Golden Plains Shire Council

Revenue and Rating Plan

2023-24 to 2024-25

TABLE OF CONTENTS

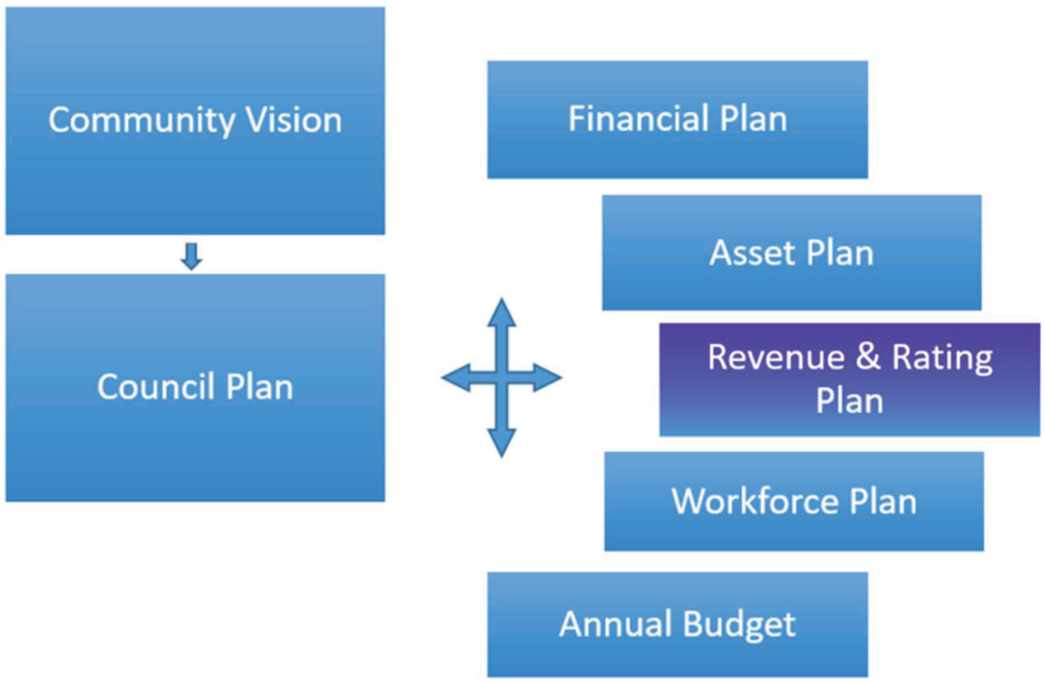
1. PURPOSE

The *Local Government Act 2020* requires each council to prepare a Revenue and Rating Plan to cover a minimum period of four years following each Council election. The Revenue and Rating Plan establishes the revenue raising framework within which the Council proposes to work.

The purpose of the Revenue and Rating Plan is to determine the most appropriate and affordable revenue and rating approach for Golden Plains Shire Council which in conjunction with other income sources will adequately finance the objectives in the council plan.

This plan is an important part of Council's integrated planning framework, all of which is created to help Council achieve it's vision of '*a healthy, safe, vibrant, prosperous and sustainable community supported by strong leadership, transparent governance and community partnerships – Our Community, Our Economy, and Our Pride*.

Strategies outlined in this plan also need to align with the objectives contained in the Council Plan and will feed into our budgeting and long-term financial planning documents, as well as other strategic planning documents under our Council's strategic planning framework.



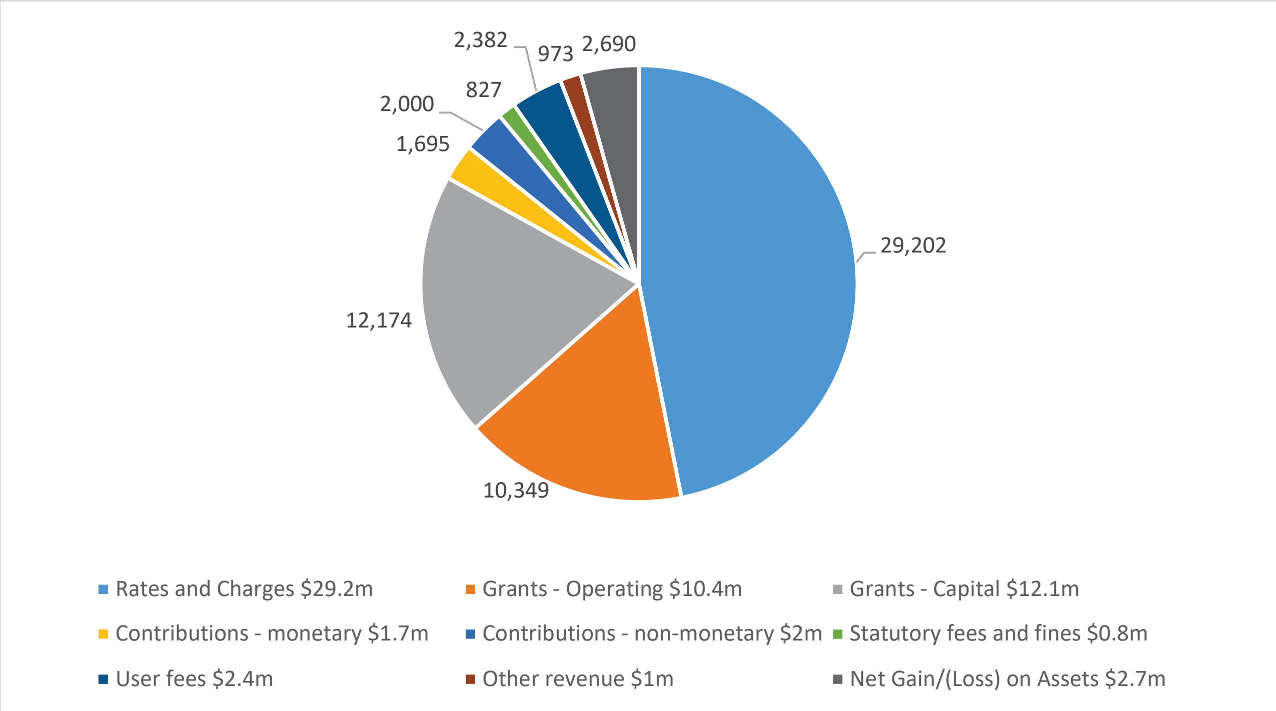
This plan will explain how Council calculates the revenue needed to fund its activities, and how the funding burden will be apportioned between ratepayers and other users of Council facilities and services.

In particular, this plan will set out decisions that Council has made in relation to rating options available to it under the *Local Government Act 2020* to ensure the fair and equitable distribution of rates across property owners. It will also set out principles that are used in decision making for other revenue sources such as fees and charges.

It is also important to note that this plan does not set revenue targets for Council, it outlines the strategic framework and decisions that inform how Council will go about calculating and collecting its revenue. To ensure financial sustainability revenue targets will be set as part of Council's 10 Year Financial Plan and annual budget process.

2. INTRODUCTION

Council provides a number of services and facilities to our local community, and in doing so, must collect revenue to cover the cost of providing these services and facilities. The following chart represents the revenue sources as proposed in the 2023/24 draft budget.



Council's revenue sources include:

- Rates and Charges
- Annual Service (Waste Management) Charge
- Grants from other levels of Government
- Statutory Fees and Fines
- User Fees
- Cash and non-cash contributions from other parties (i.e. developers, community groups)
- Interest from investments
- Sale of Assets

Rates are the most significant revenue source for Council and make up roughly 50% of its annual income.

The introduction of rate capping under the Victorian Government's Fair Go Rates System (FGRS) has brought a renewed focus to Council's long-term financial sustainability. The FGRS continues to restrict Council's ability to raise revenue above the rate cap unless application is made to the Essential Services Commission for a variation. Maintaining service delivery levels and investing in community assets remain key priorities for Council.

Council provides a wide range of services to the community, often for a fee or charge. The nature of these fees and charges generally depends on whether they relate to statutory or discretionary services. Some of these, such as statutory planning fees are set by State Government statute and are commonly known as regulatory fees. In these cases, councils usually have no control over service pricing. However, in relation to other services, Council can set a fee or charge and will set that fee based on the principles outlined in this Revenue and Rating Plan.

Council revenue can also be adversely affected by changes to funding from other levels of government. Some grants are tied to the delivery of council services, whilst many are tied directly to the delivery of new community assets, such as roads or sports pavilions. It is important for Council to be clear about what grants it intends to apply for, and the obligations that grants create in the delivery of services or infrastructure.

3. COMMUNITY ENGAGEMENT

The Revenue and Rating Plan outlines Council's decision-making process on how revenues are calculated and collected. The following public consultation process will be followed to ensure due consideration and feedback is received from relevant stakeholders.

Revenue and Rating Plan community engagement process:

- 2021-22 Draft Revenue and Rating Plan prepared by officer and endorsed by Council;
- Councillor Briefing Sessions held to discuss the annual budget process, including items relating to revenue and rating;
- Councillor Briefing Sessions held to discuss changes to the Rating Strategy with consideration of various options modelled;
- Changes to Rating Strategy placed on public exhibition inviting submissions;
- Draft Revenue and Rating Plan updated incorporating Council consideration of submissions to formulate the 2022-23 Draft Revenue and Rating Plan;
- Draft Budget placed on public exhibition following the 26 April 2022 Council meeting for a period of no less than 28 days and inviting public submissions;
- Community engagement on Draft Budget through local news outlets and social media;
- Hearing of public submissions on the Draft Budget at Council meeting held on 7 June 2022; and
- Draft 2022-23 Revenue and Rating Plan presented to 28 June 2022 Council meeting for adoption.

Following community engagement, Council's 2022-23 Revenue and Rating Plan was updated after consideration of any submissions.

As no changes have been made to Council's Rating Strategy or Council's 2023-24 Revenue and Rating Plan no community engagement was required.

4. LEGISLATIVE FRAMEWORK

The legislative framework as it applies to the raising of revenue including the levying of rates and charges by the Council includes the *Local Government Act 2020* (including subordinate legislation, guidelines etc) and the *Valuation of Land Act 1960*. The rates and charges provisions are as per the *Local Government Act 1989.*

4.1 Local Government Act 2020

Section 8 Role of a council

The role of a council is to provide good governance in its municipal district for the benefit and wellbeing of the municipal community.

Section 9 Overarching governance principles

A council must in the performance of its role give effect to the overarching governance principles. Relevant overarching governance principles include:

- Priority is to be given to achieving the best outcomes for the municipal community, including future generations
- The economic, social and environmental sustainability of the municipal district is to be promoted
- The municipal community is to be engaged in strategic planning and strategic decision making
- The ongoing financial viability of the Council is to be ensured.

In giving effect to the overarching governance principles, a council must take into account the financial management principles.

Section 101 Financial management principles

Relevant financial management principles include:

- Revenue, expenses, assets, liabilities, investments and financial transactions must be managed in accordance with a council's financial policies and strategic plans
- Financial policies and strategic plans, including the Revenue and Rating Plan, must seek to provide stability and predictability in the financial impact on the municipal community.

Section 94 The budget

Council must adopt a budget by 30 June each year (or at another time fixed by the Minister) to include:

- The total amount that Council intends to raise by rates and charges
- A statement as to whether the rates will be raised by the application of a uniform rate or a differential rate
- A description of any fixed component of the rates, if applicable
- If Council proposes to declare a uniform rate, the matters specified in section 160 of the Local Government Act 1989
- If Council proposes to declare a differential rate for any land, the matters specified in section 161(2) of the Local Government Act 1989.

Council must ensure that, if applicable, the budget also contains a statement:

- That Council intends to apply for a special order to increase Council's average rate cap for the financial year or any other financial year; or
- That Council has made an application to the Essential Services Commission for a special order and is waiting for the outcome of the application; or
- That a special order has been made in respect of Council and specifying the average rate cap that applies for the financial year or any other financial year.

4.3 Quantum of rates and charges

This plan outlines the principles and strategic framework that Council will use in calculating and distributing the rating burden to property owners, however, the quantum of rate and charges revenue will be determined in the Annual Budget.

4.4 Local Government Rating System Review

In 2019 the Victorian State Government conducted a Local Government Rating System Review. The Local Government Rating System Review Panel presented their final report and list of recommendations to the Victorian Government in March 2020.

The Victorian Government subsequently published a response to the recommendations of the Panel's report. However, at the time of publication the recommended changes have not yet been implemented, and timelines to make these changes have not been announced.

4.5 Taxation principles

The Victorian Government's Local Government Better Practice Guide: Revenue and Rating Strategy 2014 states that when developing a rating strategy, in particular with reference to differential rates, a council should give consideration to the following key good practice taxation principles:

- Wealth Tax: The 'wealth tax' principle implies that the rates paid are dependent upon the value of a ratepayer's real property and have no correlation to the individual ratepayer's consumption of services or the perceived benefits derived by individual ratepayers from the expenditures funded from rates
- Equity: Horizontal equity – ratepayers in similar situations should pay similar amounts of rates (ensured mainly by accurate property valuations, undertaken in a consistent manner, their classification into homogenous property classes and the right of appeal against valuation). Vertical equity – those who are better off should pay more rates than those worse off (the rationale applies for the use of progressive and proportional income taxation. It implies a 'relativity' dimension to the fairness of the tax burden)
- Efficiency: Economic efficiency is measured by the extent to which production and consumption decisions by people are affected by rates
- Simplicity: How easily a rates system can be understood by ratepayers and the practicality and ease of administration
- Benefit: The extent to which there is a nexus between consumption/benefit and the rate burden
- Capacity to pay: The capacity of ratepayers or groups of ratepayers to pay rates
- Diversity: The capacity of ratepayers within a group to pay rates.

4.6 Rate capping

The Fair Go Rates System (FGRS) sets out the maximum amount that councils may increase rates by in a year. The FGRS cap was set at 1.50% for the 2021-22 year, 1.75% for the 2022-23 year, and 3.50% for the 2023-24 year. The cap applies to both general rates and municipal charges and is calculated on the basis of a council's average rates and charges.

From the 2019 year, general revaluations of all properties have been undertaken on an annual basis. As a result, the actual rate increase for an individual rateable property may differ from the rate cap percentage, due to changes in its valuation. Where the change in an individual property valuation is higher than the average for all rateable properties, the rate increase for that property may be greater than the cap. Where the change in the property valuation is lower than the average for all properties, the rate increase may be lower than the cap.

5. RATES AND CHARGES

Council collects rates from residents and businesses in its municipality to help fund the local community infrastructure and service obligations. Council rates are a form of property tax and Council uses property values as the basis for calculating how much each property owner pays. Importantly, rates are a taxation system that includes flexibility for councils to utilise different tools in its rating structure to accommodate issues of equity and to ensure fairness in rating for all ratepayers.

5.1 Valuation method

Legislation

Under Section 157 of the *Local Government Act 1989*, a council may use the site value, net annual value or capital improved value system of valuation. For the purposes of calculating the site value, net annual value or capital improved value of rateable land, a council must use the current valuations made in respect of the land under the *Valuation of Land Act 1960*.

Valuations occurring up to January 2018 were undertaken on a two-year basis, with supplementary valuations able to be done where there are sales in subdivisions and consolidations, as well as following the construction and demolition of buildings. Changes were made to the Valuation of Land Act 1960 that from 2019 require property valuations to be undertaken by the Valuer General's Office on an annual basis.

Policy

Council uses the capital-improved value system of valuation. This means the sum that the land and any improvements, might be expected to realise at the time of valuation if offered for sale on any reasonable terms and conditions, which a genuine seller might in ordinary circumstances be expected to require.

5.2 Rates and charges

Legislation

Under Section 155 of the *Local Government Act 1989*, a council may declare the following rates and charges on rateable land:

- General rates
- Municipal charges
- Service rates and charges
- Special rates and charges.

Policy

Council's current policy for rates and charges are set out in the following sections.

5.3 Differential rates

Legislation

Under Section 158 of the *Local Government Act 1989*, a council, when declaring rates and charges, must declare whether the general rates will be raised by the application of a uniform rate or differential rates.

Under Section 161 of the *Local Government Act 1989*, if a council declares a differential rate for any land, the council must:

- Specify the objectives of the differential rate including a definition of the types or classes of land which are subject to the rate and a statement of the reasons for the use and level of that rate
- Specify the characteristics of the land which are the criteria for declaring the differential rate.

A council must have regard to any Ministerial guidelines before declaring a differential rate for any land. The Minister issued guidelines in April 2013. These guidelines attempt to spell out clearly what types and classes of land may be considered for differentials, and those that are not appropriate for differentials or need to be ‘carefully considered’.

The highest differential rate must be no more than four times the lowest differential rate.

Policy and Charges

Council has five differential rates. Details of the types/classes of land and the level of rate applicable to each differential is as follows:

- Residential Improved – 100 per cent of the general rate
- Business Industrial & Commercial – 100 per cent of the general rate
- Business Industrial & Commercial Bannockburn – 130 per cent of the general rate
- Farm Land Broadacre – 87.5 per cent of the general rate
- Farm Land Intensive – 95 per cent of the general rate
- Farm Land <40 Hectares – 100 per cent of the general rate
- Non Farm Vacant Land – 205 per cent of the general rate
- Vacant Land Non-Developable – 100 per cent of the general rate

The definition of each differential rate is set out in Appendix A.

5.4 Municipal charge

Legislation

Under Section 158 of the *Local Government Act 1989*, a council may declare a municipal charge to cover some of the administrative costs of the council. A council's total revenue from a municipal charge in a financial year must not exceed 20 per cent of the sum total of the council's total revenue from a municipal charge and total revenue from general rates.

A person may apply to a council for an exemption from the payment of a municipal charge on rateable land if the rateable land is farmland, the rateable land forms part of a single farm enterprise and an exemption is not claimed in respect of at least one other rateable property, which forms part of the single farm enterprise. In the case of a single farm enterprise which is occupied by more than one person, an exemption cannot be claimed in respect of more than one principal place of residence.

Policy and Charges

The Council levies a municipal charge for the purpose of covering some of the administrative costs of Council. In applying the municipal charge, Council ensures that each rateable property in the Shire makes a contribution.

5.5 Service rates and charges

Legislation

Under Section 162 of the *Local Government Act 1989*, a Council may declare a service rate or charge for any of the following services:

- Provision of a water supply
- Collection and disposal of refuse
- Provision of sewage services
- Any other prescribed service.

Policy and charges

The Council has the following service rates and charges:

- Residential Garbage Including Recycling
- Second Service Garbage Collection
- Second Service Recycling Collection
- Commercial Garbage Including Recycling.

The Council's policy in regard to setting service rates and charges is full cost recovery. Council applies an Annual Service (Waste Management) Charge to fully recover the cost of managing the collection, transportation and disposal of domestic waste.

5.6 Special rates and charges

Legislation

Under Section 163 of the *Local Government Act 1989*, a council may declare a special rate or charge, for the purposes of defraying any expenses or repaying (with interest) any advance made to or debt incurred or loan raised by the council, in relation to the performance of a function or the exercise of a power of the council, if it will be of special benefit to the persons required to pay the special rate or special charge.

Policy

Special rates and charges schemes are raised in accordance with the requirements of the Local Government Act 1989 on a case-by-case basis, except for the application of the Tirrengower Special (Drainage) Scheme.

5.7 Payment of rates and charges

Legislation

Under Section 167 of the *Local Government Act 1989*, a Council must allow rates and charges to be paid in four instalments. A Council may also allow rates and charges to be paid in a lump sum. Under Section 168 of the *Local Government Act 1989*, a council may also provide incentives for prompt payment.

Policy

Rates are payable by quarterly instalments.

5.8 Rebates and concessions

Legislation

Under Section 169 of the *Local Government Act 1989*, a Council may grant a rebate or concession in relation to any rate or charge to:

- Assist the proper development of the municipal district; or
- Preserve buildings or places in the municipal district which are of historical or environmental interest; or
- Restore or maintain buildings or places of historical, environmental, architectural or scientific importance in the municipal district; or
- 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.

Policy

Ratepayers who hold a Centrelink or Veteran Affairs Pension Concession card or a Veteran Affairs Gold card which stipulates TPI or War Widow may be able to claim a rebate on their sole or principal place of residence. Upon initial application, ongoing eligibility is maintained, unless rejected by Centrelink or the Department of Veteran Affairs during the annual verification procedure. Upon confirmation of an eligible pensioner concession status, the pensioner rebate is deducted from the rate account before payment is required by the ratepayer. The pensioner concession is set at 50 per cent of the rates and charges levied up to a maximum amount and is fully funded by the State Government. Eligible pensioners are also entitled to receive a concession on the Fire Services Property Levy.

In regard to new applicants, after being granted a Pensioner Concession Card (PCC), pensioners can then apply for the rebate at any time throughout the rating year. Retrospective claims up to a maximum of one previous financial year can be approved by Council on verification of eligibility criteria, for periods prior to this claims may be approved by the relevant government department.

5.9 Deferments and waivers

Legislation

Under Section 170 of the *Local Government Act 1989*, a council may defer in whole or in part any rate or charge if the payment would cause hardship to the person. Under Section 171 of the *Local Government Act 1989*, a council may waive the whole or part of any rate or charge or interest in relation to:

- An eligible recipient
- Any other class of persons determined by the Council for the purpose of waiving rates or charges on the grounds of financial hardship.

Policy

The Council has a Financial Hardship Policy for the purposes of providing assistance to ratepayers experiencing ongoing financial hardship. The policy only applies to rates debts connected to the applicant's principal place of residence. It does not apply to investment properties or business properties. The policy provides for Council to waive accrued interest and put a moratorium on future interest to allow the ratepayer to catch up with the debt. Waiving accrued interest immediately reduces the amount of the debt and not charging interest into the future allows payments made to be applied to paying off the debt rather than being applied towards paying interest in the first instance.

Ratepayers seeking assistance under this policy are required to submit an application form and detailed personal information to verify they are legitimately in financial hardship, The application form which is available at the council offices, website or can be posted upon request are treated confidentially.

5.10 Fire Services Property Levy (FSPL)

Rate notices also contain two charges that make up the Fire Services Property Levy (FSPL). The FSPL is a State government levy that Council is required to collect for the State government and remit to the State government on a quarterly basis. Council derives no revenue from this action.

The State government uses the revenue from the FSPL to fund the operation of the Country Fire Authority throughout Victoria. There are two parts to the FSPL:

- a Fixed charge
- a variable levy based on the Capital Improved Valuation of the property.

The State government sets the fixed charge and the rates in the dollar that apply to the variable component. Similar to Council's differential rating structure, the State government applies different fixed charges and rates in the dollar to different categories of properties.

More detailed information regarding the FSPL is available at: www.sro.vic.gov.au

6. FEES AND CHARGES

Fees and charges consist of user fees and charges and statutory fees and charges. User fees relate to the recovery of service delivery costs through the charging of fees to users of the Council's services. These include use of leisure, entertainment and other community facilities, and the provision of human services such as childcare and home and community care services. Statutory fees relate mainly to those levied in accordance with legislation and include animal registrations, Public Health and Wellbeing Act 2008 registrations and parking fines.

6.1 User fees and charges

Policy

The provision of infrastructure and services form a key part of council's role in supporting the local community. In providing these, council must consider a range of 'Best Value' principles including service cost and quality standards, value-for-money, and community expectations and values. Council must also balance the affordability and accessibility of infrastructure and services with its financial capacity and in the interests of long-term financial sustainability.

Councils must also comply with the government's Competitive Neutrality Policy for significant business activities they provide and adjust their service prices to neutralise any competitive advantages when competing with the private sector.

In providing services to the community, council must determine the extent of cost recovery for particular services consistent with the level of both individual and collective benefit that the services provide and in line with the community's expectations.

Services are provided on the basis of one of the following pricing methods:

a. Market Price
b. Full Cost Recovery Price
c. Subsidised Price

Market pricing (A) is where council sets prices based on the benchmarked competitive prices of alternate suppliers. In general market price represents full cost recovery plus an allowance for profit. Market prices will be used when other providers exist in the given market, and council needs to meet its obligations under the government's Competitive Neutrality Policy.

It should be noted that if a market price is lower than council's full cost price, then the market price would represent council subsidising that service. If this situation exists, and there are other suppliers existing in the market at the same price, this may mean that council is not the most efficient supplier in the marketplace. In this situation, council will consider whether there is a community service obligation and whether council should be providing this service at all.

Full cost recovery price (B) aims to recover all direct and indirect costs incurred by council. This pricing should be used in particular where a service provided by council benefits individual customers specifically, rather than the community as a whole. In principle, fees and charges should be set at a level that recovers the full cost of providing the services unless there is an overriding policy or imperative in favour of subsidisation.

Subsidised pricing (C) is where council subsidises a service by not passing the full cost of that service onto the customer. Subsidies may range from full subsidies (i.e. council provides the service free of charge) to partial subsidies, where council provides the service to the user with a discount. The subsidy can be funded from council's rate revenue or other sources such as Commonwealth and state funding programs. Full council subsidy pricing and partial cost pricing should always be based on knowledge of the full cost of providing a service.

As per the Victorian Auditor General's Office report *"Fees and charges – cost recovery by local government"* recommendations, council has developed a user fee pricing policy to help guide the fair and equitable setting of prices. The policy outlines the process for setting fee prices and includes such principles as:

- Both direct and indirect costs to be taken into account when setting prices;
- Accessibility, affordability and efficient delivery of services must be taken into account; and
- Competitive neutrality with commercial providers.

Council will develop a table of fees and charges as part of its annual budget each year. Proposed pricing changes will be included in this table and will be communicated to stakeholders before the budget is adopted, giving them the chance to review and provide valuable feedback before the fees are locked in.

User fees

Examples of user fees and charges include:
- Kindergarten fees
- Transfer Station and Waste Disposal fees
- Aged and Health Care service fees
- Leases and facility hire fees.

6.2 Statutory fees and charges

Policy

Statutory fees and charges are those which council collects under the direction of legislation or other government directives. The rates used for statutory fees and fines are generally advised by the state government department responsible for the corresponding services or legislation, and generally councils will have limited discretion in applying these fees.

Penalty and fee units are used in Victoria's Acts and Regulations to describe the amount of a fine or a fee.

Penalty units

Penalty units are used to define the amount payable for fines for many offences. For example, the fine for selling a tobacco product to a person aged under 18 is four penalty units.

One penalty unit is currently $165.22, from 1 July 2020 to 30 June 2021.

The rate for penalty units is indexed each financial year so that it is raised in line with inflation. Any change to the value of a penalty unit will happen on 1 July each year.

Fee units

Fee units are used to calculate the cost of a certificate, registration or licence that is set out in an Act or Regulation. For example, the cost of depositing a Will with the Supreme Court registrar of probates is 1.6 fee units.

The value of one fee unit is currently $14.81. This value may increase at the beginning of a financial year, at the same time as penalty units.

The cost of fees and penalties is calculated by multiplying the number of units by the current value of the fee or unit. The exact cost may be rounded up or down.

Statutory fees

Examples of statutory fees and charges include:
- Planning and subdivision fees
- Building and Inspection fees
- Infringements and fines
- Land Information Certificate fees.

7. OTHER REVENUE SOURCES

Other revenue sources that Council uses to fund services and facilities include government grants, contributions, interest and other revenue.

7.1 Grants

Policy

Grant revenue represents income usually received from other levels of government. Some grants are singular and attached to the delivery of specific projects, whilst others can be of a recurrent nature and may or may not be linked to the delivery of projects.

Council will pro-actively advocate to other levels of government for grant funding support to deliver important infrastructure and service outcomes for the community. Council may use its own funds to leverage higher grant funding and maximise external funding opportunities.

When preparing its financial plan, council considers its project proposal pipeline, advocacy priorities, upcoming grant program opportunities, and co-funding options to determine what grants to apply for. Council will only apply for and accept external funding if it is consistent with the Community Vision and does not lead to the distortion of Council Plan priorities.

Grant assumptions are then clearly detailed in council's budget document. No project that is reliant on grant funding will proceed until a signed funding agreement is in place.

Government grants

Examples of government grants include:

- General purpose grants
- Local Road Funding
- Commonwealth Home Support Program
- State Government
    - Children Services
    - Kindergarten
    - Health Promotion
    - Maternal & Child Health
    - Active Ageing & Inclusion Services
    - Emergency Management
    - Youth Development
    - Environment Management
    - Community Protection
    - Public Health
- Commonwealth Government
    - Roads to Recovery
    - Local Roads and Community Infrastructure
    - Black Spot Program

7.2 Contributions

Policy

Contributions represent funds received by council, usually from non-government sources, and are usually linked to projects. Contributions can be made to council in the form of either cash payments or asset and can include monies collected from developers, contributions from user groups towards upgrade of facilities and assets handed over to council from developers at the completion of a subdivision.

Contributions should always be linked to a planning or funding agreement. Council will not undertake any work on a contribution-funded project until a signed agreement outlining the contribution details is in place.

Contributions linked to developments can be received well before any council expenditure occurs. In this situation, the funds will be identified and held separately for the specific works identified in the agreements.

Contributions

Examples of contributions include:

- Bannockburn Industrial Estate
- Wind Farm
- Public Open Space Contributions
- Developer Community Contributions
- Bannockburn Kindergarten Income
- Gravel Sales
- Motor Vehicle Recoupments
- Telecommunications Towers
- Sale of Waste Bins

7.3 Interest on investments

Council receives interest on funds managed as part of its investment portfolio, where funds are held in advance of expenditure, or for special purposes. The investment portfolio is managed per council's investment policy, which seeks to earn the best return on funds, whilst minimising risk.

7.4 Borrowings

Whilst not a source of income, borrowings can be an important cash management tool in appropriate circumstances. All borrowings must be undertaken in accordance with Council's Borrowing Policy.

APPENDIX A. DIFFERENTIAL RATE DEFINITIONS

Residential

Definition:

Any land, whether vacant or built upon that is not zoned for commercial or industrial use and which does not have the characteristics of:

a) Business, Industrial or Commercial Land;
b) Farm Land Broadacre;
c) Farm Land Intensive;
d) Farm Land < 40 Hectares;
e) Non Farm Vacant Land; or
f) Developable Vacant Land

and whose highest and best use is deemed to be as residential land.

Objectives:

To encourage commerce and industry, and to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

- Construction and maintenance of public infrastructure
- Development and provision of health and community services and
- Provision of general support services

Types and Classes:

Rateable land having the relevant characteristics described below:

a) used primarily for residential purposes,
b) highest and best use is deemed to be as residential,
c) any land that is not defined as Business, Industrial, Commercial, Farm Land or Vacant Land.

Use of Rate:

The differential rate will be used to fund 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.

Level of Rate:

100% of the base rate. This rating category is deemed to be the "base rate" due to it containing the majority of assessments.

Use of Land:

Any use permitted under the Golden Plains Shire Council Planning Scheme to be used for residential purposes.

Geographic Location:

Wherever located within the municipal district.

Planning Scheme Zoning:

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Golden Plains Shire Council Planning Scheme.

Types of Buildings:

All buildings which are already constructed on the land or which are constructed prior to the end of the financial year.

Business, Industrial and Commercial

Definition:

Any land, whether vacant or built upon that is not zoned for residential of farming use and which does not have the characteristics of:

a) Residential Land;
b) Farm Land Broadacre;
c) Farm Land Intensive;
d) Farm Land < 40 Hectares;
e) Non Farm Vacant Land; or
f) Developable Vacant Land.

Objectives:

To encourage commerce and industry, and to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

- Construction and maintenance of public infrastructure
- Development and provision of health and community services and
- Provision of general support services

Types and Classes:

Rateable land having the relevant characteristics described below:

a) used primarily for business, industrial or commercial purposes,
b) any land that is not defined as Residential, Farm Land or Vacant Land.

Use of Rate:

The differential rate will be used to fund 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.

Level of Rate:

100% of the base rate.

Use of Land:

Any use permitted under the Golden Plains Shire Council Planning Scheme to be used for business, industrial or commercial purposes.

Geographic Location:

In the localities of the shire.

Planning Scheme Zoning:

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Golden Plains Shire Council Planning Scheme.

Types of Buildings:

All buildings which are already constructed on the land or which are constructed prior to the end of the financial year.

Business, Industrial and Commercial - Bannockburn

Definition:

Any land, whether vacant or built upon that is not zoned for residential of farming use and which does not have the characteristics of:

a) Residential Land;
b) Farm Land Broadacre;
c) Farm Land Intensive;
d) Farm Land < 40 Hectares;
e) Non Farm Vacant Land; or
f) Developable Vacant Land.

Objectives:

To enable more resources to be devoted to strategic planning of Business, Industrial and Commercial (Growth Area) (including planning for the infrastructure and community needs of those operating businesses on Business, Industrial and Commercial (Growth Area)), to encourage commerce and industry and to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

- Construction and maintenance of public infrastructure
- Development and provision of health and community services and
- Provision of general support services

Types and Classes:

Rateable land having the relevant characteristics described below:

a) used primarily for business, industrial or commercial purposes,
b) any land that is not defined as Residential, Farm Land or Vacant Land.

Use of Rate:

The differential rate will be used to fund 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.

Level of Rate:

130% of the base rate.

The rationale for this category to be rated at a rate above the base rate is that:

- businesses located in Bannockburn are in a growth area and benefit from the services and facilities provided in this major township;
- services and facilities provided by the shire help to attract residents to the shire, which can provide businesses with both a source of labor and customers; and
- businesses generally have a capacity pay, which is complimented by rates being a tax deductible expense.

Use of Land:

Any use permitted under the Golden Plains Shire Council Planning Scheme to be used for business, industrial or commercial purposes.

Geographic Location:

In the localities of the shire in the Bannockburn township.

Planning Scheme Zoning:

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Golden Plains Shire Council Planning Scheme.

Types of Buildings:

All buildings which are already constructed on the land or which are constructed prior to the end of the financial year.

Farm Land Broadacre

Definition:

Any land located within the shire which is "Farm Land Broadacre" within the meaning of section 2 of the Valuation of Land Act 1960 and is zoned to allow land to be used for rural and/or farming purposes.

Any land which is "Farm Land Broadacre" within the meaning of Section 2(1) of the *Valuation of Land Act 1960*.

a) Farm Land means any rateable land that is between 2 and 40 hectares in area;
b) used primarily for primary producing purposes from its activities on the land; used primarily for grazing (including agistment) or the growing of crops; and

That is used by a business –

- That has a significant and substantial commercial purpose of character;
- That seeks to make a profit on a continuous or repetitive basis from its activities on the land; and
- That 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.

Typically, these properties may contain buildings used as a residence and for farm purposes and will also contain land with no buildings located upon it.

In addition, it may include small parcels of undeveloped land that do not meet the meaning of "Farm Land" prescribed in of section 2 of the Valuation of Land Act 1960, but are also deemed unlikely to be granted a town planning permit for a dwelling to be located on the property.

Typically these properties will be:

a) between 2 and 40 hectares in area;
b) be zoned to allow the land to be used for rural and/or farming purposes;
c) been deemed unviable for the purposes of carrying on a business of primary production by Council; and
d) been deemed unsuitable to allow the construction of a dwelling.

Objectives:

To enable more resources to be devoted to strategic planning of Farm Land (including planning for the infrastructure and community needs of those operating farms or residing on Farm Land, to encourage farming activity and to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

- Construction and maintenance of public infrastructure
- Development and provision of health and community services and
- Provision of general support services

Types and Classes:

Rateable land having the relevant characteristics described below:

a) used primarily for large scale production farming purposes,
b) any land that is not defined as Residential, Business, Commercial or Industrial, Farm Land Intensive, Farm Land < 40 Hectares or Vacant Land

Use of Rate:

The differential rate will be used to fund 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.

Level of Rate:

87.5% of the base rate.

The justification for this category to be rated at a lesser rate than the base rate is that properties in this category are:

- generally in smaller townships or rural areas;
- have less access to the full suite of services and amenities provided by Council; and
- due to small populations are generally less likely to attract expenditure by Council.

A lesser rate in the dollar is therefore considered to be fair and equitable.

Use of Land:

Any use permitted under the Golden Plains Shire Council Planning Scheme to be used for broadacre farming purposes.

Geographic Location:

In all the localities of the Golden Plains Shire.

Planning Scheme Zoning:

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Golden Plains Shire Council Planning Scheme.

Types of Buildings:

All buildings which are already constructed on the land or which are constructed prior to the end of the financial year.

Farm Land Intensive

Definition:

Any land located within the shire which is “Farm Land Intensive” within the meaning of section 2 of the Valuation of Land Act 1960 and is zoned to allow land to be used for rural and/or farming purposes.

Any land which is “Farm Land Intensive” within the meaning of Section 2(1) of the *Valuation of Land Act 1960*.

a) Farm Land means any rateable land that is over 2 hectares in area;
b) used primarily for primary producing purposes from its activities on the land; used primarily for small farming such as poultry farming, olive growing; and

That is used by a business –

- That has a significant and substantial commercial purpose of character;
- That seeks to make a profit on a continuous or repetitive basis from its activities on the land; and
- That 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.

Typically, these properties may contain buildings used as a residence and for farm purposes and will also contain land with no buildings located upon it.

In addition, it may include small parcels of undeveloped land that do not meet the meaning of “Farm Land” prescribed in of section 2 of the Valuation of Land Act 1960, but are also deemed unlikely to be granted a town planning permit for a dwelling to be located on the property.

Typically these properties will be:

a) over 2 hectares in area;
b) be zoned to allow the land to be used for rural and/or farming purposes;
c) been deemed unviable for the purposes of carrying on a business of primary production by Council; and
d) been deemed unsuitable to allow the construction of a dwelling.

Objectives:

To enable more resources to be devoted to strategic planning of Farm Land (including planning for the infrastructure and community needs of those operating farms or residing on Farm Land, to encourage farming activity and to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

- Construction and maintenance of public infrastructure
- Development and provision of health and community services and
- Provision of general support services

Types and Classes:

Rateable land having the relevant characteristics described below:

a) used primarily for large scale production farming purposes,
b) any land that is not defined as Residential, Business, Commercial or Industrial, Farm Land Broadacre, Farm Land < 40 Hectares or Vacant Land

Use of Rate:

The differential rate will be used to fund 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.

Level of Rate:

95% of the base rate.

The justification for this category to be rated at a lesser rate than the base rate is that properties in this category are:

- generally in smaller townships or rural areas;
- have less access to the full suite of services and amenities provided by Council; and
- due to small populations are generally less likely to attract expenditure by Council.

A rate less than the base rate in the dollar is therefore considered to be fair and equitable.

Use of Land:

Any use permitted under the Golden Plains Shire Council Planning Scheme to be used for intensive farming purposes.

Geographic Location:

In all the localities of the Golden Plains Shire.

Planning Scheme Zoning:

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Golden Plains Shire Council Planning Scheme.

Types of Buildings:

All buildings which are already constructed on the land or which are constructed prior to the end of the financial year.

Farm Land < 40 Hectares

Definition:

Any land located within the shire which is "Farm Land < 40 Hectares" within the meaning of section 2 of the Valuation of Land Act 1960 and is zoned to allow land to be used for rural and/or farming purposes.

Any land which is "Farm Land < 40 Hectares" within the meaning of Section 2(1) of the *Valuation of Land Act 1960*.

a) Farm Land means any rateable land that is less than 40 hectares in area;
b) used primarily for primary producing purposes from its activities on the land; used primarily for 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; and

That is used by a business –

- That has a significant and substantial commercial purpose of character;
- That seeks to make a profit on a continuous or repetitive basis from its activities on the land; and
- That 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.

Typically, these properties may contain buildings used as a residence and for farm purposes and will also contain land with no buildings located upon it.

In addition, it may include small parcels of undeveloped land that do not meet the meaning of "Farm Land" prescribed in of section 2 of the Valuation of Land Act 1960, but are also deemed unlikely to be granted a town planning permit for a dwelling to be located on the property.

Typically these properties will be:

c) less than 40 hectares in area;
d) be zoned to allow the land to be used for rural and/or farming purposes;
e) been deemed unviable for the purposes of carrying on a business of primary production by Council; and
f) been deemed unsuitable to allow the construction of a dwelling.

Objectives:

To encourage farming activity and to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

- Construction and maintenance of public infrastructure
- Development and provision of health and community services and
- Provision of general support services

Types and Classes:

Farm Land having the relevant characteristics described above that is:

a) used primarily for primary production purposes; or
b) any land that is not defined as Residential, Business, Commercial or Industrial, Farm Land Broadacre, Farm Land Intensive or Vacant Land.

Use of Rate:

The differential rate will be used to fund 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.

Level of Rate:

100% of the base rate.

The justification for this category to be rated at a lesser rate than the base rate is that properties in this category are:

- have less access to the full suite of services and amenities provided by Council;
- due to the land area required to operate, these properties have higher valuations (and therefore higher rates) than residential properties; and

It is therefore deemed fair and equitable that properties in this category pay rates at the same rate in the dollar than the base rate.

Use of Land:

Any use permitted under the Golden Plains Shire Council Planning Scheme.

Geographic Location:

In all the localities of the Golden Plains Shire that contain land zoned in the Golden Plains Planning Scheme as Farm Land < 40 Hectares.

Planning Scheme Zoning:

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Golden Plains Shire Council Planning Scheme.

Types of Buildings:

All buildings which are already constructed on the land or which are constructed prior to the end of the financial year.

Non Farm Vacant Land

Definition:

Any land, whether vacant or built upon that is not zoned for residential of farming use and which does not have the characteristics of:

a) Residential Land;
b) Business, Commercial or Industrial;
c) Farm Land Broadacre;
d) Farm Land Intensive;
e) Farm Land < 40 Hectares; or
f) Non Developable Vacant Land.

Objectives:

To enable more resources to be devoted to strategic planning of Non Farm Vacant Land (including planning for the infrastructure and community needs of those who may come to occupy Non Farm Vacant Land), to encourage development of that land and to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

- Construction and maintenance of public infrastructure
- Development and provision of health and community services and
- Provision of general support services

Types and Classes:

Vacant land that is possible to be developed.

Use of Rate:

The differential rate will be used to fund 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.

Level of Rate:

205% of the base rate.

The rationale for this category to be rated at a rate above the base rate is that:

- to encourage developing land by either subdividing or building a dwelling on the land, to generate more residents in the shire which can stimulate businesses;
- services and facilities provided by the shire help to attract residents to the shire, which can provide businesses with both a source of labour and customers; and
- these customers generally have a capacity pay with the vacant land an investment property.

It is therefore deemed fair and equitable that properties in this category pay rates at a higher rate in the dollar than the base rate.

Use of Land:

Any use permitted under the Golden Plains Shire Council Planning Scheme.

Geographic Location:

In the localities of the Shire.

Planning Scheme Zoning:

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Golden Plains Shire Council Shire Planning Scheme.

Types of Buildings:

All buildings which are already constructed on the land or which are constructed prior to the end of the financial year.

Non Developable Vacant Land

Definition:

Any land, whether vacant or built upon that is not zoned for residential of farming use and which does not have the characteristics of:

a) Residential Land;
b) Business, Commercial or Industrial;
c) Farm Land Broadacre;
d) Farm Land Intensive;
e) Farm Land < 40 Hectares; or
f) Non Farm Vacant Land.

Objectives:

To enable more resources to be devoted to strategic planning of Non Developable Vacant Land (including planning for the infrastructure and community needs of those who may come to occupy Non Developable Vacant Land), and to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

- Construction and maintenance of public infrastructure
- Development and provision of health and community services and
- Provision of general support services

Types and Classes:

Vacant land that does not have the potential to be developed.

Use of Rate:

The differential rate will be used to fund 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.

Level of Rate:

100% of the base rate.

Use of Land:

Any use permitted under the Golden Plains Shire Council Planning Scheme.

Geographic Location:

In the localities of the Shire.

Planning Scheme Zoning:

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Golden Plains Shire Council Shire Planning Scheme.

Types of Buildings:

All buildings which are already constructed on the land or which are constructed prior to the end of the financial year.