



ATTACHMENTS

**Under Separate Cover
Council Meeting**

6.00pm Tuesday 23 November 2021

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7.5	Golden Plains Shire Council Rating Strategy for Community Consultation	
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RATE STRUCTURE REVIEW

Propositions Paper

November 2021

CONSULTATION

Golden Plains Shire is situated between two of Victoria's largest regional cities, Geelong and Ballarat, making it particularly attractive to new residents seeking a rural lifestyle, affordable housing and proximity to services and jobs. The municipality covers 2,705 square kilometres with 56 communities and 16 townships and is among the fastest growing regional Local Government Areas in Victoria. The current population is 21,929 and is forecast to increase to 28,964 by 2031. Golden Plains Shire like many fast growing councils faces a significant financial challenge in funding this population growth from its current rates base. The financial challenge will be exacerbated in peri urban Shires like Golden Plains, as the burden of service provision will fall disproportionately on them in the future.

The Fair Go Rates System sets out the maximum amount Victorian councils may increase rates in a year. For the 2021-22 year it has been set at 1.50% by the Minister for Local Government independently of Victorian councils. The cap applies to both general rates and municipal charges and is calculated based on a council's average rates and charges. This is the amount (or the 'pie') that the Golden Plains Shire Council determines what proportion each different category of ratepayer should pay each year.

Victorian councils may declare a range of rates and charges on rateable land including general rates, municipal charges, service rates and charges and special rates and charges. The Golden Plains Shire currently levies general rates based on the valuation of properties, a municipal charge and service rates and charges to recover the cost of waste management. Rates and charges is the largest funding source making up 47% of total revenue or \$26 million for the 2021-22 year

The Golden Plains Shire Council is undertaking a review of its current rating structure to ensure that it provides a fair and equitable distribution of general rates and municipal charges across all ratepayers in the Shire. Mach2 Consulting was engaged to provide an independent review of the current rating structure which included benchmarking against other like Victorian councils and holding a number of workshops with Golden Plains Shire Councillors to develop a range of rating structure options. The options were developed to address the significant growth the Shire is experiencing especially in Bannockburn, increases in smaller township residential rates and the regressive nature of the high municipal charge.

This Propositions Paper has been prepared to obtain feedback from the Golden Plains Shire community about these rating structure options and which one is considered to provide the most fair and equitable distribution of general rates and any municipal charges across the Shire.

None of the options proposed, have any impact on the total rates and charges raised by Council as this amount is set by the rate cap.

The community is asked to consider the financial impacts of each of the following two options in Section 7 of this Paper, against the status quo and rank them (including the status quo) according to which one is the most fair and equitable.

- **Status quo:** Retain the current number and level of differential rates as set out in section 3.2
- **Option 1:** Increase the Business (Bannockburn) differential from 120% to 130% of the general rate, increase the Vacant land (non-farm) differential to from 200% to 220%, decrease the Municipal Charge from \$310.60 to \$250 and retain the status quo for the other differential rates
- **Option 2:** Increase the Business (Bannockburn) differential from 120% to 130% of the general rate, increase the Vacant land (non-farm) differential from 200% to 220%, increase the Farm (broadacre) differential from 85% to 90%, increase the Farm (intensive) differential from 90% to 95%, decrease the Municipal Charge from \$310.60 to \$250 and retain the status quo for the other differential rates.

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1. OVERVIEW

1.1 Background

The Golden Plains Shire Council (the Council) recently adopted its 2021-25 Revenue and Rating Plan in accordance with the Local Government Act 2020. The Revenue and Rating Plan is a medium-term plan for how Council will generate income to deliver on the Council Plan, program and services and capital works commitments over the next four years.

The Council has access to several funding sources including rates and charges, user charges, fees and fines, government grants, contributions, interest and other small amounts of revenue. Rates and charges is the largest funding source making up 47% of total revenue or \$26 million for the 2021-22 year.

The Council did not make any changes to the rates and charges component in the Plan and is now undertaking a review to explore the various options available for levying rate and charges in accordance with relevant legislative provisions and associated guidelines or regulations.

1.2 Approach

The Council is taking the following approach in undertaking the review:

- Preparing a Propositions Paper to obtain feedback from the community about a range of options for levying rates and charges
- Preparing a revised draft 2021-25 Revenue and Rating Plan reflecting the preferred option for levying rates and charges
- Seeking formal submissions from the community about the revised Revenue and Rating Plan
- Adopting the final Revenue and Rating Plan for inclusion in the 2021-22 Annual Budget.

1.3 Propositions paper

The Council has developed this Propositions Paper to obtain feedback from the community about options for levying rates and charges on rateable properties in the Golden Plains Shire. The paper sets out the legislative framework for levying rates and charges, the current rating structure, comparison against other like Victorian councils and a range of potential options including the financial impact of each on ratepayers.

2. LEGISLATIVE FRAMEWORK

2.1 Principles

A Council must in the performance of its role give effect to the overarching governance principles set out in the Local Government Act 2020. In particular, it must ensure that the Revenue and Rating Plan, seeks to provide stability and predictability in the financial impact of rates and charges on the municipal community.

2.2 Types of rates and charges

A council may declare the following rates and charges on rateable land:

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

The Council like the majority of Victorian councils, uses the capital improved value of rateable land for the purposes of levying general rates which includes the value of the land and all improvements on that land.

2.3 Rate capping

The Fair Go Rates System (FGRS) sets out the maximum amount councils may increase rates in a year. For the 2021-22 year it has been set at 1.50%. The rate cap is set by the Minister for Local Government independently of the Councils.

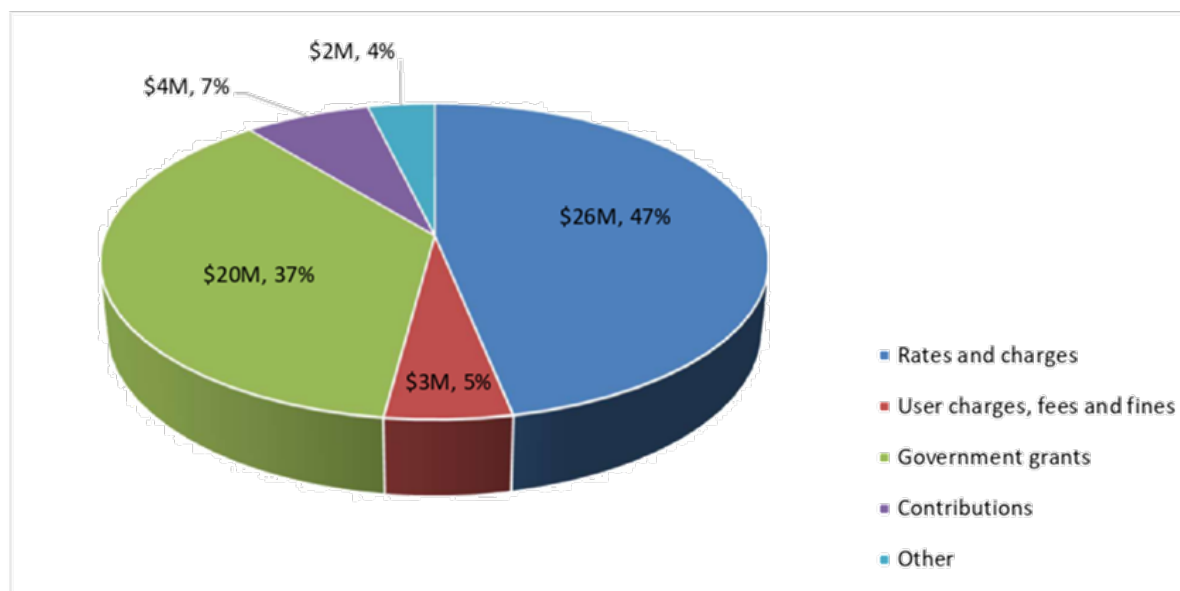
The cap applies to both general rates and municipal charges and is calculated based on a council's average rates and charges. This is the amount (or the 'pie') that the Council determines what proportion each differential rate category should pay each year and is the subject of this paper.

From the 2019 year, the State Government requires general revaluations of all properties to be 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. The general revaluation of properties is undertaken by the Valuer-General of Victoria independently of the Council.

3. REVENUE COMPOSITION

3.1 Revenue sources

The graph below shows a breakup of the 2021-22 revenue the Council uses to fund services and facilities for the Golden Plains Shire community.



Note: Government grants includes capital grants of \$8.35 million to fund capital works expenditure for the year. Contributions includes \$1.13 million of infrastructure assets expected to be handed over to the Council during the 2021-22 year.

3.2 Rates and charges

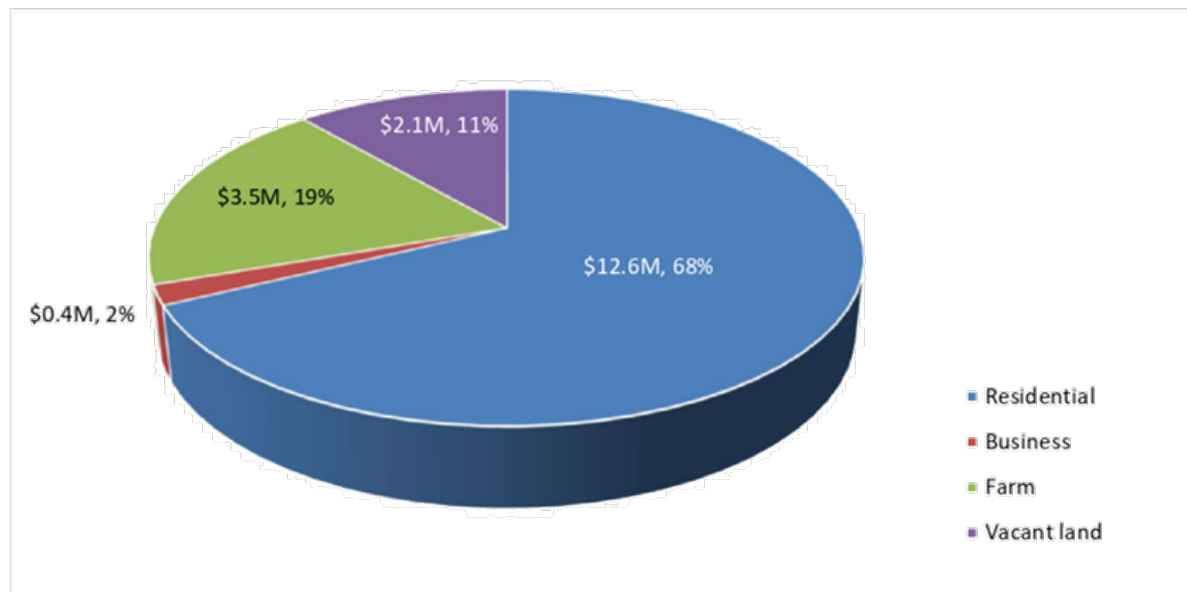
Summary

A summary of the rates and charges levied by the Council for the 2021-22 year is set out in the table below.

Details	Revenue \$000
General rates	18,514
Municipal charge	3,404
Service rates and charges	3,486
Supplementary rates	165
Interest on rates and charges	100
TOTAL RATES AND CHARGES	25,669

General Rates

The Council's general rates comprise eight differential rates. The graph below shows the proportion of the general rate represented by each differential rating category for the 2021-22 year. This is often called the 'rate burden'.



Note: The eight differential rate categories have been aggregated by type for the purposes of the analysis.

A detailed analysis of the differential rates for the 2021-22 year and definitions are set out in the table and commentary below.

Type or class of land	Rate Cents/\$CIV	Differential %	Assessments No	CIV \$000	Revenue \$000
Residential	0.2682	100	8,314	4,711,426	12,550
Business (Bannockburn)	0.3219	120	127	76,382	245
Business (Other)	0.2682	100	150	40,197	107
Farm (Broadacre)	0.2280	85	1,287	1,468,326	3,320
Farm (Intensive)	0.2414	90	21	20,310	49
Farm (<40 hectares)	0.2682	100	52	53,969	144
Vacant land (non-farm)	0.5364	200	1,388	368,179	1,963
Vacant land (non-developable)	0.2682	100	269	51,027	136
TOTAL			11,608	6,789,816	18,514

Note: CIV is the Capital Improved Value of the property which includes the value of the land and any improvements on that land. Differential % is calculated by dividing each differential rate \$/CIV into the general rate \$/CIV

A summary of each differential rate category and definition is as follows:

- Residential: Is rateable land used primarily for residential purposes
- Business (Bannockburn): Is rateable land which is used primarily for commercial or industrial (including extractive industry) purposes, is located within any of the areas bounded by the continuous and unbroken lines and the plans relating to the town of Bannockburn and designated as such in Council's rating database

- **Business (Other):** Is rateable land used primarily for commercial or industrial (including extractive industry) purposes and does not have the characteristics of Business, Industrial and Commercial (Bannockburn)
- **Farm (Broadacre):** Is rateable land that is over 40 hectares in area and is used primarily for grazing, 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 is used by 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
- **Farm (Intensive):** Is rateable land that is over 2 hectares and less than 40 hectares in area, and is intensively farmed, and is used by 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
- **Farm (<40 hectares):** Is rateable land that is over 2 hectares and less than 40 hectares in area, and is used primarily for grazing, 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
- **Vacant land (non-farm):** Is rateable land that is not used primarily for residential, commercial or industrial (including extractive industry) purposes, and does not have the characteristics of Farm Land (Broadacre), Farm Land (Intensive), Farm Land (<40 hectares) or Vacant Land (Non Developable)
- **Vacant land (non-developable):** Is rateable land that is located in the Farming Zone (as zoned within the Golden Plains Planning Scheme), and does not have the characteristics of Farm Land (Broadacre), Farm Land (Intensive) or Farm Land (<40 hectares), and cannot be used for residential, commercial or industrial (including extractive industry) purposes due to the constraints of the Golden Plains Planning Scheme.

Municipal Charge

The municipal charge for the 2021-22 year is set at \$310.60 per property.

Service Rates and Charges

The Council has the following service rates and charges for the 2021-22 year:

- Garbage: \$379 per property

The Council's policy in regard to setting waste charges is full cost recovery.

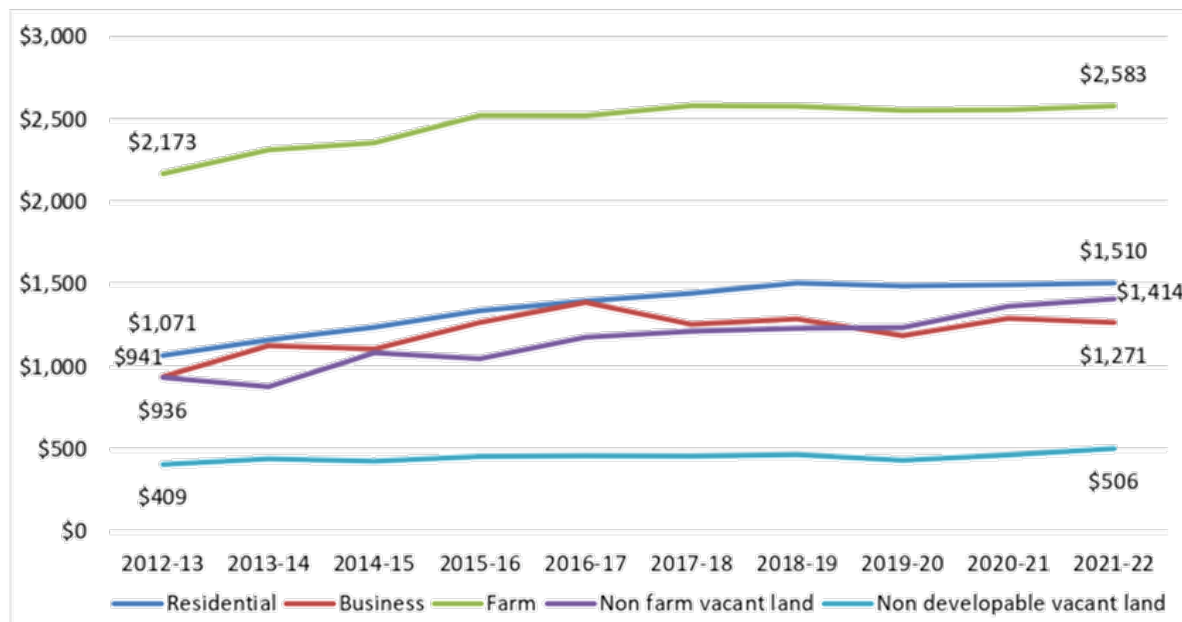
Supplementary Rates

Supplementary rates apply to properties where valuations are conducted between general revaluations as a result of properties physically changing such as when a building is constructed, renovated, extended, altered or demolished. It may also apply when land is subdivided, amalgamated or portions are sold off or rezoned.

4. PRIOR YEAR RATING IMPACTS

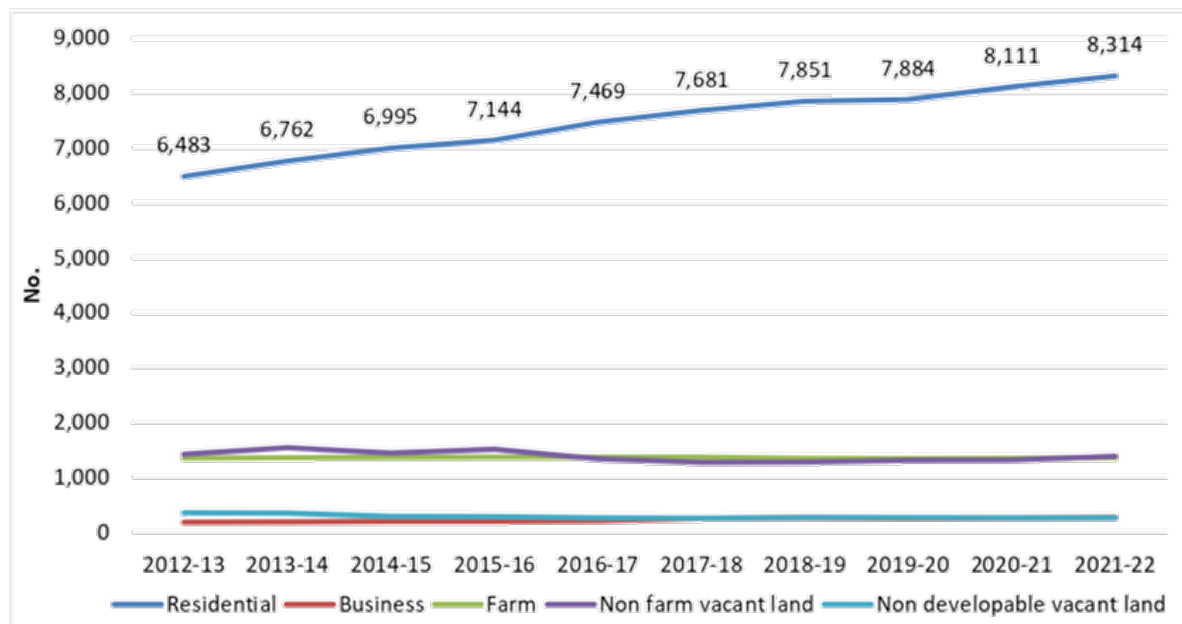
4.1 Average rate

The following graph shows the average general rates that each category of land (residential, business, farm, vacant land) has paid over the past ten years. This shows the rate burden in individual property terms and removes the impact of property growth especially in the residential category (see graph below).



4.2 Rate assessments

The following graph shows the growth in the number of assessments for each category of land (residential, business, farm, vacant land) over the past ten years.



5. BENCHMARKING

A benchmarking exercise was conducted against similar councils to compare rating systems, structures and levels. The tables below provide a summary for general rates and municipal charges for the 2021-22 year. The rate (cents/\$CIV) for each category of land is shown as a percentage of the general category for comparison purposes.

5.1 General rates

Council	Rates \$000	Residential %	Farm %	Business %	Vacant Land %
Geelong	268,323	100	64	239-254	140
Ballarat	134,030	100	72	267-274	100
Bass Coast	67,102	100	80	100	150
Baw Baw	65,355	100	90	120	180
Surf Coast	58,950	100	75	190	100
Macedon	55,825	100	80	120	100
Moorabool	40,440	100	78	150	100-200
Colac-Otway	32,773	85-100	75	140-165	100
Golden Plains	25,668	100	85-100	100-120	100-200
Hepburn	23,547	100	65	116	100-125
Corangamite	23,047	100	88	100	128

Notes: Geelong has a commercial rate (239%) and industrial rate (254%); Ballarat has a commercial rate (267%) and industrial rate (274%), and a rural residential rate (90%); Baw Baw has a residential development rate (130%) and urban living rate (90%); Macedon Ranges has a not for profit housing rate (50%); Moorabool has an extractive industry rate (312%) and a retirement village rate (90%); Colac Otway has a non-Colac residential rate (85%), non-Colac business rate (140%) and a holiday rental rate (100%); Hepburn has a non-township vacant land rate (100%).

5.2 Municipal charge

Council	Charge \$
Geelong	0
Ballarat	0
Bass Coast	0
Baw Baw	0
Surf Coast	215
Macedon	212
Moorabool	0
Colac-Otway	195
Golden Plains	310.6

Council	Charge \$
Hepburn	0
Corangamite	205.5

6. EQUITABLE SHARING OF THE RATE BURDEN

6.1 Objectives

In distributing the rating burden across the different categories of ratepayers in the Golden Plains Shire, Council is looking to achieve the following objectives:

- Having a rating structure that provides fairness and equity for the whole Shire
- Striking the right balance in terms of the number and level of differential rates and the amount of any municipal charge
- The rating structure is supported by the rating principles (see below).

6.2 Rating principles

The Victorian Government's *Local Government Better Practice Guide: Revenue and Rating Strategy 2014* states that when developing a rating structure a Council should give consideration to the following key rating 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. Vertical Equity – those who are better off should pay more rates than those worse off
- **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 rates paid
- **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.

6.3 Council proposal

The Council has undertaken an assessment of its current rating structure of rates and charges against the rating principles and developed a number of alternative options to address the significant growth the Shire is experiencing especially in Bannockburn, increases in smaller township residential rates and the regressive nature of the high municipal charge. The following options (including the status quo) are put forward for consideration and feedback from the community:

- **Status quo:** Retain the current number and level of differential rates as set out in section 3.2
- **Option 1:** Increase the Business (Bannockburn) differential from 120% to 130%, increase the Vacant land (non-farm) differential from 200% to 220%, decrease the Municipal Charge from \$310.60 to \$250 and retain the status quo for the other differential rates
- **Option 2:** Increase the Business (Bannockburn) differential from 120% to 130%, increase the Vacant land (non-farm) differential from 200% to 220%, increase the Farm (broadacre) differential from 85% to 90%, increase the Farm (intensive) differential from 90% to 95%, decrease the Municipal Charge from \$310.60 to \$250 and retain the status quo for the other differential rates.

The financial impact of each of these options on ratepayers is set out in section 7.

7. FINANCIAL IMPACT ON RATEPAYERS

Each of the options have been modelled and compared against the rating outcomes for the 2021-22 budget ('status quo'). The financial impacts on the average rate for each differential rating category is shown in the following tables where 'Current' is the average rate for the 2021-22 year and 'Modelled' is the average rate for the relevant option. The financial impacts on the rate burden and average rate for each differential rate category is shown in the graphs and tables in the attached Appendix A

None of the options considered impact on the total rates and charges raised by Council (i.e., general rates and municipal charge) as this amount is set by the rate cap.

7.1 Option 1

Differential	Current \$	Modelled \$	Change \$
Residential (Bannockburn)	2,008	1,989	-19
Residential (Other)	1,779	1,754	-25
Business (Bannockburn)	2,328	2,490	+162
Business (Other)	1,078	1,036	-42
Farm (Broadacre)	2,841	2,868	+27
Farm (Intensive)	2,561	2,569	+8
Farm (<40 hectares)	1,924	1,927	+3
Vacant land (non-farm)	1,707	1,824	+117
Vacant land (non-developable)	821	773	-48

Note: Residential properties have been split between Bannockburn and other parts of the Shire for presentation purposes only. Each pays the same rate/\$CIV under all the options.

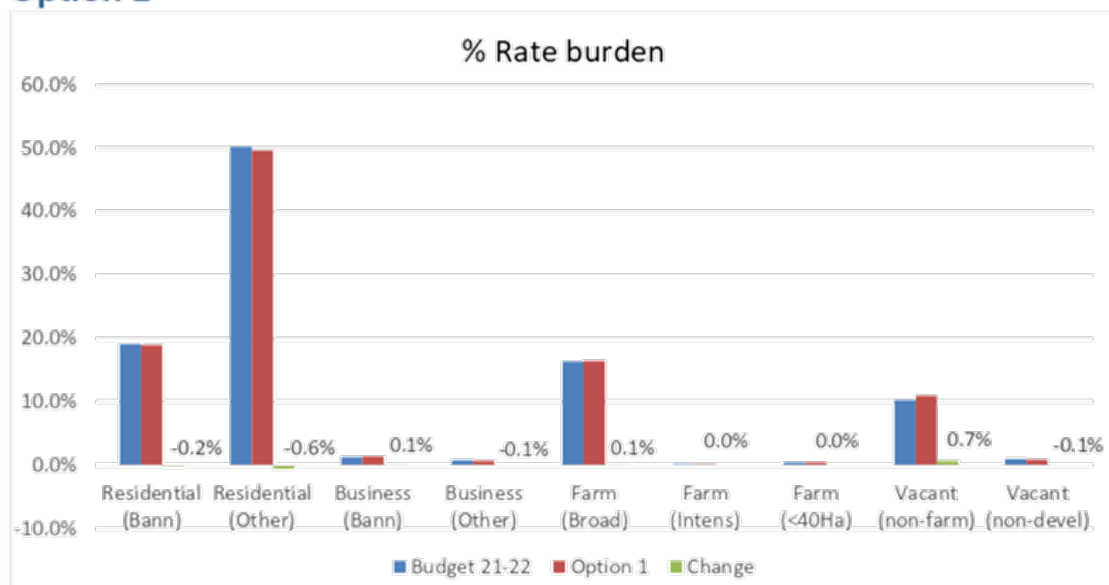
7.2 Option 2

Differential	Current \$	Modelled \$	Change \$
Residential (Bannockburn)	2,008	1,970	-38
Residential (Other)	1,779	1,739	-40
Business (Bannockburn)	2,328	2,466	+138
Business (Other)	1,078	1,027	-51
Farm (Broadacre)	2,841	2,997	+156
Farm (Intensive)	2,561	2,674	+113
Farm (<40 hectares)	1,924	1,908	-16
Vacant land (non-farm)	1,707	1,807	+100
Vacant land (non-developable)	821	768	-53

Note: Residential properties have been split between Bannockburn and other parts of the Shire for presentation purposes only. Each pays the same rate/\$CIV under all the options.

APPENDIX A

Option 1



The above graph shows the rate burden for each category of property for the current 2021-22 budget and option 1 for both general rates and municipal charge.



The above graph shows the change in the average rate for each category of property for the current 2021-22 budget and option 1 for both general rates and municipal charge.

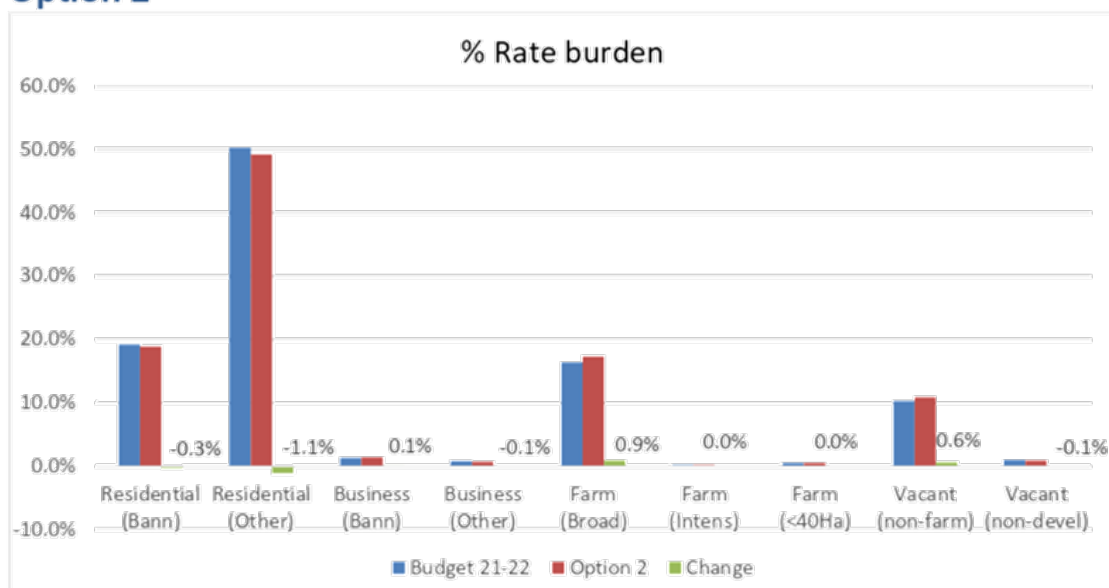
The above graphs show that by increasing the differential rate for Business (Bannockburn) and Vacant Land (non-farm), the rate burden and average rates for each will increase in comparison to other property categories.

The impact on each category of property for a range of valuation bands is shown in the following tables where 'Current' is the budgeted average rates for 2021-22 and 'Modelled' is the modelled average rates under option 1. The average rate includes general rates and the municipal charge.

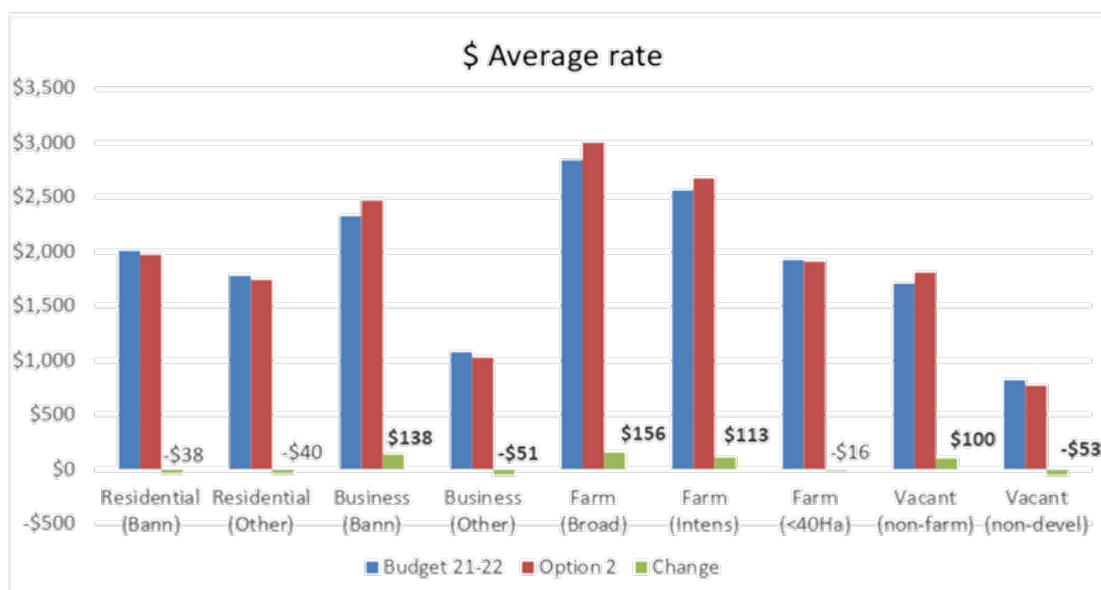
Residential						B'burn Residential					
#Assess	2021-22 Current	2021-22 Modelled	Change \$	Change %		#Assess	2021-22 Current	2021-22 Modelled	Change \$	Change %	
Up to \$99,999	16	\$501.86	\$445.97	-\$55.89	-11.1%	Up to \$99,999	0	\$0.00	\$0.00	\$0.00	0.0%
\$100,000 to \$199,999	179	\$738.04	\$687.96	-\$50.08	-6.8%	\$100,000 to \$199,999	6	\$739.95	\$689.91	-\$50.04	-6.8%
\$200,000 to \$299,999	508	\$996.87	\$953.15	-\$43.71	-4.4%	\$200,000 to \$299,999	16	\$981.60	\$937.52	-\$44.08	-4.5%
\$300,000 to \$399,999	956	\$1,257.56	\$1,220.27	-\$37.30	-3.0%	\$300,000 to \$399,999	77	\$1,248.29	\$1,210.77	-\$37.52	-3.0%
\$400,000 to \$499,999	1,243	\$1,521.14	\$1,490.38	-\$30.76	-2.0%	\$400,000 to \$499,999	299	\$1,557.59	\$1,527.67	-\$29.91	-1.9%
\$500,000 to \$599,999	1,195	\$1,784.32	\$1,759.98	-\$24.33	-1.4%	\$500,000 to \$599,999	620	\$1,786.67	\$1,762.40	-\$24.28	-1.4%
\$600,000 to \$699,999	957	\$2,038.31	\$2,020.23	-\$18.08	-0.9%	\$600,000 to \$699,999	462	\$2,046.06	\$2,028.17	-\$17.89	-0.9%
\$700,000 to \$799,999	554	\$2,307.80	\$2,296.35	-\$11.45	-0.5%	\$700,000 to \$799,999	371	\$2,310.02	\$2,298.62	-\$11.40	-0.5%
\$800,000 to \$899,999	263	\$2,577.44	\$2,572.62	-\$4.82	-0.2%	\$800,000 to \$899,999	177	\$2,568.97	\$2,563.94	-\$5.02	-0.2%
\$900,000 to \$999,999	117	\$2,856.12	\$2,858.16	+\$2.04	+0.1%	\$900,000 to \$999,999	53	\$2,815.18	\$2,816.22	+\$1.03	+0.0%
\$1,000,000 and over	293	\$3,618.80	\$3,639.81	+\$20.81	+0.6%	\$1,000,000 and over	44	\$3,671.67	\$3,698.91	+\$27.04	+0.7%
Total/Mean	6,281	\$1,778.91	\$1,754.45	-\$24.46	-1.4%	Total/Mean	2,125	\$2,007.67	\$1,988.83	-\$18.84	-0.9%
Farm Broadacre						Farm Intensive					
#Assess	2021-22 Current	2021-22 Modelled	Change \$	Change %		#Assess	2021-22 Current	2021-22 Modelled	Change \$	Change %	
Up to \$99,999	28	\$193.59	\$183.72	-\$9.86	-5.1%	Up to \$99,999	0	\$0.00	\$0.00	\$0.00	0.0%
\$100,000 to \$199,999	76	\$456.61	\$446.28	-\$10.33	-2.3%	\$100,000 to \$199,999	0	\$0.00	\$0.00	\$0.00	0.0%
\$200,000 to \$299,999	82	\$672.39	\$665.61	-\$6.78	-1.0%	\$200,000 to \$299,999	0	\$0.00	\$0.00	\$0.00	0.0%
\$300,000 to \$399,999	88	\$931.04	\$925.22	-\$5.82	-0.6%	\$300,000 to \$399,999	3	\$889.47	\$885.41	-\$4.07	-0.1%
\$400,000 to \$499,999	78	\$1,190.16	\$1,180.90	-\$9.26	-0.8%	\$400,000 to \$499,999	2	\$1,270.57	\$1,267.53	-\$3.04	-0.2%
\$500,000 to \$599,999	88	\$1,447.56	\$1,442.02	-\$5.54	-0.4%	\$500,000 to \$599,999	3	\$1,653.59	\$1,628.81	-\$24.78	-1.7%
\$600,000 to \$699,999	78	\$1,672.45	\$1,669.79	-\$2.66	-0.2%	\$600,000 to \$699,999	2	\$1,839.87	\$1,816.69	-\$23.22	-1.3%
\$700,000 to \$799,999	60	\$1,915.97	\$1,918.53	+\$2.56	+0.1%	\$700,000 to \$799,999	2	\$2,106.62	\$2,089.91	-\$16.70	-0.8%
\$800,000 to \$899,999	71	\$2,130.90	\$2,140.96	+\$10.06	+0.5%	\$800,000 to \$899,999	0	\$0.00	\$0.00	\$0.00	0.0%
\$900,000 to \$999,999	78	\$2,370.18	\$2,382.03	+\$11.85	+0.5%	\$900,000 to \$999,999	1	\$2,606.31	\$2,601.82	-\$4.49	-0.2%
\$1,000,000 and over	542	\$4,859.95	\$4,927.71	+\$67.76	+1.4%	\$1,000,000 and over	7	\$4,364.86	\$4,413.09	+\$48.23	+1.1%
Total/Mean	1,278	\$2,840.63	\$2,868.01	+\$27.38	+1.0%	Total/Mean	20	\$2,560.73	\$2,568.78	+\$8.03	+0.3%
Farm < 40 ha						B'burn Bus & Ind					
#Assess	2021-22 Current	2021-22 Modelled	Change \$	Change %		#Assess	2021-22 Current	2021-22 Modelled	Change \$	Change %	
Up to \$99,999	31	\$42.91	\$43.97	+\$1.06	+2.5%	Up to \$99,999	25	\$368.97	\$318.58	-\$50.39	-13.7%
\$100,000 to \$199,999	31	\$590.31	\$582.10	-\$8.22	-1.4%	\$100,000 to \$199,999	9	\$804.38	\$798.10	-\$6.28	-0.8%
\$200,000 to \$299,999	11	\$754.23	\$754.18	-\$0.05	-0.0%	\$200,000 to \$299,999	12	\$1,147.13	\$1,178.57	+\$31.43	+2.7%
\$300,000 to \$399,999	4	\$1,091.99	\$1,084.74	-\$7.25	-0.7%	\$300,000 to \$399,999	19	\$1,471.28	\$1,538.36	+\$67.08	+4.6%
\$400,000 to \$499,999	8	\$1,445.89	\$1,430.28	-\$15.60	-1.1%	\$400,000 to \$499,999	20	\$1,732.96	\$1,828.82	+\$95.87	+5.5%
\$500,000 to \$599,999	6	\$1,668.84	\$1,675.79	+\$6.95	+0.4%	\$500,000 to \$599,999	8	\$2,089.35	\$2,224.42	+\$135.08	+6.5%
\$600,000 to \$699,999	4	\$2,150.45	\$2,135.13	-\$15.32	-0.7%	\$600,000 to \$699,999	9	\$2,362.61	\$2,527.74	+\$165.13	+7.0%
\$700,000 to \$799,999	3	\$2,255.94	\$2,243.22	-\$12.73	-0.6%	\$700,000 to \$799,999	7	\$2,719.07	\$2,916.75	+\$197.69	+7.3%
\$800,000 to \$899,999	3	\$2,522.36	\$2,516.18	-\$6.17	-0.2%	\$800,000 to \$899,999	3	\$3,046.97	\$3,287.39	+\$240.42	+7.9%
\$900,000 to \$999,999	3	\$2,815.59	\$2,816.63	+\$1.05	+0.0%	\$900,000 to \$999,999	4	\$3,335.52	\$3,607.68	+\$272.16	+8.2%
\$1,000,000 and over	9	\$4,264.82	\$4,309.11	+\$44.29	+1.0%	\$1,000,000 and over	12	\$10,468.75	\$11,525.61	+\$1,056.86	+10.1%
Total/Mean	85	\$1,924.10	\$1,926.78	+\$2.68	+0.1%	Total/Mean	128	\$2,327.51	\$2,489.52	+\$162.01	+7.0%
Business & Industry						Non Dev Vacant Land					
#Assess	2021-22 Current	2021-22 Modelled	Change \$	Change %		#Assess	2021-22 Current	2021-22 Modelled	Change \$	Change %	
Up to \$99,999	23	\$377.17	\$318.21	-\$58.96	-15.6%	Up to \$99,999	56	\$459.16	\$402.22	-\$56.94	-12.4%
\$100,000 to \$199,999	26	\$735.44	\$685.29	-\$50.15	-6.8%	\$100,000 to \$199,999	125	\$701.93	\$650.95	-\$50.97	-7.3%
\$200,000 to \$299,999	20	\$959.58	\$914.95	-\$44.63	-4.7%	\$200,000 to \$299,999	53	\$944.56	\$899.56	-\$45.00	-4.8%
\$300,000 to \$399,999	20	\$1,251.58	\$1,214.14	-\$37.44	-3.0%	\$300,000 to \$399,999	16	\$1,255.17	\$1,217.81	-\$37.36	-3.0%
\$400,000 to \$499,999	14	\$1,489.91	\$1,458.34	-\$31.56	-2.1%	\$400,000 to \$499,999	8	\$1,517.50	\$1,480.60	-\$36.90	-2.0%
\$500,000 to \$599,999	6	\$1,804.03	\$1,780.18	-\$23.85	-1.3%	\$500,000 to \$599,999	7	\$1,775.74	\$1,751.19	-\$24.55	-1.4%
\$600,000 to \$699,999	3	\$1,979.70	\$1,960.17	-\$19.52	-1.0%	\$600,000 to \$699,999	1	\$2,131.68	\$2,115.89	-\$15.79	-0.7%
\$700,000 to \$799,999	3	\$2,346.24	\$2,335.73	-\$10.51	-0.4%	\$700,000 to \$799,999	1	\$2,434.74	\$2,426.42	-\$8.32	-0.3%
\$800,000 to \$899,999	1	\$2,582.25	\$2,577.56	-\$4.69	-0.2%	\$800,000 to \$899,999	0	\$0.00	\$0.00	\$0.00	0.0%
\$900,000 to \$999,999	1	\$2,829.00	\$2,830.37	+\$1.37	+0.0%	\$900,000 to \$999,999	0	\$0.00	\$0.00	\$0.00	0.0%
\$1,000,000 and over	8	\$4,201.01	\$4,236.15	+\$35.14	+0.8%	\$1,000,000 and over	2	\$4,105.63	\$4,138.42	+\$32.79	+0.8%
Total/Mean	155	\$1,077.51	\$1,035.79	-\$41.73	-3.9%	Total/Mean	209	\$821.36	\$773.33	-\$48.03	-5.8%
Vacant Land											
#Assess	2021-22 Current	2021-22 Modelled	Change \$	Change %							
Up to \$99,999	166	\$673.25	\$659.30	-\$13.95	-2.1%						
\$100,000 to \$199,999	413	\$1,081.17	\$1,118.65	+\$37.47	+3.5%						
\$200,000 to \$299,999	348	\$1,690.16	\$1,804.70	+\$114.55	+6.8%						
\$300,000 to \$399,999	253	\$2,177.65	\$2,354.09	+\$176.44	+8.1%						
\$400,000 to \$499,999	67	\$2,639.87	\$2,877.98	+\$238.11	+9.0%						
\$500,000 to \$599,999	47	\$3,204.21	\$3,515.24	+\$311.03	+9.7%						
\$600,000 to \$699,999	14	\$3,780.73	\$4,160.69	+\$379.96	+10.0%						
\$700,000 to \$799,999	6	\$4,337.62	\$4,788.29	+\$450.66	+10.4%						
\$800,000 to \$899,999	4	\$4,733.22	\$5,234.11	+\$500.89	+10.6%						
\$900,000 to \$999,999	4	\$5,419.81	\$6,007.87	+\$588.06	+10.9%						
\$1,000,000 and over	13	\$9,924.54	\$11,084.50	+\$1,159.96	+11.7%						
Total/Mean	1,337	\$1,706.91	\$1,824.03	+\$117.12	+6.9%						

The above tables show that by reducing the Municipal Charge from \$310.60 to \$250, lower value Residential properties would experience a decrease in their average rates compared to higher value properties which would experience an increase as all properties pay the same charge regardless of valuation. Farm Land properties receive an additional benefit from having a high Municipal Charge as the charge is paid on a farming entity basis regardless of how many farm land assessments make up the entity. By reducing the Municipal Charge, lower value Farm Land properties would experience a decrease in their average rates compared to higher value properties which would experience an increase.

Option 2



The above graph shows the rate burden for each category of property for the current 2021-22 budget and option 2 for both general rates and municipal charge.



The above graph shows the change in the average rate for each category of property for the current 2021-22 budget and option 2 for both general rates and municipal charge.

The above graphs show that by increasing the differential rate for Business (Bannockburn), Vacant Land (non-farm), Farm Land (broadacre) and Farm Land (intensive) the rate burden and average rates for each will increase in comparison to other property categories.

The impact on each category of property for a range of valuation bands is shown in the following tables where 'Current' is the budgeted average rates for 2021-22 and 'Modelled' is the modelled average rates under option 2. The average rate includes general rates and the municipal charge.

Residential						B'burn Residential					
#Assess	2021-22 Current	2021-22 Modelled	Change \$	Change %		#Assess	2021-22 Current	2021-22 Modelled	Change \$	Change %	
Up to \$99,999	16	\$501.86	\$443.90	-\$57.96	-11.5%	Up to \$99,999	0	\$0.00	\$0.00	\$0.00	0.0%
\$100,000 to \$199,999	179	\$738.04	\$683.34	-\$54.70	-7.4%	\$100,000 to \$199,999	6	\$739.95	\$685.27	-\$54.68	-7.4%
\$200,000 to \$299,999	508	\$996.87	\$945.73	-\$51.13	-5.1%	\$200,000 to \$299,999	16	\$981.60	\$930.26	-\$51.34	-5.2%
\$300,000 to \$399,999	956	\$1,257.56	\$1,210.03	-\$47.54	-3.8%	\$300,000 to \$399,999	77	\$1,248.29	\$1,200.63	-\$47.66	-3.8%
\$400,000 to \$499,999	1,243	\$1,521.14	\$1,477.29	-\$43.85	-2.9%	\$400,000 to \$499,999	299	\$1,557.59	\$1,514.19	-\$43.40	-2.8%
\$500,000 to \$599,999	1,195	\$1,784.32	\$1,744.05	-\$40.27	-2.3%	\$500,000 to \$599,999	620	\$1,786.67	\$1,746.44	-\$40.24	-2.3%
\$600,000 to \$699,999	957	\$2,038.31	\$2,001.55	-\$36.76	-1.8%	\$600,000 to \$699,999	462	\$2,046.06	\$2,009.41	-\$36.66	-1.8%
\$700,000 to \$799,999	554	\$2,307.80	\$2,274.76	-\$33.05	-1.4%	\$700,000 to \$799,999	371	\$2,310.02	\$2,277.00	-\$33.02	-1.4%
\$800,000 to \$899,999	263	\$2,577.44	\$2,548.11	-\$29.33	-1.1%	\$800,000 to \$899,999	177	\$2,568.97	\$2,539.52	-\$29.44	-1.1%
\$900,000 to \$999,999	117	\$2,856.12	\$2,830.63	-\$25.48	-0.9%	\$900,000 to \$999,999	53	\$2,815.18	\$2,789.14	-\$26.05	-0.9%
\$1,000,000 and over	293	\$3,618.80	\$3,603.84	-\$14.96	-0.4%	\$1,000,000 and over	44	\$3,671.87	\$3,660.40	-\$11.47	-0.3%
Total/Mean	6,281	\$1,778.91	\$1,738.58	-\$40.33	-2.3%	Total/Mean	2,125	\$2,007.67	\$1,970.48	-\$37.19	-1.9%
Farm Broadacre						Farm Intensive					
#Assess	2021-22 Current	2021-22 Modelled	Change \$	Change %		#Assess	2021-22 Current	2021-22 Modelled	Change \$	Change %	
Up to \$99,999	28	\$193.59	\$189.90	-\$3.68	-1.9%	Up to \$99,999	0	\$0.00	\$0.00	\$0.00	0.0%
\$100,000 to \$199,999	76	\$456.61	\$463.74	+\$7.12	+1.6%	\$100,000 to \$199,999	0	\$0.00	\$0.00	\$0.00	0.0%
\$200,000 to \$299,999	82	\$672.39	\$693.18	+\$20.79	+3.1%	\$200,000 to \$299,999	0	\$0.00	\$0.00	\$0.00	0.0%
\$300,000 to \$399,999	88	\$931.04	\$964.19	+\$33.15	+3.6%	\$300,000 to \$399,999	3	\$889.47	\$921.08	+\$31.61	+3.6%
\$400,000 to \$499,999	78	\$1,190.16	\$1,230.32	+\$40.16	+3.4%	\$400,000 to \$499,999	2	\$1,270.57	\$1,318.35	+\$47.78	+3.8%
\$500,000 to \$599,999	88	\$1,447.56	\$1,503.38	+\$55.83	+3.9%	\$500,000 to \$599,999	3	\$1,653.59	\$1,687.01	+\$33.42	+2.0%
\$600,000 to \$699,999	78	\$1,672.45	\$1,741.52	+\$69.07	+4.1%	\$600,000 to \$699,999	2	\$1,839.87	\$1,886.33	+\$46.46	+2.5%
\$700,000 to \$799,999	60	\$1,915.97	\$2,001.95	+\$85.98	+4.5%	\$700,000 to \$799,999	2	\$2,106.62	\$2,171.75	+\$65.14	+3.1%
\$800,000 to \$899,999	71	\$2,130.90	\$2,235.33	+\$104.43	+4.9%	\$800,000 to \$899,999	0	\$0.00	\$0.00	\$0.00	0.0%
\$900,000 to \$999,999	78	\$2,370.18	\$2,487.15	+\$116.97	+4.9%	\$900,000 to \$999,999	1	\$2,608.31	\$2,708.43	+\$100.12	+3.8%
\$1,000,000 and over	542	\$4,859.95	\$5,152.87	+\$292.92	+6.0%	\$1,000,000 and over	7	\$4,364.86	\$4,599.85	+\$235.00	+5.4%
Total/Mean	1,278	\$2,840.63	\$2,996.91	+\$156.28	+5.5%	Total/Mean	20	\$2,560.73	\$2,674.13	+\$113.40	+4.4%
Farm < 40 ha						B'burn Bus & Ind					
#Assess	2021-22 Current	2021-22 Modelled	Change \$	Change %		#Assess	2021-22 Current	2021-22 Modelled	Change \$	Change %	
Up to \$99,999	11	\$42.91	\$43.80	+\$0.89	+1.4%	Up to \$99,999	25	\$368.97	\$317.74	-\$51.23	-13.9%
\$100,000 to \$199,999	31	\$590.31	\$576.83	-\$13.48	-2.3%	\$100,000 to \$199,999	9	\$804.38	\$792.27	-\$12.11	-1.5%
\$200,000 to \$299,999	11	\$754.23	\$746.94	-\$7.29	-1.0%	\$200,000 to \$299,999	12	\$1,147.15	\$1,168.68	+\$21.53	+1.9%
\$300,000 to \$399,999	4	\$1,091.99	\$1,074.62	-\$17.38	-1.6%	\$300,000 to \$399,999	19	\$1,471.28	\$1,524.66	+\$53.38	+3.6%
\$400,000 to \$499,999	8	\$1,445.89	\$1,417.17	-\$28.72	-2.0%	\$400,000 to \$499,999	20	\$1,732.96	\$1,812.03	+\$79.07	+4.6%
\$500,000 to \$599,999	6	\$1,668.84	\$1,659.42	-\$9.42	-0.6%	\$500,000 to \$599,999	6	\$2,089.35	\$2,203.42	+\$114.07	+5.5%
\$600,000 to \$699,999	4	\$2,150.45	\$2,115.23	-\$35.22	-1.6%	\$600,000 to \$699,999	9	\$2,362.61	\$2,503.52	+\$140.90	+6.0%
\$700,000 to \$799,999	3	\$2,255.94	\$2,222.18	-\$33.76	-1.5%	\$700,000 to \$799,999	7	\$2,713.07	\$2,888.38	+\$175.31	+6.5%
\$800,000 to \$899,999	3	\$2,522.36	\$2,492.27	-\$30.09	-1.2%	\$800,000 to \$899,999	3	\$3,046.97	\$3,255.08	+\$208.10	+6.8%
\$900,000 to \$999,999	3	\$2,815.59	\$2,789.55	-\$26.04	-0.9%	\$900,000 to \$999,999	4	\$3,335.52	\$3,571.96	+\$236.44	+7.1%
\$1,000,000 and over	9	\$4,264.82	\$4,205.98	-\$58.84	-1.4%	\$1,000,000 and over	12	\$10,466.75	\$11,405.66	+\$938.91	+9.0%
Total/Mean	55	\$1,924.10	\$1,908.17	-\$15.93	-0.8%	Total/Mean	128	\$2,327.51	\$2,465.67	+\$138.17	+5.9%
Business & Industry						Non Dev Vacant Land					
#Assess	2021-22 Current	2021-22 Modelled	Change \$	Change %		#Assess	2021-22 Current	2021-22 Modelled	Change \$	Change %	
Up to \$99,999	53	\$377.17	\$317.49	-\$59.68	-15.8%	Up to \$99,999	56	\$459.16	\$400.61	-\$58.55	-12.8%
\$100,000 to \$199,999	26	\$735.44	\$680.70	-\$54.74	-7.4%	\$100,000 to \$199,999	125	\$701.93	\$646.72	-\$55.20	-7.9%
\$200,000 to \$299,999	20	\$959.58	\$907.93	-\$51.65	-5.4%	\$200,000 to \$299,999	53	\$944.56	\$892.71	-\$51.85	-5.5%
\$300,000 to \$399,999	20	\$1,251.58	\$1,203.96	-\$47.62	-3.8%	\$300,000 to \$399,999	16	\$1,255.17	\$1,207.60	-\$47.57	-3.8%
\$400,000 to \$499,999	14	\$1,489.91	\$1,445.58	-\$44.33	-3.0%	\$400,000 to \$499,999	8	\$1,517.50	\$1,473.55	-\$43.95	-2.9%
\$500,000 to \$599,999	6	\$1,804.03	\$1,764.03	-\$40.00	-2.2%	\$500,000 to \$599,999	7	\$1,775.74	\$1,735.35	-\$40.39	-2.3%
\$600,000 to \$699,999	3	\$1,979.70	\$1,942.12	-\$37.57	-1.9%	\$600,000 to \$699,999	1	\$2,131.68	\$2,096.20	-\$35.48	-1.7%
\$700,000 to \$799,999	3	\$2,346.24	\$2,313.72	-\$32.52	-1.4%	\$700,000 to \$799,999	1	\$2,434.74	\$2,403.45	-\$31.29	-1.3%
\$800,000 to \$899,999	1	\$2,582.25	\$2,552.99	-\$29.26	-1.1%	\$800,000 to \$899,999	0	\$0.00	\$0.00	\$0.00	0.0%
\$900,000 to \$999,999	1	\$2,829.00	\$2,803.14	-\$25.86	-0.9%	\$900,000 to \$999,999	0	\$0.00	\$0.00	\$0.00	0.0%
\$1,000,000 and over	8	\$4,201.01	\$4,194.08	-\$6.93	-0.2%	\$1,000,000 and over	2	\$4,105.63	\$4,097.39	-\$8.24	-0.2%
Total/Mean	155	\$1,077.51	\$1,027.49	-\$50.02	-4.6%	Total/Mean	269	\$821.36	\$767.81	-\$53.55	-6.5%
Vacant Land											
#Assess	2021-22 Current	2021-22 Modelled	Change \$	Change %							
Up to \$99,999	160	\$673.25	\$654.95	-\$18.30	-2.7%						
\$100,000 to \$199,999	413	\$1,081.17	\$1,109.44	+\$28.27	+2.6%						
\$200,000 to \$299,999	348	\$1,690.16	\$1,788.24	+\$98.09	+5.8%						
\$300,000 to \$399,999	253	\$2,177.65	\$2,331.81	+\$154.16	+7.1%						
\$400,000 to \$499,999	67	\$2,639.87	\$2,850.08	+\$210.20	+8.0%						
\$500,000 to \$599,999	47	\$3,204.21	\$3,480.55	+\$276.34	+8.6%						
\$600,000 to \$699,999	14	\$3,780.73	\$4,119.28	+\$338.55	+9.0%						
\$700,000 to \$799,999	6	\$4,337.62	\$4,740.24	+\$402.61	+9.3%						
\$800,000 to \$899,999	4	\$4,733.22	\$5,181.34	+\$448.11	+9.5%						
\$900,000 to \$999,999	4	\$5,419.81	\$5,946.91	+\$527.09	+9.7%						
\$1,000,000 and over	13	\$9,924.54	\$10,969.79	+\$1,045.26	+10.5%						
Total/Mean	1,337	\$1,706.91	\$1,807.35	+\$100.44	+5.9%						

The above tables show that by reducing the Municipal Charge from \$310.60 to \$250 and increasing the differential rates on Farm Land (broadacre) and Farm Land (intensive) properties compared to option 1, all Residential properties would experience a decrease in their average rates with lower value residential properties experiencing the highest percentage decrease. In comparison all Farm Land broadacre and intensive properties would experience an increase in their average rates with higher value properties experiencing the highest percentage increase.