in Dollar Comparative %	2019-20 Rate in Dollar Comparative %
Rating Differentials			
Farm Land	Greater than 2 hectares and sustaining a farm business or satisfying the municipal benefit large holding criteria.	0.002385 (or .2385 percent of CIV) a 37.3% farm rebate applies	0.00172948 (or .172948 percent of CIV) a 33.3% farm rebate applies
Residential Land	Residential purpose only.	0.002385 (or .2385 percent of CIV)	0.00216185 (or .216185 percent of CIV)
Vacant Land	Vacant land may disregard non-habitable structure (eg. shed) occupying not more than 5% of total area.	0.003740 (or .3740 percent of CIV)	0.00315616 (or .315616 percent of CIV)
Petroleum Production Land	Used for petroleum and related product manufacture.	0.006797 (or .6797 percent of CIV)	0.00618097 (or .618097 percent of CIV)
Industrial Land	Used for manufacturing, repairing, servicing, processing and reprocessing or warehousing.	0.006797 (or .6797 percent of CIV)	0.00618097 (or .618097 percent of CIV)
Commercial Land	Properties used for sale of goods and services.	0.005390 (or .5390 percent of CIV)	0.00522789 (or .522789 percent of CIV)
The Point Residential Land	Residential purpose only within the Point geographical area.	0.002385 (or .2385 percent of CIV)	0.00216185 (or .216185 percent of CIV)
The Point Vacant Land	Vacant land within the Point geographical area.	0.003740 (or .3740 percent of CIV)	0.00315616 (or .315616 percent of CIV)
The Point Commercial Land	Properties used for sale of goods or services within the Point geographical area.	0.005390 (or .5390 percent of CIV)	0.00522789 (or .522789 percent of CIV)
Mixed Use Land	Residential and business combined.	0.003617 (or .3617 percent of CIV)	0.00326233 (or .326233 percent of CIV)
Cultural and Recreational Lands Act 1963			
Cultural and Recreational	Land reserved under Cultural and Recreation Land Act.	0.001962 (or .1962 percent of CIV).	0.00162139 (or .162139 percent of CIV).
Service Charges			
Municipal Charge	As per LGA section 159.	\$102.00 per rateable property in any category	\$105.25 per rateable property in any category
Recycle and Waste Collection Service Fee	Service Charge as per LGA section 162.	\$316.90 per standard 3 bin service	\$332.00 per standard 3 bin service

The rates and charges as declared above are set to raise a total of \$237,685,462 for 2019–20 (\$224,941,888 for 2018–19).

Historical Trends

The use of differential rates is used to “balance and maintain” the revenue contribution from each property group. Where significant variation occurs to valuations and property numbers within a tariff group, the revenue contribution may alter accordingly. Where a tariff group has a significant declining valuation we may adjust the rate in dollar upwards to maintain the value of the rates contribution limited only by the ‘four times’ rule LGA section 161(5).





3.4 Interpretive Guidelines for Differentials and Rate Types

Farm Rates

The farm differential is to recognise the benefits of large holdings, open space and traditionally, generally less demand upon council services per land area held. This takes into account low economic return to large landholdings, avoiding distortions in the market or an ability to contribute above the standard charge. The City utilises a combination of a differential tariff and a LGA section 169 rebate in order to maintain the status as the lowest rated tariff group. Eligibility for Farm rebate is based on qualification for farm differential, whereby properties comply with the land use criteria.

The City determines whether properties are to be classified as Farm according to the definitions set out in the rating declaration that is made as part of the budget process each year.

The key factors to determine whether a property meets the definition of farm are:

- Is the area of the property 2 hectares or greater?
- Legal area of property as per council records.
- Is the property being utilised for one of the defined farming activities?

Farm Land – means any land which is not less than 2 hectares in area and;

- i) is used predominantly for a business of grazing (including agistment), dairying, pig-farming, poultry farming, fish farming, tree farming, bee-keeping, viticulture, horticulture, fruit growing or the growing of crops of any kind or for any combination of those activities or;
- ii) satisfies the criteria for municipal purpose benefit for large holdings to the extent that it is, for example, land that is predominantly used and maintained for heritage, cultural or environmental purposes, or land that is held as natural bushland under a trust for nature covenant, or land that is held under some other type of similar formal undertaking.

Case law on farming activities has concluded that recreational horses are not part of the recognised farming activities. This has been further defined to allow that properties conducting a business of grazing animals for agistment are farming businesses, provided the animals meet the definition of a grazing animal. Properties training horses for racing purposes are not farming but are conducting a commercial activity. The ‘predominant use’ test is relevant to

determine whether farming activities qualify as a farm.

Predominant or main activity requires looking at the amount of land used for the particular activity / activities and also the intensity of that use. Mere comparison of relative areas occupied by a residential use and a farming business is not decisive. Regard also needs to be given to the relative weights of the competing uses (eg. residential verses business etc.).

Is the property a farming business?

To avoid doubt, 'business' for the purposes of identifying Farm Land has the same meaning as that given to it by section 2(1) of the *Valuation of Land Act* 1960 for the same purpose, being a business that:

- has a significant and substantial commercial purpose or character; and
- seeks to make a profit on a continuous or repetitive basis from its activities on the land; and
- is making a profit from its activities on the land, or that has a reasonable prospect of making a profit from its activities on the land if it continues to operate in the way that it is operating.

The City collects information that assists in determining whether or not the property is being run as a business (commercial venture organised for profit). The tests are in line with the Australian Tax Office tests for a primary production business. The key tests include ABN, business names, regular volume of activity, level of activity showing commercial objective, income level above Australian Taxation Office threshold for income assistance and business plan for operation of the property.

The farming carried out must be on a sufficient scale as to have some element of independent viability, therefore not supported by alternate income sources. The purpose of the farming activity must be ongoing and the result being of significant commercial volume. Therefore, if the activities will only ever produce small returns then they would be considered to be of a slight or minor character (Hobby farm or rural retreats). Seasonal fluctuations should not affect this outcome.

Is the property providing a municipal benefit?

Alternatively, land predominantly used or maintained for heritage, cultural or environmental purpose such as land held as natural bushland under a trust for nature covenant, or other type of formal undertaking will be classed as farm land under the definition. Small areas of the subject property will not be able to attract the definition.

Large land holdings unable to qualify as farm land use would be typically tracts of land held for subdivision and not being utilised in accordance with the criteria. In such cases, land will generally be rated at either the residential or vacant land rating differential.

The Farm classification is reviewed when a property is sold or subdivided. An application survey is sent to the owners to obtain details on the properties ongoing usage by the new owner. Based on the information returned, the property is reclassified.

At times, the City may also mail out an application survey to groups of existing farm classified properties to ensure they are still using the land for farming purposes and therefore are still eligible for the farming classification. Owners of properties not currently defined as farm land may request the application survey. The rating differential will be determined based on the returned information.

The farm differential will be set at 80% of the residential rate and the rebate will be set at 33.3% (46.5% 2010–11 and 2011–12, 36.2% 2012–13 and 2013–14, 34% 2014–15 and 2015–16, 40% 2016–17 and 2017–18, 37.3% 2018–19) of the amount payable of the capital improved value of the property.

Multiple Land Use – Separate Assessment

The City’s rating framework is governed by the *Local Government Act 1989* and the *Valuation of Land Act 1960*.

Under section 158A of the *Local Government Act* rates and charges are to be levied on each occupancy and the City must separately levy the rate and charge in respect of each portion of land for which the City has a separate valuation.

Under section 13DC of the *Valuation of Land Act 1960* each separate occupancy must be computed at its nett annual value, its capital value and its site value and under section 7(a):

“If a portion of a parcel of land on which a building is erected is occupied separately, or is obviously adapted to being occupied separately, from other land in the parcel, that portion must be regarded as forming a separate rateable property and must be valued accordingly”.

In order to meet the requirements of the Acts and rate a parcel of land accordingly the City makes an assessment of each parcel of land to:

- determine the predominant land characteristics;
- values the land accordingly; and
- applies a rating differential which matches the land characteristics.

As part of the rating process the City regularly reviews land within the municipality to monitor changes to land use characteristics at:

- Revaluation;
- When building, planning or other permits are applied for;
- When building, planning or other permits are required;
- When subdivisions occur;
- Upon sale and transfer of land;
- Upon inspection by the us; or
- Upon application and inquiry.

As part of this process single parcels of land are sometimes identified as having characteristics applicable to different rating differentials.

The City has determined that the issues concerning equity within the community and the impact of rates across the municipality are partly addressed by the application of differential rates where identical land uses should be treated in the same manner.

In determining a differential rate for a parcel of land the City refers to the definitions and characteristics for each class of land – residential, vacant, commercial, industrial, farm or mixed use. Each differential has been developed to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of council.

In most cases each parcel of land will have single land use to which a differential rate applies. In a small number of cases a parcel of land may have more than one land use. The City, in accordance with legislation, classifies these properties in two ways to ensure equity with other like properties across the municipality.

The first method of classification is the ‘mixed use’ differential where a parcel of land has the characteristics of residential land combined with the characteristics of another rate type. For more information on mixed use, please refer above.

The second methodology is to create separate rateable properties to recognise the differing land use such as Farm with Commercial. This methodology is consistent with legislative requirements where a parcel of land has more than one land use and the property has been adapted for separate occupancy.

The decision to create a separate rateable property is determined according to the following:

- the granting of a planning, building or other permits for a separate occupancy; or
- there is a significant and substantial commercial purpose or character to part of the property; or
- seeks to make a profit on a continuous and repetitive basis from its activities; or
- when a subdivision occurs.

The creation of a separate rateable property will ensure that common types and classes of land are classified consistently across the municipality. The creation will also provide an equitable outcome for the land owner as the separate assessment is typically only the portion relating to the profit making activity, building area only with no additional land or access roads included. Thus, the higher differential is only applied to a portion of the land rather than the whole site being classified as 'mixed use'.

This is of particular relevance to properties which are classified as farm land and receive the farm rate and rebate. To be eligible for a farm rebate (as per the *Valuation of Land Act 1960*) a property must be not less than 2 hectares and be used predominantly for a sustainable business of grazing (including agistment) dairying, pig-farming, poultry farming, fish farming, tree farming, bee keeping, viticulture, horticulture, fruit growing or the growing of crops of any kind or a combination of those activities.

In recent times some 'farm' properties have diversified to include activities that do not meet the farm land definition. In these instances the City has again created a separate assessment to ensure consistency across the municipality and not penalise the property owner by only applying a different rating differential to the portion of land directly attributed to the alternate activity.

Mixed Use Rate

In determining a differential rate for a parcel of land the City refers to the definitions and characteristics for each class of land – residential, vacant, commercial, industrial, farm or mixed use. Each differential has been developed to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of council.

In most cases each parcel of land will have a single land use to which a differential rate applies. In a small number of cases a parcel of land may have more than one land use. The City, in accordance with legislation, classifies these

properties to ensure equity with other like land uses across the municipality.

The method of classification is the ‘mixed use’ differential where a parcel of land has the characteristics of residential land combined with the characteristics of commercial or industrial land. The ‘mixed use’ differential is a concessional rate compared to the commercial/industrial rate differential.

Mixed use properties historically included corner milk bars and hairdressers and more recently include home businesses, student housing and short term accommodation available from a residential property. In the majority of cases these uses do not have defined boundaries and/or have not been adapted for separate occupancy.

In making an assessment as to whether a mixed use and/or commercial/industrial differential is to be applied to a residential property the City has developed a number of principles to aid the decision making process:

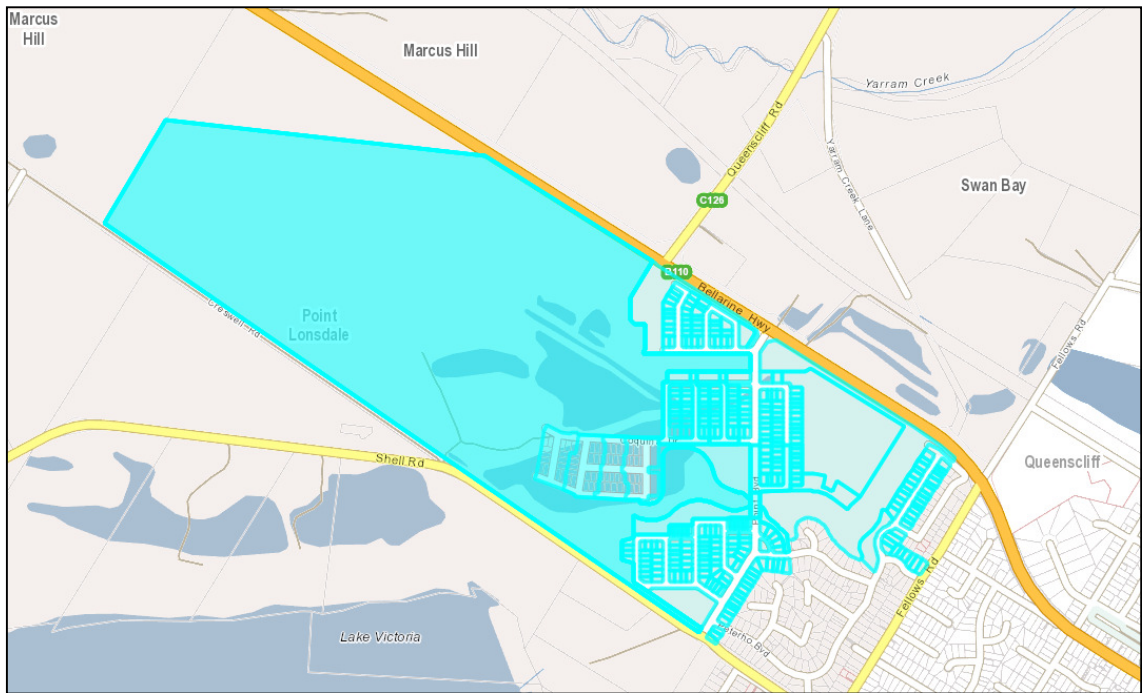
Principle	Rating differential to apply
Properties that are not used as a residence.	Commercial, Industrial, Farm or Vacant
Properties leased under the Residential Tenancy Act, in effect this property is a tenant’s principal place of residence. Lease in place for greater than 6 months.	Residential
Properties used for short term accommodation where: <ul style="list-style-type: none"> ■ it is not the tenants principal place of residence; ■ where the accommodation is being used for the owners commercial gain or reward; ■ where the property is advertised externally. 	Commercial
Properties used as a principal place of residence and also offered for short term accommodation where: <ul style="list-style-type: none"> ■ it is not the tenants principal place of residence; ■ where the accommodation is being used for the owners commercial gain or reward; ■ where the property may be advertised externally. 	Mixed Use

Principle	Rating differential to apply
Property is used as a principal place of residence and commercial activity is also conducted at the residence.	Mixed Use
Where the owner moves out of his sole and principal place of residence once a year and hires the dwelling for a few weeks, up to a maximum of 6 weeks. A statutory declaration and removal of all advertising material is acceptable evidence.	Residential
Properties available for short term accommodation as part of one off events are not considered for rating changes. For example, the register of properties available for accommodation for 'one off' events would not constitute the predominant use of the property.	Residential

The Point' Geographical Rate Description

The geographical land description of the Point land is – forms part of the land described (or formerly described) in Certificate of Title Volume 09901 Folio 324 and also described as Lot b PS 635643, PS 640648Y, PS 722221H, PS 722220K, PS 743868K, PS 732908M, PS 638301D, PS 635642R, PS 722215C, PS 722214E PS 743877, PS 816893, PS 743876, PS 743878, PS 822924, PS 822922, PS 822918 and PS 816907.

It is recognised that the land description will change in the future with subdivision and sale of the land however the Lot C PS 638301 and PS 722214 description will always be traceable to the area of land to be included in the differential.



A map of the land area is included. The hashed land is included in the definition for the differential rates. CA 2012 is a road reserve that is immaterial to the differential rate.

The land definition does not include Lot 2 TP 24109, Lot 1 TP 89558, Lot 1 TP 817344, Lot 1 TP 650917, Lot 3 TP 810878, Lot 4 TP 810878. This is adjoining land not included in the differential rate at this stage.

The land definition does not include properties that are already developed in the area.

An alternative definition of the land is included to assist in understanding. The definition is:

All land that is generally bounded by Bellarine Highway, Shell Road, Fellows Road and the western perimeter of the current land at 2202 –2350 Bellarine Highway, excluding the following list of properties that are outside the Point subdivision:

- 1–6 Chiswick Court
- 165 – 239 Fellows Road
- 1–8 Herron Court
- 1–18 Huntingdon Court
- 1–18 Kings Court
- 1–16 Lakeland Court
- 1–9 Lakes Entrance

- 1-69 Peterho Boulevard
- 2-60 Peterho Boulevard
- 703-735 Shell Road
- 1-35 Silver Ridge Road
- 23-29 Point Boulevard
- 2-10 Crown Lane
- 7-15 and 4-36 Cockle Crescent
- 1-6 Watermans Court

Cultural and Recreation Land Rate

The City declares the Cultural and Recreation Rate on all land reserved under and in accordance with the *Cultural and Recreational Lands Act 1963* - section 4.

The *Cultural and Recreational Lands Act* provides that “an amount be payable in lieu of rates in each year being such amount as the municipal council thinks reasonable having regard to the services provided in relation to such lands and having regard to the benefit to the community derived from such recreational lands”.

Rather than calculating the costs that local government bears in respect to such lands, or the benefits received by locals in relation to these properties, the City has set the rate representing a concession to the commercial rate. The 2019-20 rate is 31% of the commercial rate. An assessment of the direct and indirect costs involved is problematic. For example, depreciation of local roads related to access while the quantification of benefits in terms of income, employment, social interaction, community and physical wellbeing is also problematic. The resources involved in attempting to accurately identify and quantify benefits and costs is not justifiable on grounds of efficiency especially given the low levels of rate income involved.

The City had previously extended the cultural and recreational differential to not-for-profit clubs or associations engaged in indoor sporting, recreational and cultural activities which have similar characteristics and objectives to cultural and recreational land.

From 2017-18 the City will revert to the definition of cultural and recreational land as per the *Cultural and Recreational Lands Act 1963*. Any affected properties will be eligible for a transitional rebate to the otherwise applicable rate. The transitional rebate is to be set at 25% for 2019-20.

Service Charges – LGA section 162

A service rate or annual service charge for water supply, refuse, sewerage or other prescribed services may be declared under any criteria specified by the City. The City of Greater Geelong currently declares a service charge only in respect to the collection and disposal of refuse. The Recycle and Waste Collection service is based on user-pay principles to cover the costs of collection, recycling and landfill disposal. The City operates a full domestic garbage, recycling and green waste system providing a three bin service to all residential households. Private contractors generally undertake all non-residential refuse collections by direct arrangement with the landowner or tenant.

The Recycling and Waste Collection Service charge is levied on the following criteria:

- Geographic existence within those areas of the municipal district in which the City provides a domestic refuse collection and disposal service.
- The charge will be raised irrespective of whether the service is used or not.

The Waste Collection Service charge is calculated based on a fee for service, including direct, indirect and overhead costs. The service charge does not form part of the rate cap. The waste collection charge will increase from \$316.90 to \$332.00 or 4.8%. The EPA landfill levy increases to \$35.88 per tenement (included in the service charge).

Larger 140 litre general waste bins were introduced at no extra cost from 2013–2014. These bins are provided to new residential properties or where there is a need to replace damaged bins.

A section 162 service charge was introduced in 2016–17– The Annual Service Charge – Additional Bin Service.

From 1 July 2016 the additional bin service will be available via application compliant with the following criteria:

- The green waste additional bin has become available at the Anakie Road Green Organics processing facility from 2019–20.
- In all cases of application for additional bins, the City reserves the right to inspect the applicant's existing bins to confirm that they are overloaded. If this cannot be confirmed, the additional bins will not be provided;
- The property owner or their authorised agent signs the additional bin application form, provides appropriate supporting evidence and agrees to the application service charge.

Applications that meet the criteria will be billed via the Rate, Valuation & Charges

notice.

If an application is received and approved in the first six months of the financial year, that is, from July to December, the full annual cost of the additional bin will be charged. If an application is received and approved in the second half of the financial year, that is January to June, half the annual cost will be charged.

The following costs will apply for the additional bin service per year:

■ Garbage bin 140L	\$146.85
■ Garbage bin from 140L to 240L	\$105.25
■ Recycling bin 240L	\$ 82.40
■ Green waste bin 240L	\$ 95.30

[Municipal Charge – LGA section 159](#)

In addition to differential rates, Council may declare a municipal charge to cover some of the administrative costs of council. The total revenue from a municipal charge must not exceed 20% of the sum total of the general rates and municipal charge combined in a financial year. LGA section 159 (2). Council’s position is that the charge is a contribution to the fixed and unavoidable costs of governance and not to separately account for costs as to do so would not be an efficient use of resources.

Reasons for policy:

- Council believes that the diverse land use mix within the municipality is best described using the above differential rating categories and service charge. Taxation deductibility, valuation impacts, property use changes and levels of charge are all considered in determining tariff groups and the level of rate in dollar to be applied each year.
- A municipal charge is declared as a “minimum rate” applicable to all tariff groups and properties. For 2019–20 the municipal charge equates to 6.6% of the total sum of general rates and the municipal charge combined (6.6% in 2018–19).

[Ex Gratia Rates](#)

The City has “Ex Gratia Rates” to gain contributions towards its operational costs from those property owners exempt from paying rates. The City’s intent is to align ex gratia contributions as close to or equivalent to the applicable rate category for that property subject to particular circumstances.

Special Charge Rates – LGA section 163

Council has declared a special rate in respect of the central business district of Geelong applicable to non-residential, non-exempt properties. The special rate is the Central Activities Area (CAA) rate and is in addition to other rates and charges. The purpose of the special rate is to promote the CAA as a commercial shopping precinct using events, marketing and media.

A special rate has been declared for the period commencing on 1 July 2016 and concluding on 30 June 2021. 2019–20 will be the fourth year of the scheme and provides to raise \$1,117,259 (\$1,090,009 in 2018–19). The rate in dollar for 2019–20 is set at \$0.00063761 and \$0.00019887 for Cultural & Recreation (cultural and recreation properties are charged a reduced CAA rate, in accordance with the ratio of the recreation rate to the commercial rate). Council from time to time declares special charges in respect to street schemes, construction of footpaths and area beautification subject to the provisions of LGA S163–S166.

3.5 Collections

Liability to Pay Rates

LGA section 156 makes the owner of the land liable to pay the rates and charges on that land. In certain cases, the occupier, mortgagee or licensee holder is liable to pay the rates.

The LGA section 156(6) declares the rate or charge, unpaid interest or costs to be a first charge upon the land.

Electronic Notices

The City encourages the electronic distribution of rate notices and promotes My Geelong. Ratepayers can elect to receive either their Annual Rate notice or Quarterly Rate notice electronically which is received through their email address.

Register with your rate notice at www.geelongaustralia.com.au/ratesonline.

Once you have registered you can:

- Receive and manage rate notices and payments
- Receive and manage animal registrations
- Check bin collection days
- Submit service requests

Payment Dates for Rates

The City, in accordance with the LGA section 167 (1) must allow for the payment of rates by four instalments per annum. The City may allow a person to pay a rate or charge in a single lump sum payment LGA section 167 (2).

The Minister fixes instalment and single lump sum payment dates by notice published in the Government gazette.

Policy Statement: Council offers ratepayers the option to pay rates by four instalments due on 30 September, 30 November, 28 February and 31 May each year, or the next working day thereafter should those days be a weekend or public holiday.

Ratepayers may pay in a single lump sum payment provided that payment is received by 15 February or next working day thereafter if that day is a weekend or public holiday.

Reason for policy: The policy is set in accordance with the *Local Government Act 1989*.

Alternative Instalment / Payment Options

A number of councils offer four instalments per annum as the only payments option (e.g. Queenscliffe Borough Council).

LGA section 167 requires that councils “must allow” payment in four instalments and “may allow” payment in one lump sum. The Minister fixes the dates of instalments and lump sum by notice published in the Government Gazette. The dates are set statewide with no variability between councils and have traditionally been the dates as listed above.

Council may in future consider moving to the instalment payment options only. Of the 125,981 rate accounts issued annually, some 49.4% now use the 4–instalment option. A move to four instalments only would bring cash flow forward and increase interest on cash held in investments. However, this is offset by increased postage and collection fees.

For 2019–20 there is to be no change to the existing payment instalment arrangements.

Payment Options

The City of Greater Geelong offers a range of payment options including direct debit, Bpay, internet via www.geelongaustralia.com.au, by mail, telephone, over the counter services at customer service centres. Over the counter is also available at Australia Post agencies at a significant cost to the City. This service

is to be reviewed in the future as a part of a review of payment options. The City also uses Centrepay arrangements which offer Centrelink recipients to have payments deducted directly from their Centrelink entitlements.

To assist ratepayers spread the cost of rates over the year the City allows 20 fortnightly direct debit or fortnightly centrepay payments, nine monthly direct debit payments. Quarterly or in full payments can be made by the set dates by the means listed above.

The cost of collections via all options continues to increase. The budget for 2019–20 is \$276,920.

The City incurs costs of collection via agency and merchant service fees. A payment processing fee on credit card transactions was introduced during 2014–15 at 0.4% to offset the merchant service fees charged by financial institutions. Due to increased costs the percentage recovered will be increased to 0.55% from 1 July 2019.

[Incentives for Prompt Payment](#)

The LGA section 168 provides that incentives for prompt payment may be offered. Discount for early payment should be based on cash flow benefit to the City.

Policy Statement: Council has determined that no incentives for prompt payment will be offered for the year 2019–20.

Reasons for Policy: The City offers payments via a number of agencies and services and to provide discount would be administratively cumbersome and costly. Awards and competition based incentives are generally only of benefit to the City via early cash flow and the successful ratepayer(s).

[Late Payment of Rates](#)

Policy statement: Council has determined that the application of interest penalties will be in accordance with LGA section 172.

Reason for policy: To alleviate any discussion or debate late payment of fines and penalties will be applied to any outstanding rates not paid by the due date. A period of not less than one day grace will be allowed.

[Interest on Arrears and Overdue Rates](#)

Interest is charged on all overdue rates in accordance with LGA section 172. Penalty interest is to be charged from the date when each instalment was due, irrespective of whether a lump sum option is available.

The interest rate to apply is fixed under section 2 of the Penalty Interest Rates Act 1983, which is determined by the Minister and published by notice in the Government Gazette. The penalty interest rate of 10% per annum will apply from 1 July 2017.

The City cannot apply an alternative rate but has the power to exempt any person from paying the whole or part of any interest amount generally or specifically payable – LGA section 172 (2A).

As part of the hardship provisions the City allows people who have proven financial difficulties to defer rate payments. The interest rate for deferred rate payments is set at 5.34% for 2019–20.

Debt Recovery - Collection of Overdue Rates

The City makes every effort to contact ratepayers at their correct address but it is the ratepayers' responsibility to properly advise the City of their contact details. Amendments to the LGA require both the vendor and buyer of property, or their agents (e.g. solicitors), to notify the City of Greater Geelong by way of a notice of acquisition.

In the event that an account becomes overdue, the City has established procedures for the issue of an overdue final notice which may include interest pre calculated to a forward payment date.

In the event that the account remains unpaid, we may take legal action without further notice to recover any overdue amount. All fees and court costs are recoverable from the ratepayer.

If an amount payable by way of rates in respect to land has been in arrears for three years or more, the City may sell the land in accordance with the *Local Government Act* – section 181.

Reason for Policy: The purpose of the policy is to act as a genuine deterrent to ratepayers who might otherwise fail to pay rates on time, to allow the City to recover the administrative cost of following up unpaid rates and to recover any interest cost the City may incur due to lost investment opportunities. The principle in providing for such penalty is that ratepayers who pay within the required timeframe should not have to subsidise or bear any cost of ratepayers who default in payment.

3.6 Rates Assistance

Council has determined that the rating framework described above is appropriate for equitable rating given the principle of taxation by property

wealth, land use groupings, other revenue raising strategies and government funded concessions and legislative provisions and requirements.

The City acknowledges that some ratepayers will experience difficulty from time to time in meeting rate payments due to the effect of rising valuations, cost of council services and personal circumstance. We further understand that rebates and relief measures have a cost to the City which must be borne by other ratepayers either short or long term. It is for this reason that the City provides limited assistance, rates waivers and rebates to assist persons or classes of person in accordance with LGA section 169 and 171.

The MAV 2010 study of the Capacity of Residential Households to Pay Rates found that the average household rate burden is around 2.25% of expenditure. It found that the type of households that typically had a higher rate burden were:

- Owned outright (i.e. without a mortgage).
- Rely principally on government pensions and allowances.
- Are lone person households.
- Have a reference person of 65 years or over.
- Have no dependent children aged under 25 years.

We have implemented rates assistance measures to address the needs of these groups where property taxing causes financial hardship. In particular the pension rebate, rate deferral, rate waiver and the variety of payment options including Centrepay.

The MAV has released hardship policy guidelines. The objectives of these hardship policy guidelines are:

- To provide assistance to ratepayers experiencing financial hardship.
- To provide guidelines, templates and other resources for councils, council staff and contractors to effectively and consistently manage ratepayer financial hardship.
- To ensure a council's debt collection practices are sensitive and responsive to financial hardship issues.

[Rebates – LGA section 169](#)

A rebate is a mechanism through which a targeted group receives a discount or concession to achieve certain objectives. Essentially rebates are funded through the general rate pool. More specifically, the amount required to fund the rebate is calculated and is incorporated into the total rates and charges requirement. For transparency the amount of any rebate or concession funded by ratepayers

should be declared on an annual basis.

The City may grant rebates or concessions in accordance with the LGA to assist the proper development of the municipal district, to preserve buildings or places in the municipal district which are of historical or environmental interest, to restore or maintain buildings or places of historical, environmental, architectural or scientific importance in the municipal district, to assist the proper development of part of the municipal district. A Council resolution granting a rebate or concession must specify the benefit to the community as a whole resulting from the rebate or concession. If a person granted a rebate or concession has not complied with the terms on which the rebate or concession was granted, the City will send a notice to the person requiring the payment of the whole or part of the rate by a specified date including interest.

Policy Statement: Council considers that it is not appropriate for Council via ratepayer funds to provide for rebates for the proper development in full or part to the municipality.

In 2009 the LGA was amended to allow council to provide rebates to support the provision of affordable housing by a registered agency. It is not proposed to provide any rebate for the provision of affordable housing for 2019–20.

Charitable Housing

There are a number of organisations providing housing for people with low-income, on a voluntary and not for profit basis. The provisions of the LGA section 154 (4) (b) preclude such residential housing from being non-rateable, even though their use may be regarded as charitable, in the everyday sense of the word.

All housing provided by registered agencies, housing associations, charitable or government organisations is rateable in accordance with legal precedent and the LGA.

During 2009 the Act was amended to include section 169 1 (D) which allows that the City may grant a rebate or concession in relation to any rate or charge, to support the provision of affordable housing, to a registered agency.

The City does not provide a rate rebate to support the provision of affordable housing by registered agencies. Assistance for low income households is already provided through the State Government pension rebate and the means tested rent provided by the Department of Housing and the Housing Associations.

There have been some inconsistencies with some charitable housing providers

being exempt from rates. This includes some properties owned by registered housing agencies, charitable organisations and some retirement units.

From 2011–2012 all exclusive residential housing will be rated inline with the Act. The City recognises that this will make some previously non rated properties rateable and has decided to offer a Housing Support Waiver for eligible properties.

Farm Rebate

Due to significant variations in valuations within tariff groups and the limitations of the ‘four times’ rule, the City provides a rebate for farm properties in conjunction with a lower rate in the dollar compared to the residential rate in the dollar in accordance with Rating Policy.

Farm Rates

The City has determined that for 2019–20 properties defined as farms (991 assessments) will be entitled to a rebate reflecting the view that there is benefit to the community in encouraging the retention of large lot primary producing holdings.

Traditionally a discounted rate (lower differential) for the farm sector has been justified due to factors, which include:

- Perception of inequality between rates paid and services received;
- Geographic impediments in terms of access to council services, which are primarily located in urban areas;
- Perception that “farmers” use less council services due to “cultural” differences;
- The relatively low return on asset of the farm sector;
- The need to protect the commercial viability of the farm sector;

However, given significant variations to valuations across tariff groups and the limitations of the ‘four times’ rule LGA section 169 (5), Council has resolved to retain and set the farm differential at a lower rate than the residential rate and provide a rebate to all farm properties in accordance with Policy of having the farm sector as the lowest rated tariff group.

To qualify for the farm rebate properties will be defined as farm land. The rebate will be set at 33.3% (46.5% for 2010–11 and 2011–12, 36.2% for 2012–13 and 2013–14, 34% for 2014–15 and 2015–16, 40% 2016–17 and 2017–18, 37.3% 2018–19) of the amount payable of the capital improved value of the property.

The cost to the City of the rebate approximates \$1.232m and is offset by

increased rates to all other rate differentials.

Criteria for eligibility:

Farm Land – means any land which is not less than 2 hectares in area and

- i) is used predominantly for a business of grazing (including agistment), dairying, pig-farming, poultry farming, fish farming, tree farming, bee-keeping, viticulture, horticulture, fruit growing or the growing of crops of any kind or for any combination of those activities or;
- ii) satisfies the criteria for municipal purpose benefit for large holdings; such as land predominantly used and maintained for heritage, cultural or environmental purpose such as land held as natural bushland under a trust for nature covenant, or other type of formal undertaking will be classed as farm land.

A business is defined in the *Valuation of Land Act* as:

- i) having a significant and substantial commercial purpose or characters; and
- ii) Seeks to make a profit on a continuous or repetitive basis from its activities on the land; and
- iii) Is making a profit from its activities on the land, or that has a reasonable prospect of making a profit from its activities on the land if it continues to operate in the way that it is operating.

Reason for Policy: The Farm rebate replaces the previous farm rate with all such properties to be rated at the residential rate or redefined according to land use. The rebate recognises the nature of the farm with a LGA section 169 rebate. This rebate policy compliments the vacant land policy whereby a higher rate exists to promote infill and development of subdivisional land on a timely basis.

Cultural and Recreational Transitional Rebate

Council has declared a transitional rebate for 25% of the difference between the Cultural and Recreational differential of the otherwise applicable differential. Properties that were eligible for the cultural and recreational differential in 2016–17 that are no longer eligible in 2017–18 will be encouraged to apply for this rebate.

Pensioner Rebates

Holders of a Centrelink or Veterans Affairs pension concession card, or a Veteran Affairs Gold card which stipulates TPI or War Widow (excludes Health Care and DVA all conditions, POW, EDA and dependant cards) may claim a rebate on their

sole or principal place of residence.

For 2019–20 the government-funded indexed rebate is provided under the Municipal Rates Concession scheme. It will increase from \$229.40 to 235.15 or 50% of the rate payment, whichever is the less. Upon initial application, an ongoing eligibility is maintained unless rejected by Centrelink or Department of Veteran Affairs during verification procedures. Upon acceptance of pensioner status the concession or rebate is deducted from the rate account before payment by the ratepayer.

Applications for the concession must be lodged by 30 June in each year.

In 2010 the MAV undertook a statistical analysis of figures across Victoria that showed on average 2.25% of household expenditure was spent on council rates. The study indicated that households occupied by old-age pensioners are likely to have a higher rate burden. The study recommended that the MAV should call for an increase in the State Government pension rate rebate.

Policy Statement: Council considers that it is not appropriate for council via ratepayer funds to make an additional rebate or offset to all pensioners.

Reason for Policy: Councils view is that pensioners receive a variety of utility and other concessions funded from general government taxation, which is appropriate. The State government has historically accepted the need to redistribute income taxes in support of utility concessions and rebates to low income households. Council supports this view, along with annual indexation of the municipal rate concession amount.

For the City to make further concessions would mean a redistribution of the rate burden with other ratepayers bearing the cost by way of higher rates and charges and having regard to these factors would unfairly penalise those ratepayers.

[Waivers – LGA section 171](#)

[Housing Support Waiver](#)

From 2013–14, Council declared a waiver under section 171 of the *Local Government Act* of 100% of general rates and municipal charge for the following types of properties. Transitional, emergency, crisis housing, housing for legatees or war widows provided by the Geelong Legacy Club or provided by RSL, and supported housing for disabled people.

This allows the City to waive the fire services levy under section 27 of the FSPL Act, inline with council policy.

The Housing Support Waiver will be for 100% of general rates and the municipal

charge for the class of persons comprised of ratepayers in respect of assessments which contain the following types of housing:

- Transitional, emergency or crisis housing;
- Housing for legatees or war widows, provided by the Geelong Legacy Club or provided by RSL; and
- Supported housing for disabled people.

This waiver recognises that these properties provide for specific needs within the community.

[Rates Assistance Waiver](#)

Policy Statement: Council is of the opinion that it is desirable to provide relief against any substantial increase of rates payable by residential ratepayers where such increase may cause hardship.

Reasons for Policy: In each revaluation there has been significant increases in valuations above the average, which have occurred due to the diverse property types and market influences within the municipal district and especially along coastal and waterfront locations. Based upon analysis of rating impacts, Council has determined that the continuation of the assistance measure will ensure that equity, benefit, ability to pay, efficiency and simplicity principles of taxation are adhered to.

Policy: The purpose of this measure is to provide relief to qualifying ratepayers who have incurred significant increases to valuation and hence rates arising solely from an increase in valuation caused by market conditions. Relief is granted subject to the criteria below for one year of the valuation as a “phase-in of valuation” method.

The waiver for 2019–20 is granted in accordance with the waiver / hardship provisions of section 171A of the LGA.

[Upon Application:-](#)

Provide a waiver to any qualifying ratepayer experiencing an increase in valuation of more than 50% provided the following criteria is met:

- the property is the principal place of residence;
- the property has been owned by the same ratepayer for both valuation periods;
- the property is rated within the residential or farm tariff group; and
- have not had an increase in valuation of the land for the assessment because of improvements made requiring a building permit; and can demonstrate

financial hardship by way of being currently eligible as a pensioner under the *State Concession Act* (2004) (Centrelink Pensioner Concession, Department of Veterans Affairs Pension Concession, Gold Card –widow or TPI specific – Cards); and

- can demonstrate that they are of low income status with a maximum income of \$53,728 or less (Statement of Earnings SOE – Centrelink or most recent tax assessment notice).

Amount of waiver

The amount of the waiver shall be calculated to provide a maximum 50% waiver of the total increase in rates due to the change in CIV. A phase-in percentage based on increments to the property valuation shall apply viz:

Property valuation increased by:

50% – 51.9%	Waiver at 25% of increase
52% – 53.9%	Waiver at 30% of increase
54% – 55.9%	Waiver at 35% of increase
56% – 57.9%	Waiver at 40% of increase
58% – 59.9%	Waiver at 45% of increase
60% or greater	Waiver at 50% of increase

Calculation of Rates Assistance Waiver 2019–20 – Example:

Residential & Farm Property only			
Input 2018 CIV	\$350,000	Rates Paid 2018–19	\$834.75
Input 2019 CIV	\$555,000	Rates Payable 2019–20	\$1,199.83
Variation	58.6%	Variance	\$365.08
Rebate Amount	45.0%		\$164.29
Percentage Rebate Allowable			

No maximum rebate under this formula is to apply.

The Recycle and Waste Services charge and the Municipal charge are excluded from the waiver.

Reason for policy

The waiver provisions are provided for under LGA section 171A.

The waiver is to be granted upon application simplified for those ratepayers

supplying a current Centrelink statement of earnings or ATO tax assessment.

The property criteria to be met is to ensure that the waiver is properly targeted to property owners that have experienced significant changes in valuations by reason only of market forces.

The financial criteria is to prove hardship within the context of the legislation and to ensure that only low-income status property owners become entitled to the waiver.

The maximum income test is \$53,728 which is the Centrelink threshold for Family Tax Benefit Part A.

Other ratepayers, via a higher rate, effectively pay for the cost of any waiver granted.

The application process is to be subject to the provision of LGA section 171A (4) with penalties for misleading or false information relative to the granting of the waiver (10 penalty units equals \$1,652.20 as at 1 July 2019).

Communications

The City to ratepayers' communication will include the following:

- Rates assistance waiver: A letter is sent to each residential property identified as having a significant valuation movement outlining the Rates Assistance measures available. An 'Application for Waiver' form accompanies the letter.
- Personalised assistance will be given for either deferral or waiver measures including council officers visiting the ratepayer if necessary (this already occurs with some pensioner applications).
- Staff training is conducted each year with customer service staff, with material available to again emphasise the assistance measures available to ensure that ratepayer requests are properly addressed.
- Information will be included on the rate notice, rate brochure, web site and City News advertising.

New Corio Estate (Inappropriate Subdivision) Waiver

The New Corio Estate is an old and inappropriate subdivision within an established farming zone in Corio. Since the land is zoned as farming land it cannot be developed for residential use with no services available for the area. There is no prospect of these services becoming available in the future. In addition Council has adopted Planning Scheme amendment C243 which formally protects the native vegetation and provides some certainty over future use of the land.

For 2019–20 Council will declare a waiver under section 171 of the LGA of 100% of general rates and municipal charge for privately owned properties in the New Corio Estate. This rates assistance waiver recognises the financial burden associated with ownership of the land and the encumbrances that prevents property owners from making any demands on council services now and into the future.

Deferral of Rates - LGA section 170

Assistance to Individuals

When a ratepayer has financial difficulty the City will consider deferral of rates.

Policy Statement: Council has determined that the provisions for deferral (LGA section 170) and waiver of rates (LGA section 171 & 171A) may be utilised in accordance with the delegated authority to officers approved by Council.

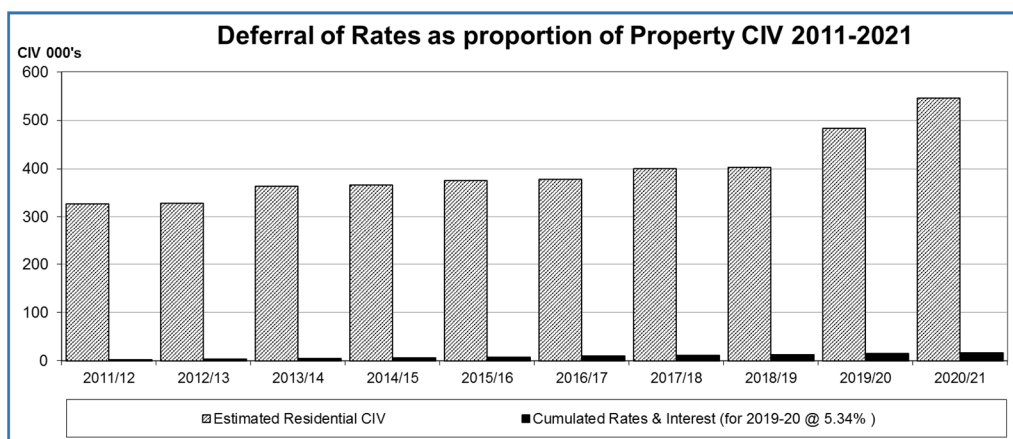
Reason for Policy: Council recognises that discretionary deferral and waiver of rates is appropriate for certain individuals in cases of proven hardship.

The option to defer rates is a legislative provision – LGA section 170.

Council has determined that the deferral of rates be extended to include both residential and non-investment vacant land ratepayers.

Promotion of this option will occur on the rate notice, rate brochures and web site.

There is a misconception that by deferring rates the City would eventually “own the property” by way of accumulated debt. This is not so. By way of example, current average rates approximate 0.22% of the capital value of the property. Based on the average residential rates and the actual CIV changes and rate increases over the past 10 years, even after 10 years of accumulated rate deferral (with interest rate for 2019–20 at 5.34%), the value of rates deferred still only approximated 3.2% of the properties capital value.



The City has established guidelines and an application form for ratepayers wishing to apply for deferral or waiver of rates.

If the City is satisfied on the application of a ratepayer that payment of rates in accordance with the Act would cause hardship, the the City may defer payment or part payment for such period as the City thinks fit.

The deferral will be granted on the following conditions:

- That the ratepayer pay interest on the amount affected by the deferral at a rate fixed by the City.
- The deferral ceases if the City in its discretion revokes the deferral (in which case the City must give the ratepayer at least 30 days' notice in writing of the revocation before taking action to recover rates affected by the deferral);
- The ratepayer ceases to own or occupy the land in respect of which rates are imposed (in which case the rates are immediately payable); and
- Any other conditions as the City thinks fit.

The application for deferral does not change the due date for payment of rates.

Policy Statement: Council policy is that deferral is appropriate where ratepayers have incurred increases to rates and immediate affordability is an issue.

Reason for Policy: Where application for waiver of rates causing hardship is based on the premise of significant increases to capital value, short-term rates assistance measures are available based on eligibility. Beyond the rates assistance measures council believes that in such cases deferral of rates is more appropriate. Waiver should be considered only for those in genuine hardship and where little capital gain or future benefit can be demonstrated. To provide additional waiver to ratepayers experiencing significant capital appreciation in property values would result in a redistribution of rates back to lower valued properties – in effect regressive taxation, which is inequitable.

[Bushfire Relief](#)

Policy Statement: Council has determined to provide Bushfire rate relief for any properties significantly damaged by bushfire to immediately have their valuation reduced down to a site value for the remainder of the financial year and then subject to supplementary valuation thereafter.

Policy Statement: Upon verification of an owner occupied residence being destroyed or significantly damaged by bushfire, the City is to provide rate relief by amending the property rate back to it's site value (residential) from the date of the fire for the remainder of this financial year. Such properties to be revalued with appropriate valuations and rate differential effective from 1 July of the new

financial year. Affected ratepayers to be given the opportunity to make arrangements to pay rates without penalty up to 31 May in that year.

Reason for Policy: Council recognises the distress that bushfire can cause and seeks to provide immediate relief to affected residents. The relief is targeted where the immediate living conditions of the ratepayer is affected and not the surrounding land which may include fencing, stock and outbuildings.

Drought Assistance

Since July 2005, the City has administered the State Government Municipal Rate Subsidy Drought Assistance scheme. Farmers who were receiving emergency payments or Exceptional Circumstances Relief payments were eligible to receive a subsidy of up to 30% off their rates.

The declaration of Geelong as a drought affected area with farmers potentially being eligible for exceptional circumstances payments concluded on 1 May 2011.

Community Grants

The City operates the community grants, sponsorships and donations program allocating \$8.3m to support a wide variety of community organisations, events and networks. Based on principles of accountability and transparency, and in lieu of the granting an application for rebates of rates, it is the City's preference that such organisations apply for funding under this program.

Exemptions from Rating

The LGA section 154 declares that all land is rateable with a number of exceptions including crown land occupied for municipal purposes, land used exclusively for charitable purposes, the residence of a practising Minister of Religion, certain land used for mining purposes, clubs or memorials under the Patriotic Funds Act, Returned Services League and related associations as defined. Generally land is not used exclusively for public municipal or charitable purposes if it is a residence, is used for the retail sale of goods or the carrying on a business for profit.

Charitable and Not-for-Profit Organisations

Application for exemption from rating may be made at any time during the financial year and will be assessed based on the usage of the property. The City does not generally allow for any retrospective claims.

Legal precedent has determined that charitable uses include those providing health services, education, religion and services to the needy.

Fire Services Property Levy (FSPL)

The Victorian State Government introduced the *Fire Services Property Levy Act* (2012) which came into effect from 1 July 2013 and requiring local government to bill, receipt and collect a Fire Services Property Levy on rateable and non rateable properties.

The Act was in response to one of the recommendations of the Victorian Bushfires Royal Commission with the objective being to ensure that all property owners benefitting from Victoria's Fire Services should make a contribution to the cost of the service compared with the existing insurance based levy.

Principles

The levy is designed to ensure that all property owners pay a contribution for fire services so that Victoria's fire services continue to operate with sufficient resources. The levy is assessed on the Capital Improved Value (CIV) of property and is consistent with the valuation base used by most municipalities in levying rates.

How is the payment calculated?

The levy will consist of a fixed component plus a variable component based on the property's capital improved value. The variable component will be a rate based on the land use classification code, known as the Australian Valuation Property Classification Code (AVPCC) for different property types [residential, commercial, industrial, primary production, public benefit, vacant] and will be determined by the Minister on or before 31 May each year. A \$50 per property concession will apply to pensioner concession and Veterans Affairs gold card holders.

The rates for 2019–20 are:

2019–20 Rates	Fixed Charge	Variable Charge per \$ of CIV	Council Differential
Residential (including vacant residential land)	\$111	0.000066	Residential The Point Residential Vacant The Point Vacant

2019–20 Rates	Fixed Charge	Variable Charge per \$ of CIV	Council Differential
Vacant (excluding vacant residential land)	\$226	0.000249	Vacant The Point Vacant
Commercial	\$226	0.000795	Commercial Mixed Use The Point Commercial
Industrial	\$226	0.000953	Industrial Automobile Petroleum
Primary Production	\$226	0.000190	Farm
Public Benefit	\$226	0.000066	Cultural & Recreation

For FSPL Vacant Land is split between Residential Land and other Vacant Land.

4. Bibliography

- City of Greater Geelong 2019–20 Budget.
- Capacity of Residential Households to Pay Rates. Municipal Association of Victoria February 2010.
- URL link to latest version of *Local Government Act 1989*:
www.austlii.edu.au/au/legis/vic/consol_act/lga1989182/
- Income test for Family Tax Benefit Part A
www.centrelink.gov.au/payments/ftb-a-

Attachment 1

STATUTORY INFORMATION ON RATES

Differential Rates and Charges Schedule LGA Section 161 (3)

for Period 1 July 2019 to 30 June 2020

Category	No of Properties 2019-20	2018-19 Rate in the Dollar	2019-20 Rate in the Dollar	% Change in Rate in the Dollar	CIV 2018 Level Valuation	CIV 2019 Level Valuation	% Change in CIV Level Valuation	Revenue at 2018-19 Rate in the Dollar	Revenue at the 2019-20 Rate in the Dollar	% Change in Revenue	Average Rates Payable 2018-19	Average Rates Payable 2019-20	\$ Change in Average Rates Payable	% Change in Average Rates Payable
Residential-base	110,102	0.002385	0.00216185	-9.4%	53,176,595,500	60,132,285,000	13.1%	126,826,180	129,996,980	2.5%	1,151.90	1,180.70	28.80	2.5%
Vacant Land	6,198	0.003740	0.00315616	-15.6%	2,271,205,622	2,850,290,847	25.5%	8,494,309	8,995,974	5.9%	1,370.49	1,451.43	80.94	5.9%
Commercial	5,927	0.005390	0.00522789	-3.0%	5,552,901,300	5,924,888,319	6.7%	29,930,138	30,974,664	3.5%	5,049.80	5,226.03	176.23	3.5%
The Point Residential	150	0.002385	0.00216185	-9.4%	90,930,000	107,250,000	17.9%	216,868	231,858	6.9%	1,445.79	1,545.72	99.94	6.9%
The Point Vacant Land	73	0.037400	0.00315616	-91.6%	38,030,000	42,070,000	10.6%	1,422,322	132,780	-90.7%	19,483.86	1,818.90	-17,664.96	-90.7%
The Point Commercial	3	0.005390	0.00522789	-3.0%	9,334,000	8,670,000	-7.1%	50,310	45,326	-9.9%	16,770.09	15,108.60	-1,661.48	-9.9%
Industrial	2,153	0.006797	0.00618097	-9.1%	1,770,424,374	1,946,875,223	10.0%	12,033,574	12,033,577	0.0%	5,589.21	5,589.21	0.00	0.0%
Mixed Use	330	0.003617	0.00326233	-9.8%	214,170,000	243,390,000	13.6%	774,653	794,018	2.5%	2,347.43	2,406.12	58.68	2.5%
Farm-(net of Rebate)	991	0.002385	0.00172948	-27.5%	1,609,547,000	2,133,454,000	32.5%	2,406,909	2,461,074	2.3%	2,428.77	2,483.42	54.66	2.3%
Petroleum Production Land	1	0.006797	0.00618097	-9.1%	145,100,000	145,100,000	0.0%	986,245	896,859	-9.1%	986,244.70	896,858.75	-89,385.95	-9.1%
Total Rates	125,928							183,141,508	186,563,111					
Municipal Charge	125,926	102.00	105.25	3.2%				12,844,452	13,253,712	3.2%				
Rates and Municipal Charge*								195,985,960	199,816,823					
Waste and Recycling Charge	113,355	316.90	332.00	4.8%				35,922,200	37,633,860	4.8%				
Total Rates and Charges					64,878,237,796	73,534,273,389		231,908,160	237,450,683					

*subject to the Rate Cap

Adjustments to Rates and Charges for 2019-20

Cultural & Rec (rated under the Cultural and Recreational Lands Act 1963)	53	0.001789	0.00162139	-9.4%	124,146,400	144,866,229	16.7%	222,098	234,884	5.8%	4,190.53	4,431.78	241.25	5.8%
Waivers - Housing Support, Rates assistance and New Corio Estate								-70						
Interest on Rates and Charges at 10% pa								515,000						
Additional Bins								732,000						
Special Rates and Charges (including CAA)								9,263,259						
Supplementary Rates								1,900,000						
Total Rates and Charges	125,981				65,002,384,196	73,679,139,618		250,095,756						

Adopted by Council 25 June 2019

Attachment 2

Suburb	Rate Type	Number of Properties	2018 Level CIV	2019 Level CIV	% Movement
Anakie	Residential	220	112,595,000	127,975,000	13.7%
Anakie	Farm	88	117,479,000	167,114,000	42.3%
Anakie	Commercial	9	3,781,000	4,153,000	9.8%
Anakie	Industrial	5	13,400,000	15,190,000	13.4%
Anakie	Vacant	17	5,709,000	8,215,000	43.9%
Anakie	Mixed Use	6	3,630,000	3,900,000	7.4%
Anakie Total		345	256,594,000	326,547,000	
Armstrong Creek	Residential	2,595	1,208,925,000	1,342,612,000	11.1%
Armstrong Creek	Farm	19	118,960,000	136,620,000	14.8%
Armstrong Creek	Commercial	81	69,446,000	75,185,000	8.3%
Armstrong Creek	Vacant	832	293,020,000	359,030,000	22.5%
Armstrong Creek Total		3,527	1,690,351,000	1,913,447,000	
Avalon	Residential	99	49,878,000	56,429,000	13.1%
Avalon	Farm	7	11,490,000	18,330,000	59.5%
Avalon	Commercial	10	17,140,700	17,771,857	3.7%
Avalon	Industrial	4	22,989,000	23,720,000	3.2%
Avalon	Vacant	15	7,947,000	10,077,000	26.8%
Avalon	Cult & Rec	1	490,000	690,000	40.8%
Avalon	Mixed Use	5	2,950,000	3,260,000	10.5%
Avalon Total		141	112,884,700	130,277,857	
Balliang	Residential	29	19,650,000	22,855,000	16.3%
Balliang	Farm	57	62,515,000	98,300,000	57.2%
Balliang	Commercial	1	350,000	510,000	45.7%
Balliang	Industrial	1	940,000	1,120,000	19.1%
Balliang	Vacant	7	2,834,000	4,576,000	61.5%

Suburb	Rate Type	Number of Properties	2018 Level CIV	2019 Level CIV	% Movement
Balliang Total		95	86,289,000	127,361,000	
Barwon Heads	Residential	2,255	2,291,875,000	2,476,075,000	8.0%
Barwon Heads	Farm	4	5,500,000	6,700,000	21.8%
Barwon Heads	Commercial	58	51,051,300	52,477,680	2.8%
Barwon Heads	Vacant	73	55,180,000	60,110,000	8.9%
Barwon Heads	Cult & Rec	2	16,755,000	16,795,000	0.2%
Barwon Heads	Mixed Use	15	14,960,000	16,090,000	7.6%
Barwon Heads Total		2,407	2,435,321,300	2,628,247,680	
Batesford	Residential	75	53,900,000	72,580,000	34.7%
Batesford	Farm	12	17,760,000	23,560,000	32.7%
Batesford	Commercial	5	3,236,700	3,456,439	6.8%
Batesford	Vacant	9	3,273,000	4,125,000	26.0%
Batesford	Cult & Rec	1	720,000	760,000	5.6%
Batesford	Mixed Use	1	670,000	770,000	14.9%
Batesford Total		103	79,559,700	105,251,439	
Bell Park	Residential	2,378	866,015,000	1,004,015,000	15.9%
Bell Park	Commercial	96	71,224,800	77,116,139	8.3%
Bell Park	Industrial	99	74,105,000	79,460,000	7.2%
Bell Park	Vacant	54	14,499,000	19,532,000	34.7%
Bell Park	Mixed Use	5	2,030,000	2,270,000	11.8%
Bell Park Total		2,632	1,027,873,800	1,182,393,139	
Bell Post Hill	Residential	2,190	893,495,000	985,224,000	10.3%
Bell Post Hill	Farm	6	4,810,000	6,560,000	36.4%
Bell Post Hill	Commercial	17	7,646,000	8,002,000	4.7%
Bell Post Hill	Vacant	63	20,905,000	24,265,000	16.1%
Bell Post Hill	Mixed Use	1	410,000	450,000	9.8%
Bell Post Hill Total		2,277	927,266,000	1,024,501,000	

Suburb	Rate Type	Number of Properties	2018 Level CIV	2019 Level CIV	% Movement
Bellarine	Residential	46	50,218,000	64,399,000	28.2%
Bellarine	Farm	42	82,500,000	94,460,000	14.5%
Bellarine	Commercial	4	4,910,000	4,970,000	1.2%
Bellarine	Industrial	1	370,000	350,000	-5.4%
Bellarine	Vacant	2	600,000	1,130,000	88.3%
Bellarine	Mixed Use	1	1,020,000	1,420,000	39.2%
Bellarine Total		96	139,618,000	166,729,000	
Belmont	Residential	6,544	2,867,370,000	3,142,445,000	9.6%
Belmont	Commercial	322	310,835,500	329,608,419	6.0%
Belmont	Industrial	54	30,355,000	37,215,000	22.6%
Belmont	Vacant	103	38,334,000	43,282,000	12.9%
Belmont	Cult & Rec	3	5,080,000	7,680,000	51.2%
Belmont	Mixed Use	15	8,345,000	9,190,000	10.1%
Belmont Total		7,041	3,260,319,500	3,569,420,419	
Breakwater	Residential	527	157,790,000	183,545,000	16.3%
Breakwater	Commercial	45	39,194,000	43,242,590	10.3%
Breakwater	Industrial	163	146,195,000	165,700,000	13.3%
Breakwater	Vacant	14	5,180,000	6,535,000	26.2%
Breakwater	Cult & Rec	2	10,700,000	10,700,000	0.0%
Breakwater	Mixed Use	6	2,080,000	2,210,000	6.3%
Breakwater Total		757	361,139,000	411,932,590	
Breamlea	Residential	108	80,730,000	92,170,000	14.2%
Breamlea	Commercial	1	105,000	135,000	28.6%
Breamlea	Vacant	4	2,230,000	2,780,000	24.7%
Breamlea Total		113	83,065,000	95,085,000	
Ceres	Residential	87	86,310,000	92,445,000	7.1%
Ceres	Farm	15	31,050,000	32,710,000	5.3%

Suburb	Rate Type	Number of Properties	2018 Level CIV	2019 Level CIV	% Movement
Ceres	Commercial	2	181,000	257,000	42.0%
Ceres	Vacant	7	2,767,000	3,511,000	26.9%
Ceres Total		111	120,308,000	128,923,000	
Charlemont	Residential	445	233,780,000	248,790,000	6.4%
Charlemont	Farm	29	88,300,000	89,735,000	1.6%
Charlemont	Commercial	7	2,011,000	2,026,000	0.7%
Charlemont	Industrial	1	790,000	820,000	3.8%
Charlemont	Vacant	118	46,395,000	62,415,000	34.5%
Charlemont	Mixed Use	2	1,470,000	1,560,000	6.1%
Charlemont Total		602	372,746,000	405,346,000	
Clifton Springs	Residential	3,470	1,456,815,000	1,711,010,000	17.4%
Clifton Springs	Farm	1	4,600,000	4,500,000	-2.2%
Clifton Springs	Commercial	17	5,480,200	5,806,689	6.0%
Clifton Springs	Vacant	255	50,090,000	65,520,000	30.8%
Clifton Springs	Cult & Rec	2	5,892,000	6,684,000	13.4%
Clifton Springs	Mixed Use	4	1,195,000	1,225,000	2.5%
Clifton Springs Total		3,749	1,524,072,200	1,794,745,689	
Connewarre	Residential	306	239,265,000	260,593,000	8.9%
Connewarre	Farm	52	55,608,000	65,255,000	17.3%
Connewarre	Commercial	27	12,864,000	13,964,905	8.6%
Connewarre	Vacant	74	30,970,000	36,000,000	16.2%
Connewarre	Mixed Use	5	4,370,000	5,240,000	19.9%
Connewarre Total		464	343,077,000	381,052,905	
Corio	Residential	6,161	1,762,230,000	2,048,145,000	16.2%
Corio	Farm	2	5,480,000	10,430,000	90.3%
Corio	Commercial	252	267,939,900	256,120,771	-4.4%
Corio	Industrial	81	162,574,000	163,857,000	0.8%

Suburb	Rate Type	Number of Properties	2018 Level CIV	2019 Level CIV	% Movement
Corio	Vacant	310	65,118,911	82,251,911	26.3%
Corio	Cult & Rec	5	17,886,700	21,208,218	18.6%
Corio	Mixed Use	7	2,500,000	2,850,000	14.0%
Corio	Petroleum	1	145,100,000	145,100,000	0.0%
Corio Total		6,819	2,428,829,511	2,729,962,900	
Curlewis	Residential	1,094	530,755,000	608,380,000	14.6%
Curlewis	Farm	37	76,880,000	81,610,000	6.2%
Curlewis	Commercial	34	23,819,000	26,794,525	12.5%
Curlewis	Vacant	343	82,687,000	120,200,000	45.4%
Curlewis Total		1,508	714,141,000	836,984,525	
Drumcondra	Residential	242	210,190,000	246,530,000	17.3%
Drumcondra	Commercial	11	4,301,700	4,581,075	6.5%
Drumcondra	Vacant	1	1,700,000	2,100,000	23.5%
Drumcondra	Mixed Use	3	2,290,000	2,570,000	12.2%
Drumcondra Total		257	218,481,700	255,781,075	
Drysdale	Residential	1,964	911,205,000	1,083,875,000	18.9%
Drysdale	Farm	80	106,950,000	128,000,000	19.7%
Drysdale	Commercial	150	103,606,300	110,887,294	7.0%
Drysdale	Industrial	31	9,940,000	10,200,000	2.6%
Drysdale	Vacant	119	42,316,000	52,679,000	24.5%
Drysdale	Cult & Rec	1	990,000	1,280,000	29.3%
Drysdale	Mixed Use	7	6,850,000	7,260,000	6.0%
Drysdale Total		2,352	1,181,857,300	1,394,181,294	
East Geelong	Residential	1,817	926,005,000	1,066,990,000	15.2%
East Geelong	Commercial	66	40,921,900	42,618,846	4.1%
East Geelong	Vacant	15	6,190,000	7,400,000	19.5%
East Geelong	Cult & Rec	2	6,292,000	6,852,000	8.9%

Suburb	Rate Type	Number of Properties	2018 Level CIV	2019 Level CIV	% Movement
East Geelong	Mixed Use	6	3,350,000	3,280,000	-2.1%
East Geelong Total		1,906	982,758,900	1,127,140,846	
Fyansford	Residential	210	123,690,000	147,610,000	19.3%
Fyansford	Farm	9	20,030,000	20,720,000	3.4%
Fyansford	Commercial	18	13,375,000	13,942,335	4.2%
Fyansford	Industrial	11	17,855,000	18,295,000	2.5%
Fyansford	Vacant	190	77,175,000	86,915,000	12.6%
Fyansford	Cult & Rec	1	970,000	1,200,000	23.7%
Fyansford	Mixed Use	2	880,000	950,000	8.0%
Fyansford Total		441	253,975,000	289,632,335	
Geelong	Residential	2,797	1,710,010,000	1,916,670,000	12.1%
Geelong	Commercial	1,698	1,809,873,100	1,949,880,220	7.7%
Geelong	Industrial	14	13,640,000	17,340,000	27.1%
Geelong	Vacant	34	15,762,000	19,691,000	24.9%
Geelong	Cult & Rec	3	6,630,000	7,056,000	6.4%
Geelong	Mixed Use	34	21,500,000	22,740,000	5.8%
Geelong Total		4,580	3,577,415,100	3,933,377,220	
Geelong West	Residential	3,513	1,801,760,000	1,968,660,000	9.3%
Geelong West	Commercial	450	385,052,600	404,849,450	5.1%
Geelong West	Industrial	42	21,629,000	23,780,000	9.9%
Geelong West	Vacant	39	27,712,000	29,958,000	8.1%
Geelong West	Mixed Use	19	9,240,000	9,850,000	6.6%
Geelong West Total		4,063	2,245,393,600	2,437,097,450	
Grovedale	Residential	6,100	2,422,605,000	2,710,210,000	11.9%
Grovedale	Commercial	355	397,358,800	421,118,518	6.0%
Grovedale	Industrial	87	48,760,000	52,520,000	7.7%
Grovedale	Vacant	92	33,810,000	39,640,000	17.2%

Suburb	Rate Type	Number of Properties	2018 Level CIV	2019 Level CIV	% Movement
Grovedale	Mixed Use	10	6,165,000	6,960,000	12.9%
Grovedale Total		6,644	2,908,698,800	3,230,448,518	
Hamlyn Heights	Residential	2,872	1,258,815,000	1,403,080,000	11.5%
Hamlyn Heights	Farm	1	1,200,000	1,360,000	13.3%
Hamlyn Heights	Commercial	34	13,500,000	14,566,000	7.9%
Hamlyn Heights	Vacant	55	20,205,000	20,665,000	2.3%
Hamlyn Heights	Cult & Rec	1	534,100	588,748	10.2%
Hamlyn Heights	Mixed Use	5	2,580,000	2,740,000	6.2%
Hamlyn Heights Total		2,968	1,296,834,100	1,442,999,748	
Herne Hill	Residential	1,760	661,290,000	756,525,000	14.4%
Herne Hill	Commercial	26	9,710,000	10,845,000	11.7%
Herne Hill	Vacant	29	9,080,000	10,440,000	15.0%
Herne Hill	Mixed Use	2	890,000	980,000	10.1%
Herne Hill Total		1,817	680,970,000	778,790,000	
Highton	Residential	7,745	4,280,100,000	4,717,100,000	10.2%
Highton	Commercial	155	122,377,300	131,607,400	7.5%
Highton	Vacant	374	128,515,000	158,690,000	23.5%
Highton	Cult & Rec	1	1,180,000	1,280,000	8.5%
Highton	Mixed Use	17	4,715,000	5,255,000	11.5%
Highton Total		8,292	4,536,887,300	5,013,932,400	
Indented Head	Residential	1,229	627,975,000	757,155,000	20.6%
Indented Head	Farm	9	15,430,000	18,940,000	22.7%
Indented Head	Commercial	5	645,000	684,000	6.0%
Indented Head	Vacant	188	51,650,000	56,880,000	10.1%
Indented Head	Cult & Rec	2	346,000	378,000	9.2%
Indented Head	Mixed Use	2	3,320,000	3,720,000	12.0%
Indented Head Total		1,435	699,366,000	837,757,000	

Suburb	Rate Type	Number of Properties	2018 Level CIV	2019 Level CIV	% Movement
Lara	Residential	6,152	2,836,232,000	3,340,680,000	17.8%
Lara	Farm	69	92,870,000	158,180,000	70.3%
Lara	Commercial	162	126,546,300	133,259,281	5.3%
Lara	Industrial	53	95,365,000	96,185,000	0.9%
Lara	Vacant	285	116,541,000	171,712,000	47.3%
Lara	Cult & Rec	3	2,930,000	3,620,000	23.5%
Lara	Mixed Use	18	12,395,000	17,620,000	42.2%
Lara Total		6,742	3,282,879,300	3,921,256,281	
Leopold	Residential	5,100	2,216,090,000	2,595,770,000	17.1%
Leopold	Farm	39	56,630,000	70,510,000	24.5%
Leopold	Commercial	146	145,209,500	158,674,802	9.3%
Leopold	Vacant	94	39,235,000	51,990,000	32.5%
Leopold	Cult & Rec	2	2,041,000	2,015,000	-1.3%
Leopold	Mixed Use	2	4,600,000	4,640,000	0.9%
Leopold Total		5,383	2,463,805,500	2,883,599,802	
Little River	Residential	171	133,780,000	161,830,000	21.0%
Little River	Farm	50	60,620,000	96,830,000	59.7%
Little River	Commercial	7	17,720,000	20,027,857	13.0%
Little River	Industrial	5	24,790,000	26,713,000	7.8%
Little River	Vacant	37	22,795,000	36,925,000	62.0%
Little River	Mixed Use	3	2,540,000	2,850,000	12.2%
Little River Total		273	262,245,000	345,175,857	
Lovely Banks	Residential	826	454,940,000	534,605,000	17.5%
Lovely Banks	Farm	34	111,830,000	224,890,000	101.1%
Lovely Banks	Commercial	21	22,950,700	25,495,696	11.1%
Lovely Banks	Industrial	1	750,000	1,100,000	46.7%
Lovely Banks	Vacant	104	46,820,000	70,125,000	49.8%

Suburb	Rate Type	Number of Properties	2018 Level CIV	2019 Level CIV	% Movement
Lovely Banks	Mixed Use	2	5,320,000	9,440,000	77.4%
Lovely Banks Total		988	642,610,700	865,655,696	
Manifold Heights	Residential	1,176	670,570,000	727,025,000	8.4%
Manifold Heights	Commercial	38	24,323,400	25,168,766	3.5%
Manifold Heights	Industrial	1	520,000	620,000	19.2%
Manifold Heights	Vacant	17	8,940,000	9,240,000	3.4%
Manifold Heights	Mixed Use	2	1,250,000	1,270,000	1.6%
Manifold Heights Total		1,234	705,603,400	763,323,766	
Mannerim	Residential	17	13,220,000	15,655,000	18.4%
Mannerim	Farm	41	62,195,000	70,765,000	13.8%
Mannerim	Commercial	2	690,000	710,000	2.9%
Mannerim	Vacant	5	6,150,000	6,560,000	6.7%
Mannerim Total		65	82,255,000	93,690,000	
Marcus Hill	Residential	40	32,980,000	38,625,000	17.1%
Marcus Hill	Farm	30	42,480,000	53,640,000	26.3%
Marcus Hill	Commercial	6	5,245,000	5,315,000	1.3%
Marcus Hill	Vacant	1	600,000	720,000	20.0%
Marcus Hill	Mixed Use	1	80,000	85,000	6.3%
Marcus Hill Total		78	81,385,000	98,385,000	
Marshall	Residential	985	362,920,000	407,450,000	12.3%
Marshall	Farm	2	4,160,000	4,560,000	9.6%
Marshall	Commercial	3	1,520,000	1,570,000	3.3%
Marshall	Vacant	17	11,346,000	13,362,000	17.8%
Marshall	Mixed Use	2	2,380,000	2,800,000	17.6%
Marshall Total		1,009	382,326,000	429,742,000	
Moolap	Residential	631	356,847,000	433,558,000	21.5%
Moolap	Farm	37	31,840,000	42,300,000	32.9%

Suburb	Rate Type	Number of Properties	2018 Level CIV	2019 Level CIV	% Movement
Moolap	Commercial	107	83,254,000	91,861,410	10.3%
Moolap	Industrial	353	198,705,001	244,995,001	23.3%
Moolap	Vacant	86	32,325,000	37,935,000	17.4%
Moolap	Mixed Use	8	4,405,000	5,885,000	33.6%
Moolap Total		1,222	707,376,001	856,534,411	
Moorabool	Residential	21	13,085,000	16,990,000	29.8%
Moorabool	Farm	29	42,150,000	57,310,000	36.0%
Moorabool	Commercial	1	290,000	185,000	-36.2%
Moorabool	Industrial	1	940,000	1,300,000	38.3%
Moorabool	Vacant	4	1,690,000	2,470,000	46.2%
Moorabool Total		56	58,155,000	78,255,000	
Mount Duneed	Residential	1,158	624,780,000	690,335,000	10.5%
Mount Duneed	Farm	23	55,350,000	63,330,000	14.4%
Mount Duneed	Commercial	24	13,557,000	15,456,000	14.0%
Mount Duneed	Vacant	213	90,625,000	108,055,000	19.2%
Mount Duneed	Cult & Rec	1	720,000	1,060,000	47.2%
Mount Duneed Total		1,419	785,032,000	878,236,000	
Newcomb	Residential	2,323	787,400,000	933,250,000	18.5%
Newcomb	Commercial	114	105,184,400	115,950,179	10.2%
Newcomb	Industrial	21	11,040,000	12,270,000	11.1%
Newcomb	Vacant	21	6,775,000	8,155,000	20.4%
Newcomb	Mixed Use	3	1,440,000	1,510,000	4.9%
Newcomb Total		2,482	911,839,400	1,071,135,179	
Newtown	Residential	4,501	3,179,845,000	3,531,455,000	11.1%
Newtown	Commercial	311	242,692,400	273,123,357	12.5%
Newtown	Industrial	110	69,095,000	81,470,000	17.9%
Newtown	Vacant	95	57,913,000	65,488,000	13.1%

Suburb	Rate Type	Number of Properties	2018 Level CIV	2019 Level CIV	% Movement
Newtown	Cult & Rec	1	3,360,000	3,560,000	6.0%
Newtown	Mixed Use	10	5,580,000	6,620,000	18.6%
Newtown Total		5,028	3,558,485,400	3,961,716,357	
Norlane	Residential	4,260	1,132,580,000	1,310,580,000	15.7%
Norlane	Commercial	120	80,930,400	87,964,443	8.7%
Norlane	Industrial	63	71,600,000	73,570,000	2.8%
Norlane	Vacant	59	17,000,000	21,870,000	28.6%
Norlane	Cult & Rec	1	1,160,000	1,480,000	27.6%
Norlane	Mixed Use	2	350,000	410,000	17.1%
Norlane Total		4,505	1,303,620,400	1,495,874,443	
North Geelong	Residential	1,272	501,025,000	546,125,000	9.0%
North Geelong	Commercial	160	164,964,300	182,885,395	10.9%
North Geelong	Industrial	490	355,070,595	382,460,444	7.7%
North Geelong	Vacant	82	27,365,000	38,860,000	42.0%
North Geelong	Cult & Rec	2	3,750,000	3,890,000	3.7%
North Geelong	Mixed Use	7	2,870,000	3,430,000	19.5%
North Geelong Total		2,013	1,055,044,895	1,157,650,839	
North Shore	Residential	189	86,045,000	95,265,000	10.7%
North Shore	Commercial	6	4,360,000	4,680,000	7.3%
North Shore	Industrial	134	106,660,778	118,590,778	11.2%
North Shore	Vacant	26	11,385,111	13,160,111	15.6%
North Shore	Mixed Use	1	270,000	300,000	11.1%
North Shore Total		356	208,720,889	231,995,889	
Ocean Grove	Residential	7,846	4,984,732,500	5,485,955,000	10.1%
Ocean Grove	Farm	3	11,050,000	13,000,000	17.6%
Ocean Grove	Commercial	314	246,415,900	259,742,467	5.4%
Ocean Grove	Industrial	78	38,435,000	47,815,000	24.4%

Suburb	Rate Type	Number of Properties	2018 Level CIV	2019 Level CIV	% Movement
Ocean Grove	Vacant	499	259,231,000	310,395,000	19.7%
Ocean Grove	Cult & Rec	2	4,998,600	5,218,888	4.4%
Ocean Grove	Mixed Use	41	29,270,000	31,350,000	7.1%
Ocean Grove Total		8,783	5,574,133,000	6,153,476,355	
Point Lonsdale	The Point - Residential	150	90,930,000	107,250,000	17.9%
Point Lonsdale	The Point - Commercial	3	9,334,000	8,670,000	-7.1%
Point Lonsdale	The Point - Vacant	73	38,030,000	42,070,000	10.6%
Point Lonsdale	Residential	710	481,939,000	546,975,000	13.5%
Point Lonsdale	Farm	12	12,990,000	14,225,000	9.5%
Point Lonsdale	Commercial	7	1,258,000	1,350,000	7.3%
Point Lonsdale	Industrial	1	1,520,000	1,660,000	9.2%
Point Lonsdale	Vacant	87	40,821,600	50,702,825	24.2%
Point Lonsdale	Cult & Rec	2	2,970,000	2,999,175	1.0%
Point Lonsdale Total		1,045	679,792,600	775,902,000	
Point Wilson	Farm	4	4,450,000	8,480,000	90.6%
Point Wilson	Commercial	1	160,000	290,000	81.3%
Point Wilson	Industrial	1	40,480,000	43,540,000	7.6%
Point Wilson	Vacant	1	5,500,000	6,300,000	14.5%
Point Wilson Total		7	50,590,000	58,610,000	
Portarlington	Residential	2,876	1,490,025,000	1,737,130,000	16.6%
Portarlington	Farm	34	40,790,000	58,230,000	42.8%
Portarlington	Commercial	59	55,685,100	58,322,961	4.7%
Portarlington	Industrial	15	6,650,000	7,270,000	9.3%
Portarlington	Vacant	428	126,595,000	166,210,000	31.3%
Portarlington	Cult & Rec	3	5,079,000	5,956,200	17.3%
Portarlington	Mixed Use	24	16,300,000	18,070,000	10.9%
Portarlington Total		3,439	1,741,124,100	2,051,189,161	

Suburb	Rate Type	Number of Properties	2018 Level CIV	2019 Level CIV	% Movement
Rippleside	Residential	436	319,670,000	332,780,000	4.1%
Rippleside	Commercial	30	17,612,000	18,402,000	4.5%
Rippleside	Vacant	12	11,370,000	11,550,000	1.6%
Rippleside	Mixed Use	1	770,000	770,000	0.0%
Rippleside Total		479	349,422,000	363,502,000	
South Geelong	Residential	479	227,590,000	255,945,000	12.5%
South Geelong	Commercial	149	169,285,500	175,972,839	4.0%
South Geelong	Industrial	229	175,386,000	187,469,000	6.9%
South Geelong	Vacant	42	17,630,000	23,675,000	34.3%
South Geelong	Cult & Rec	6	20,680,000	29,295,000	41.7%
South Geelong	Mixed Use	4	2,280,000	2,360,000	3.5%
South Geelong Total		909	612,851,500	674,716,839	
St Albans Park	Residential	2,145	762,940,000	866,235,000	13.5%
St Albans Park	Farm	4	3,700,000	5,240,000	41.6%
St Albans Park	Commercial	13	19,778,000	20,114,000	1.7%
St Albans Park	Vacant	21	5,310,000	6,960,000	31.1%
St Albans Park	Cult & Rec	1	530,000	790,000	49.1%
St Albans Park	Mixed Use	1	810,000	1,160,000	43.2%
St Albans Park Total		2,185	793,068,000	900,499,000	
St Leonards	Residential	2,515	1,175,254,000	1,387,495,000	18.1%
St Leonards	Farm	28	41,200,000	60,640,000	47.2%
St Leonards	Commercial	36	21,533,600	22,875,594	6.2%
St Leonards	Industrial	1	55,000	60,000	9.1%
St Leonards	Vacant	435	119,791,000	162,170,000	35.4%
St Leonards	Cult & Rec	2	1,462,000	1,830,000	25.2%
St Leonards	Mixed Use	7	3,490,000	3,840,000	10.0%
St Leonards Total		3,024	1,362,785,600	1,638,910,594	

Suburb	Rate Type	Number of Properties	2018 Level CIV	2019 Level CIV	% Movement
Staughton Vale	Residential	30	16,930,000	19,540,000	15.4%
Staughton Vale	Farm	8	5,270,000	6,820,000	29.4%
Staughton Vale	Vacant	4	1,330,000	1,875,000	41.0%
Staughton Vale Total		42	23,530,000	28,235,000	
Swan Bay	Residential	14	17,130,000	17,280,000	0.9%
Swan Bay	Farm	13	23,970,000	23,840,000	-0.5%
Swan Bay	Commercial	3	4,781,000	4,729,000	-1.1%
Swan Bay	Vacant	4	2,910,000	3,190,000	9.6%
Swan Bay	Mixed Use	1	880,000	870,000	-1.1%
Swan Bay Total		35	49,671,000	49,909,000	
Thomson	Residential	919	271,765,000	329,240,000	21.1%
Thomson	Commercial	18	4,890,000	4,920,000	0.6%
Thomson	Vacant	5	1,000,000	1,650,000	65.0%
Thomson	Mixed Use	1	280,000	310,000	10.7%
Thomson Total		943	277,935,000	336,120,000	
Wallington	Residential	425	393,030,000	482,965,000	22.9%
Wallington	Farm	41	48,060,000	63,560,000	32.3%
Wallington	Commercial	22	30,659,000	31,161,000	1.6%
Wallington	Vacant	17	12,446,000	15,888,000	27.7%
Wallington	Mixed Use	6	7,420,000	8,520,000	14.8%
Wallington Total		511	491,615,000	602,094,000	
Wandana Heights	Residential	735	470,775,000	520,790,000	10.6%
Wandana Heights	Commercial	6	594,000	1,002,000	68.7%
Wandana Heights	Vacant	27	13,035,000	15,800,000	21.2%
Wandana Heights Total		768	484,404,000	537,592,000	
Waurin Ponds	Mixed Use	3	1,780,000	2,540,000	42.7%
Waurin Ponds	Residential	1,396	775,500,000	860,195,000	10.9%

Suburb	Rate Type	Number of Properties	2018 Level CIV	2019 Level CIV	% Movement
Waurm Ponds	Farm	20	30,980,000	32,200,000	3.9%
Waurm Ponds	Commercial	73	136,589,000	144,546,120	5.8%
Waurm Ponds	Industrial	2	9,820,000	10,220,000	4.1%
Waurm Ponds	Vacant	31	14,425,000	18,195,000	26.1%
Waurm Ponds Total		1,525	969,094,000	1,067,896,120	
Whittington	Residential	1,876	492,155,000	596,470,000	21.2%
Whittington	Commercial	12	12,365,000	11,955,000	-3.3%
Whittington	Vacant	3	372,000	490,000	31.7%
Whittington Total		1,891	504,892,000	608,915,000	
Grand Total		125,981	65,002,384,196	73,679,139,618	

COUNCIL POLICY

<h1 style="margin: 0;">Council Rates</h1>	Document No:	CPL510.2
	Approval Date:	25 June 2019
	Approved By:	Council
	Review Date:	May 2020
Responsible Officer:	Expiry Date:	N/A
Director Customer and Corporate Services	Version No:	12
Authorising Officer:		Chief Executive Officer

1. PURPOSE

To ensure that the organisation has a sound basis on which to develop the various charging features when determining its revenue strategies and ensure consistency with provisions of the *Local Government Act 1989 (LGA)*.

2. SCOPE

The policy applies to the City when considering and determining the annual budget or special rates and charges throughout the financial year.

Council officers must consider the application of this policy when:

- preparing revenue models or raising charges; or
- dealing with any proposed or existing commercial enterprises.

3. REFERENCES

- LGA – Part 8 Rates & Charges on Rateable Land – in particular see section 161(1).
- Ministerial Guidelines for Differential Rating.

4. DEFINITIONS

Use & Level of Differential Rate

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council and set at a level which Council considers necessary to achieve the identified objectives.

Geographic Location

Wherever located within the municipal district, except those differentials which are described below as including a geographic restriction.

Use of Land

Any use permitted under the Greater Geelong Planning Scheme.

Planning Scheme Zoning

The zoning applicable to each piece of rateable land within this category, as determined by consulting maps referred to in the Greater Geelong Planning Scheme.

Types of Buildings

All buildings which are now constructed on the land or which are constructed prior to 30 June 2020.

Vacant Land

No building must be located on the land or constructed prior to 30 June 2020 except for any uninhabitable shed or shelter, the size of which does not exceed 5% of the total area of the land.

Differential Characteristics & Rating Objectives

Residential Land – means any land:

- i. that is used exclusively for residential purposes; or
- ii. on which a habitable building is erected, which building is unoccupied, and which is zoned residential under the Greater Geelong Planning Scheme.

Rating Objective:

To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of the City generally, including the:

- a) construction and maintenance of public infrastructure;
- b) development and provision of health and community services; and
- c) provision of general support services.

Vacant Land – means any land:

- i. that does not have the characteristics of Farm Land; and
- ii. on which no building is erected, save for any uninhabitable shed or shelter, the size of which does not exceed 5% of the total area of the land.

Rating Objectives:

- i. To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of the City generally, including the:
 - a) construction and maintenance of public infrastructure;
 - b) development and provision of health and community services; and
 - c) provision of general support services.
- ii. To encourage the prompt development of vacant land to attract new residents and businesses to the City of Greater Geelong.
- iii. To discourage untimely and unnecessary divisions of land.

These objectives will be met by setting the Vacant Land differential at 146% of the Residential Land differential.

Commercial Land – means any land that:

- i. does not have the characteristics of:
 - a) Farm Land; or
 - b) Industrial Land; and
 - c) Petroleum Production Land.
- ii. is used predominantly for the sale of goods or services or other commercial purposes; or
- iii. on which a habitable building is erected, which building is unoccupied, and which is zoned other than residential under the Greater Geelong Planning Scheme.

Rating Objective:

To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of the City generally, including the:

- a) construction and maintenance of public infrastructure;
- b) development and provision of health and community services; and
- c) provision of general support services.

The Point – Residential Land - means any land that:

- i. is used exclusively for residential purposes; or

- ii. on which a habitable building is erected, which building is unoccupied, and which is zoned residential under the Greater Geelong Planning Scheme; and forms part of the land formerly described in Certificate of Title Volume 09901 Folio 324 and also described as Lot B PS 635643, PS 640648Y, PS 722221H, PS 722220K, PS 743868K, PS 732908M, PS 638301D, PS 635642R, PS722215C, PS 722214E PS 743877, PS 816893, PS 743876, PS 743878, PS822924, PS 822922, PS 822918 and PS 816907.

Rating Objectives:

- i. To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of the City generally, including the:
 - a) construction and maintenance of public infrastructure;
 - b) development and provision of health and community services;
 - c) provision of general support services; and
 - d) management of environmentally sensitive land.
- ii. To ensure that, following the development of the Point Land, and transfer to the City of the management of environmentally sensitive land, including the provision of a range of services around an existing waterway, constructed lake and canal system, an equitable and efficient financial contribution to the cost of the City's management responsibilities will be made by the ratepayers in respect of that land.

The Point – Vacant Land - means any land:

- i. that does not have the characteristics of Farm Land; and
- ii. on which no building is erected save for any small uninhabitable storage shed or shelter, the size of which does not exceed 5% of the total land area; and
- iii. forms part of the land formerly described in Certificate of Title Volume 09901 Folio 324 and also described as Lot B PS 635643, PS 640648Y, PS 722221H, PS 722220K, PS 743868K, PS 732908M, PS 638301D, PS 635642R, PS722215C, PS 722214E PS 743877, PS 816893, PS 743876, PS 743878, PS822924, PS 822922, PS 822918 and PS 816907.

Rating Objectives:

- i. To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of the City, generally including the:

- a) construction and maintenance of public infrastructure;
 - b) development and provision of health and community services;
 - c) provision of general support services; and
 - d) management of environmentally sensitive land.
- ii. To ensure that, following the development of the Point Land, and transfer to the City of the management of environmentally sensitive land, including the provision of a range of services around an existing waterway, constructed lake and canal system, an equitable and efficient financial contribution to the cost of the City's management responsibilities will be made by the ratepayers in respect of that land.
 - iii. To encourage the prompt development of vacant land to attract new residents and businesses to the City of Greater Geelong and, more specifically, to the Point Land.
 - iv. To discourage untimely and unnecessary divisions of land.

The Point – Commercial Land - means any land that:

- i. does not have the characteristics of:
 - a) Farm Land; or
 - b) Industrial Land; and
- ii. is used predominantly for the sale of goods or services, or other commercial purposes; or
- iii. on which a habitable building is erected, which building is unoccupied, and which is zoned other than residential under the Greater Geelong Planning Scheme; and
- iv. forms part of the land formerly described in Certificate of Title Volume 09901 Folio 324 and also described as Lot B PS 635643, PS 640648Y, PS 722221H, PS 722220K, PS 743868K, PS 732908M, PS 638301D, PS 635642R, PS722215C, PS 722214E PS 743877, PS 816893, PS 743876, PS 743878, PS822924, PS 822922, PS 822918 and PS 816907.

Rating Objectives:

- i. To ensure that all rateable land makes an equitable and efficient financial contribution to cost of carrying out the functions of the City, generally including the:
 - a) construction and maintenance of public infrastructure;

- b) development and provision of health and community services;
 - c) provision of general support services; and
 - d) management of environmentally sensitive land.
- ii. To ensure that, following the development of the Point Land, and transfer to the City of the management of environmentally sensitive land, including the provision of a range of services around an existing waterway, constructed lake and canal system, to ensure that an equitable and efficient financial contribution to the cost of the City's management responsibilities will be made by the ratepayers in respect of that land.

Industrial Land – means any land that:

- i. does not have the characteristics of:
 - a) Vacant Land; or
 - b) Commercial Land; and
 - c) Petroleum Production Land.
- ii. is used predominantly for industrial purposes, which includes manufacturing, repairing, servicing, processing and reprocessing or warehousing.

Rating Objective:

To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of the City generally, including the:

- a) construction and maintenance of public infrastructure;
- b) development and provision of health and community services; and
- c) provision of general support services.

Mixed Use Land – means any land that:

- i. has the characteristics of Residential Land combined with the characteristics of Commercial Land or Industrial Land; and
- ii. is used partly for residential purposes and partly for commercial and/or industrial purposes.

Rating Objective:

To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of the City generally, including the:

- a) construction and maintenance of public infrastructure;
- b) development and provision of health and community services; and
- c) provision of general support services.

Farm Land – means any land which:

- i. is not less than 2 hectares in area; and
- ii. is used predominantly for the business of grazing (including agistment), dairying, pig-farming, poultry farming, fish farming, tree farming, bee-keeping, viticulture, horticulture, fruit growing or the growing of crops of any kind or for any combination of those activities; or
- iii. satisfies the criteria for municipal purpose benefit for large holdings to the extent that it is, for example, land that is predominantly used and maintained for heritage, cultural or environmental purposes, or land that is held as natural bushland under a trust for nature covenant, or land that is held under some other type of similar formal undertaking.

To avoid doubt, 'business' for the purposes of identifying Farm Land has the same meaning as that given to it by section 2(1) of the *Valuation of Land Act* 1960 for the same purpose, being a business that:

- a) has a significant and substantial commercial purpose or character; and
- b) seeks to make a profit on a continuous or repetitive basis from its activities on the land; and
- c) is making a profit from its activities on the land, or that has a reasonable prospect of making a profit from its activities on the land if it continues to operate in the way that it is operating.

Rating Objectives:

- i. To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of the City generally, including the:
 - a) construction and maintenance of public infrastructure;
 - b) development and provision of health and community services; and
 - c) provision of general support services.
- ii. To encourage and support the business of primary production and, where appropriate, expand the business of primary production.

These objectives will be met by setting the Farm Land differential at 80% of the Residential Land differential and by the provision of a farm rebate under section 169 of the LGA.

Petroleum Production Land – means any land that is:

- i. used primarily for the production or conveyance of petroleum and/or petroleum by-products; and
- ii. described as all that land generally bounded more or less by Princes Highway, Shell Parade, Corio Bay Foreshore, Wharf Road, Station Road and neighbouring land.

Rating Objective:

To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of the City generally, including the:

- a) construction and maintenance of public infrastructure;
- b) development and provision of health and community services; and
- c) provision of general support services.

The Petroleum Production Land differential is set at the Industrial Land rate differential from 2017–18.

Cultural & Recreational Land – means any land that:

- i. has the characteristics of '*recreational lands*' as defined by the *Cultural and Recreational Lands Act 1963*; and
- ii. the following organisations will be reviewed to confirm eligibility based on land use definition :

Assessment	Ratepayer	Property Address
2315	Bareena Bowling Club Incorporated	89 Noble Street. NEWTOWN VIC 3220
75017	Bell Park Sports Club	10 Lynnburn Road. BATESFORD VIC 3213
18010	Barwon Rowing Club Inc.	2 Barwon Terrace. SOUTH GEELONG VIC 3220
18011	Geelong College Rowing Club	4 Barwon Terrace. SOUTH GEELONG VIC 3220
18012	Geelong Church of England Grammar	6 Barwon Terrace. SOUTH GEELONG VIC 3220
18014	Geelong Rowing Association	8 Barwon Terrace. SOUTH GEELONG VIC 3220
18015	Corio Bay Rowing Club	10 Barwon Terrace. SOUTH GEELONG VIC 3220
18932	Geelong Race Course Trustees	99 Breakwater Road. BREAKWATER VIC 3219
19004	Royal Geelong Agricultural & Pastoral	79 Breakwater Road. BREAKWATER VIC 3219
14860	Royal Geelong Yacht Club	25 Eastern Beach Road. GEELONG VIC 3220
18125	Geelong Eastern Park Bowling Club Inc.	51–55 Garden Street. EAST GEELONG VIC 3219
12265	Geelong Football Club Limited	360 Moorabool Street. SOUTH GEELONG VIC 3220
14226	East Geelong Golf Club	401 Eastern Park Circuit. EAST GEELONG VIC 3219
17308	East Geelong Recreation Reserve	137–139 McKillop Street. GEELONG VIC 3220
12466	Western Beach Boat Club Inc.	74–90 Western Foreshore Road. GEELONG VIC 3220
19948	Highton Bowling Club Inc.	204 Roslyn Road. HIGHTON VIC 3216
34824	Barwon Heads Golf Club Incorporated	1A Golf Links Road. BARWON HEADS VIC 3227
27814	Belmont Bowling Club Incorporated	16–36 Reynolds Road. BELMONT VIC 3216

Assessment	Ratepayer	Property Address
28619	Geelong Lawn Tennis Club Incorporated	12-20 Sommers Street, BELMONT VIC 3216
28620	Geelong Bowls Club Incorporated	4-10 Sommers Street, BELMONT VIC 3216
41419	Geelong Pistol Club Inc.	70-80 Williams Road, MOUNT DUNEED VIC 3217
75364	Western District Car Club and Geelong Motor Sports Complex Inc.	55 Beach Road, AVALON VIC 3212
76277	Becklev Park Committee of Management	40 Broderick Road, CORIO VIC 3214
78578	Croatian Community Centre of Geelong (Inc.)	172 Cox Road, CORIO VIC 3214
81781	Australian Croatian Sporting Centre and North Geelong Warriors Soccer Club Inc.	15 Gibbons Road, LARA VIC 3212
86079	Geelong Trailable Yacht Club Inc.	105 Mackev Street, NORTH GEELONG VIC 3215
51189	Clifton Springs Golf Club Inc.	62-88 Clear Water Drive, CLIFTON SPRINGS VIC
51336	Clifton Springs Bowling Club	39 Springs Street, CLIFTON SPRINGS VIC 3222
51643	Drysdale Bowling & Croquet Club Inc.	19-29 Collins Street, DRYSDALE VIC 3222
55682	Lonsdale Golf Club	PARENT - 28 Gill Road, POINT LONSDALE VIC 3225
56256	Portarlington Sailing Club	219 Point Richards Road, PORTARLINGTON VIC
56261	Portarlington Bowls Club Incorporated	2A Harding Street, PORTARLINGTON VIC 3223
56282	Indented Head Boat Club Inc.	326A The Esplanade, INDENTED HEAD VIC 3223
56284	Indented Head Yacht Club	326B The Esplanade, INDENTED HEAD VIC 3223
56302	St Leonards Yacht Club & Motor Squadron	1001 Lower Bluff Road, ST LEONARDS VIC 3223
59153	Portarlington Golf Club	92-160 Hood Road, PORTARLINGTON VIC 3223
60281	Leopold Sportsman's Club Inc.	131-139 Kensington Road, LEOPOLD VIC 3224
61065	Ocean Grove Bowling Club Incorporated	16-24 The Terrace, OCEAN GROVE VIC 3226
63059	St Leonards Bowling Club	1274 Murradoc Road, ST LEONARDS VIC 3223
71282	Ocean Grove Golf Club Incorporated	9 Guthridge Street, OCEAN GROVE VIC 3226
72825	Geelong Watersports Club Inc.	493-499 Wilsons Road, ST ALBANS PARK VIC 3219
103216	Lagoon Boat Club Inc.	200 Foreshore Road, CORIO VIC 3214
112395	Belrec Incorporated	68 Calvert Street, HAMILYN HEIGHTS VIC 3215
112396	North Shore Football & Netball Club Inc.	39 Rose Avenue, NORLANE VIC 3214
113283	Lara Sporting Club Incorporated	4 Mill Road, LARA VIC 3212
115653	Corio Bay Sailing Club	180 Foreshore Road, CORIO VIC 3214
806676	Norlane Bowling Club Incorporated	26-36 St Georges Road, CORIO VIC 3214
813371	Lara Bowling Club Inc.	10 Alkara Avenue, LARA VIC 3212
821417	Herne Hill Bowls Club Inc.	200 McCurdy Road, FYANSFORD VIC 3218
901556	Seabrae Boat Owners Club Inc.	302 Clifton Avenue, LEOPOLD VIC 3224
902805	Barwon Heads Bowling Club Inc.	18 Geelong Road East, BARWON HEADS VIC 3227
919267	Lonsdale Golf Club	69 Fellows Road, POINT LONSDALE VIC 3225
920726	City of Geelong Bowls Club Inc.	7-9 Ballarat Road, NORTH GEELONG VIC 3215

If the ratepayer is not eligible then the transitional rebate may apply.

5. COUNCIL POLICY

5.1. Statement of Principles

- 5.1.1. The application of the rating strategy should be simple, efficient, and include a mechanism that contains principles of public benefit taxation.
- 5.1.2. While general rates are not a 'user pays' mechanism, elements of the rating strategy will embrace the 'user pays' principle where practicable. The City may consider the imposition of specific costs that may warrant the striking of new or higher differentials. The investigation of new differentials will be conducted as appropriate.

- 5.1.3. Rating must ensure that there is sufficient funding to meet the cost of providing and maintaining infrastructure, assets and services for the benefit of current and future communities.
- 5.1.4. The City of Greater Geelong applies a Capital Improved Valuation (CIV) method to all properties within the municipality to take into account the full development value of the property. This method is applied irrespective of whether the property is subject to rates or exempt under legislation. The City recognises that people with higher value properties generally have higher wealth and a greater ability to meet the provision of council services.
- 5.1.5. Rating, through the application of higher differentials, recognises the ability of some ratepayers to obtain concessions from the tax deductibility of council rates and provides for a series of differential rates. This takes into account low economic return to large landholdings, avoidance of distortions in the market or an ability to contribute above the standard charge.
- 5.1.6. Rating shall endeavour to promote and encourage economic development throughout the municipality.
- 5.1.7. The Farm Land differential is intended to recognise the benefits of large land holdings, open space and what has traditionally been a lesser demand upon council services per land area held. The City has used a combination of a differential rate and a rebate under section 169 of the LGA in order to maintain the status of farms as the lowest rated tariff group.
- 5.1.8. Vacant Land is rated at a higher rate in the dollar than Residential Land to encourage the development of the land and discourage future subdivisions ahead of market elements.
- 5.1.9. To promote equity in rating, a "Municipal Charge" may be used or, where appropriate, an ex-gratia amount may be negotiated.

5.2. Rating Strategy

Parameters to be considered in developing Rating Strategy:

5.2.1. Rate Differentials (or "RateTypes"):

Under section 161(1) of the LGA.

The City will apply differential rates to ensure there is flexibility in the rating model to enable rates to be raised at different levels.

The City has considered its differential rates in the context of the range of revenue instruments available to it and has determined that differential rates are the most appropriate means of meeting the City's stated objectives.

The investigation of introducing new differentials will proceed budget discussions.

5.2.2. Municipal Charge:

Under section 159(1) of the LGA

The City will apply a "Municipal Charge" to ensure some of its fixed administrative costs are recovered as a uniform contribution by all of its ratepayers.

(Note: City of Greater Geelong intent is to continually review the charge over time, noting that it can total no more than 20% of the total rate income as required by section 159(2) of the LGA.)

5.2.3. Service Rates & Charges:

Under section 162(1) of the LGA

The City has service rates and charges to recover the full cost of the service from the user through an annual charge, e.g. the waste management / garbage charge is determined annually in accordance with cost and service.

From 1 July 2016 a user pays system will be introduced for an additional bin service.

5.2.4. Special Rates & Charges:

Under section 163(1) of the LGA

The City has special rates and charges to defray the cost for the performance of a function that is of special benefit to any specific ratepayer group (refer Council Policy Special Rates & Charges).

5.2.5. Ex Gratia Rates

The City has "Ex Gratia Rates" to gain contributions towards its operational costs from those property owners which are otherwise exempt from paying rates. It is the City's intent to align ex gratia contributions as close, or equivalent, to the applicable rate category for that property as possible, subject to particular circumstances.

5.3. Other Legislative Provisions (LGA)

- 5.3.1. Section 157 of the LGA provides that the City of Greater Geelong may use the "Site Value", "Net Annual Value" or "Capital Improved Value" system of valuation. ("Capital Improved Valuation" is currently used by the City).
- 5.3.2. Section 158 of the LGA requires Council to declare rates and charges by 31 August each year.
- 5.3.3. Section 158A of the LGA requires rates and charges to be levied on each occupancy.
- 5.3.4. Section 161(5) of the LGA requires that the highest differential must be no more than 4 times the lowest differential.

5.4. Incentives, Discounts and Rebates

- 5.4.1. For 2019–20 the City do not grant rebates or concessions to assist the proper development in full or part unless a council resolution as per the LGA specifies the benefit to the community as a whole.
- 5.4.2. The City offers support by way of sponsorships, grants and donations to specific groups as an alternative to rate rebates.
- 5.4.3. The City administers the State Government funded pension rebate according to the eligibility criteria set by the State Government.
- 5.4.4. Council declares a Farm Rebate to support the continuation of broad acre farming. The Farm Rebate is fixed at 33.3% of general rates payable in respect of each assessment that is subject to the Farm Land differential.
- 5.4.5. Council declares a transitional rebate for 25% of the difference between the Cultural and Recreational differential of the otherwise applicable differential. Properties that were eligible for the Cultural and Recreational differential in 2016–17 that are no longer eligible in 2017–18 will be encouraged to apply for this rebate.

5.5. Rates Waivers

Rates Assistance will be reviewed annually as part of the budget process and published within Council's Rating Strategy. Ratepayers will be provided with a range of payment options. Applications for hardship will be considered in accordance with sections 170 and 171 of the LGA.

- 5.5.1. Council declares a waiver of general rates under section 171A of the LGA for the class of persons comprised of ratepayers in respect of assessments which are categorised as Residential Land or Farm Land where the valuation of the assessment has increased, between the 2018 valuation and the 2019 valuation, by 50% or more and that increase is

purely attributable to market factors, not attributable, in whole or in part, to improvements made to the assessment by the owner (or occupier). The amount of the waiver is set at:

5.5.1.1. between 25% and 49.99% of the general rates payable for the 2018–19 financial year, increasing pro rata according to the valuation increase, for valuation increases between 50% and 59.99%; and

5.5.1.2. 50% of the general rates payable for the 2019–20 financial year for valuation increases of 60% or more.

The waiver is designed to mitigate the rates shock of a valuation increase and can only be claimed in respect of an assessment once in a two year valuation cycle.

5.5.2. Council declares a Housing Support Waiver of 100% of general rates and municipal charge under section 171 of the LGA for the class of persons comprised of ratepayers in respect of assessments which contain the following types of housing:

5.5.2.1. transitional, emergency or crisis housing;

5.5.2.2. housing for legatees or war widows, provided by the Geelong Legacy Club or provided by RSL; and

5.5.2.3. supported housing for disabled people.

This waiver recognises that these properties provide for specific needs within the community.

5.5.3. For 2019–20 financial year, Council declares a waiver of 100% of general rates and municipal charge under section 171 of the LGA for the class of persons comprised of ratepayers in respect of assessments which are in private ownership within the inappropriate subdivision known as New Corio Estate. This rates assistance waiver recognises the financial burden associated with ownership of this land. Land within the New Corio Estate is zoned as farming land and the area has been determined to be an inappropriate subdivision due to the difficulty of providing utilities and drainage and due to its distance from other residential areas. The Minister for Environment & Climate Change has approved a native vegetation plan for this land in support of natural temperate grassland of the Victorian Volcanic Plains. The waiver recognises the ongoing encumbrances on the land that prevent owners from making any demands on Council services now and into the future.

5.6. Rate Review

5.6.1. Rateable and non-rateable land shall be subject to regular review and audit.

Rateable land is reviewed:

- upon revaluation;
- when building permits or subdivisions occur;
- where a parcel of land may have more than one land use;
- if the creation of a separate assessment on a parcel of land is required;
- upon sale and transfer of land;
- upon inspection by the City; and
- upon application and inquiry by the ratepayer.

Non-rateable land shall be reviewed bi-annually in respect to its continuing classification as non-rateable land.

5.7. Policy Review

5.7.1. This Policy and Rating Strategy shall be reviewed annually during budget development and endorsed by Council.

QUALITY RECORDS

Quality Records shall be retained for at least the period shown below.

Record	Retention/Disposal Responsibility	Retention Period	Location
Adopted Budget.	Manager – Financial Services		Corporate Records

6. ATTACHMENTS – none.

Historic Overview of Annual Rating Strategy Decisions

2002–03

Following the 2002–03 Budget and striking of rates using the 2002 revaluations, Council received considerable negative response from ratepayers whose rates had significantly increased above the 5.7% average movement.

In response, Council in October 2002 adopted a ‘Rates Assistance Plan’ offering a range of support, including extension of interest free terms, easier arrangements for hardship and deferral applications and significantly, a one-off rate relief of up to \$300 for qualifying ratepayers under the hardship provisions of the *Local Government Act 1989*.

2003–04

For the 2003–04 Budget, Council established a consultation process with a Community Rates Forum held in June 2003. A report to Council in July 2003 recommended a number of legislative amendments and administrative action.

Council pursued legislative amendments that would give flexibility within the rate setting framework including a general capping of rates, power to set a minimum rate and changes to the four times rule.

Despite Council considerable effort, the *Local Government (Democratic Reform) Act 2003* included none of Council proposals and legal advice concluded that the amendment to section 171 of the principal Act provides for no additional flexibility for capping rates per se as a result of significant valuation movements.

At the National Conference of the Australian Local Government Association, in November 2003, Council put forward a motion to move towards an “income assessed” method of rating for local government, which received little support. The ALGA represents the local government industry nationally and delegates are councillors, elected and appointed by ratepayers.

In November 2003 a NATSEMA study¹ indicated that Australia’s ageing population held significant wealth in housing with the younger generation holding less housing assets and greater debt arising from soaring higher education fees, higher house prices along with job insecurity and cuts in welfare. The so called “generation X” are likely to pay higher taxes to meet health and welfare costs of an ageing population. Any move to

reduce the property tax burden will simply shift that burden to lower cost housing owners and tenants. Again, more likely to be the younger generation.

The State of the Regions 2003–04² report identified regional cities in Australia with growth potential and that one of the biggest demographic shifts – retirees moving to desirable locations such as the coast – would ultimately depress those economies. The report indicated that while retirees will have lower disposable income they will require higher support and infrastructure needs which can drain resources from local government.

The problem of inter–generational debt and tax burdening has been described by the Federal Treasurer as *“one of the largest challenges which is confronting our society”*.

Similarly affecting the rates and charges levied by Council, is the extent to which cost shifting from federal and state to local government has occurred in recent years. Council’s submission to the Federal Inquiry⁵ estimated that costs upwards of \$20 million per annum or some \$220 p.a. per ratepayer has been “shifted” onto Council and in turn its ratepayers and clients using fee paying services.

Council urged the State Government to increase the pension rebate to bring it more in line with increases in other states. The State Budget in May 2004 provided for an increase to the pensioner concession rebate from \$135 to \$160 commencing 1 July 2004 to be indexed annually.

2004–05

As part of the administrative action plan, Council worked in conjunction with ministerial officers to develop a comprehensive Rating Strategy for 2004–05. The strategy included a number of key strategic issues considered with feedback via public submission and community forums.

The strategy provided for the continuation of the Rates Assistance Plan as a measure of “phasing in” of the 2004 Revaluations, subject to the hardship provisions of section 171A.

The strategy outlined a change to rating of the Farm sector to introduce a “large holding rebate” with farm criteria eligibility expanded to include properties outside of the Valuation of Land Act definition for farms, but who provide evidence of ATO primary producer status, or where the holding of large land parcels is of benefit to the community in terms of conservation, heritage or open space. The adoption of this component and the subsequent farm rebate had little overall financial impact on eligible ratepayers, but encourages the holding of land and more timely development of non–farm sub divisional land.

During this wide ranging review, a number of other issues arose, however Council

concluded no change was required to current policy and practice. Items included Heritage Assistance which was recommended to be decided on a case-by-case basis rather than any rebate methodology within the rating framework; that the instalment options only payment system as implemented by other councils not be introduced without significant customer support; that charitable and not-for-profit rating policy remain unchanged.

The consultation process involved public submissions, community forums, direct discussions with local politicians and the Victorian Farmers Federation – Bellarine Branch.

Following adoption by Council, the strategy was implemented for 2004–05 and became the base for future year’s discussion and review.

Every two years Council is required, for rating purposes, to undertake a general revaluation of all properties within the municipality. The revaluation resulted in an average movement of 54%. Revaluations of this magnitude can result in major shifts to billing and are more likely to result in strategic decisions and policy change by Council in respect to rating structures. In the year 2004–05 Council gave consideration and implemented changes to its rating structures.

Changes were considered in the context of rising property values brought about by the diverse range of property and market forces within the municipality and particularly within the residential sector. Council only has limited scope to mitigate significant variations to rate accounts. While many respondents called for a general rate capping process to restrict rate rises on an individual account, there are practical and legal difficulties in introducing such change. Within the context of current legislation the most effective way of managing rate rises and use of a rate cap is to increase the municipal (or flat rate) charge component.

[Raising the Municipal Charge](#)

By definition, the municipal charge is a contribution to the fixed costs of governance (LGA section 159). While regressive in nature, an increase in the charge could be justified on the basis of the “common benefit principle”, ie. that all ratepayers benefit from council services and should contribute a similar amount. A 20% of total revenue ceiling is imposed by legislation, but in this context the municipal charge could be up to \$148.00 – (2003–04 at \$36.40). The effect of increasing the municipal charge would be to decrease the rate in the dollar value used to calculate rates. Before legislative changes and amalgamations in the mid nineties, many councils applied minimum rates with some former councils in the Geelong region having minimum rates ranging from \$279 to \$330. The ability to declare a minimum rate was abolished in amendments to the Local Government Act in 1996.

An increase in the “minimum rate component” is an effective alternative to a non-

discretionary rate cap. It has the same effect in that it restricts the rate increase at the high end and redistributes across the rate base.

The consultation process revealed some general support for a more significant increase to the municipal charge as a “rate cap” to mitigate the effect of significant rises in capital improved valuations.

However, because of the significant variation in valuations within tariff groups and the limitations of the 'four times' rule in setting differential tariffs, it was not practical to significantly increase the municipal charge for 2004–05. Council resolved to increase the municipal charge from \$36.40 to \$40.00 only for 2004–05.

[Introduction of a Non-discretionary Waiver \(Rate Capping\)](#)

Such a waiver could be introduced using the new hardship provisions (LGA section 171) related to classes of person to provide a general waiver.

Legal advice was obtained indicating that in order to comply with this hardship provision Council must link the class of persons to their financial (including asset base) characteristics.

The purpose of the LGA section 171 amendment was to make it clear that a “council may decide to waive all or part of the rates for a category of people on the grounds of financial hardship”. This is in addition to rates waived in accordance with the States Concession Act 1983 (the Municipal Rates Concession Scheme). The amendment was primarily to give certainty to those councils providing an additional pensioner concession benefit directly funded by the council.

Legal advice indicated that Council could not, for example, provide a non-discretionary waiver to a class of persons defined *as any residential ratepayer* having an increase of greater than say 50% in dollar value (or x% of valuation) to their account as to do so may provide a benefit to persons not in hardship.

This suggested that confining such a waiver to a pensioner group, health care card holders etc, would be permissible by resolution of Council defining such group as being eligible on the grounds of hardship, noting however, that LGA section 171 (4) does not in itself link pensioners to hardship merely a right to eligibility of a State funded concession.

In summary, the new LGA section 171, while providing for a “class of persons”, limits the ability of Council to offer relief from “rates shock” by imposing a financial hardship test upon that ‘class of persons’. The two criteria go hand in hand and the final responsibility and risk lies with Council in any resolution as required by LGA section 171(2).

Any proposal to expand the concessions to pensioner groups would have to be

balanced by a higher dollar charge for those ratepayers below the percentage break point, effectively flattening the rate charges by providing a “tax break” for these increasing and higher valued properties. The effect would be to increase the “Rate in Dollar” for all properties in order to fund the benefit or concession.

Council reviewed the non-discretionary provisions of the LGA and determined that a discretionary waiver was more appropriate in respect to rating for 2004-05.

[Discretionary Waiver](#)

Council reviewed the discretionary waiver provisions of the LGA section 171A (2) and resolved to provide relief from significant increase to rates brought about by market only increments to residential property valuations. Requirements and restrictions were placed on the rebate, including an income test, excluding properties that had been subject to a supplementary valuation, and applicable only to the principal place of residence.

Whilst more administrative effort is required, this discretionary waiver more effectively targets the group and persons most in need and worthy of assistance and complies with the LGA. The LGA section 171A procedure, where the individual makes the application to council, has the benefit of the incorporation into the section of provisions which provide sanctions if any person provides false or misleading information in respect of the application or fails to notify the council of a change of circumstance which is relevant to an application or to a waiver granted under section 171A.

Legal advice received in respect to the above matters concluded that:

“As any waiver of rates or charges will be likely to result in the Council having to raise replacement revenue through some other source, it is desirable that any formula adopted by Council to grant relief in appropriate circumstances is one that is as sound as possible. This can, in our view, be best achieved by adopting the section 171A procedure notwithstanding that it would be administratively more burdensome on Council”.

Generally, the effect of any additional benefit or concessions is to flatten the charges by raising rates at the low value end of the scale (tax burdening) and reducing rates (tax break) for higher valued properties either by a one-in all-in approach (blanket rate cap) without regard to capacity to pay or more selectively having regard to personal circumstance (discretionary benefit – point 3 above).

An estimate of the amount of waiver, (in effect Council foregoing the right to claim payment) was determined including threshold limits to apply.

[Rates Assistance Measure for 2004-2006](#)

[Upon application:](#)

Provide a rebate to any ratepayer experiencing an increase in valuation of more than

100%* provided the following criteria is met:

- the property is the principal place of residence;
- the property is rated within the residential tariff group;
- and have not had an increase in valuation of the land for the assessment because of improvements made requiring a building permit; and
- can demonstrate financial hardship by way of:

being currently eligible as a pensioner under the State Concession Act, (Centrelink Pensioner Concession, Department of Veterans Affairs Pension Concession, Gold Card – widow or TPI specific – cards)

or

can demonstrate that they are of low income status with a maximum income of \$31,755 or less (Statement of Earnings SOE – Centrelink or most recent tax assessment notice).

[Amount of Waiver](#)

The amount of the waiver shall be calculated to provide a maximum 50% rebate of the total increase on the previous year's rates. A phase-in percentage based on increments to the property valuation shall apply viz:

Property valuation increased by:

100.1% – 101.9%	Rebate at 25%
102% – 103.9%	Rebate at 30%
104% – 105.9%	Rebate at 35%
106% – 107.9%	Rebate at 40%
108% – 109.9%	Rebate at 45%
110% or greater	Rebate at 50%

No maximum rebate under this formula is to apply.

The Recycle and Waste Services Charge and the Municipal Charge are excluded from the waiver.

The cost to Council was estimated at \$140,000.

The City of Greater Geelong is the only known council to offer this extended waiver in Victoria.

[Differential Farm Rate](#)

The Differential Farm Rate was considered and Council resolved to retain the farm differential and set the rate at the same level as the residential rate. A 'large holding rebate' set at 25% of the CIV by rate in dollar component was made applicable to all

eligible properties under LGA section 169.

The eligible property criteria was expanded to include all properties meeting the Valuation of Lands Act farm definition plus other properties for which a current ATO primary producers assessment can be provided.

Criteria was further extended to enable Council to include any other non farm large holding of land, for example, conservation areas, native bush or grasslands, for which there is a benefit to the community to retain or develop as open space, to be rated in this category.

Non farm subdivisional land continued to be rated as vacant land thereby encouraging timely development in accordance with planning requirements.

An alternative “Environmental Rural Rebate” based on specific “on farm” environmental works was considered but not recommended for 2004–05.

[Heritage Assistance](#)

Council has available heritage funding to assist the restoration, preservation and maintenance of buildings or places of historical or heritage importance to the municipality. Council could provide funds either by way of a rate rebate (usually a percentage of rates payable) under LGA section 169 or to simply provide a grant or donation for specific purpose. In either case, the identification of the building or site, the amount and duration of any assistance needs to be determined. A consistent approach is required with the preferred method being to continue to provide assistance to heritage properties via the minor grants scheme on a case by case basis by way of an allocation of grant or donation approved during budget deliberations.

[Deferral of Rates](#)

The deferral of rates is provided for by legislation LGA section 170.

An improved communication plan to promote the option to partially or fully defer rates was implemented for 2004–05. The deferral of rates was extended to include non-investment holders of vacant land. The interest rate on deferred rates was discounted at 8.25% for the 2003–04 year.

The development of the 2004–05 Rates Strategy was a key commitment in conjunction with Department of Victorian Communities and the Minister for Local Government.

[2005–06](#)

In this non-revaluation year, Council made no significant strategic decisions in respect to the structure of the differential rating system. Council resolved to increase the vacant land rate from 115% to 130% of the residential rate in dollar. This decision was to further encourage the development of existing vacant land and discourage future subdivisions ahead of market demands.

Council endorsed:

- A general rate in dollar increase of 6%.
- An increase to the municipal charge from \$40.00 to \$62.40.
- An increase of 4% in the Recycling and Waste Collection Service Charge from \$160.40 to \$166.80.

These increases were required in order to fund increases to recurrent expenditure, the continuing capital works program and Councils priorities within each ward. Rate increases provided for a significant and noticeable level of improved services within each ward and to community facilities in general across the municipality.

The Rates Assistance Plan continued into its second year and the State Government announced an indexed increase to the pension concession amount from \$160 to \$163.50.

2006-07

Rates for 2006-07 were based on new valuations made as at 1 January 2006 and effective for rating purposes from 1 July 2006. As in previous years, valuation shifts occurred and varied according to property type, location and condition. The average residential property valuation movement was 14.1%, significantly less than previous valuations and more uniform across the municipality. This resulted in less volatility to rate accounts. The valuation generally reflects market value and becomes the basis for the property tax.

Farm properties were significantly affected by the revaluation with average valuation movement of 28%. As a consequence, Council determined that the large holding rebate should be increased from 25% to 33% of the CIV for all eligible properties.

For 2006-07 Council included rate relief for bushfire affected properties and amended the definition of Cultural and Recreational for not-for-profit Clubs and Associations and continuation of the 2006-2008 Rates Assistance Waiver and Farm Rebates.

The Rate Assistance Plan continued with a 50% increase to Valuations set as the benchmark above which assistance could be applied for.

The State Government Municipal Rates Concession amount rose to \$168.00.

2007-08

The 2007-08 budget year was not a revaluation year and therefore full remodelling of the distributional effects of tariffs within each of the differential rate categories was not required. The current valuations subject only to supplementary valuations by reason of new subdivisions, new buildings, or improvements will apply in accordance with Valuation of Lands Act 1960.

Minor amendments occurred to individual properties as a result of the Mixed Use review. The policy change is that all Mixed Use properties must have a waste bin service, however the Mixed Use properties had an option to apply for a commercial service and not be subject to the standard residential waste services charge.

The Geelong region continued to experience drought conditions (third consecutive year) and the Federal Government had put in place an Exceptional Circumstances assistance package. A total of 27 farmers applied for the 2006–07 assistance package for 47 property assessments. Council agreed to further extend rate assistance for farmers by increasing the Farm rebate from 33% to 40%.

Council endorsed:

- A general rate in dollar increase of 6.9% for Residential, Industrial and Commercial tariffs.
- Late License tariff to be reinstated at the equivalent highest differential rate.
- An increase to the municipal charge from \$68.30 to \$72.50.
- An increase of 4.5% in the Recycling and Waste Collection Service Charge from \$173.50 to \$181.30.

These increases were required in order to fund increases to recurrent expenditure, the continuing capital works program and Councils priorities within each ward.

The State Government announced an indexed increase to the pension concession amount from \$168.00 to \$172.90.

2008–09

The basis for rates in 2008–09 are the valuations prepared as at 1 January 2008 by Council’s contract valuers in accordance with Council obligations to revalue every property in the municipality under the Valuation of Land Act 1960. These valuations apply to all properties from 1 July 2008.

The table below indicates the general property valuation movement by tariff group, excluding growth.

Property Group	2008 Average % Increase	2006 Average % Increase
Residential	5.6%	15.6%
Vacant Land	12.7%	36.7%
Commercial	22.1%	26.7%
Industrial	27.2%	24.1%
Farm	15.2%	48.4%

The valuation increases for all categories except industrial properties have been less than previous revaluations.

Industrial property values have increased in line with a short supply of serviced industrial land and increased access from the ring road.

Council endorsed the following changes:

- The Vacant Land ratio to Residential has been increased to 135% in order to continue to encourage the development of Vacant Land.
- The Farm rebate increases to 45% in response to significant valuation movements and recognition of continuing drought circumstances. This rebate provides significant ongoing rate relief to farmers (33% rebate 2006–07, 40% rebate 2007–08).
- Average residential rates and charges (including Municipal Charge and Waste Service Charge) will increase by 4.9%.
- The pensioner concession is \$178.60, increasing from \$172.90 or 3.3% which is the movement in CPI.
- The Waste Collection Service charge is calculated based on a fee for service, including direct, indirect and overhead costs. The proposed garbage charge to 2008–09 is to increase from \$181.30 to \$183.50.
- The municipal charge represents a fee on all rateable assessments as a contribution to the fixed and unavoidable costs of governance. The municipal charge is increasing from \$72.50 to \$75.50.

Rate Waiver

Council proposes to continue the rate relief provisions to allow for the continuation of a one off waiver for residential properties where the valuation has exceeded reasonable expectations and is purely the result of market factors, not the result of improvements to property by the owner.

Modelling shows that if a 50% increase to residential valuation is considered the trigger point for rate relief, then 608 properties (0.7% of residential properties) may become eligible. Not all properties will be principal places of residence, nor will they meet the hardship income test. The income test is based on an income threshold of \$41,318.

In cases of proven hardship Council also offers deferred rates for a period determined by Council. Deferred rates attract interest at Councils overdraft rate. For 2008–09 the interest rate is determined at 10.85%.

2009–10

Based on proposed increments to the draft operating budget, a target revenue of \$130.5m was required. To achieve this a 4.9% increase in the average residential rates was included in the Budget.

Rating Differentials

The relativity between differential rates is proposed to remain unchanged from 2008–09.

Residential and Farm rate are the lowest differential tariff.

Vacant land remains at 135% of residential rates to encourage the development of Vacant land.

Aluminium, Automobile and Late License rates are four times residential rates. The rate set is the maximum in line with the four times rule where the highest differential must be no more than four times the lowest differential rate.

Farm Rebate

The retention of the 45% rebate for farm properties to provide ongoing rate relief to farmers. The farm rebate was introduced in 2004–05 at 25% and was increased to 33% in 2006–07, 40% in 2007–08 and 45% in 2008–09.

Municipal Charge

The municipal charge covers fixed administrative costs and must not exceed 20% of the revenue from rates and the municipal charge. The municipal charge increased to \$78.50 and provided a rate income of \$8,044,000 which was 7% of the rate and municipal charge revenue.

Waste & Recycling Charge

The waste and recycling charge covers the cost for collection and disposal of waste. The charge increased from \$183.50 to \$190.80 per assessment. The criteria for charging the waste charge remained.

Geographic existence within those areas of the municipal district in which Council provides a domestic refuse collection and disposal service.

The charge will be raised irrespective of whether the service is used or not.

Pension Rebate

The pension rebate is provided by the State Government to assist pensioners. The rebate will increase from \$178.60 to \$184.30 in line with CPI of 3.2%.

Exceptional Circumstances – Drought Assistance

The State Government's municipal rate subsidy drought assistance scheme was introduced in July 2005. Effectively, farmers affected by drought and receiving emergency payments or exceptional circumstances payments from Centrelink are eligible for a 50% subsidy on their rates and charges funded by the State Government. At this stage the scheme has not been extended beyond June 2009.

Payment Assistance

Council offers a variety of assistance measures to help people pay their rates. The options include flexible payment methods such as quarterly, monthly or fortnightly Direct Debit, Centrepay deductions from Centrelink entitlements, and individual payment arrangements. The City will assist ratepayers who are experiencing hardship by creating individual payment plans which may include deferral of rate payments in full or part, depending on individual circumstances. The interest rate on deferred rates is declared at 7% for 2009–10.

Rates Waiver

Council also provide a one-off rates waiver for low income ratepayers whose property valuations increased by more than 50% in the last revaluation (the last revaluation was as at 1 January 2008). It is expected that most eligible ratepayers would have received the waiver in 2008–09, and there will be minimal claims in 2009–10.

2010–11

2010 Revaluation

The 2010–11 rating strategy included valuations prepared as at 1 January 2010 by Council's contract valuers in accordance with Council obligations to revalue every property in the municipality under the Valuation of Land Act 1960. These valuations applied to all properties from 1 July 2010.

The table below indicates the general property valuation movement by tariff group, excluding growth.

Property Group	2008 Average % Increase	2010 Average % Increase
Residential	5.6%	11.1%
Vacant Land	12.7%	19.0%
Commercial	22.1%	8.2%
Industrial	27.2%	12.3%
Farm	15.2%	22.1%

Rating Reviews

During the year Council reviewed all properties under the Mixed Use rating category to ensure that they complied with the definition by having the characteristics of both residential and commercial or industrial land use. Council will extend the application of the Mixed Use rate where properties can be identified through referring to food and health permits for business applications and where properties provide short term accommodation. The Mixed Use differential allows Council to provide a lower rate than commercial where there is residential use of a property with commercial activity. Where

the land use is predominantly commercial, a commercial rate differential will be applied.

To maintain consistency and comply with the Local Government Act all housing provided by Housing Associations, charitable or government organisations is rateable.

During 2010 the Local Government Act was amended to allow rebates in support of affordable housing by registered agencies. Council did not propose to grant any rebates to providers of affordable housing. Council has over 3,380 houses provided by the Office of Housing and over 334 homes provided by registered Housing Associations. Assistance for low income households is already provided through the State Government pension rebate and the means tested rent provided by the Department of Housing and the Housing associations. Council did not provide a further rebate for low income households.

Council reviewed the definition of Farm Land, removing the outdated reference to the ATO certification, and including reference to a sustainable business to ensure that the Farm differential and Farm rebate are directed to encourage broad acre farming.

Council endorsed the following changes:

1. Average residential rates and charges (including Municipal Charge and Waste Service Charge) increased by 4.9%.
2. The Waste Collection Service charge is calculated based on a fee for service, including direct, indirect and overhead costs. The charge is impacted by the increase in the EPA levy on waste to landfill. The charge for 2010–11 increased from \$190.80 to \$199.00 or 4.3%.
3. The municipal charge represents a fee on all rateable assessments as a contribution to the fixed and unavoidable costs of governance. The municipal charge increased from \$78.50 to \$82.30.
4. The pensioner concession increased from \$184.30 to \$187.60 or 1.8% which is the movement in CPI for Melbourne as advised by the Australian Bureau of Statistics.
5. The Vacant Land ratio to Residential was increased from 135% to 138% to encourage the development of Vacant Land. With the growth in the number of vacant lots to 5,460, the average rate increase per lot was 4.7%.
6. Automobile and Aluminium rate in dollar were retained as the highest rate or four times Residential Rate. The reduction in valuation resulted in a reduction in rates from these properties of (\$11,965) and (\$143,608) respectively.
7. Petroleum rate was affected by a significant reduction in valuation of 29.4%. A reduction in rates of (\$100,586) or 3.4% is a consequence of this valuation

movement.

8. Farm rate was once again set as per the Residential rate. The Farm Rebate was applicable to all Farm land and was increased from 45% to 46.5% in response to the average 22.1% increase in Farm valuations. The farm rebate applied to encourage the retention of broad acre farming. Farm land use definition was updated to include a requirement to be a sustainable business to ensure the rebate was directed to operating farms.

Rates Assistance

The rate relief provisions will continue to allow for the continuation of a one-off waiver for residential and farm properties where the valuation has exceeded reasonable expectations and is purely the result of market factors, not the result of improvements to property by the owner.

Based on current valuations, there are a possible 1,621 residential properties where there has been an increase of over 50% in valuation. A 50% waiver on all these properties would equate to \$369,000 in waiver. The criteria for the waiver includes an income level test and a requirement that there has been no building works or other alterations to the property requiring a building permit in the past two years. There is a phase-in of the waiver between 50% and 60% valuation increase.

The MAV Report on Capacity of Residential Households to Pay Rates identifies that the average Victorian household spends 2.25% of their expenditure on Council rates. The report also profiles the type of households likely to suffer a higher than average rate burden, confirming old age pensioners as where Council must continue to provide rates assistance measures.

2011-12

Rate Structure

In 2011-12 Council decided to introduce three new differentials for the unique environmentally sensitive urban development land at "The Point", Point Lonsdale. These rates were set at the same level as the similar land use for 2011-12, however in future years will contribute to the costs of managing the environmentally sensitive land.

A review of the rating status of housing provided for social, community or charitable purposes highlighted some inconsistencies. In 2011-12 all housing provided by Housing Associations, charitable or government organisations was rated in accordance with legal precedent and the Local Government Act.

A Housing Support rebate was provided on application for Transitional, Crisis or Emergency housing provided by charitable organisations. The rebate was also provided on application for housing provided by Geelong Legacy Club or the RSL and housing provided by charitable organisations to support disabled people. Rebates were for

100% of general rates and the municipal charge.

A Transitional rebate of 100% of general rates and municipal charges was provided in 2011–12 for nominated charitable housing properties that have previously not been rated to allow for a consultation period and transition plan to be developed (refer page 56). This rebate benefits the community by allowing a smooth transition in the rating of these properties.

Assistance for low income households is already provided through the State Government pension rebate and the means tested rent provided by the Department of Housing and the Housing Associations.

Other changes proposed for 2011–12 were:

- Rates and charges for an average residential property (including Municipal Charge and Waste Service Charge) increased by 4.9%.
- The rates in the dollar for Vacant Land, Commercial, Industrial, Farm, Mixed Use and Late Licence rate types were increased by 4.9%.
- Petroleum rate has been increased by 4.9%.
- Automobile and Aluminium rate in dollar were reduced to the same rate in the dollar as Petroleum rate reflecting a reduction from the highest rate and recognising some similarities with other major industrial facilities. This resulted in a 0.4% increase in rates for these properties.
- The Waste Collection Service charge was impacted by the increase in the EPA levy of \$44 per tonne on waste going to landfill, and the provision of a new unwanted household goods projects and information service. The charge for 2011–12 increased from \$199.00 to \$213.20 or 7.1%.
- The municipal charge was held at \$82.30, the same level as 2010–11.
- The Farm rebate remained at 46.5%. This rebate provides ongoing rate relief to farmers (33% rebate 2006–07, 40% rebate 2007–08, 45% for 2008–09, 45% for 2009–10, 46.5% for 2010–11). In 2011–12 a 46.5% rebate represented \$2.3M.
- The pensioner concession increased from \$187.60 to \$193.40 which is the movement in CPI for Melbourne as advised by the Australian Bureau of Statistics.
- The rate waiver provisions are retained for year 2 of 2010 valuation.

[Residential Rates Increases](#)

The total increase in rates and charges for a property with the average capital improved value of \$328,762 was \$55.40 or 4.9%. This increase was made up of \$41.20 for General Rates, and \$14.20 for the Waste Collection service.

Residential Properties	2010-11 Rates on Av CIV \$	2011-12 Rates on Av CIV \$
General Rates CIV x Rate in \$	841.09	882.29
Municipal Charge	82.30	82.30
Waste Collection Service	199.00	213.20
Total Rates and Charges	1,122.39	1,177.79

2012-13

2012 Revaluation

Summary by Differential

Differentials	Number of Assessments	Final Budget % Change 2012 Reval CIV to 2010 Reval CIV
General Rates	94,809	10.2%
Vacant Land	5,097	14.2%
Commercial Rate	5,068	3.9%
The Point – Vacant Land	1	(0.3%)
Late Licence Premises Rate	28	6.1%
Industrial Rate	1,746	(1.2%)
Mixed Use	238	0.8%
Farm Rate	1,087	(1.3%)
Recreation	59	20.2%
Automotive	2	14.5%
Petroleum	1	(4.1%)
Aluminium	1	0.0%
Grand Total	108,137	8.9%

Overall

The revaluation date was 1 January 2012 and took effect from 1 July 2012.

The summary results were:

- Average increase in residential 10.2% compared to 11.1% in 2010.
- The average decrease in farm valuations was (1.3%) compared with an increase of 22.1% in 2010, with the main decreases occurring on the Bellarine Peninsula.
- Commercial properties increased by 3.9% with increases in shopping centres averaging 11.7%, being offset by reductions elsewhere.
- Industrial properties decreased on average at (1.2%) compared to an increase of 12.3% in 2010.
- Late Licence valuations increased 6.1% on average for 28 properties.

Key features of the rating model were:

- The Residential rate has been set at \$0.002544 per \$ of CIV valuation or 4.9% average increase.

- Vacant land rates will increase on average 4.9% and the rate in \$ relative to residential has reduced from 137.9% to 133.7%.
- Commercial rates will increase on average 4.09% and Industrial rates on average 3.8%.
- Automobile rate increase to average 3.9% consistent with Industrial increase.
- Petroleum and Aluminium rate in \$ has been set at the maximum 4 times the lowest rate.
- Farm rate has once again been set as per the Residential rate. The Farm Rebate is applicable to all Farm land and has been reduced to 36.2% from 46.5%. The farm rebate applies to encourage the retention of broad acre farming. Farm land use requires land to be used as a sustainable business to ensure the rebate is directed to operating farms.

Charitable Housing

Prior to the 2011–12 budget a review was conducted of housing provided for social, community or charitable purposes. Commencing from 2011–12 all housing provided by Housing Associations, charitable or government organisations were rated in accordance with legal precedent and the Local Government Act.

A Housing Support rebate was provided again on application for Transitional, Crisis or Emergency housing provided by charitable organisations. The rebate was also provided on application for housing provided by Geelong Legacy Club or the RSL and housing provided by charitable organisations to support disabled people. Rebates were for 100% of general rates and the municipal charge.

A Transitional rebate of 50% of general rates and municipal charges was provided in 2012–13 for nominated charitable housing properties that had previously not been rated, to allow for a smooth transition in the rateable status of these properties.

Assistance for low income households is already provided through the State Government pension rebate and the means tested rent provided by the Department of Housing and the Housing Associations.

Rates Assistance

The rate relief provisions continued, to allow for the continuation of a one-off waiver for residential and farm properties where the valuation increased greater than 50% and was purely the result of market factors, not the result of improvements to property by the owner.

The amount of the waiver was set, commencing at 25% rebate for valuation increases at 50% and up to 50% rebate for valuation increases at 60% or greater. The waiver is designed to mitigate the rates shock of a valuation increase and is only claimable once in a two year valuation period.

Council also provided a range of assistance measures to suit individual needs including pension rebates, farm rebates, rates deferral, and payment options such as regular Direct Debit, and Centrepay.

Municipal Charge

The purpose of the municipal charge is to recover some of the administrative costs of the Council. The charge is applied to all rateable properties and increased from \$82.30 to \$86.33.

Where rates are a variable charge levied on CIV at a rate in the dollar, the municipal charge is a fixed contribution on all ratepayers.

Recycling and Waste Collection Service Charge

The Annual Service Charge was \$226.00 for each rateable land and non-rateable land. The charge was levied on the following criteria:

- Geographic existence within those areas of the municipal district in which Council provides a domestic refuse collection and disposal service.
- The charge was raised irrespective of whether the service were used or not.

The Waste Collection Service charge is calculated based on a fee for service, including direct, indirect and overhead costs. The charge is impacted by the closure of Corio Landfill, cost estimates for the introduction of Carbon Tax and the increase in the EPA levy of \$4 per tonne on waste going to landfill. The charge for 2012–13 increased from \$213.20 to \$226.00 or 6.0%.

Farm Rebate

The Farm rebate was reduce to 36.2% with average rates increasing by 4.9%. This rebate provides ongoing rate relief to farmers (33% rebate 2006–07, 40% rebate 2007–08, 45% 2008–09, 45% for 2009–10, 46.5% for 2010–11, 46.5% for 2011–12). In 2012–13 a 36.2% rebate represents a cost to Council of \$1.3m.

Pensioner Concession

The pensioner concession increased from \$193.40 to \$198.20 representing a 2.5% increase.

Residential Rates and Charges

The general revaluation movement of 10.2% together with growth from increase in property numbers due to new assessments and building improvements have increased the average Capital Improved Value of residential properties within the municipality from \$328,762 to \$363,800.

The total increase in rates and charges for the average property with a capital improved value of \$363,800 is \$60.06 or 5.1%. This increase is made up of \$43.23 for General Rates, \$4.03 for Municipal Charge and \$12.80 for the Waste Collection service.

Residential Properties	2011-12 Rates on Av CIV \$	2012-13 Average Rates \$	Increase %
General Rates CIV x Rate in \$	882.28	925.51	4.9%
Municipal Charge	82.30	86.33	4.9%
Waste Collection Service	213.20	226.00	6.0%
Total Rates and Charges	1,177.78	1,237.84	5.1%

2013–14

Rate Structure

The 2013–14 Rating Strategy included a number of significant changes in response to Ministerial Guidelines for Differential rating and Council considerations. The finalised Ministerial Guidelines for Differential Rating were gazetted on 26 April 2013 and came into effect from 1 July 2013.

A detailed review of existing objectives for each of the 13 differential tariffs was undertaken. New objectives were developed for some of the existing differentials to provide additional clarity where required.

The Late Licence differential rate was discontinued from 2013–14. The Late Licence differential rate was introduced in 2000–01 in recognition of the cost associated with this activity. This differential is now seen as inappropriate. The properties that were categorised under this differential are now categorised under the commercial differential rate to offset a reduction in revenue of \$0.34m.

The purpose of the various rating groups is to ensure that each group makes a fair and equitable contribution to rates. Full disclosure of the rating groups, number of properties, valuations and revenue is shown in the Statutory Information on Rates.

Fire Services Property Levy

The *Fire Services Property Levy Act 2012* (FSPL) came into effect from 1 July 2013 and requires local government to bill, receipt and collect FSPL on rateable and non-rateable properties. It is estimated that Council will levy \$23m in 2013–14 and remit to the State Revenue Office.

Rebates - section 169 of the LGA Rebates

For 2013–14 the following rebates applied:

- Farm Rebate.
- Transitional Housing Rebate.

Waivers - section 171 of the LGA Waivers

For 2013–14 the following waivers applied:

- Rates Assistance Waiver (Valuation increase over 50%).

- Housing Support Waiver.
- New Corio Estate (Inappropriate Subdivision).

Rating Model

Key features of the Rating Model were:

- Rates and charges on a residential property increased overall by 4.45%, including rate in \$ movement 4.7%, Municipal Charge movement 3%, and Waste Collection Service Charge 3.8%. The residential rate was set at \$0.002665 per \$ of CIV valuation.
- Vacant Land rate in the dollar increased to 140% of residential in order to encourage building activity and development.
- The Late Licence differential was discontinued in response to the Ministerial guidelines. The Commercial rate in \$ therefore increased by 7%.
- Automobile, Petroleum and Aluminium differentials were aligned to the same rate in the \$. Council objective was to reduce the gap between the rate in \$ for those differentials and the Industrial differential. The Industrial rate increased by 7.7%.
- The Waste Collection Service charge was impacted by cost estimates of EPA levy \$24.55 and Carbon Tax of \$2.23 per tenement. The charge for 2013–14 increased from \$226.00 to \$234.50 or 3.8%.
- The Municipal Charge represented a fee on all rateable assessments as a contribution to the fixed and unavoidable costs of governance. The Municipal Charge increased from \$86.33 to \$88.90 or 3%.
- The Farm rebate remained at 36.2% with average rates increasing by 4.45% (as per residential). This rebate provides ongoing rate relief to farmers (33% rebate 2006–07, 40% rebate 2007–08, 45% 2008–09, 45% for 2009–10, 46.5% for 2010–11, 46.5% for 2011–12, 36.2% for 2012–13). In 2013–2014 a 36.2% rebate represented a cost to Council of \$1.384m.
- The Housing Support Rebate for eligible Charitable Housing was replaced with a Rates Waiver for 2013–14.
- The transitional rebate introduced in 2010–11 for nominated charitable housing properties remained at a 50% rebate in 2013–14.
- A Rates Waiver was introduced for the New Corio Estate from 2013–14 recognising this inappropriate subdivision and Planning Scheme Amendment C243.
- The pensioner concession increased from \$198.00 in accordance with movement in CPI for Melbourne as advised by the Australian Bureau of Statistics to \$202.90.

Recycling and Waste Collection Service Charge

The Annual Service Charge was \$234.50 for each rateable land and non–rateable land. The charge was levied on the following criteria:

- Geographic existence within those areas of the municipal district in which Council provides a domestic refuse collection and disposal service.
- The charge was raised irrespective of whether the service was used or not.

Part of the standard service was altered as part of the new waste collection contract for 2013–14. There was a provision for a 660 litre bin for multi unit premises where presentation and storage was an issue. This bin was available for general, recycling and green waste. The default collection was fortnightly for recycling and green waste and weekly for garbage. Each unit within the complex was charged the residential waste charge.

Larger 140 litre general waste bins were introduced in 2013–14. These bins replace damaged or stolen 120 litre bins. There was no additional charge to the ratepayer for this increased service.

The Waste Voucher system continued in 2013–14 either as a boot load or half a trailer and was issued to the occupier instead of the ratepayer. Each voucher had a value of \$18.50 compared to \$17.00 for 2012–13.

Provision was made for a HACC support program for residents requiring assistance with waste removal.

Residential Rates and Charges

The average Capital Improved Value of residential properties within the municipality increased from \$363,800 to \$365,610.

The total increase in rates and charges for the average property with a capital improved value of \$365,610 was \$55.24 or 4.45%. The increase was made up of \$44.17 for General Rates, \$2.57 for Municipal Charge and \$8.50 for the Waste Collection service.

Residential Properties	2012-13 Rates on Average CIV \$	2013-14 Budget Rates on Average CIV	Increase %
General Rates CIV x Rate in \$	930.11	974.28	4.75%
Municipal Charge	86.33	88.90	2.98%
Waste Collection Service	226.00	234.50	3.76%
Total Rates and Charges	1,242.44	1,297.68	4.45%

2014–15

2014 Revaluation

Westlink Consulting (Contract Valuers) finalised the 2014 revaluation of all properties within the City of Greater Geelong. The revaluation date was 1 January 2014 and took effect from 1 July 2014.

The summary results taken from the extract on 19 March 2014 were:

- Average increase in residential was 2.16% compared to 10.2% in 2012.
- The average decrease in farm valuations was (0.67%) compared with (1.3%) in 2012.
- Commercial properties increased by 2.49% with the increase for the CBD at 0.16%.
- Industrial properties increased on average at 2.32% compared to a decrease of (1.2%) in 2012.
- Average increase in vacant land was 4.11% compared with an increase of 14.2% in 2012.

Summary by Differential

Differential Rates	Count of Assessment Number	% Change 2014 Reval CIV to 2012 Reval CIV
General Rates	98,460	2.16%
Vacant Land	5,004	4.11%
Commercial Rate	5,309	2.49%
The Point – Residential	15	(5.76%)
The Point – Vacant	24	(14.57%)
The Point – Commercial	2	(73.26%)
Industrial Rate	1,851	2.32%
Mixed Use	255	3.76%
Farm Rate	1,075	(0.67%)
Recreation	58	2.52%
Automotive	2	(20.12%)
Petroleum	1	0.00%
Aluminium	1	(24.10%)
Grand Total	112,057	2.08%

Residential

Overall 98,460 residential properties increased by an average of 2.16%, compared to an average increase of 10.2% at the 2012 revaluation. The average residential capital improved value moved from \$365,610 to \$375,674.

Of the total 98,460 residences, 126 increased in value over 50% (compared to 525 which increased over 50% for the 2012 revaluation).

Impacts on Residential Areas

Just over half of Geelong's residential population was in nine suburbs. Of the 98,460 residences, 50,655 were affected by the following suburb revaluation movements:

Suburb	No. of Residences 2014	2010 Revaluation Increase Av 11.1%	2012 Revaluation Increase Av 10.2%	2014 Revaluation Increase Av 2.16%
Belmont	6,338	12.92%	10.10%	4.39%

Suburb	No. of Residences 2014	2010 Revaluation Increase Av 11.1%	2012 Revaluation Increase Av 10.2%	2014 Revaluation Increase Av 2.16%	
Norlane	3,877	10.19%	10.40%	4.09%	
Lara	5,420	2.50%	10.30%	3.60%	
Corio	6,103	5.67%	10.30%	3.46%	Above
Grovedale	5,905	11.99%	8.40%	2.89%	Average
Newtown	4,382	8.57%	10.10%	2.67%	
Leopold	4,549	8.18%	7.50%	2.60%	
Highton	7,241	8.45%	9.60%	1.55%	Below
Ocean Grove	6,840	10.52%	9.30%	0.70%	Average
Total	50,655				

Higher valuation increases were achieved in suburbs of lower numbers of residences – South Geelong 6.36%, East Geelong 6.45%, North Shore 6.64%, Barwon Heads 6.71%, Staughton Vale 7.28% and Balliang 10.29%.

Bellarine Peninsula

Residential property on the Bellarine Peninsula represented 22% of the municipality and the average increase was 0.003%. The following table provides a comparison by suburb for the 2010, 2012 and 2014 revaluations.

Suburb	No. of Residences 2014	2010 Revaluation Increase Av 11.1%	2012 Revaluation Increase Av 10.2%	2014 Revaluation Increase Av 2.16%	
Barwon Heads	2,116	8.60%	13.30%	6.71%	Above Average (of Residential Valuation increase)
Swan Bay	15	-0.70%	5.20%	4.13%	
Mannerim	16	-0.20%	8.70%	3.85%	
Wallington	397	11.70%	8.20%	1.99%	Below Average (of Residential Valuation increase)
Marcus Hill	36	-1.90%	4.10%	1.61%	
Ocean Grove	6,840	10.50%	9.30%	0.70%	
St Leonards	2,290	17.40%	10.90%	(0.09%)	
Clifton Springs	3,307	6.50%	14.50%	(0.53%)	
Drysdale	1,655	7.70%	10.90%	(0.76%)	
Curlewis	318	1.60%	8.30%	(1.65%)	
Breamlea	107	29.90%	9.20%	(2.37%)	
Portarlinton	2,646	11.80%	11.90%	(2.50%)	
Bellarine	43	8.00%	13.50%	(2.51%)	
Point Lonsdale	645	12.20%	17.40%	(3.20%)	
Connewarre	222	11.30%	20.30%	(6.19%)	
Indented Head	1,095	19.70%	9.50%	(6.28%)	
Total	21,748				

Farms

Overall 1,075 Farm valuations recorded an average decrease of (0.67%) compared to a decrease of (1.3%) in 2012.

Farms on the Bellarine Peninsula made up 42.42% of farming properties. These properties recorded an overall decrease of (0.015%) with St Leonards (33 properties) having the largest decrease of (7.78%) and Swan Bay (13 properties) having the largest increase of 10.82%.

A total of 87 farms in Anakie increased by an average of 11.21%, 54 farms in Balliang increased by 11.38% and 28 farms in Moorabool decreased by (8.55%).

Commercial

A total of 5,309 commercial properties increased on average 2.49% compared to 3.9% in 2012. The main area of commercial activity (1,671 properties) in Central Geelong increased an average valuation by 0.16%.

The following table provides a comparison of the suburbs with the highest number of properties for the 2010, 2012 and 2014 revaluations.

Suburb	No. of Properties 2014	2010 Revaluation Increase Av 8.2%	2012 Revaluation Increase Av 3.9%	2014 Revaluation Increase Av 2.49%	
Hamlyn Heights	33	1.45%	27.00%	14.44%	
Ocean Grove	267	14.07%	3.20%	9.62%	
Grovedale	277	9.86%	9.60%	7.54%	Above
North Shore	9	(5.29%)	161.70%	5.44%	Average
Geelong West	434	8.08%	430.00%	2.84%	
Newtown	258	8.20%	6.90%	2.82%	
Belmont	322	14.51%	6.90%	(0.02%)	
Lovely Banks	13	(15.91%)	36.40%	(1.08%)	Below
Moolap	105	18.70%	2.40%	(2.61%)	Average
South Geelong	139	20.12%	(0.80%)	(2.99%)	
Total	1,857				

Industrial

A total of 1,851 industrial properties increased on average 2.32%. The majority of industrial properties were in the following five areas which increased between 2.31% and 5.18%.

Suburbs	No. of Properties (2014)	2010 Revaluation Increase Av 12.3%	2012 Revaluation Increase Av (1.2%)	2014 Revaluation Increase Av 2.32%	
North Shore	118	18.80%	(9.60%)	5.18%	
Breakwater	141	16.10%	(8.60%)	3.59%	Above
North Geelong	436	9.80%	(8.00%)	3.16%	Average
South Geelong	180	7.30%	(0.20%)	2.78%	
Moolap	314	7.90%	(0.20%)	2.31%	Below Average
Total	1,189				

A total of 86 properties in Newtown decreased by (0.99%) and 65 properties in Ocean Grove decreased by (6.72%).

Vacant

Overall 5,004 vacant land valuations recorded an average increase of 4.11% compared to an increase of 14.2% in 2012.

The following table provides a comparison of the suburbs with the highest number of properties for the 2010, 2012 and 2014 revaluations.

Suburbs	No. of Properties 2014	2010 Revaluation Increase Av 19.0%	2012 Revaluation Increase Av 14.2%	2014 Revaluation Increase Av 4.11%	
Portarlington	342	17.63%	21.50%	(5.19%)	Below Average
Indented Head	214	13.62%	22.10%	(1.89%)	
St Leonards	343	15.06%	23.10%	0.91%	
Clifton Springs	306	23.02%	14.80%	1.08%	
Ocean Grove	372	29.62%	10.80%	1.45%	
Leopold	272	13.49%	13.30%	6.30%	Above Average
North Geelong	249	35.78%	7.40%	8.52%	
Highton	434	8.00%	13.70%	11.22%	
Armstrong Creek	221	New suburb	59.20%	14.97%	
Corio	278	20.85%	0.20%	15.29%	
Total	3,031				

A total of 103 properties at Drysdale increased by 0.43%, 135 properties in Newtown increased by 1.11% and 53 properties at Connewarre decreased by (9.01%).

Mixed Use

Overall 255 mixed use land valuations recorded an average increase of 3.76% compared to an increase of 0.8% in 2012. The following table provides a comparison of the suburbs with the highest number of properties for the 2010, 2012 and 2014 revaluations.

Suburbs	No. of Properties 2014	2010 Revaluation Increase Av 9.1%	2012 Revaluation Increase Av 0.8%	2014 Revaluation Increase Av 3.76%	
Barwon Heads	11	31.88%	8.90%	17.84%	Above Average
Belmont	16	13.37%	0.10%	9.48%	
Geelong West	20	5.84%	0.30%	6.69%	
Geelong	25	6.76%	7.60%	4.86%	
Portarlington	12	6.13%	4.80%	4.67%	
Newtown	15	-0.82%	11.40%	3.94%	Below Average
Ocean Grove	18	-0.85%	2.40%	0.42%	
Lara	13	6.60%	5.30%	0.12%	
Total	130				

A total of 9 properties at Corio increased by 5.43% and 4 properties at Newcomb decreased by (6.44%).

Major Industrials

Finalisation of valuations for the major industrials were influenced as follows:

- Shell disputed the 2012 CIV and SV and the matter went before VCAT for determination.
- The CIV for Ford was reduced in recognition of the environmental footprint Ford has on the land.
- The CIV for Alcoa was reduced in recognition of the plant closing during 2014–15.

Rebates - section 169 of the LGA Rebates

For 2014–15 the following rebates applied:

- Farm Rebate.
- Transitional Housing Rebate.

Waivers - section 171 of the LGA Waivers

For 2014–15 the following waivers applied:

- Rates Assistance Waiver (Valuation increase over 50%).
- Housing Support Waiver.
- New Corio Estate (Inappropriate Subdivision).

Rating Model

Key features of the Rating Model were:

- Rates and charges on a residential property increased overall by 4.51%, Municipal Charge movement 3%, and Waste Collection Service Charge 5.12%. The residential rate was set at \$0.002710 per \$ of CIV valuation.
- Vacant Land rate in the dollar increased to 145% of residential in order to encourage building activity and development.
- Automobile, Petroleum and Aluminium differentials were aligned to the same rate in the \$. Council's objective is to reduce the gap between the rate in \$ for these differentials and the Industrial differential.
- The Waste Collection Service charge was calculated based on a fee for service, including direct, indirect and overhead costs. The charge is impacted by cost estimates of EPA levy \$27.70 per tenement. The Carbon Tax has not been costed into the 2014–15 waste model. The charge for 2014–15 increased from \$234.50 to \$246.50 or 5.12%.
- The Municipal Charge represented a fee on all rateable assessments as a contribution to the fixed and unavoidable costs of governance. The municipal charge increased from \$88.90 to \$91.55 or 3%.

- The Farm rebate was reduced to 34% with average rates increasing by 4.44% (lower than residential). This rebate provides ongoing rate relief to farmers. In 2014–15 a 34% rebate represents a cost to Council of \$1.308M.
- The Housing Support Waiver for eligible Charitable Housing was maintained for 2014–15.
- The transitional rebate introduced in 2010–11 for nominated charitable housing properties was reduced to a 25% rebate in 2014–15.
- A rates waiver introduced for the New Corio Estate from 2013–14 recognising this inappropriate subdivision and Planning Scheme Amendment C243 was maintained.
- The pensioner concession increased from \$202.90 in accordance with movement in CPI for Melbourne as advised by the Australian Bureau of Statistics to \$208.00.

Recycling and Waste Collection Service Charge

The Annual Service Charge was \$246.50 for each rateable land and non-rateable land. The charge was levied on the following criteria:

- Geographic existence within those areas of the municipal district in which the City provides a domestic refuse collection and disposal service.
- The charge was raised irrespective of whether the service was used or not.

The Waste Collection Service charge is calculated based on a fee for service, including direct, indirect and overhead costs. The charge for 2014–15 increased from \$234.50 to \$246.50 or 5.1%. Larger 140 litre general waste bins was introduced in 2013–14. These bins replace damaged or stolen 120 litre bins. There was no additional charge to the ratepayer for this increased service. The Waste Voucher system for residential properties did not continue in 2014–15.

Provision was retained for a HACC support program for aged and disadvantaged residents requiring assistance with waste removal.

Residential Rates and Charges

The average Capital Improved Value of residential properties within the municipality increased from \$365,610 to \$375,674. This reflected a 1.9% growth in the number of residential properties together with growth of 2.16% in Residential Capital Improved Value.

The total increase in rates and charges for the average property with a capital improved value of \$375,674 was \$58.50 or 4.51%. This increase was made up of \$43.85 for General Rates, \$2.65 for Municipal Charge and \$12.00 for the Waste Collection Service.

Residential Properties	2013-14 Rates on Average CIV \$	2014-15 Budget Rates on Average CIV \$	Increase %
General Rates CIV x Rate in \$	974.25	1,018.10	4.50%
Municipal Charge	88.90	91.55	2.98%
Waste Collection Service	234.50	246.50	5.12%
Total Rates and Charges	1,297.65	1,356.15	4.51%

Investigation into the introduction of new differentials for 2014–15.

In preparing the 2014–15 Budget, Council investigated the introduction of a Derelict, Residential Investment and Retirement Village Rating differential in response to requests from Council ratepayers. Before declaring a differential rate for any land, Council must have regard to the Ministerial Guidelines for Differential Rating and the differential rate terminology must unambiguously correspond with clearly identified uses, geographic location, planning scheme zoning of the land and types of buildings situated on it. As part of the consideration a thorough review of all issues was undertaken. Council supported officer recommendations not to proceed with these differentials.

Derelict Differential

Investigations into the possibility of introducing a Derelict differential were undertaken during 2013–14 and a briefing provided to Council as part of the 2014–15 Budget.

A property could be considered to be derelict if it has been deserted or abandoned by an owner or occupant. In addition, if the property is allowed to fall into ruins, or is neglected or dilapidated, it may be described as derelict.

Council often receives complaints about abandoned and/or dilapidated buildings, particularly residential buildings that either present a safety hazard or detrimentally affect the amenity of the neighbourhood.

Council can only require property owners to secure the building (or materials thereon) to a level where a safety hazard no longer exists.

The local laws department have investigated the introduction of a new local law in relation to dilapidated buildings. Council does not have the authority to introduce such a local law. The building regulations have been reviewed to see if any regulation relates to dilapidated or derelict buildings. Currently, there are no building regulations that can be utilised.

There are 110,000 properties in the municipality, therefore identification of derelict properties will be problematic.

There are no existing processes in place for the identification of derelict properties that would be fair and equitable to all ratepayers.

The following steps were undertaken as part of the investigation:

Discussions were held with local laws, planning and building departments. No department has a listing of derelict properties or criteria that may be considered to be derelict. The Building department were able to provide a report for buildings with a Building Notice Order (BNO). Analysis of this list resulted in five properties that may fit the classification of derelict.

Council's database (110,000 records) was reviewed to compare the Site Value (SV) against the Capital Improved Value (CIV).

The listing was broken down into Council's rate differentials.

The vast majority of residential properties have a higher CIV than SV since buildings add value to the overall property valuation. There were 1,847 properties where the SV matched the CIV. These properties were analysed as to why SV matched CIV.

In some instances the value of the land exceeded the value of the building. However, this did not mean that the property was derelict. No derelict properties were identified.

In summary, Council does not have a reliable means to identify buildings that are deemed derelict. Any attempt to investigate properties that may be derelict will only represent a snapshot at any point in time. This would have to be an ongoing manual process that would require additional resources to continually manage.

Policy: A Derelict differential is not supported as it would not be simple or efficient to administer.

Residential Investment Differential

An investigation was undertaken into the possibility of a Residential Investment differential. The Ministerial Guidelines do not list residential investment properties in any category within the hierarchy. The closest differential would be holiday rental which is listed in the "require careful consideration" category.

Criteria needs to be consistently applied to properties to identify whether a property is a residential investment property. A clear definition of what constitutes a "residential investment property" would need to be determined. This would exclude properties that are advertised on the internet or in holiday accommodation guides for short term accommodation.

Identifying residential investment properties is not a simple exercise for the following reasons:

- Ratepayers may own more than one property. This could be for a variety of reasons, such as serving as a family holiday home that does not generate income. Tenants

may be family, children or elderly relatives that make no financial contribution to the property.

- Council's corporate property database system does not record whether a property is a residential investment property compared to an owner/occupier property.

It cannot be assumed that because the mailing address does not match the property address that it is a residential investment property.

The Minister will have close regard to the proposed differential rates of councils during the 28 day statutory draft budget public notice and consultation period in advance of Councils adopting their annual budgets. The Minister has the power to prohibit any proposed differential rate that is deemed not appropriate.

There are no reliable means of identifying residential investment properties. It would be a manual system which would be time consuming and may not be fair and equitable to all residential investment property owners.

Council currently use the commercial rate or the mixed use rate on residential properties that are run for profit and can be clearly identified by the AVPCC used.

Policy: A Residential Investment differential is not supported as it would not be simple or efficient to administer.

Retirement Village Differential

Under the Ministerial Guidelines Retirement Village Land is considered appropriate as a type and category for which a differential rate may be considered. Retirement Village land is defined by the Retirement Villages Act 1986.

A number of retirement villages wrote to Council requesting the introduction of a retirement land differential. The main contention being that retirement villages are less of a burden on Council services and infrastructure as these are provided for within the village and as such Retirement Village land should be rated at a lower differential.

Council has a diverse mix of geographically located land use property types. Differential rates apply to land use to ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of Council. The Residential differential covers all land which is used exclusively for residential purposes, and is set as the lowest differential rate in the dollar. The State Government provides a concession for eligible Centrelink or Veterans Affairs Pension concession card holders, currently \$202.90.

In considering a Retirement Village Land differential the Ministerial Guidelines specify that eligible land has to meet the definition provided under the Retirement Villages Act 1986. Section 3 of the Act specifies the following:

- Retirement Village Land means land used or to be used for the purposes of a retirement village, other than any part of any such land on which a residential care facility is situated; and
- a community where —
- the majority of which is retired persons who are provided with accommodation and services other than services that are provided in a residential care facility; and
- at least one of whom, before or upon becoming a member of the community, pays or is required to pay an in-going contribution.

In consideration of a retirement village differential and the requirement for such a differential, based on the contentions of retirement villages, a comparison has been undertaken between residential property and Retirement Village land.

Residential property is valued using two methods, direct comparison and summation. Retirement Villages are valued on the direct comparison basis using ‘all in rates’ analysed from sales that occur within the Retirement Villages.

Council contract valuer has advised that it is difficult to compare the sale price within a village as the owners are reluctant to disclose this information. No acquisition/disposition is completed as the owner has not changed, only the ratepayer. Retirement villages are generally under valued as a result of this. Thus, compared to residential properties Retirement Village Land is generally valued in a conservative manner and therefore occupiers pay a lower rate to a comparable property outside of the retirement village.

A comparison of residential versus retirement village change in valuation for 2012 and 2014 is provided in the table below:

Year of Valuation	Average change in valuation (%)	
	Residential	Retirement Village
2012	11.5	8.65
2014	2.12	0.13

Retirement villages contended that a separate rating differential was required, not for purposes of unique property taxing but rather, to recognise that retirement village occupiers do not utilise some council services and/or infrastructure.

Rates are a property tax in the form of a general purpose levy to all property owners and the benefits that a ratepayer may receive will not necessarily be to the extent of the tax (rates) paid. Council’s Rating Strategy has been devised to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of council.

- Rates are a property tax, not a user pays system.

- Council rates are a life time cycle, pending what stage in life you are at, sometimes you rely heavily on council, other times you don't need the services.
- Residents of retirement villages still utilise services and infrastructure provided by Council and they are not excluded from using any such services or infrastructure.
- Property values are generally lower than other similar residential properties because they are contained in a village environment.
- Council believes that the perceived issues of fairness and equity are adequately addressed under the current rating structure.
- Providing retirement villages with a lower differential rate would create issues of inequity for any residents who have their own private facilities (e.g.; pools, tennis courts, etc.) and/or choose not to use Council provided facilities.
- Potentially the beneficiary of a retirement village differential may be the owner of the retirement village and not the ratepayer.

Policy: A Retirement Village differential is not supported.

2015-16

Rate Structure

Council retains 12 rating or tariff groups with the application of differential rates to each of these groups in accordance with section 161 of the Act. The Aluminium production land differential rate has been discontinued from 2015-16, given there are no applicable rateable properties. This follows the closure of Alcoa smelter in December 2014.

The purpose of the various rating groups is to ensure that each group makes a fair and equitable contribution to rates. Full disclosure of the rating groups, number of properties, valuations and revenue is shown in the Statutory Information on Rates.

Rating Matters considered for the 2015-16 Budget

In formulating the 2015-16 Rating Strategy, Council considered the representations from some ratepayers, the impact of rating appeals, review of rate differentials and the appropriateness of land use definitions relative for rating differentials. The matters considered are summarised as follows:

- To increase the Farm rebate from 34% to 50% on a permanent basis.
The Farm rebate is reviewed in context of biannual revaluations and the relative movement of farm valuations relative to residential. The current Farm differential is set at the residential rate less a 34% rebate. Any increase in the rebate cost would need to be funded by rate increases to other rate differentials. The farm rebate will

be reviewed following outcomes of the 2016 Municipal revaluation, impacting on the 2016–17 rating strategy.

■ Provision of a rating incentive for broader commercial land use on Farm land

Where a portion of a farm property is used for commercial activities then the commercial differential applies to this land use (ie. a separate rating assessment is created from the farm assessment). It was suggested that a rebate off the commercial rate would act as incentive for farmers to introduce commercial activities such as cafes or restaurants. The introduction of a new rebate would need to be funded by rate increases to other rate differentials. No new rebates were proposed as part of the 2015–16 Rating Strategy.

■ Rate in dollar review for Cultural & Recreation land use differential

Under the Cultural and Recreation Lands Act provision is made for a council to levy the rate for recreational lands at such amount as the council determines reasonable having regard to the services provided by the council in relation to such lands and having regard to the benefit to the community derived from such recreational lands. The commercial rate was set at 208% of the residential rate and the rate concession for recreational land was set at 31% of the commercial rate for 2015–16.

■ Requests from Cultural & Recreation organisations to shift from the Commercial differential to the Cultural & Recreation differential

Council has previously extended the Cultural & Recreation differential to not-for-profit clubs or associations engaged in, indoor sporting, recreational and cultural activities which have similar characteristics and objectives to Cultural & Recreational land.

To be considered, each property should have limited venue hire, restricted liquor licensing provisions and have little impact on neighbouring amenity. The following organisations are to be included as Cultural & Recreation land use.

Croatian Community Centre of Geelong (Inc.)	172–178 Cox Road, CORIO VIC 3214
Association of Ukrainians – Victoria	16–21 Monastery Court, LOVELY BANKS VIC 3213

■ Rate Objections and VCAT appeals lodged by Petroleum and Aluminium ratepayers

The resolution of rate objections and VCAT appeals for high value property, create risks to achieving budgeted rate revenue. The 2014 level valuation for Petroleum land has been certified and the objection for Aluminium production land is awaiting final certification. These objections and appeals represent significant rate reductions to be incorporated in the 2015–16 Rating Strategy. The Rating Strategy provides for a reduction of \$0.9m in the Petroleum rate revenue and a net reduction of \$0.4m for the Aluminium differential. This rate revenue reduction was partly

offset by the increase in supplementary rates growth.

■ Review of Aluminium production differential

The Aluminium Production Land differential rate was discontinued from 2015–16, given there were no applicable rateable properties. This follows the closure of the Alcoa smelter in December 2014. The Aluminium production assessment is now defined as industrial land and rated at the industrial differential rate.

■ Review of Petroleum & Automobile production differential

Council maintains a rating priority to align the Petroleum production land, and Automobile production land differential.

Council has previously adopted a policy position that the long term intention was to move the Petroleum production land differential (along with Automobile production land differential) closer to the Industrial land differential. Council proposed to adopt a timeline for transitioning the Petroleum and Automobile rating differential to the Industrial rating differential so that the differentials cease to exist as from 1 July 2017. A 50% reduction in the gap between the Petroleum and Automobile rating differential and the Industrial rating differential was proposed as part of the 2015–16 Rating Strategy.

■ Review of Mixed use land characteristics

The Mixed use differential applies to any land which has characteristics of residential land combined with characteristics of commercial or industrial land. There are no changes proposed to this land use definition in 2015–16.

Rating Model

Key features of the Rating Model are:

- Rates and charges on a residential property increased overall by 4.45%, Municipal Charge movement 3%, and Waste Collection Service Charge 4.77%. The residential rate was set at \$0.002832 per \$ of CIV valuation.
- The Waste Collection Service charge was calculated based on a fee for service, including direct, indirect and overhead costs. The charge was impacted by cost estimates of EPA levy \$28.75 per tenement. The charge for 2015–16 increased from \$246.50 to \$258.25 or 4.77%.
- The Municipal Charge represents a fee on all rateable assessments as a contribution to the fixed and unavoidable costs of governance. The municipal charge increased from \$91.55 to \$94.30 or 3%.
- The Farm rebate remained at 34%. This rebate provides ongoing rate relief to farmers. In 2015–16 a 34% rebate represents a cost to Council of \$1.289m.

- Vacant Land rate in the dollar remained at 145% of residential in order to encourage building activity and development.
- Petroleum and Automobile differentials have been aligned to the same rate in the dollar. Council's adopted Statement of Principle is to reduce the gap between the rate in the dollar for these differentials and the industrial differential. For 2015–16 Petroleum and Automobile differential moved from 367% to 322% relative to residential.
- The Housing Support Waiver for eligible Charitable Housing was maintained for 2015–16 and made available upon application for eligible properties.
- The transitional rebate introduced in 2010–11 for nominated charitable housing properties was reduced to 25% in 2014–15 and withdrawn from 2015–16.
- A rates waiver introduced for the New Corio Estate from 2013–14 recognising this inappropriate subdivision and Planning Scheme Amendment C243 was maintained.
- The pensioner concession increased from \$208.00 in accordance with movement in CPI for Melbourne as advised by the Australian Bureau of Statistics to an estimated \$212.70.

Rebates – section 169 of the LGA Rebates

For 2015–16 the following rebate applied:

- Farm Rebate.

Waivers – section 171 of the LGA Waivers

For 2015–16 the following waivers applied:

- Rates Assistance Waiver (Valuation increase over 50%).
- Housing Support Waiver.
- New Corio Estate (Inappropriate Subdivision).

Recycling and Waste Collection Service Charge

The Annual Service Charge is proposed at \$258.25 for each rateable land and non-rateable land. The charge is levied on the following criteria:

- Geographic existence within those areas of the municipal district in which Council provides a domestic refuse collection and disposal service.
- The charge will be raised irrespective of whether the service is used or not.

The Waste Collection Service charge is calculated based on a fee for service, including direct, indirect and overhead costs. The charge for 2015–16 will increase from \$246.50 to \$258.25 or 4.77%.

Provision has been retained for a HACC support program for aged and disadvantaged residents requiring assistance with waste removal.

Residential Rates and Charges

The average Capital Improved Value of residential properties within the municipality increased from \$375,674 to \$377,721. The total increase in rates and charges for the average property with a capital improved value of \$377,721 is \$60.55 or 4.45%. This increase is made up of \$46.05 for General Rates, \$2.75 for Municipal Charge and \$11.75 for the Waste Collection Service.

Residential Properties	2014-15 Rates on Average CIV \$	2015-16 Budget Rates on Average CIV \$	Increase %
General Rates CIV x Rate in \$	1,023.60	1,069.65	4.50%
Municipal Charge	91.55	94.30	3.00%
Waste Collection Service	246.50	258.25	4.77%
Total Rates and Charges	1,361.65	1,422.20	4.45%

Fire Services Property Levy

The Fire Services Property Levy Act 2012 (FSPL) came into effect from 1 July 2013 and requires local government to bill, receipt and collect FSPL on rateable and non-rateable properties. The FSPL appears on the rate notice and it is estimated that Council will levy \$23.4m in 2015–16 and remit to the State Revenue Office.

The 2015–16 Levy once again will consist of a fixed component plus a variable component based on the property’s capital improved value to be determined by the Minister on or before 31 May 2015.

2016–17

Rate Structure

Council retains 12 rating or tariff groups with the application of differential rates to each of these groups in accordance with section 161 of the Act. The purpose of the various rating groups is to ensure that each group makes a fair and equitable contribution to rates. Full disclosure of the rating groups, number of properties, valuations and revenue is shown in the Statutory Information on Rates.

2016 Revaluation

Summary by Differential

Row Labels	Assessment Numbers	\$ Change 2016 Reval CIV to 2014 Reval CIV
General Rates	102,636	5.4%
Vacant Land	5,050	9.5%
Commercial Rate	5,588	11.8%
The Point – Residential	45	-0.1%
The Point – Vacant	28	4.6%
The Point – Commercial	3	1.4%
Industrial Rate	1,926	5.0%
Mixed Use	326	10.4%
Farm Rate	1,028	16.7%
Recreation	62	8.0%
Automotive	2	-19.9%
Petroleum	1	0.0%
Grand Total	116,695	6.4%

Overall

Westlink Consulting (Contract Valuers) have completed Stage 4 of the 2016 municipal revaluation within the City of Greater Geelong. Stage 5 will include a final review of all properties due to be lodged with the Valuer General.

The revaluation date is 1 January 2016 and takes effect from 1 July 2016.

The summary results are:

- Average increase in residential is 5.44% compared to 2.16% in 2014.
- The average increase in farm valuations is 16.71% compared with (0.67%) in 2014.
- Commercial properties have increased by 11.81% with the increase for the CBD at 8.90%.
- Industrial properties have increased on average at 4.95% compared to an increase of 2.32% in 2014.
- Average increase in vacant land is 9.51% compared with an increase of 4.11% in 2014.

Residential

Overall 102,636 residential properties have increased by an average of 5.44%, compared to an average increase of 2.16% at the 2014 revaluation. The average residential capital improved value has moved from \$377,721 to \$400,130.

Of the total 102,636 residences, 307 have increased in value over 50% (compared to 126 which increased over 50% for the 2014 revaluation).

There has been an increase in the value of two hectare rural living properties located in close proximity to Geelong between 8.38% and 16.98%. The suburbs affected are Anakie, Balliang, Batesford, Ceres, Fyansford, Little River, Lovely Banks, Moorabool, Mount Duneed and Wallington.

Impacts on Residential Areas

Just over half of Geelong’s residential population is in nine suburbs. Of the 102,636 residences, 52,224 are affected by the following suburb revaluation movements:

Suburb	No. of Residences 2016	2012 Revaluation Increase	2014 Revaluation Increase	2016 Revaluation Increase	
		Av 10.2%	Av 2.16%	Av 5.44%	
Belmont	6,425	10.10%	4.39%	5.59%	Above Average
Lara	5,629	10.30%	3.60%	5.80%	
Highton	7,464	9.60%	1.55%	7.65%	
Newtown	4,470	10.10%	2.67%	8.49%	
Leopold	4,893	7.50%	2.60%	1.51%	Below Average
Norlane	4,082	10.40%	4.09%	1.73%	
Corio	6,121	10.30%	3.46%	1.73%	
Ocean Grove	7,167	9.30%	0.70%	4.89%	
Grovedale	5,973	8.40%	2.89%	4.99%	
Total	52,224				

Higher valuation increases were achieved in suburbs of lower numbers of residences – Geelong West 7.43%, Bell Park 7.69%, St Albans Park 7.72%, Newcomb 9.03%, Geelong 9.39%, Barwon Heads 10.02%, South Geelong 12.73%, and Balliang 13.56%.

Lower valuation increases were achieved in the following suburbs – Armstrong Creek 4.05%, Whittington 2.93%, Hamlyn Heights 2.25%, St Leonards 1.47%, Portarlington 0.78% and Clifton Springs (0.41%).

Bellarine Peninsula

Residential property on the Bellarine Peninsula represents 22% of the municipality and the average increase is 3.94%. The following table provides a comparison by suburb for the 2012, 2014 & 2016 revaluations.

Suburb	No. of Residences 2016	2012 Revaluation Increase	2014 Revaluation Increase	2016 Revaluation Increase	
		Av 10.2%	Av 2.16%	Av 5.44%	
Swan Bay	15	5.20%	4.13%	6.88%	Above Average (of Residential Valuation increase)
Barwon Heads	2,181	13.30%	6.71%	10.02%	
Wallington	411	8.20%	1.99%	10.84%	
Clifton Springs	3,363	14.50%	-0.53%	-0.41%	Below Average (of Residential Valuation increase)
Portarlinton	2,723	11.90%	-2.50%	0.78%	
Indented Head	1,141	9.50%	-6.28%	0.96%	
Curlewis	508	8.30%	-1.65%	1.26%	
Bellarine	45	13.50%	-2.51%	1.29%	
St Leonards	2,387	10.90%	-0.09%	1.47%	
Drysdale	1,747	10.90%	-0.76%	1.66%	
Mannerim	17	8.70%	3.85%	2.12%	
Marcus Hill	38	4.10%	1.61%	2.25%	
Point Lonsdale	657	17.40%	-3.20%	2.66%	
Breamlea	107	9.20%	-2.37%	2.83%	
Connewarre	246	20.30%	-6.19%	3.09%	
Ocean Grove	7,167	9.30%	0.70%	4.89%	
Total	22,753				

Farms

Overall 1,028 Farm valuations recorded an average increase of 16.71% compared to a decrease of (0.67%) in 2014.

The farm increase is not uniform and significant numbers of farming properties have recorded decreases.

The following table shows the valuation changes within farming properties:

% Change	No of Properties	% of Properties
< 5%	678	66%
5% to 9.99%	92	9%
10% to 19.99%	111	11%
20% to 29.99%	50	5%
30% to 39.99%	25	2%
40% to 49.99%	9	1%
> 50%	63	6%
	1,028	100%

Farms on the Bellarine Peninsula make up 42.61% of farming properties and the average increase is 5.98%. The following table provides a comparison by suburb for the 2012,

2014 & 2016 revaluations.

Suburb	No. of Farms 2016	2012 Revaluation Increase Av (1.3%)	2014 Revaluation Increase Av (0.67%)	2016 Revaluation Increase Av 16.71%	
St Leonards	34	-14.80%	-7.78%	24.86%	Above Average
Barwon Heads	4	-31.00%	-1.97%	27.62%	
Ocean Grove	5	108.60%	1.62%	39.60%	
Indented Head	9	-14.90%	0.00%	47.26%	
Point Lonsdale	11	0.40%	-2.49%	-4.11%	Below Average
Swan Bay	13	8.10%	10.82%	-0.98%	
Mannerim	39	-10.30%	-3.58%	0.21%	
Drysdale	81	-4.90%	-1.28%	0.64%	
Clifton Springs	1	179.90%	0.00%	1.76%	
Wallington	43	-9.30%	0.52%	1.95%	
Bellarine	42	-6.80%	0.64%	2.18%	
Curlewis	38	-10.70%	-0.72%	2.38%	
Connewarre	54	-1.40%	-7.23%	4.03%	
Portarlinton	35	-17.30%	-3.10%	4.04%	
Marcus Hill	29	4.80%	-0.46%	5.53%	
Total	438				

The Armstrong Creek Urban growth area make up 15.76% of farming properties and the average increase is 25.02%. The following table provides a comparison by suburb for the 2012, 2014 & 2016 revaluations.

Suburb	No. of Farms 2016	2012 Revaluation Increase Av (1.3%)	2014 Revaluation Increase Av (0.67%)	2016 Revaluation Increase Av 16.71%	
Armstrong Creek	27	8.20%	-6.70%	46.47%	Above Average
Charlemont	33	-14.00%	-3.33%	26.75%	
Mount Duneed	27	-3.20%	-1.48%	20.19%	
Waurm Ponds	21	-16.80%	-4.35%	11.68%	Below Average
Connewarre	54	-1.40%	-7.23%	4.03%	
Total	162				

A total of 51 farms in Little River increased by an average of 6.44%, 29 farms in Moorabool increased by 5.84% 88 farms in Anakie have increased by 3.09% and 54 farms in Balliang decreased by (0.99%).

Commercial

A total of 5,588 commercial properties have increased on average 11.81% compared to 2.49% in 2014.

The main area of commercial activity (1,696 properties) in Central Geelong increased in average valuation by 8.90%.

The following table provides a comparison of the suburbs with the highest number of properties for the 2012, 2014 & 2016 revaluations.

Suburb	No. of Properties 2016	2012	2014	2016	
		Revaluation Increase Av 3.9%	Revaluation Increase Av 2.49%	Revaluation Increase Av 11.81%	
Newtown	281	6.90%	2.82%	20.78%	Above Average
Grovedale	339	9.60%	7.54%	19.11%	
Geelong West	443	4.30%	2.84%	19.00%	
Waurin Ponds	36	-9.40%	6.28%	17.82%	
Lara	145	-1.50%	2.78%	16.90%	
Belmont	322	6.90%	-0.02%	16.11%	
Highton	151	10.70%	11.79%	13.91%	
Ocean Grove	277	3.20%	9.62%	13.51%	
Leopold	91	0.70%	5.18%	12.42%	
Drysdale	143	-0.90%	2.36%	9.68%	
North Geelong	174	-2.00%	10.63%	9.40%	
Bell Park	91	-5.60%	9.18%	9.13%	
Geelong	1,696	4.60%	0.16%	8.90%	
Norlane	124	3.50%	4.76%	8.20%	
Newcomb	112	4.10%	1.88%	8.08%	
Corio	240	0.30%	2.39%	6.39%	
South Geelong	141	-0.80%	-2.99%	3.45%	
Moolap	111	2.40%	-2.61%	-5.29%	
Total	4,917				

Industrial

A total of 1,926 industrial properties have increased on average 4.95%. The majority of industrial properties are in the following five areas which have changed between (2.40%) and 10.19%.

Alcoa of Australia Ltd has been rated as industrial (previously on the Aluminium differential rate) since the closure of the plant in December 2015. The CIV has reduced from \$46,000,000 to \$21,910,000 or (52.37%). Alcoa of Australia Ltd is in the suburb of Moolap. This valuation has been deducted from the Moolap suburb so revaluation comparisons are relative from one revaluation to the next.

Suburbs	No. of Properties (2014)	2012 Revaluation Increase	2014 Revaluation Increase	2016 Revaluation Increase	
		Av (1.2%)	Av 2.32%	Av 4.95%	
South Geelong	195	-0.20%	2.78%	10.19%	Above Average
North Geelong	442	-8.00%	3.16%	10.29%	
North Shore	123	-9.60%	5.18%	15.91%	
Moolap*	327	-0.20%	2.31%	6.99%	Below Average
Breakwater	151	-8.60%	3.59%	-2.40%	
Total	1,238				

*Moolap does not include Alcoa of Australia Ltd previously on the aluminium differential.

A total of 84 properties in Newtown have increased by 22.20%, 70 properties in Ocean Grove have increased by 23.43%, and 67 properties in Corio have decreased by (0.95%).

Vacant

Overall 5,050 vacant land valuations recorded an average increase of 9.51% compared to an increase of 4.11% in 2014.

The following table provides a comparison of the suburbs with the highest number of properties for the 2012, 2014 & 2016 revaluations.

Suburbs	No. of Properties 2014	2012 Revaluation Increase	2014 Revaluation Increase	2016 Revaluation Increase	
		Av 14.2%	Av 4.11%	Av 9.51%	
Armstrong Creek	215	59.20%	14.97%	26.18%	Above Average
Mount Duneed	261	-0.30%	-4.08%	22.28%	
North Geelong	166	7.40%	8.52%	14.68%	
St Leonards	305	23.10%	0.91%	11.70%	Below Average
Clifton Springs	268	14.80%	1.08%	9.39%	
Ocean Grove	493	10.80%	1.45%	6.76%	
Highton	348	13.70%	11.22%	6.39%	
Portarlinton	345	21.50%	-5.19%	3.44%	
Indented Head	215	22.10%	-1.89%	1.83%	
Lara	188	15.70%	0.55%	1.43%	
Leopold	196	13.30%	6.30%	-3.02%	
Corio	277	0.20%	15.29%	-4.90%	
Total	3,277				

A total of 89 properties at Newtown have increased by 18.62%, 143 properties at Curlewis have increased by 9.65%, 112 properties at Grovedale have increased by 8.04%, 116 properties at Drysdale have increased by 6.48% and 103 properties at Moolap have increased by 0.90%.

Mixed Use

Overall 326 mixed use land valuations recorded an average increase of 10.36% compared to an increase of 3.76% in 2014.

The following table provides a comparison of the suburbs with the highest number of properties for the 2012, 2014 & 2016 revaluations.

Suburbs	No. of Properties 2014	2012 Revaluation Increase	2014 Revaluation Increase	2016 Revaluation Increase	
		Av 0.8%	Av 3.76%	Av 10.36%	
Portarlinton	15	4.80%	4.67%	31.28%	Above Average
Belmont	18	0.10%	9.48%	15.48%	
Newtown	13	11.40%	3.94%	10.42%	
Barwon Heads	13	8.90%	17.84%	10.17%	Below Average
Geelong West	21	0.30%	6.69%	10.17%	
Geelong	33	7.60%	4.86%	8.24%	
Lara	20	5.30%	0.12%	4.64%	
Highton	23	8.20%	1.81%	3.33%	
Ocean Grove	34	2.40%	0.42%	2.17%	
Total	190				

A total of 8 properties at Corio have increased by 10.92%, 8 properties at North Geelong have increased by 7.01%, 8 properties at Moolap have increased by 2.06%, and 10 properties at Grovedale have increased by 0.10%.

Major Industrials

For the Petroleum Production Land differential, there is no change to the CIV for Viva Energy from 2014 to 2016. It remains at \$136,000,000.

For the Automobile Production Land differential, the CIV for Ford has been reduced from \$45,550,000 to \$36,510,000 or (19.85%) in recognition of the plant closing in October 2016.

Rating Model

The *Local Government Act 1989* was amended in December 2015 to include Part 8A – Rate Caps, sections 185A to 185G to promote the long term interests of ratepayers and the community in relation to sustainable outcomes in the delivery of services and infrastructure.

The Minister for Local Government announced on 22 December 2015 under section 185D(1) of the LGA that the 2016–17 rate cap would be 2.5% for all Victorian Councils.

Not all Council charges are included in the rate cap calculation.

- Rates and the Municipal Charge are included in the rate cap calculation.
- The Waste charge and the Fire Services Property Levy are not included in the rate cap calculation.

The 2015–16 base average rate is calculated at \$1,435.43 and the 2016–17 Budget proposes this will increase by 2.44% to \$1,470.55.

The rate cap calculation for 2016–17 is:

	2015-16	2016-17
Proposed Average Rate Increase all Rateable Property		2.44%
Rates and Municipal Charge (adjusted for Supplementaries 2015–16)	168,453,253	172,574,645
Number of Rateable Properties	117,354	117,354
Base Average Rate (BAR)	1,435.43	1,470.55

The rates and charges for individual properties may have increased or decreased by a different percentage amount to the rate cap for the following reasons:

- The valuation of a property relative to the valuation of another property in the municipal district;
- The application of a differential rate based on land use;
- The inclusion of other charges not included in the rate cap.

The following table shows the percentage increase for all differentials. There has not been a uniform 2.5% increase on all differentials due to changes in CIV and Council’s commitment to move the Major Industrials (Petroleum and Automobile) differential closer to the Industrial Land differential.

Category	No. of Properties 2015-16	No. of Properties 2016-17	% Change 2015-16 vs 2016-17	Average Rates 2015-16 Budget	Average Rates 2016-17 Budget	% Change to Average Rates Paid
Residential–base	100,803	102,925	2.1%	1,069.70	1,096.41	2.50%
Vacant Land	4,930	5,396	9.5%	1,332.80	1,366.11	2.50%
Commercial	5,448	5,584	2.5%	4,304.60	4,497.06	4.47%
Industrial	1,886	1,933	2.5%	5,265.34	5,492.54	4.31%
Mixed Use	298	332	11.4%	2,162.21	2,236.11	3.42%
Farm–(with Rebate)	1,041	1,025	–1.5%	2,403.04	2,456.57	2.23%
Cultural & Rec	64	63	–1.6%	3,688.63	3,858.14	4.60%
Automobile Manufacture Land	2	2	0.0%	208,004.08	151,410.16	(27.21%)
Petroleum Production Land	1	1	0.0%	1,242,088.00	1,128,007.80	(9.18%)
Industrial (ex Aluminium Land)	1	1	0.0%	362,526.00	168,355.89	(53.56%)

Key features of the Rating Model at the rate cap of 2.5% are:

- The Rate in \$ for Residential Land use has been lowered to adjust for increase in capital improved valuations for average increase of 2.5%. The residential rate has been set at \$0.002739 per \$ of CIV valuation.
- The Municipal Charge represents a fee on all rateable assessments as a contribution to the fixed and unavoidable costs of governance. The municipal charge is to increase from \$94.30 to \$96.65 or 2.5%.
- The Waste Collection Service charge is calculated based on a fee for service, including direct, indirect and overhead costs. The charge is impacted by cost estimates of EPA levy \$30.75 per tenement. The charge for 2016–17 will increase from \$258.25 to \$270.50 or 4.75%.
- A new section 162 Service Charge known as Additional Bins service will be introduced in 2016–17. The criteria is set for families with six or more occupants within a household who may apply for an additional garbage, recycling or green waste bin. The charges for 2016–17 are \$135 for a garbage bin, \$48 for a recycling bin and \$62 for a green waste bin.
- The Farm rebate will be increased to 40%. This rebate provides ongoing rate relief to farmers. In 2016–17 a 40% rebate represents a cost to Council of \$1.679m.
- Vacant Land will increase by an average 2.5% whilst adjusting the relatively to the residential rate.
- Petroleum and Automobile differentials have been aligned to the same rate in the dollar. Council's adopted Statement of Principle is to reduce the gap between the rate in the dollar for these differentials and the industrial differential. For 2016–17 Petroleum and Automobile differential have moved from 322% to 302% relative to residential.
- The Housing Support Waiver for eligible Charitable Housing will be maintained for 2016–17 and will be available upon application for eligible properties.
- A rates waiver introduced for the New Corio Estate from 2013–14 recognising this inappropriate subdivision and Planning Scheme Amendment C243 will be maintained.
- The pensioner concession will increase from \$213.00 in accordance with movement in CPI for Melbourne as advised by the Australian Bureau of Statistics to \$218.30.

[Rebates – section 169 of the LGA Rebates](#)

For 2016–17 the following rebate will apply:

- Farm Rebate.

Waivers – section 171 of the LGA Waivers

For 2016–17 the following waivers will apply:

- Rates Assistance Waiver (Valuation increase over 50%).
- Housing Support Waiver.
- New Corio Estate (Inappropriate Subdivision).

Recycling and Waste Collection Service Charge

The Annual Service Charge is proposed at \$270.50 for each rateable land and non-rateable land. The charge is levied on the following criteria:

- Geographic existence within those areas of the municipal district in which Council provides a domestic refuse collection and disposal service.
- The charge will be raised irrespective of whether the service is used or not.

The Waste Collection Service charge is calculated based on a fee for service, including direct, indirect and overhead costs. The charge for 2016–17 will increase from \$258.25 to \$270.50 or 4.75%.

Provision has been retained for a HACC support program for aged residents requiring assistance with waste removal.

A new section 162 service charge has been introduced – The Annual Service Charge – Additional Bin Service.

From 1 July 2016 the additional bin service will be available via application compliant with the following criteria:

- Families with six or more occupants within a household may apply for an additional garbage and/or recycling bin;
- Properties that are able to prove to Council's satisfaction that the physical area of the property would generate sufficient greenwaste volumes to exceed the capacity of their existing bin may apply for an additional greenwaste bin;
- In all cases of application for additional bins, Council reserves the right to inspect the applicant's existing bins to confirm that they are overloaded. If this cannot be confirmed, the additional bins will not be provided;
- The property owner or their authorised agent signs the additional bin application form, provides appropriate supporting evidence and agrees to the application service charge.

Applications that meet the criteria will be billed via the Rate, Valuation & Charges notice.

If an application is received and approved in the first six months of the financial year,

that is, from July to December, the full annual cost of the additional bin will be charged. If an application is received and approved in the second half of the financial year, that is January to June, half the annual cost will be charged.

The following costs will apply for the additional bin service per year:

- Garbage bin \$135 (for 2016–17).
- Recycling bin \$ 48 (for 2016–17).
- Green Waste bin \$ 62 (for 2016–17).

Fire Services Property Levy

The Fire Services Property Levy Act 2012 (FSPL) came into effect from 1 July 2013 and requires local government to bill, receipt and collect FSPL on rateable and non-rateable properties. The FSPL appears on the rate notice and it is estimated that Council will levy \$29.6M in 2016–17 and remit to the State Revenue Office.

The 2016–17 Levy once again will consist of a fixed component plus a variable component based on the property's capital improved value to be determined by the Minister on or before 31 May 2016.

2017–18

Rate Structure

Council retains 11 rating or tariff groups with the application of differential rates to each of these groups in accordance with Section 161 of the Act. The purpose of the various rating groups is to ensure that each group makes a fair and equitable contribution to rates. Full disclosure of the rating groups, number of properties, valuations and revenue is shown in the Statutory Information on Rates.

Rate Review

In formulating the 2017–18 Rating Strategy, Council has considered a review of rate differentials and the appropriateness of land use definitions relative for rating differentials. The matters considered are summarised as follows:

- The Industrial land use definition has been amended to include warehousing. This will align Council's definition with the FSPL classification to reduce confusion for the ratepayer.
- For 2016–17 the Industrial rate in the dollar was 40% higher than the Commercial rate in the dollar. The relativity between the Industrial and Commercial differentials is to be more closely aligned commencing from 2017–18 and continuing in future years.

- Council will revert to the definition under the Cultural and Recreational Lands Act 1963 for properties rated as the Cultural and Recreational differential. Any affected properties will be eligible for a transitional rebate to the otherwise applicable rate. The transitional rebate is to be set at 75% for 2017–18.
- The Petroleum differential has been aligned to the Industrial rate in the dollar as per Council’s adopted Statement of Principle.
- The Automobile differential has been discontinued from 2017–18 since there are no properties that satisfy the land use description. These properties will be rated as Industrial.

Rate Cap

The *Local Government Act 1989* was amended in December 2015 to include Part 8A – Rate Caps, sections 185A to 185G to promote the long term interests of ratepayers and the community in relation to sustainable outcomes in the delivery of services and infrastructure.

The Minister for Local Government announced on 19 December 2016 under section 185D(1) of the LGA that the 2017–18 rate cap would be 2.0% for all Victorian Councils.

Not all Council charges are included in the rate cap calculation.

- Rates and the Municipal Charge are included in the rate cap calculation.
- The Waste charge and the Fire Services Property Levy are not included in the rate cap calculation.

The 2016–17 base average rate is calculated at \$1,475.14 and the 2017–18 Budget proposes this will increase by 2.0% to \$1,504.64.

The rate cap calculation for 2017–18 is:

	2016-17	2017-18
Proposed Average Rate Increase all Rateable Property		2.0%
Rates and Municipal Charge (adjusted for Supplementaries 2016–17)	176,671,824	180,205,260
Number of Rateable Properties	119,766	119,766
Base Average Rate (BAR)	1,475.14	1,504.64

The rates and charges for individual properties may have increased or decreased by a different percentage amount to the rate cap for the following reasons:

- The valuation of a property relative to the valuation of another property in the municipal district;
- The application of a differential rate based on land use;
- The inclusion of other charges not included in the rate cap.

Residential Rates and Charges

The growth in property numbers for the residential base is 2.2% or 2,286 properties.

The average CIV of residential properties within the municipality has increased from \$400,322 to \$401,730.

The increase in the rate in the dollar for the residential differential is 2.0%.

Therefore, the increase in Residential Rates and Charges for the average property with a CIV of \$401,730 is \$35.39 or 2.41%.

	2016-17 Rates on Average CIV \$	2017-18 Budget Rates on Average CIV \$	Increase \$	Increase %
Residential Properties				
General Rates CIV x Rate in \$	1,096.41	1,122.35	25.94	2.36%
Municipal Charge	96.65	98.55	1.90	2.00%
Total Rates including Municipal Charge	1,193.06	1,220.90	27.84	2.33%
Waste Collection Service	270.5	278.05	7.55	2.80%
Total Rates & Charges	1,463.56	1,498.95	35.39	2.41%

As 2017–18 is not a revaluation year, a number of properties will have the same valuation from 2016–17 to 2017–18. With no change to the the average CIV of \$400,322 from 2016–17, the rates payable will increase by the rate cap of 2.0%.

Residential Property	2016-17	2017-18	Increase \$	Increase %
CIV 400,322 x Rate in \$	1,096.41	1,118.50	22.09	2.0%
Municipal Charge	96.65	98.55	1.90	2.0%
Total Rates including Municipal Charge	1,193.06	1,217.05	23.99	2.0%

The Essential Services Commission measure rate increases as the movement in Rates and the Municipal Charge for all rateable property not by individual property.

Rating Model

Key features of the Rating Model at the rate cap of 2.0% are:

- The rate in the dollar for the Residential, Mixed Use, Farm and Cultural and Recreation differentials have increased in accordance with the 2.0% rate cap. Other differential rate in the dollar movements are as follows; Vacant land has increased by 1.5%, Commercial has increased by 4.3%, Industrial has decreased by (2.0%) and Petroleum has decreased by (9.2%).

- The Municipal Charge represents a fee on all rateable assessments as a contribution to the fixed and unavoidable costs of governance. The municipal charge is to increase from \$96.65 to \$98.55 or 2.0%.
- The Waste Collection Service charge is calculated based on a fee for service, including direct, indirect and overhead costs. The charge is impacted by cost estimates of EPA levy \$34.00 per tenement. The charge for 2017–18 will increase from \$270.50 to \$278.05 or 2.8%.
- A section 162 Service Charge known as Additional Bins Service was introduced in 2016–17. The criteria is set for families with six or more occupants within a household who may apply for an additional garbage, recycling or green waste bin. In accordance with the Council decision on 26 April 2017 this criteria will be removed from 1 January 2018 and any ratepayer can apply for the service. The charges for 2017–18 are \$138.80 for a 140L garbage bin, \$99.50 to change from a 140L garbage bin to the larger 240L garbage bin, \$49.30 for a 240L recycling bin and \$92.50 for a 240L green waste bin.
- The Farm rebate will be retained at 40%. This rebate provides ongoing rate relief to farmers. In 2017–18 a 40% rebate represents a cost to Council of \$1.692m.
- The Petroleum differential has been aligned to the Industrial rate in the dollar, as per Council’s adopted Statement of Principle.
- The Automobile differential has been discontinued from 2017–18 since there are no properties that satisfy the land use description. These properties will be rated as Industrial.
- The Industrial land use definition has been amended to include warehousing. This will align Council’s definition with the FSPL classification to reduce confusion for the ratepayer.
- For 2016–17 the Industrial rate in the dollar is 40% higher than the Commercial rate in the dollar. The relativity between the Industrial and Commercial differentials is to be more closely aligned commencing 2017–18 and continuing in future years.
- Council will revert to the definition of Cultural and Recreational Land use as per the Cultural and Recreational Lands Act 1963. Any affected properties will be eligible for a transitional rebate to the otherwise applicable rate. The transitional rebate is to be set at 75% for 2017–18.
- The Housing Support Waiver for eligible Charitable Housing will be maintained for 2017–18 and will be available upon application for eligible properties.
- A rates waiver introduced for the New Corio Estate from 2013–2014 recognising this inappropriate subdivision and Planning Scheme Amendment C243 will be maintained.

- The pensioner concession will increase from \$218.30 in accordance with movement in CPI for Melbourne as advised by the Australian Bureau of Statistics to \$223.80.

Rebates – Section 169 of the LGA Rebates

For 2017–18 the following rebates will apply:

- Farm Rebate.
- Cultural and Recreational Transitional Rebate.

Waivers – Section 171 of the LGA Waivers

For 2017–18 the following waivers will apply:

- Rates Assistance Waiver (Valuation increase over 50%).
- Housing Support Waiver.
- New Corio Estate (Inappropriate Subdivision) Waiver.

Recycling and Waste Collection Service Charge

The Annual Service Charge is proposed at \$278.05 for each rateable land and non-rateable land. The charge is levied on the following criteria:

- Geographic existence within those areas of the municipal district in which Council provides a domestic refuse collection and disposal service.
- The charge will be raised irrespective of whether the service is used or not.
- The Waste Collection Service charge is calculated based on a fee for service, including direct, indirect and overhead costs. The charge for 2017–18 will increase from \$270.50 to \$278.05 or 2.8%.

Provision has been retained for a HACC support program for aged residents requiring assistance with waste removal.

The Annual Service Charge – Additional Bin Service.

From 1 July 2016 the additional bin service was made available via application compliant with the following criteria:

- Families with six or more occupants within a household may apply for an additional garbage and/or recycling bin. In accordance with the Council decision on 26 April 2017 this criteria will be removed from 1 January 2018 and any ratepayer can apply for the service;
- For residential properties to be eligible for an additional green waste bin, the property must have a minimum area of 1,500m² (1 acre = 4,046m²);
- The green waste additional bin will only become available when the Anakie Road Green Organics processing facility is fully operational.

- In all cases of application for additional bins, Council reserves the right to inspect the applicant’s existing bins to confirm that they are overloaded. If this cannot be confirmed, the additional bins will not be provided;
- The property owner or their authorised agent signs the additional bin application form, provides appropriate supporting evidence and agrees to the application service charge.

Applications that meet the criteria will be billed via the Rate, Valuation & Charges notice. Council will be considering a proposal to remove the eligibility criteria with a potential commencement date from 1 January 2018.

If an application is received and approved in the first six months of the financial year, that is, from July to December, the full annual cost of the additional bin will be charged. If an application is received and approved in the second half of the financial year, that is January to June, half the annual cost will be charged.

The following costs will apply for the additional bin service per year:

- Garbage bin 140L \$138.80 (for 2017–18).
- Garbage bin from 140L to 240L \$ 99.50 (for 2017–18)
- Recycling bin 240L \$ 49.30 (for 2017–18).
- Green Waste bin 240L \$ 92.50 (for 2017–18).

Fire Services Property Levy

The Fire Services Property Levy Act 2012 (FSPL) came into effect from 1 July 2013 and requires local government to bill, receipt and collect FSPL on rateable and non-rateable properties. The FSPL appears on the rate notice and it is estimated that Council will levy \$27.7m in 2017–18 and remit to the State Revenue Office. The 2017–18 Levy once again will consist of a fixed component plus a variable component based on the property’s capital improved value to be determined by the Minister on or before 31 May 2017

2018–19

Rate Structure

Council retains 11 rating or tariff groups with the application of differential rates to each of these groups in accordance with Section 161 of the Act. The purpose of the various rating groups is to ensure that each group makes a fair and equitable contribution to rates. Full disclosure of the rating groups, number of properties, valuations and revenue is shown in the Statutory Information on Rates.

2018 Revaluation

Summary by Differential

Rate Type	Number of Properties	2016 CIV	2018 CIV	\$ Difference	% Difference
Residential	107,559	43,357,880,000	51,834,523,600	8,476,643,600	19.6%
The Point - Residential	101	53,750,000	58,800,000	5,050,000	9.4%
Farm	1,002	1,477,342,200	1,663,271,000	185,928,800	12.6%
Commercial	5,862	4,932,919,150	5,338,731,750	405,812,600	8.2%
The Point - Commercial	3	9,087,000	9,334,000	247,000	2.7%
Industrial	2,096	1,557,256,001	1,704,812,000	147,555,999	9.5%
Vacant	5,630	1,812,059,201	2,163,382,200	351,322,999	19.4%
The Point - Vacant	35	17,960,000	21,529,000	3,569,000	19.9%
Cultural and Recreational	52	115,722,000	118,615,000	2,893,000	2.5%
Mixed Use	339	183,838,000	218,728,000	34,890,000	19.0%
Petroleum	1	146,900,000	145,100,000	- 1,800,000	-1.2%
Totals	122,680	53,664,713,552	63,276,826,550	9,612,112,998	17.9%

Overall

The Valuation of Land Act 1960 (section 11) requires that valuing authorities conduct a revaluation of all municipal land every two years. This is the last year of bi-annual revaluations moving to annual valuations from 2019–20.

Council has appointed Opteon Property Group to conduct the 2018 Revaluation and valuations have been returned in order for impact analysis to commence.

The revaluation date is 1 January 2018 and takes effect from 1 July 2018 for the 2018–19 rating period.

The summary results indicate:

- Total growth in property numbers is 5.1% over the two years with residential 4.8%.
- Average increase in residential valuation is 19.6% compared to 5.4% in 2016.
- The average increase in farm valuations is 12.6% compared with 16.7% in 2016.
- Commercial properties have increased by 8.2% with the increase for the CBD at 8.7%.
- Industrial properties have increased on average at 9.5% compared to an increase of 4.9% in 2016.
- Average increase in vacant land is 19.4% compared with an increase of 9.5% in 2016.

Residential

Overall 107,559 residential properties have increased by an average of 19.6%, compared to an average increase of 5.4% at the 2016 revaluation. The average residential capital improved value has moved from \$403,091 to \$481,846.

The average growth in the number of residential properties is 4,923 properties or 4.8% overall from 2016 to 2018. This growth contributes to the increase in CIV.

Impact Analysis

The preliminary results indicate that there is significant spread of valuation movements and the average movement of 19.6% is not uniform. The following impact analysis highlights the spread.

Number of Properties by CIV % increase - Residential			
% change between 2016 and 2018 Level Valuations	Number of Properties	% of Properties	Below/Above Average
Less than 10%	22,641	21.05%	54,615 or 50.8% of properties are below average
10% to 15%	16,203	15.06%	
15% to 20%	15,771	14.66%	
20% to 25%	16,871	15.69%	52,944 or 49.2% of properties are above average
25% to 30%	13,202	12.27%	
30% to 35%	8,352	7.77%	
35% to 40%	5,726	5.32%	
40% to 45%	4,024	3.74%	
45% to 50%	2,314	2.15%	
50% to 60%	1,748	1.63%	
60% to 70%	456	0.42%	
70% to 80%	116	0.11%	
80% to 90%	38	0.04%	
90% to 100%	26	0.02%	
100% to 200%	64	0.06%	
200% to 300%	4	0.00%	
over 300%	3	0.00%	
	107,559	100.00%	

Half of Geelong’s residential population is in nine suburbs. Of the 107,559 residences, 53,656 are affected by the following suburb revaluation movements:

Suburb	No of Residencies 2018	2014 Revaluation Increase Av 2.2%	2016 Revaluation Increase Av 5.4%	2018 Revaluation Increase Av 19.6%	
LEOPOLD	5,067	2.6%	1.5%	17.2%	2018 Below Average
GROVEDALE	6,067	2.9%	5.0%	17.5%	
HIGHTON	7,640	1.6%	7.7%	17.8%	
LARA	5,933	3.6%	5.8%	17.6%	
NEWTOWN	4,499	2.7%	8.5%	18.8%	
OCEAN GROVE	7,585	0.7%	4.9%	22.4%	2018 Above Average
BELMONT	6,507	4.4%	5.6%	25.5%	
CORIO	6,150	3.5%	1.7%	29.0%	
NORLANE	4,208	4.1%	1.7%	30.8%	
Total	53,656				

Bellarine Peninsula - lower than the overall average of the CIV increase

Residential property on the Bellarine Peninsula represents 22% of the municipality and the average increase is 15.7%. The following table provides a comparison by suburb for the 2014, 2016 and 2018 revaluations.

Suburb	No of Residencies 2018	2014 Revaluation Increase Av 2.2%	2016 Revaluation Increase Av 5.4%	2018 Revaluation Increase Av 19.6%	
SWAN BAY	14	4.1%	6.9%	2.5%	2018 Below Average
BELLARINE	45	-2.5%	1.3%	4.7%	
CURLEWIS	901	-1.7%	1.3%	6.5%	
POINT LONSDALE	686	-3.2%	2.7%	13.8%	
DRYSDALE	1,901	-0.8%	1.7%	14.3%	
CONNEWARRE	279	-6.2%	3.1%	14.7%	
BREAMLEA	108	-2.4%	2.8%	15.4%	
MANNERIM	18	3.9%	2.1%	16.4%	
WALLINGTON	420	2.0%	10.8%	16.5%	
CLIFTON SPRINGS	3,412	-0.5%	-0.4%	18.7%	
BARWON HEADS	2,232	6.7%	10.0%	18.8%	2018 Above Average
ST LEONARDS	2,461	-0.1%	1.5%	18.9%	
MARCUS HILL	40	1.6%	2.3%	21.5%	
OCEAN GROVE	7,585	0.7%	4.9%	22.4%	
PORTARLINGTON	2,818	-2.5%	0.8%	22.9%	2018 Above Average
INDENTED HEAD	1,200	-6.3%	1.0%	23.4%	
Total	24,120				

Farm

Overall 1,002 Farm valuations recorded an average increase of 12.6% compared to an increase of 16.7% in 2016.

The number of farms has been reducing mainly due to farm land sold off for residential subdivisions and properties which no longer qualify as farm land use. Farms have reduced from 1,075 farms in 2014, to 1,028 farms in 2016 to 1,002 farms in 2018.

Impact Analysis

Farms on the Bellarine Peninsula make up 43% of all farms and the average increase is 6.6%. The following table provides a comparison by suburb for the 2014, 2016 & 2018 revaluations.

Suburb	No of Farms 2018	2014 Revaluation Increase Av (0.67%)	2016 Revaluation Increase Av 16.7%	2018 Revaluation Increase Av 12.6%	
POINT LONSDALE	11	-2.5%	-4.1%	-3.8%	
CLIFTON SPRINGS	1	0.0%	1.8%	-0.6%	
WALLINGTON	43	0.5%	2.0%	0.3%	
BELLARINE	43	0.6%	2.2%	1.1%	
DRYSDALE	82	-1.3%	0.6%	2.7%	
CURLEWIS	39	-0.7%	2.4%	4.6%	
MANNERIM	38	-3.6%	0.2%	5.4%	
SWAN BAY	13	10.8%	-1.0%	5.5%	
ST LEONARDS	31	-7.8%	24.9%	8.4%	
MARCUS HILL	30	-0.5%	5.5%	9.1%	
PORTARLINGTON	34	-3.1%	4.0%	9.7%	
BARWON HEADS	4	-2.0%	27.6%	10.2%	
CONNWARRE	49	-7.2%	4.0%	11.1%	2018
INDENTED HEAD	9	0.0%	47.3%	12.1%	Below Average
OCEAN GROVE	6	1.6%	39.6%	23.7%	2018 Above Average
Total	433				

Commercial

A total of 5,862 commercial properties valuations have increased on average 8.2% compared to 11.8% in 2016. The number of properties has increased by 4.9%.

Impact Analysis

The main area of commercial activity (1,723 properties) in central Geelong increased in average valuation by 5.9%.

The following table provides a comparison of the suburbs with the highest number of properties for the 2014, 2016 & 2018 revaluations.

Suburb	No. of Properties 2018	2014 Revaluation Increase Av 2.5%	2016 Revaluation Increase Av 11.8%	2018 Revaluation Increase Av 8.2%	
Leopold	144	0.7%	5.2%	2.8%	2018 Below Average
Newcomb	114	4.1%	1.9%	3.9%	
Corio	249	0.3%	2.4%	3.9%	
Bell Park	97	-5.6%	9.2%	4.0%	
Grovedale	337	9.6%	7.5%	4.0%	
Lara	161	-1.5%	2.8%	4.5%	
Norlane	128	3.5%	4.8%	5.7%	
Geelong	1,723	4.6%	0.2%	5.9%	
North Geelong	159	-2.0%	10.6%	9.1%	2018 Above Average
Ocean Grove	293	3.2%	9.6%	10.7%	
Moolap	106	2.4%	-2.6%	10.7%	
Belmont	321	6.9%	0.0%	10.8%	
South Geelong	145	-0.8%	-3.0%	11.0%	
Newtown	306	6.9%	2.8%	13.5%	
Drysdale	151	-0.9%	2.4%	13.9%	
Highton	155	10.7%	11.8%	14.3%	
Geelong West	448	4.3%	2.8%	17.3%	
Waurm Ponds	73	-9.4%	6.3%	70.0%	
Total	5,110				

Industrial

A total of 2,096 industrial properties have increased on average 9.5% compared to 4.9% in 2016.

Impact Analysis

The majority of industrial properties are in the following five areas which have changed between 5.5% and 13.2%.

Suburb	No. of Properties 2018	2014 Revaluation Increase Av 2.3%	2016 Revaluation Increase Av 5.0%	2018 Revaluation Increase Av 9.5%	
South Geelong	218	2.8%	10.2%	5.5%	2018
North Shore	134	5.2%	15.9%	7.3%	Below Average
North Geelong	461	3.2%	10.3%	10.5%	2018
Breakwater	163	3.6%	-2.4%	12.7%	Above Average
Moolap	347	2.3%	7.0%	13.2%	
Total	1,323				

Vacant

Overall 5,630 vacant land valuations recorded an average increase of 19.4% compared to an increase of 9.5% in 2016.

Impact Analysis

The following table provides a comparison of the suburbs with the highest number of properties for the 2014, 2016 & 2018 revaluations.

Suburb	No. of Properties 2018	2014 Revaluation Increase Av 4.1%	2016 Revaluation Increase Av 9.5%	2018 Revaluation Increase Av 19.4%	
CORIO	274	15.3%	-4.9%	11.2%	2018
ST LEONARDS	299	0.9%	11.7%	12.0%	Below Average
CURLEWIS	259	0.9%	9.7%	12.9%	
NORTH GEELONG	110	8.5%	14.7%	13.1%	
CLIFTON SPRINGS	278	1.1%	9.4%	13.1%	
CHARLEMONT	286	7.2%	-3.0%	14.8%	
LARA	357	0.6%	1.4%	16.3%	
HIGHTON	350	11.2%	6.4%	18.1%	
LEOPOLD	105	6.3%	-3.0%	20.5%	2018
OCEAN GROVE	527	1.5%	6.8%	20.8%	Below Average
PORTARLINGTON	379	-5.2%	3.4%	21.3%	
MOUNT DUNED	276	-4.1%	22.3%	22.8%	Above Average
ARMSTRONG CREE	365	15.0%	26.2%	25.6%	
INDENTED HEAD	216	-1.9%	1.8%	37.9%	
Total	4,081				

Mixed Use

Overall 339 mixed use land valuations recorded an average increase of 19.0% compared to an increase of 10.4% in 2016.

Impact Analysis

The following table provides a comparison of the suburbs with the highest number of properties for the 2014, 2016 & 2018 revaluations.

Suburb	No. of Properties 2018	2014 Revaluation Increase Av 3.8%	2016 Revaluation Increase Av 10.4%	2018 Revaluation Increase Av 19.0%	
Highton	17	1.81%	3.33%	2.5%	2018 Below Average
Newtown	11	3.94%	10.42%	7.0%	
Ocean Grove	42	0.42%	2.17%	12.1%	
Lara	20	0.12%	4.64%	13.2%	
Barwon Heads	16	17.84%	10.17%	20.8%	2018 Above Average
Geelong West	19	6.69%	10.17%	21.0%	
Portarlington	28	4.67%	31.28%	22.1%	
Belmont	15	9.48%	15.48%	28.7%	
Geelong	30	4.86%	8.24%	31.0%	
Total	198				

Cultural and Recreational

Overall 52 cultural and recreational land valuations recorded an average increase of 2.5% compared to an increase of 8% in 2016.

Impact Analysis

The following table provides a comparison of the suburbs with the highest number of properties for the 2014, 2016 & 2018 revaluations.

Suburb	No. of Properties 2018	2014 Revaluation Increase Av 2.5%	2016 Revaluation Increase Av 8%	2018 Revaluation Increase Av 2.5%	
Breakwater	2	27.26%	52.92%	-3.9%	2018 Below Average
Newtown	1	11.81%	3.78%	-2.0%	
South Geelong	6	-13.83%	-1.74%	-0.1%	
East Geelong	2	-9.35%	10.71%	2.9%	
Drysdale	1	34.07%	5.68%	3.1%	
Clifton Springs	2	-7.72%	35.70%	-2.8%	
Corio	5	18.64%	13.15%	1.0%	
Geelong	3	2.81%	0.56%	20.0%	
Portarlinton	3	-1.86%	-0.70%	4.1%	
Indented Head	2	0.00%	1.88%	15.4%	
Mount Duneed	1	-12.57%	9.92%	8.3%	2018 Above Average
Highton	1	-36.89%	37.63%	-17.4%	
Barwon Heads	2	6.37%	4.37%	0.5%	
Hamlyn Heights	1	28.81%	0.00%	27.1%	
Point Lonsdale	2	0.00%	-4.20%	0.0%	
North Geelong	1	0.00%	-8.87%	40.0%	
Norlane	1	-27.27%	8.52%	17.8%	
Lara	3	-1.03%	-5.50%	-9.6%	
St Leonards	2	11.39%	22.09%	10.6%	
St Albans Park	1	0.00%	-6.06%	14.0%	
Ocean Grove	2	0.07%	21.18%	0.0%	
Belmont	3	13.73%	-26.99%	18.8%	
Fyansford	1	2.92%	-1.29%	26.8%	
Leopold	2	13.88%	-38.07%	18.4%	
Avalon	1	-0.37%	68.52%	34.2%	
Batesford	1	-4.83%	6.52%	5.9%	
Total	52			2.5%	

Major Industrials

The Petroleum Production Land differential, has had a reduction to the CIV for Viva Energy for 2016 to 2018. It reduces from \$146,900,000 to \$145,100,100 or (1.2%).

Rate Cap

The *Local Government Act 1989* was amended in December 2015 to include Part 8A – Rate Caps, sections 185A to 185G to promote the long term interests of ratepayers and the community in relation to sustainable outcomes in the delivery of services and infrastructure.

The Minister for Local Government announced on 18 December 2017 under section 185D(1) of the LGA that the 2018–19 rate cap would be 2.25% for all Victorian councils.

Not all Council charges are included in the rate cap calculation.

- Rates and the Municipal Charge are included in the rate cap calculation.
- The Waste charge and the Fire Services Property Levy are not included in the rate cap calculation.

The 2017–18 base average rate is calculated at \$1,526.24 and the 2018–19 Budget proposes this will increase by 2.25% to \$1,560.58.

The rate cap calculation for 2018–19 is:

	2017-18	2018-19
Proposed Average Rate Increase all Rateable Property		2.25%
Rates and Municipal Charge (adjusted for Supplementaries 2017–18)	187,276,173	191,489,887
Number of Rateable Properties	122,704	122,704
Base Average Rate (BAR)	1,526.24	1,560.58

The rates and charges for individual properties may have increased or decreased by a different percentage amount to the rate cap for the following reasons:

- The valuation of a property relative to the valuation of another property in the municipal district;
- The application of a differential rate based on land use;
- The inclusion of other charges not included in the rate cap.

Rating Model

Key features of the Rating Model for 2018–19 are:

- The average increase in rates payable for Residential, Vacant land, Mixed Use and Farm differentials have increased in accordance with the 2.25% rate cap. Other differential rate increases are as follows, Commercial has increased by 3.5%, Industrial has decreased by (0.10%), Cultural and Recreational has decreased by (6.4%) and Petroleum has decreased by (9.9%).
- The Waste Collection Service charge is calculated based on a fee for service, including direct, indirect and overhead costs. The service charge does not form part of the rate cap. The waste collection charge will increase from \$278.05 to \$316.90 or 14%. This increase is necessary to recover the higher costs of waste collection and recycling processing operations together with the introduction of a hard waste collection system in 2019 equivalent to \$6.80 per tenement in the first year. The EPA landfill levy increases to \$34.75 per tenement (included in the service charge).
- A section 162 Service Charge known as Additional Bins Service was introduced in 2016–17. Households may apply for an additional garbage bin, upsized garbage

bin or recycling bin. The charges for 2018–19 are \$141.90 for a 140L garbage bin, \$99.50 to upgrade to a 240L garbage bin and \$80.00 for a recycling bin.

- The Municipal Charge represents a fee on all rateable assessments as a contribution to the fixed and unavoidable costs of governance. The Municipal Charge is to increase from \$98.55 to \$102.00 or 3.5%.
- The Farm rebate has been set at 36.3% to maintain an average rate increase consistent with residential rates and represents a cost to Council of \$1.443m.
- Council has reverted to the definition of Cultural and Recreational Lands Act 1963 from 2017–18. Any properties removed from the differential are eligible for a transitional rebate to the otherwise applicable rate. The transitional rebate is set at 50% for 2018–19.
- The Housing Support Waiver for eligible charitable housing will be maintained for 2018–19 and is available upon application.
- The Rates Assistance Waiver is retained for 2018–19 with the valuation threshold lowered from 50% to 45% to assist more ratepayers where the 2018 revaluation may cause financial hardship.
- A rates waiver introduced for the New Corio Estate from 2013–14 recognising this inappropriate subdivision and Planning Scheme Amendment C243 will be maintained.
- The pensioner concession will increase from \$223.80 to \$229.40 as advised by the Department of Health & Human Services.

Residential Rates and Charges

The average Capital Improved Value of residential properties within the municipality has increased from \$403,091 to \$481,846.

The total increase in rates and charges for the average residential property with a capital improved value of \$481,846 is \$67.64 or 4.5%. This increase is made up of \$25.34 for General Rates, \$3.45 for Municipal Charge and \$38.85 for the Waste Collection Service.

Residential Properties	2017-18 Rates on Average CIV \$	2018-19 Budget Rates on Average CIV \$	Increase %
General Rates CIV x Rate in \$	1,126.24	1,151.58	2.25%
Municipal Charge	98.55	102.00	3.50%
Total Rates including Municipal Charge	1,224.79	1,253.58	2.35%
Waste Collection Service	278.05	316.90	14.00%
Total Rates & Charges	1,502.84	1,570.48	4.50%

The Essential Services Commission measure rate increases as the movement in Rates & Municipal Charge for all rateable property. The 2017–18 base average rate is calculated as \$1,526.24 and the 2018–19 Budget proposes this will increase by 2.25% to \$1,560.58.

[Rebates – Section 169 of the LGA Rebates](#)

For 2018–19 the following rebates will apply:

- Farm Rebate.
- Cultural and Recreational Transitional Rebate.

[Waivers – Section 171 of the LGA Waivers](#)

For 2018–19 the following waivers will apply:

- Rates Assistance Waiver (Valuation increase over 45%).
- Housing Support Waiver.
- New Corio Estate (Inappropriate Subdivision) Waiver.

[Recycling and Waste Collection Service Charge](#)

The Annual Service Charge is proposed at \$316.90 for each rateable land and non-rateable land. The charge is levied on the following criteria:

- Geographic existence within those areas of the municipal district in which Council provides a domestic refuse collection and disposal service.
- The charge will be raised irrespective of whether the service is used or not.

The Waste Collection Service charge is calculated based on a fee for service, including direct, indirect and overhead costs. The service charge does not form part of the rate cap. The waste collection charge will increase from \$278.05 to \$316.90 or 14%. This increase is necessary to recover the higher costs of waste collection and recycling processing operations together with the introduction of a hard waste collection system in 2019 equivalent to \$6.80 per tenement in the first year. The EPA landfill levy increases to \$34.75 per tenement (included in the service charge).

The Annual Service Charge – Additional Bin Service.

From 1 July 2016 the additional bin service was made available via application compliant with the following criteria:

- The green waste additional bin will only become available when the Anakie Road Green Organics processing facility is fully operational.
- In all cases of application for additional bins, the City reserves the right to inspect the applicant's existing bins to confirm that they are overloaded. If this cannot be confirmed, the additional bins will not be provided;
- The property owner or their authorised agent signs the additional bin application form, provides appropriate supporting evidence and agrees to the application service charge.

Applications that meet the criteria will be billed via the Rate, Valuation & Charges notice.

If an application is received and approved in the first six months of the financial year, that is, from July to December, the full annual cost of the additional bin will be charged. If an application is received and approved in the second half of the financial year, that is January to June, half the annual cost will be charged.

The following costs will apply for the additional bin service per year:

- | | |
|---------------------------------|-------------------------|
| ■ Garbage bin 140L | \$141.90 (for 2018–19) |
| ■ Garbage bin from 140L to 240L | \$101.70 (for 2018–19) |
| ■ Recycling bin 240L | \$ 80.00 (for 2018–19). |

Fire Services Property Levy

The Fire Services Property Levy Act 2012 (FSPL) came into effect from 1 July 2013 and requires local government to bill, receipt and collect FSPL on rateable and non-rateable properties. The FSPL appears on the rate notice and it is estimated that Council will levy \$28.3m in 2018–19 and remit to the State Revenue Office. The 2018–19 Levy once again will consist of a fixed component plus a variable component based on the property's capital improved value to be determined by the Minister on or before 31 May 2018.