Rural City of Wangaratta

Revenue and Rating Plan 2021-2025

April 2021

Contents

1. Welcome to the Revenue and Rating Plan

Welcome to the 2021 Rural City of Wangaratta (RCOW) Revenue and Rating Plan. The *Local Government Act of 2020* requires all councils to publish a plan setting out how income will be generated to fund delivery of their Council Plans.

This Revenue and Rating Plan is supplementary to the Rural City of Wangaratta Rating Strategy 2018-2022 which defines more specifically how rates are set across the municipality. This document focuses on providing accessible information for our community on revenue and rating.

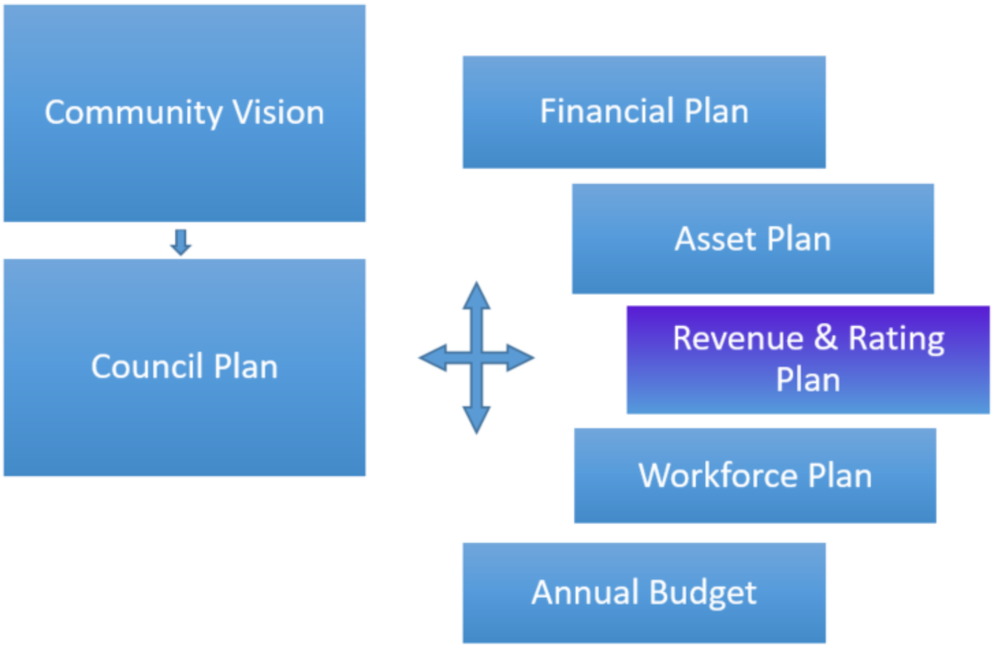
2. Purpose

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 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 RCOW 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. Strategies outlined in this plan 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 within Council's Integrated Planning Framework.

Key Documents in the Integrated Planning Framework:



This plan explains how Council determines 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.

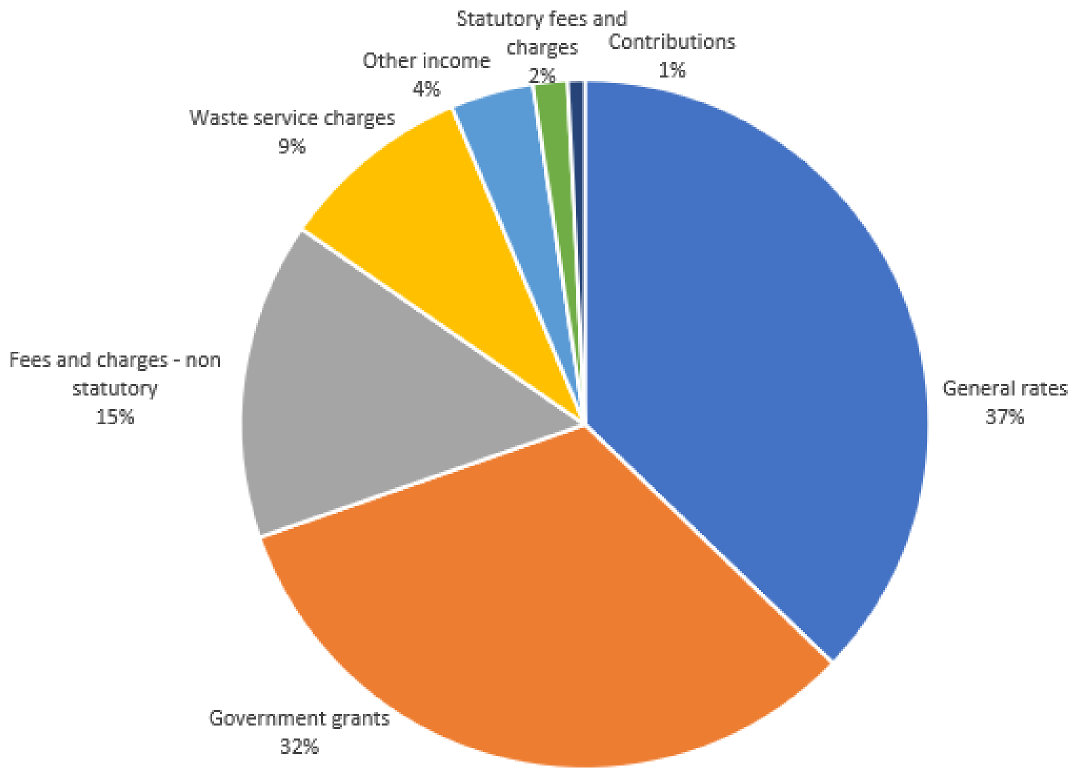
In particular, this plan will set out decisions that Council has made in relation to rating options available to it under the *Local Government Act 1989* to ensure the fair and equitable distribution of rates across property owners. It will also set out principles that are used in decision making for other revenue sources such as fees and charges.

It is important to note that this plan does not set revenue targets for Council, rather it outlines the strategic framework and decisions that inform how Council will go about calculating and collecting its revenue.

3. Introduction

Council provides a range of services and infrastructure for our local community, and in doing so, must collect revenue to cover the costs incurred in providing them.

Distribution of Council Revenues (Illustrative from the adopted 2020/21 Budget, %):



Council's revenue sources include:

- General rates
- Waste Service Charges
- Government grants
- Fees and charges – non statutory
- Statutory fees and charges
- Contributions
- Other income (such as borrowings, interest from investments, proceeds from sale of assets)

Rates are the most significant revenue source for Council and made up 37% of its 2020/2021 budgeted annual income. As is the case for most rural and regional councils, RCOW also has a heavy reliance on grant funding.

The introduction of rate capping under the Victorian Government's Fair Go Rates System (FGRS) has brought a renewed focus and challenge 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. Optimising service delivery levels and maintaining community assets remain key priorities for Council. This document will address Council's reliance on rate income and the actions the organisation is undertaking to improve Council's long term financial sustainability.

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, Council usually has 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.

4. 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 was undertaken to ensure due consideration and feedback was invited from relevant stakeholders.

Revenue and Rating Plan community engagement process:

- Draft Revenue and Rating Plan prepared by officers,
- Draft Revenue and Rating Plan placed on public exhibition at April 2021 Council meeting for a period of 28 days and calling for public submissions,
- Community engagement through local newspaper (Wangaratta Chronicle) and Council's website,
- Revenue and Rating Plan adopted unchanged.

5. Revenue Raising Principles

5.1 Overview

The Rural City of Wangaratta requires sufficient revenue to satisfy its service delivery needs and to fund its ongoing infrastructure and asset management needs. The most significant sources of these funds are:

- General Rates
- Government Grants
- Fees and Charges
- Waste Service Charges

5.2 General Rates

Rates are an important part of the Council's ability to fund and deliver essential community infrastructure services for the municipal population. The rates that Council collects are a form of property tax. The value of each property is used as the basis for calculating what each property will pay. This taxation system includes flexibility for councils to use different tools in the rating structure to accommodate issues of equity and to ensure fairness in rating for all ratepayers.

Where do my rates go?

Rates are a critical source of income which allow Council to provide a range of services to help our community members to enjoy healthy, active and safe lifestyles. Rates contribute to funding services and infrastructure like:

- Maintenance of Council roads, footpaths and bridges
- Upkeep of public open spaces, sports fields and playgrounds
- Initiatives to build our economy by attracting visitors and new businesses
- Providing vibrant arts and culture programming including events, the gallery, performing arts and library
- Providing opportunities for the community to stay active and healthy, through the provision of the Wangaratta Sports and Aquatic Centre, an extensive paths network and wellbeing programs like Grit and Resilience
- Ensuring responsible growth in the municipality by providing Building, Planning and Compliance services
- Maintaining existing assets and building new infrastructure to meet the needs of the community.

The following spending snapshot demonstrates how every $100 of Council revenue is spent:

Rural City of Wangaratta Spending Snapshot 2021/22 - Spending Breakdown per $100 of Council Expenditure

Source: Rural City of Wangaratta Budget 2021-22. Note: the overall balance of spending may vary year on year according to the needs and focus of future capital works initiatives.

5.2.1 How Rates are Calculated

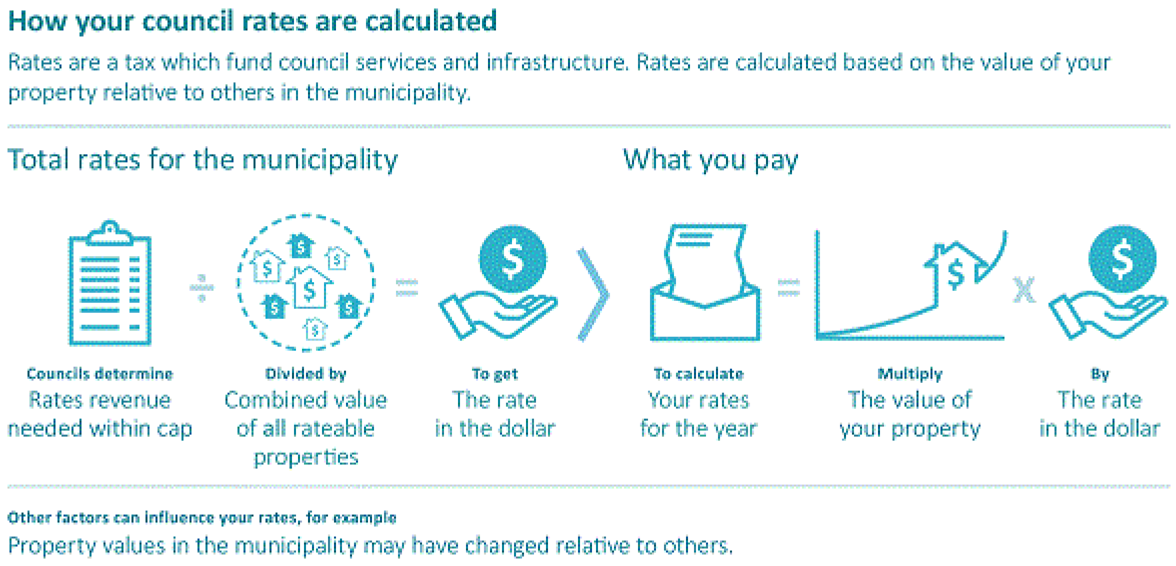


Image Source: LocalGovernment.vic.gov.au, Calculating Rates – How council rates are calculated in Victoria

Council determines the total rates revenue to be raised within the bounds of the rate cap. The total revenue to be raised in general rates is then divided by the total value of all rateable properties in the municipality. The resulting figure is called the ‘rate in the dollar’. Council will then determine the amount to be paid in rates by applying a ‘rate in the dollar’ to the assessed value of each property. When the total value of all properties goes up, the rate in the dollar will be reduced. The rate in the dollar is published in the Annual Budget.

How the total rates revenue is determined

The Fair Go Rates System was introduced by the Victorian Government in 2016 to limit the amount councils can increase rates in a year without seeking additional approval. Each year the Minister for Local Government sets the average rate cap – that is, the maximum percentage increase in councils’ average rates for the forthcoming year.

The rate cap is based on the change in the Consumer Price Index plus any adjustments on advice of the Essential Services Commission. Over the past three years the rate cap has been set at 2.5% (2019/20), 2.0% (2020/21) and 1.5% (2021/22) and RCOW has increased total rates revenue by the same amount.

Council also has the ability to raise rates each year by less than the rate cap. This decision is taken when the Annual Budget is adopted this year. When making this decision, Council will consider how it balances changes in community needs and the services Council provides to meet these needs, along with anticipated increases to Council's cost base.

RCOW needs to strengthen its long-term financial sustainability in response to financial pressures arising from issues such as:

- The impact of Covid-19 on ability to run and generate normal revenues from certain council services,
- The cost for providing services and maintaining infrastructure continues to grow at a faster rate than the rate cap,
- Changes in the way some services are delivered,
- The level of borrowings which has funded delivery of some high priority initiatives such as delivery of the Wangaratta Central Business District Masterplan, but which reduces the future capacity of Council to raise additional funds at short notice,
- The impact of recent and increasingly frequent emergency events on Council's finances – such as a significant increase in insurance costs and natural disaster events,
- The need to, as custodians for the community, ensure that community infrastructure (buildings and other assets) can continue to be maintained long into the future.

In addition to the above, there are broader risks facing all councils that need to be considered and prepared for, such as:

- Future natural disasters requiring council support for relief and recovery,
- The impact of a possible post-Covid global recession on the local economy,
- Possible continued increases in waste management costs,
- Cost shifting (where other areas of government require local government authorities to take on additional services without providing accompanying funding),
- Change to the availability of grant funding as State and Federal Government rebuild central budgets following Covid-19.

As a result of these challenges and risks, it is likely that officers will recommend increasing rates by the full rate cap amount. This will continue to be reviewed annually as part of the adoption of Council's Annual Budget. The *Local Government Act 2020* also requires that Council adopts a 10 Year Financial Plan by October 2021. This document will set out Council's assumptions of the anticipated rate cap amount over that time period. Both of these documents will be placed on public exhibition in order to receive community submissions.

Higher Rate Cap

If any council considers the average rate cap to be insufficient for its needs, the council can apply to the Essential Services Commission for a 'higher rate cap increase percentage'. A higher rate cap application must align with the purposes of the Fair Go Rates System, namely:

1. To promote the long-term interests of rate payers and the community in relation to sustainable outcomes in the delivery of services and critical infrastructure; and,
2. To ensure that a council has the financial capacity to perform its duties and functions and exercise its powers.

A higher rate cap is a decision of last resort that is not taken lightly and that would require significant planning and community engagement. RCOW is currently undertaking a Financial Sustainability Program in order to strengthen its long-term financial outlook. Through this program, Council will make every possible effort to generate its own savings and benefits and avoid the need for a higher rate cap. Good progress has already been made however should this Financial Sustainability Program not be successful in identifying all the necessary savings or benefits, and/or should Council need to increase its capital works program or the range of services it delivers in order to meet a community demand, then a rate cap variation is an option that may need to be considered in the future.

5.2.2 Legislative and Policy Framework

The Rating System

The legislative framework set out in the *Local Government Act 1989* determines Council's ability to develop a rating system. The framework provides significant flexibility to Council to tailor a system that suits its needs.

Section 155 of the *Local Government Act 1989* provides that a Council may declare the following rates and charges on rateable land:

- General rates under Section 158
- Municipal charges under Section 159
- Service rates and charges under Section 162
- Special rates and charges under Section 163

In raising council rates, Council is also required to primarily use the valuation of the rateable property to levy rates. Section 157 (1) of the *Local Government Act 1989* provides Council with three choices in terms of which valuation base to utilise.

Council's recommended strategy in relation to municipal charges, service rates and charges, special rates and charges and valuation methodology are discussed later in this document.

Transparency and publishing of rates

Whilst this document outlines Council's strategy regarding rates revenue, rates data will be contained in the Council's Annual Budget. Section 94(2) of the *Local Government Act 2020* states that councils must adopt an Annual Budget by 30 June each year (or at another time fixed by the Minister) to include:

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

Section 94(3) of the *Local Government Act 2020* also states that council must ensure that, if applicable, the budget also contains a statement:

a. That the council intends to apply for a special order to increase the council's average rate cap for the financial year or any other financial year, or,
b. That the council has made an application to the Essential Services Commission (ESC) for a special order and is waiting for the outcome of that application, or,
c. That a special order has been made in respect of the council and specifying the average rate cap that applies for the financial year or any other financial year.

This document outlines the principles and rating framework that Council will utilise in calculating and distributing the rating burden to property owners, however, the quantum of rate revenue and rating differential amounts will be determined in the RCOW Annual Budget.

Council Policy

RCOW has the following strategy and policy in place to determine how rates are determined and collected:

- Rating Strategy 2018-2022: This document provides more detailed information as to how exactly individual rates are determined, key actions and the administration of how rates are charged. A community panel was actively engaged in its development.
- Financial Hardship Policy – Rates: This policy sets out guidelines for how Council will assist ratepayers suffering financial hardship.

This Revenue and Rating Plan should be read in conjunction with the above documents and provides a more strategic overview as to how Council determines its rates revenue in its Budget and 10 Year Financial Plan. Further information about the Rating Strategy is included below.

Possible future changes to policy and legislation

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.

The Victorian Ombudsman is also currently undertaking an investigation into how councils respond to ratepayers in financial hardship. The investigation report is expected to be tabled in Parliament in the coming weeks.

Council will review this Revenue and Rating Plan and related policies in light of any changes arising from the above-mentioned findings or changes to legislation once they are published and will amend this document as necessary.

5.2.3 Principles for the Setting of Rates

Council has regard to the following principles when determining the equitable imposition of rates:

- **Equity:** the extent to which the rate burden is shared across the community.
- **Benefit:** the extent to which those who receive benefits of Council's services also pay for those services.
- **Capacity to pay:** the extent to which those who pay for Council's services also pay for those services.
- **Simplicity:** the extent to which the system is simple and easy to understand and administratively practical and cost effective.
- **Sustainability:** the extent to which there is a reasonable degree of stability in the rating system and it is durable and flexible in changing conditions.

5.2.4 The Rating Structure

This section sets out the structure by which RCOW will generate revenue through the collecting of rates on properties and how these rates will be set fairly and equitably. It should be read in conjunction with RCOW's Rating Strategy (2018-2022). The Rating Strategy will be updated in the 2021/22 Financial Year once this Revenue and Rating Plan, and other key documents in the Integrated Planning Framework such as the Council Plan, have been adopted.

The Rural City of Wangaratta's rating structure is based on the following key foundations:

- **General Rates** are based on property valuations which are indicative of capacity to pay and form the central basis of rating. RCOW uses the Capital Improved Value as the basis for calculating general rates.
- **Rating Differentials** are applied based on the purpose for which the property is used. That is, whether the property is used for residential, commercial/industrial or farming purposes. This

distinction is based on the concept that different property categories should pay a fair and equitable contribution, taking into account the benefits those properties derive from the local community and council-delivered services.

- **Service Rates and Charges** are applied for the collection and disposal of waste from individual businesses and properties and for providing waste services for the municipality.
- A **Municipal Rates Concession** shall be applied and be available to ratepayers who hold either a Pensioner Concession Card or Veteran's Gold Card, in accordance with the concession rules determined by the Department of Families, Fairness & Housing.

The following options are available under the Local Government Act 1989, however RCOW has chosen <u>not</u> to apply them:

- A **Municipal Charge** is a minimum rate to be charged per property and is declared for the purpose of covering some of the administrative costs of council. Whilst this would ensure that each rateable property in the municipality makes a contribution, it is a regressive tax and would have the effect of increasing the rates burden on lower valued properties which would in turn likely disadvantage the most financially vulnerable in the community.
- **Special Rates and Charges** can be levied for particular works, allowing councils to pass on the cost of capital infrastructure to a particular group of property owners that generally receive a unique benefit from those construction works. To date, RCOW has not had a reason to levy any special rates however this option may be considered should a future demand arise.

5.2.5 Determination of Property Valuations

Rates are levied on the value of properties. Valuations are used as a means by which the rate burden is applied proportionately across all properties in the municipality. Information about each individual property value is included within the corresponding rates notice.

Property values are determined by independent professional valuers who are appointed by the State Valuer General. These valuers assess the value of each property in line with guidelines laid down by the State Valuer General. State legislation requires all properties be revalued annually.

Valuers must assess the value of a property in three ways:

1. Capital Improved Value (CIV) – the total value of the land plus buildings and other improvements.
2. Net Annual Value (NAV) – the current value of a property's net annual rent, based on the Capital Improved Value.
3. Site Value (SV) – the value of the land only.

RCOW, along with over 90% of Victorian councils, uses Capital Improved Value to levy rates. This takes into account the fully developed value of the property and Council believes this is the most equitable method. It is recommended that RCOW continues to use Capital Improved Value ongoing.

Advantages of using Capital Improved Value (CIV)

1. CIV includes all property improvements, and hence is often supported on the basis that it more closely reflects "capacity to pay". The CIV rating method takes into account the full development value of the property, and hence better meets the equity criteria than Site Value and NAV.
2. With the increased frequency of valuations (previously two-year intervals, now undertaken annually) the market values are more predictable, and this has reduced the level of objections resulting from valuations.
3. The concept of the market value of property is more easily understood with CIV rather than NAV or SV.
4. Most councils in Victoria have now adopted CIV which makes it easier to compare relative movements in rates and valuations across councils.
5. The use of CIV allows Council to apply differential rates which greatly adds to Council's ability to equitably distribute the rating burden based on ability to afford council rates. CIV allows Council to apply higher rating differentials to the commercial and industrial sector that offset residential rates.

Disadvantages of using CIV

1. The main disadvantage with CIV is the fact that rates are based on the total property value which may not necessarily reflect the income level of the property owner as with pensioners and low-income earners.

5.2.6 Supplementary Valuations

Supplementary valuations are carried out for a variety of reasons including rezoning, subdivisions, amalgamations, renovations, new constructions, extensions, occupancy changes and corrections. The Victorian Valuer-General is tasked with undertaking supplementary valuations and advises councils on a monthly basis of valuation and Australian Valuation Property Classification Code (AVPCC) changes.

Supplementary valuations bring the value of the affected property into line with the general valuation of other properties within the municipality. Objections to supplementary valuations can be lodged in accordance with Part 3 of the *Valuation of Land Act 1960.* Any objections must be lodged with Council within two months of the issue of the supplementary rate notice.

5.2.7 Objections to Property Valuations

A property owner may lodge an objection against the valuation of a property or the Australian Valuation Property Classification Code (AVPCC) within two months of the issue of the original or amended (supplementary) Rates and Valuation Charges Notice (Rates Notice), or within four months if the notice was not originally issued to the occupier of the land.

A property owner may lodge their objection to the valuation or the AVPCC electronically via the Valuer General Victoria Portal or on prescribed form with council. Property owners also have the ability to object to the site valuations on receipt of their Land Tax Assessment. Property owners can appeal their land valuation within two months of receipt of their Council Rate Notice (via Council) or within two months of receipt of their Land Tax Assessment (via the State Revenue Office).

5.2.8 Differential Rates

The *Local Government Act 1989* allows Council to apply differential rates which allocate variable rates in the dollar to different categories of rateable land. It is recommended that Council continues to apply differential rates to achieve greater equity in rate setting by shifting part of the rate burden from some groups of ratepayers to others.

Council currently applies eleven differential rate categories:

1. General rate – typically land used primarily for residential purposes
2. General Vacant – unimproved land which is zoned to be used primarily for residential purposes
3. Rural Residential – primarily residential land that is less than 8ha in size and is located in a semi-rural setting with a dwelling
4. Rural Residential Vacant – unimproved land that is less than 8ha in size and is located in a rural or semi-rural setting
5. Rural 1 – farming and rural land that is between 2ha and 40ha in size
6. Rural 2 – farming and rural land that is above 40ha in size
7. Commercial – land that is primarily used for commercial purposes, including manufacturing or the sale of goods or services
8. Industrial – land that is primarily used for industrial purposes, including manufacturing or the sale of goods or services
9. Commercial & Industrial Vacant – unimproved land which is zoned to be primarily used for commercial or industrial purposes
10. Mixed Use – any land on which there is a building which is a principal place of residence and which is used, designed or adapted for the carrying out of the manufacture or production of, or the trade in, goods and services
11. General Vacant > Three Years - unimproved land which is zoned to be used primarily for residential purposes which has been vacant for more than three years at 1 July.

Councils are required to specify the objectives of the differential rates, and these are set out in Appendix A. Importantly, the highest differential rate cannot be more than four times that of the lowest.

Advantages of a differential rating system

The advantages of utilising a differential rating system include:

1. Providing greater flexibility to distribute the rate burden between all classes of property, and therefore link rates with the ability to pay, for example by reflecting the tax deductibility of rates for commercial and industrial premises.
2. Allowing Council to better reflect the investment required by Council to establish infrastructure to meet the needs of the commercial and industrial sector.
3. Allowing Council to reflect the unique circumstances of some rating categories where the application of a uniform rate may create an inequitable outcome (e.g., farming enterprises).
4. Allowing Council discretion in the imposition of rates to facilitate and encourage appropriate development of its municipal district in the best interest of the community.

Disadvantages of a differential rating system

The disadvantages in applying a differential rating system are:

1. The justification of the differential rate can at times be difficult for the various groups to accept giving rise to queries and complaints where the differentials may seem to be excessive.
2. Differential rates can be confusing to ratepayers, as they may have difficulty understanding the system. Some rating categories may feel they are unfavourably treated because they are paying a higher level of rates than other ratepayer groups.
3. Differential rating involves a degree of administrative complexity as properties continually shift from one type to another (e.g., residential to commercial,) requiring Council to update its records. Ensuring the accuracy/integrity of Council's data base is critical to ensure that properties are correctly classified into their right category.
4. Council may not achieve the objectives it aims for through differential rating. For example, Council may set its differential rate objectives to levy a higher rate on land not developed, however it may be difficult to prove whether the rate achieves those objectives.

5.2.9 Waste Service Charges

Section 162 of the *Local Government Act 1989* provides Council with the opportunity to raise service charges for the collection and disposal of waste. Council's garbage, recycling and organic collection charges apply to all urban and rural properties where a collection service is available or provided by Council, whether or not the service is used. This is outlined in Council's Waste Services Policy.

The waste service charges account for the various costs associated with the provision of waste management services including:

1. Provision of weekly and fortnightly kerbside waste, recycling, and organic collection services;

2. Waste disposal and management, including addressing illegal dumping and litter across the municipality;
3. Providing waste services for the municipality (street litter bins for instance);
4. Development, rehabilitation and operation of the Council's landfill and organics processing facilities in accordance with Environment Protection Authority License;
5. Operation of transfer stations in Wangaratta, Markwood, Moyhu and Eldorado; and,
6. Waste minimisation promotion and education.

Waste service charges appear as a separate amount on the rate assessment notice and vary depending on the type and size of the bin and location of collection. Charges are detailed in the Annual Budget and are not subject to the Fair Go Rate cap.

Waste services are delivered in accordance with the Waste Services Policy and charges are reviewed annually. There is full cost recovery on waste charges. The amounts on annual rates notices are based on the cost of the previous year and the following year's projected increase for providing the service.

It is recommended that Council retain the existing Waste Service Charge – should Council elect not to have a waste service charge, this same amount would be required to be raised by way of an increased general rate, meaning that residents in higher valued properties would subsidise the waste service of lower valued properties.

Whilst this same principle applies for rates in general, the mix of having a single fixed charge combined with valuation driven rates for the remainder of the rates invoice provides a balanced and equitable outcome.

5.2.10 Fire Services Property Levy

In 2012 the Victorian State Government passed legislation, *Fire Services Property Levy Act 2012*, requiring the Fire Services Property Levy to be collected from ratepayers. The Fire Services Property Levy helps fund the services provided by the Fire Rescue Victoria and the Country Fire Authority (CFA).

The Fire Services Property Levy is based on two components: a fixed charge, and a variable charge which is linked to the Capital Improved Value of the property. This levy is not included in the rate cap and increases in the levy are at the discretion of the State Government.

The State Government imposes the levy on an annual basis and Council collects this levy with the annual rates notices. All levies collected by Council are passed through to the State Government - Council does not retain any funds collected.

5.2.11 Municipal Rates Concession (Pensioner Rebates)

The Municipal Rates Concession is available to ratepayers who hold either a Pension Concession Card or Veterans' Affairs Gold Card (given for TPI, War Widow, EDA or POW) card, in accordance with the concession rules determined by the Department of Families, Fairness & Housing.

5.2.12 Collection and Administration of Rates and Charges

The purpose of this section is to outline the rate payment options, processes, and the support provided to ratepayers facing financial hardship.

Payment options

In accordance with section 167(1) of the *Local Government Act 1989* ratepayers have the option of paying rates and charges by way of four instalments. Payments are due on the following prescribed dates:

1. 1st Instalment: 30 September
2. 2nd Instalment: 30 November
3. 3rd Instalment: 28 February
4. 4th Instalment: 31 May

Council offers a range of payment options including:

1. Online via Council's ratepayer portal
2. Direct debit
3. Phone – pay using Mastercard or Visa
4. BPAY
5. In person at Council offices (cheques, EFTPOS, credit/debit cards and cash)
6. Australia Post - cash, cheque or EFTPOS
7. Mail (cheques only).

Interest on arrears and overdue rates

Interest is charged on all overdue rates in accordance with Section 172 of the *Local Government Act 1989*. The interest rate applied is fixed under Section 2 of the *Penalty Interest Rates Act 1983*, which is determined by the Minister and published by notice in the Government Gazette.

Municipal Rates Concession

Those eligible for the Municipal Rates Concession may 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.

With regards 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.

Financial Hardship Policy – Rates

It is well understood that some ratepayers may experience financial hardship for a whole range of issues and that meeting rate obligations constitutes just one element of a number of difficulties that may be faced. The purpose of Council's Financial Hardship Policy for Rates is to provide options for ratepayers facing such situations to deal with the situation positively and reduce the strain imposed by financial hardship.

Ratepayers may elect to either negotiate a rate payment plan or apply for a rate deferral. Ratepayers seeking to apply for such provision can either call the Rates Team to discuss the arrangement or submit a written application or a Payment Plan Request which is available at the Council office, on Council's website or can be posted to the ratepayer upon request.

Deferred payments

Under Section 170 of the *Local Government Act 1989*, Council may defer the payment of any rate or charge for an eligible ratepayer whose property is their sole place of residency, allowing ratepayers an extended period of time to make payments or alternatively to forestall payments on an indefinite basis until the ratepayer ceases to own or occupy the land in respect of which rates and charges are to be levied.

Deferral of rates and charges are available to all ratepayers who satisfy the eligibility criteria and have proven financial difficulties. Where Council approves an application for deferral of rates or charges, interest may continue to be levied on the outstanding balance of rates and charges depending on the agreed terms of the arrangement.

Debt recovery

Council makes every effort to contact ratepayers at their correct address, but it is the ratepayers' responsibility to properly advise Council of their contact details. The *Local Government Act 1989* Section 230 and 231 requires both the vendor and buyer of property, or their agents (e.g. solicitors and or conveyancers), to notify Council by way of acquisition of an interest in land.

In the event that an account becomes overdue, Council will issue an overdue reminder notice which will include accrued penalty interest. In the event that the account remains unpaid, Council may take legal action without further notice to recover the overdue amount. All fees and court costs incurred may be recoverable from the ratepayer.

If an amount payable by way of rates in respect to land has been in arrears for three years or more, Council may take action to sell the property in accordance with the *Local Government Act 1989* Section 181.

The Rural City of Wangaratta recognises that cases of financial hardship require respect and compassion. Council encourages anyone in financial difficulty to contact the Rates team to discuss support available to them, through Council and our partners. Contacting Council early and putting a plan in place will mean that the debt recovery process set out above can be avoided.

5.3 Government Grants

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. Grant funding contributes 32% to Council's total revenues. Rural and regional councils are highly dependent upon grant funding and RCOW is no different.

5.3.1 Recurrent Grants

The following are significant grants which recur annually. These are budgeted to continue within Council's 10 Year Financial Plan:

- Financial Assistance Grant – $7.37m per annum
- Aged & Community Care – Packaged Care - $6.79m per annum
- Road to Recovery Grant – $1.55m per annum
- Family Day Care - $0.59m per annum
- Maternal and Child Health - $0.50m per annum

The Financial Assistance Grant provided by the Commonwealth Government under the *Local Government (Financial Assistance) Act 1995 (Commonwealth*) is distributed annually to 79 local governing bodies within Victoria and is 45% of recurrent grant revenue.

The Financial Assistance Grant program consists of two components:

1. A general-purpose component, which is distributed between the states and territories according to population (i.e., on a per capita basis), and,
2. An identified local road component, which is distributed between the states and territories according to fixed historical shares.

Both components of the grant are untied in the hands of local government, allowing councils to spend the grants according to local priorities. Council applies the local roads component to road rehabilitation projects in its Capital Works Program and utilises the general-purpose component to fund Council operations and capital works.

Discontinuation of any of these recurring grants would likely require Council to re-assess the scope or quality of its service delivery in order to make a corresponding reduction to its expenses.

5.3.2 One-Off Grants

Council will proactively advocate to other levels of government for grant funding support to deliver important infrastructure and service outcomes for the community.

Within RCOW's integrated planning framework, the Council Plan sets out the key initiatives that Council intends to undertake over a four-year time horizon. The accompanying Annual Budget and 10 Year Financial Plan then incorporate Council's assumptions regarding the funding sources for those key initiatives. The Financial Plan in particular considers Council's project pipeline, advocacy priorities, upcoming grant opportunities and co-funding options to determine what grants to apply for.

Many major initiatives will require an upfront investment greater than the annual rates revenue can afford in a single financial year. For these projects Council will plan and advocate for external grant funding. The Annual Budget and 10 Year Financial Plan will include any required grant funding and the corresponding council cash contributions thought likely to be required by the associated grant funding body.

RCOW has been very successful at attracting significant grant-funding for a number of recent major programs such as the Aquatics Upgrade and Railway Precinct Regeneration. Council's strong delivery track record stands the municipality in good stead to attract future grant funding.

In addition to pursuing planned grant funding priorities, council officers monitor new grant funding programs and will submit applications if further funding becomes available that will benefit the community. In this way, ratepayers will receive greater total value for money versus the rates they pay.

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 will be clearly documented in Council's Budget document. No project that is reliant on grant funding will proceed until a signed funding agreement is in place.

5.4 Fees and Charges (Non-Statutory)

User fees and charges are those that Council will charge for the use of a wide range of services and community infrastructure.

Examples of user fees and charges include:

- Kindergarten and Childcare fees
- Leisure Centre, Gym, Aquatics Centre visitation and membership fees
- Waste Management charges
- Aged and Health Care service fees
- Leases and facility hire fees

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 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 and adjust service prices to neutralise any competitive advantages when competing with the private sector.

The *Local Government Act 2020* gives councils the power to set non-statutory fees and charges at a level that recovers the full cost of providing the services.

Council typically sets fees and charges in line with the following principles:

1) Full Cost Recovery Pricing
2) Market Pricing
3) Subsidised Pricing

Full cost recovery pricing aims to recover all direct and indirect costs incurred by Council. This pricing is 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 aim to be set at a level that recovers the full cost of providing the services. Waste service charges are an example of full cost recovery.

Direct Costs

The direct costs of a service are those costs that can be readily and unequivocally attributed to a service or activity because they are incurred exclusively for that particular activity. They include:

a. Labour – the wages and salaries of all staff directly working on that service. These costs include staff overheads, such as allowing for annual leave, sick leave, workers' compensation payments and long service leave.
b. Materials and supplies – supplies used in providing the service. This may include contract payments, building maintenance, utility costs and insurance.
c. Administrative expenses – the office support for a service. Typically, an operational unit provides a number of services, so the administrative costs of that unit will need to be allocated across the different services.
d. Capital equipment and assets used in providing the service – this may include plant hire or, where a council owns the equipment and assets, allowance for asset replacement and depreciation.

Indirect Costs

Council has a range of "back office" operations that are not directly tied to any service delivery. Nonetheless, these involve real costs that are incurred in supporting the delivery of direct services.

Indirect costs are typically cross-charged to service areas base on a pro-rata approach which allocates indirect costs on a proportionate basis by using measures that are easily available, such as staff involved in the activity as a percentage of total staff, or the service unit's share of total office space.

Market pricing is where Council sets prices based on the competitive prices of alternate suppliers. In general market price represents full cost recovery plus an allowance for profit. Market prices can be used when other providers exist in the given market, and Council needs to meet its obligations under the government's Competitive Neutrality Policy. An example of this includes Children's Services Long Day Care.

Subsidised pricing 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. Examples of subsidised pricing are swimming pool user fees for the Wangaratta Sports and Aquatic Centre, hire of sports fields, and use of the Library or visitation to the Gallery.

Council determines 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. Council may also decide that for specific services where there is a demonstrated need – for example where council acts as a 'safety net' for community members who may not be able to access or afford services elsewhere – it may set an overriding policy or imperative in favour of subsidisation.

Council does not currently have a user fee pricing policy. Rather, to ensure the fair and equitable setting of prices, officers review all fees and charges for their respective business units annually and adjust the levels consistent with inflation and continued application of the relevant pricing principle.

Council then develops a Schedule of Fees and Charges as part of its annual budget each year. Proposed pricing changes will be included in this Schedule and will be communicated to the public before the budget is adopted, giving the community the chance to review and provide valuable feedback before the fees are locked in.

As part of Council's Financial Sustainability Program, a rolling program of Service Sustainability Reviews is underway, to assess the financial robustness of each service as well as the breadth and quality of service provided. Where applicable, these reviews will undertake more detailed analyses of those individual service areas to ensure that pricing is set at the optimal levels.

5.5 Statutory Fees and Charges

Statutory fees and fines 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.

Examples of statutory fees and fines include:

- Planning and subdivision fees
- Building and Inspection fees
- Infringements and fines
- Land Information Certificate fees

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

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, a Freedom of Information application attracts 2 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 and Charges are also included in the schedule of User Fees and Charges presented in Council's Annual Budget.

5.6 Contributions

Contributions represent income 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 hand-overs.

Examples of contributions include:

- Contributions from user groups towards upgrade of facilities
- Assets handed over to Council from developers at the completion of a subdivision, such as roads, drainage, and streetlights
- Monies collected from developers under planning and development agreements
- Monies collected under developer contribution plans and infrastructure contribution plans

Contributions will 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. In the case of contributions from user groups, Council will also require the payment to be made in advance of the project starting as payment has not always been reliably received in the past.

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

5.7 Interest on investments

Council endeavors to utilise Council's cash on hand effectively and responsibly in accordance with the legislative framework. Investment decisions are made to manage exposure to risk and optimise return on investment while ensuring sufficient liquidity for Council's operational needs.

Interest revenue is dependent on Council's cash available to invest (working capital) and the interest rates offered by financial institutions. Funds available for investment are projected in Council's Long-Term Financial Plan and interest rate assumptions based on current economic factors are applied to forecast interest income from investments.

5.8 Borrowings

Whilst not a source of income, borrowings are accepted by Council as an appropriate and responsible funding method to be applied to meet Council's long term strategic objectives and financial responsibilities as it spreads the payments for such assets and responsibilities across the generations who benefit. Loans can only be approved by council resolution and must be included in the Annual Budget or Revised Budget if triggered.

Council will be guided by its Borrowing Policy, Long-Term Financial Plan and the *Local Government Act 2020* when making borrowing decisions.

6. Administrative Updates

It is recognised that, from time to time, circumstances may change leading to the need for minor administrative changes to this document. Where an update does not materially alter this document, such a change may be made administratively. Examples include a change to the name of a council department, a change to the name of a Federal or State Government department, and a minor update to legislation which does not have a material impact. However, any change or update which materially alters this document must be by resolution of Council.

7. Summary

This Revenue and Rating Plan determines the most appropriate and affordable revenue and rating approach for the Rural City of Wangaratta Council and community which, in conjunction with other income sources, will adequately finance the objectives proposed in the Council Plan.

Appendix A – Differential Rate Definitions

Council believes each differential rate will contribute to the equitable and efficient carrying out of council functions. Details of the objectives of each differential rate, the classes of land which are subject to each differential rate and the uses of each differential rate are set out below.

1. General

OBJECTIVE

The objective of the general rate is to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of council, including, but not limited to, the:

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

TYPES AND CLASSES

All land except where otherwise classified.

GEOGRAPHIC LOCATION

Wherever located in the municipality.

USE OF LAND

Any use permitted under the relevant Planning Scheme.

PLANNING SCHEME ZONE

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

2. General Vacant

OBJECTIVE

The objective of the General Vacant differential is to encourage development of this class of property.

TYPES AND CLASSES

Any land which:

1. is located within a General Residential, Neighbourhood Residential or Residential Growth Zone under the Wangaratta Planning Scheme: and,
2. on which there is no building affixed to the land which is designed and constructed primarily for residential purposes and can lawfully be used as a place of residence.

USE AND LEVEL OF DIFFERENTIAL RATE

The level of the differential rate is set at 200% per cent of the General differential rate.

GEOGRAPHIC LOCATION

Wherever located in the municipality.

USE OF LAND

Any use permitted under the relevant Planning Scheme.

PLANNING SCHEME ZONE

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

TYPES OF BUILDINGS

This category applies to an unimproved class of land only.

3. Rural Residential

OBJECTIVE

The objective of the Rural Residential differential rate is that the reduced benefits received by the lower density property are reflected in property values, and therefore, no discounted rate should be applied.

TYPES AND CLASSES

Any land:

1. Which does not have the characteristics of Commercial/Industrial Land: and,

2.1.Is located within a Rural Living 1 Zone, Rural Living 2 Zone, Low Density Residential Zone, or Township Zone under the Wangaratta Planning Scheme: or,

2.2.(i)Is located within a Farming Zone or Rural Conservation Zone under the Wangaratta Planning Scheme and is less than 8ha in area,

2.2.(ii)Except where the land is a component of a single farm enterprise [as defined in Section 9A(5) of the Fire Services Property Levy Act 2012]; and,

2.2.(iii) Is not less than 2 ha: and,

3. On which there is a building affixed to the land which is designed and constructed primarily for residential purposes and can lawfully be used as a place of residence.

USE AND LEVEL OF DIFFERENTIAL RATE

The level of the differential rate is set at 100% per cent of the General differential rate.

GEOGRAPHIC LOCATION

Wherever located in the municipality.

USE OF LAND

Any use permitted under the relevant Planning Scheme.

PLANNING SCHEME ZONE

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

TYPES OF BUILDINGS

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

4. Rural Residential Vacant

OBJECTIVE

The objective of the Rural Residential Vacant differential is to encourage development of this class of property.

TYPES AND CLASSES

Any land which:

1. which does not have the characteristics of Commercial/Industrial Land: and,

2.1 is located within a Rural Living 1 Zone, Rural Living 2 Zone, Low Density Residential Zone, or Township Zone under the Wangaratta Planning Scheme:

2.2 (i) except where the land is a component of a single farm enterprise [as defined in Section 9A(5) of the Fire Services Property Levy Act 2012]; and,

2.2 (ii) is not less than 2 ha: and,

3. on which there is no building affixed to the land which is designed and constructed primarily for residential purposes and can lawfully be used as a place of residence.

USE AND LEVEL OF DIFFERENTIAL RATE

The level of the differential rate is set at 200% per cent of the General differential rate.

GEOGRAPHIC LOCATION

Wherever located in the municipality.

USE OF LAND

Any use permitted under the relevant Planning Scheme.

PLANNING SCHEME ZONE

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

TYPES OF BUILDINGS

This category applies to an unimproved class of land only.

5. Rural 1

OBJECTIVE

The objective of the Rural Land differential rate is to recognise the reduced infrastructure investment and provision of services to this class of property.

TYPES AND CLASSES

Any land:

1. which does not have the characteristics of Commercial/Industrial Land: and,

2.1 is located within a Farming Zone or Rural Conservation Zone under the Wangaratta Planning Scheme and is not less than 8ha in area; or,

2.2 (i) is a component of a single farm enterprise [as defined in Section 9A(5) of the Fire Services Property Levy Act 2012]; and,

2.2 (ii) is not less than 2 ha.

USE AND LEVEL OF DIFFERENTIAL RATE

The level of the differential rate is set at 70% per cent of the General differential rate.

GEOGRAPHIC LOCATION

Wherever located in the municipality.

USE OF LAND

Any use permitted under the relevant Planning Scheme.

PLANNING SCHEME ZONE

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

TYPES OF BUILDINGS

This category applies equally to unimproved land and land on which buildings are constructed on the land or which are constructed prior to the end of the financial year.

6. Rural 2

OBJECTIVE

The objective of the Rural Land differential rate is to recognise the reduced infrastructure investment and provision of services to this class of property. This differential rate also recognises the land stewardship and amenity that large rural holdings provide to the rural landscape.

TYPES AND CLASSES

Any land:

1. which does not have the characteristics of Commercial/Industrial Land: and,

2.1 is located within a Farming Zone or Rural Conservation Zone under the Wangaratta Planning Scheme and is greater than 40ha in area; or,

2.2 (i) is a component of a single farm enterprise [as defined in Section 9A(5) of the Fire Services Property Levy Act 2012], and when combined total an area greater than 40ha; and,

2.2 (ii) is not less than 2 ha.

USE AND LEVEL OF DIFFERENTIAL RATE

The level of the differential rate is set at 65% per cent of the General differential rate.

GEOGRAPHIC LOCATION

Wherever located in the municipality.

USE OF LAND

Any use permitted under the relevant Planning Scheme.

PLANNING SCHEME ZONE

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

TYPES OF BUILDINGS

This category applies equally to unimproved land and land on which buildings are constructed on the land or which are constructed prior to the end of the financial year.

7. Commercial

OBJECTIVE

The objective of the Commercial rate is to recognise the benefits derived by this class of property including higher infrastructure investment and general support services.

TYPES AND CLASSES

Any land which is:

1.1 located within Mixed Use Zone, Industrial Zone 1, Commercial Zone 1-2, or Special Use Zone 1-4 under the Wangaratta Planning Scheme; and,

1.2 is used primarily for commercial purposes or is obviously adapted or designed to be used primarily for commercial purposes; or,

2. is used for commercial purposes or is obviously adapted or designed to be used for commercial purposes and is not the owner/s principal place of residence; or,

3. is allocated an Australian Valuation Property Classification Code that correlates with the Commercial classification of the Fire Services Property Levy.

USE AND LEVEL OF DIFFERENTIAL RATE

The level of the differential rate is set at 138% per cent of the General differential rate.

GEOGRAPHIC LOCATION

Wherever located in the municipality.

USE OF LAND

Any use permitted under the relevant Planning Scheme.

PLANNING SCHEME ZONE

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

TYPES OF BUILDINGS

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

8. Industrial

OBJECTIVE

The objective of the Industrial rate is to recognise the benefits derived by this class of property including higher infrastructure investment and general support services.

TYPES AND CLASSES

Any land which is:

1.1 located within Mixed Use Zone, Industrial Zone 1, Commercial Zone 1-2, or Special Use Zone 1-4 under the Wangaratta Planning Scheme; and,

1.2 is used primarily for industrial purposes or is obviously adapted or designed to be used primarily for industrial purposes; or,

2. is used for industrial purposes or is obviously adapted or designed to be used for industrial purposes and is not the owner/s principal place of residence; or,

3. is allocated an Australian Valuation Property Classification Code that correlates with the Industrial classification of the Fire Services Property Levy.

USE AND LEVEL OF DIFFERENTIAL RATE

The level of the differential rate is set at 138% per cent of the General differential rate.

GEOGRAPHIC LOCATION

Wherever located in the municipality.

USE OF LAND

Any use permitted under the relevant Planning Scheme.

PLANNING SCHEME ZONE

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

TYPES OF BUILDINGS

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

9. Commercial & Industrial Vacant

OBJECTIVE

The objective of the Commercial & Industrial Vacant differential rate is to recognise the benefits derived by this class of property including higher infrastructure investment and general support services and to encourage development of this class of property.

TYPES AND CLASSES

Any land which:

1. is located within:

   b. Mixed Use Zone
   c. Industrial Zone 1
   d. Commercial Zone 1-2
   e. Special Use Zone 1-4
   under the Wangaratta Planning Scheme; and

2. has developed infrastructure and utilities available to it but in respect of which no commercial or industrial use of occurring; and,

3. on which there is no building affixed to the land which cannot be lawfully occupied.

USE AND LEVEL OF DIFFERENTIAL RATE

The level of the differential rate is set at 200% per cent of the General differential rate.

GEOGRAPHIC LOCATION

Wherever located in the municipality.

USE OF LAND

Any use permitted under the relevant Planning Scheme.

PLANNING SCHEME ZONE

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

TYPES OF BUILDINGS

This category applies to an unimproved class of land only.

10. Mixed Use

OBJECTIVE

The objective of the Mixed Use rate is to recognise the benefits derived by this class of property including higher infrastructure investment and general support services when compared to the General differential category.

TYPES AND CLASSES

Any land:

1.1 on which there is a building, at least part of which is used, designed or adapted for the carrying out of the manufacture or production of, or the trade in, goods and services and is occupied for that purpose; and,

1.2 on which there is a building, at least part of which is used, designed or adapted as a principal place of residence and is lawfully occupied as such: and,

1.3 both or part of the land which meets the requirements of subparagraph 1.1 and the part of the land that meets the requirements of subparagraph 1.2 is occupied by the ratepayer; or,

1.4 where there is more than one ratepayer, at least one of those ratepayers occupies both the parts of the land which meets the requirements of subparagraph 1.1 and the part of the land which meets the requirements of subparagraph 1.2.

USE AND LEVEL OF DIFFERENTIAL RATE

The level of the differential rate is set at 119% per cent of the General differential rate.

GEOGRAPHIC LOCATION

Wherever located in the municipality.

USE OF LAND

Any use permitted under the relevant Planning Scheme.

PLANNING SCHEME ZONE

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

TYPES OF BUILDINGS

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

11. General Vacant > Three Years

OBJECTIVE

The objective of the General Vacant > Three Years differential is to encourage development of medium to long-term unimproved residential property.

TYPES AND CLASSES

Any land which:

1. is located within a General Residential, Neighbourhood Residential or Residential Growth Zone under the Wangaratta Planning Scheme; and,

2. on which there is no building affixed to the land which is designed and constructed primarily for residential purposes and can lawfully be used as a place of residence; and,

3. which has been vacant for more than three years at 1 July.

USE AND LEVEL OF DIFFERENTIAL RATE

The level of the differential rate is set at four times the lowest differential rate

GEOGRAPHIC LOCATION

Wherever located in the municipality.

USE OF LAND

Any use permitted under the relevant Planning Scheme.

PLANNING SCHEME ZONE

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

TYPES OF BUILDINGS

This category applies to an unimproved class of land only.

Rural City of
Wangaratta