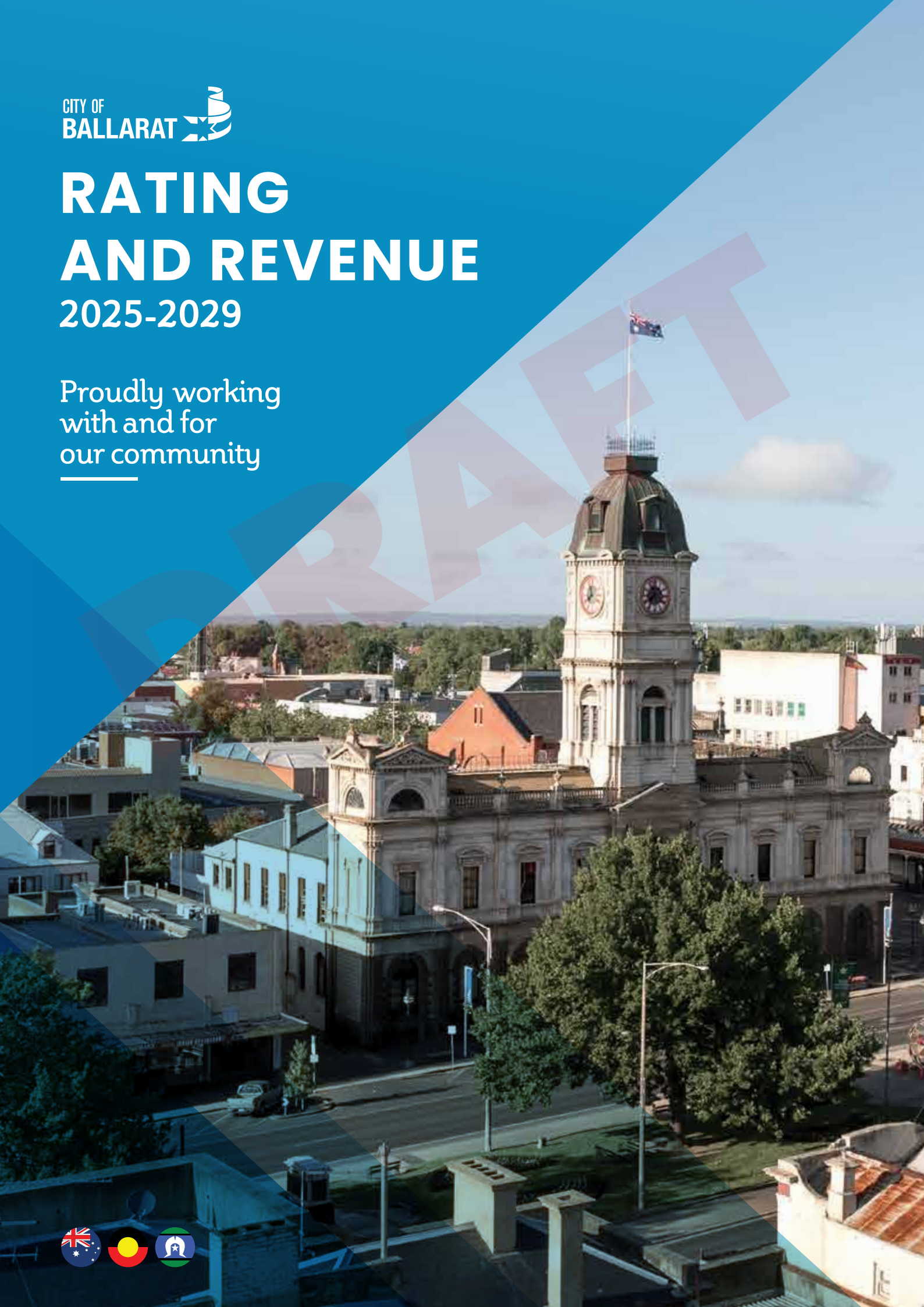
CITY OF BALLARAT

RATING AND REVENUE

2025-2029

Proudly working with and for our community



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Aerial of the Ballarat Botanical Gardens, featuring the Fernery.

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The City of Ballarat acknowledges the Traditional Custodians of the land we live and work on, the Wadawurrung and Dja Dja Wurrung People, and recognises their continuing connection to the land and waterways.

We pay our respects to their Elders past, present and emerging and extend this to all Aboriginal and Torres Strait Islander People.

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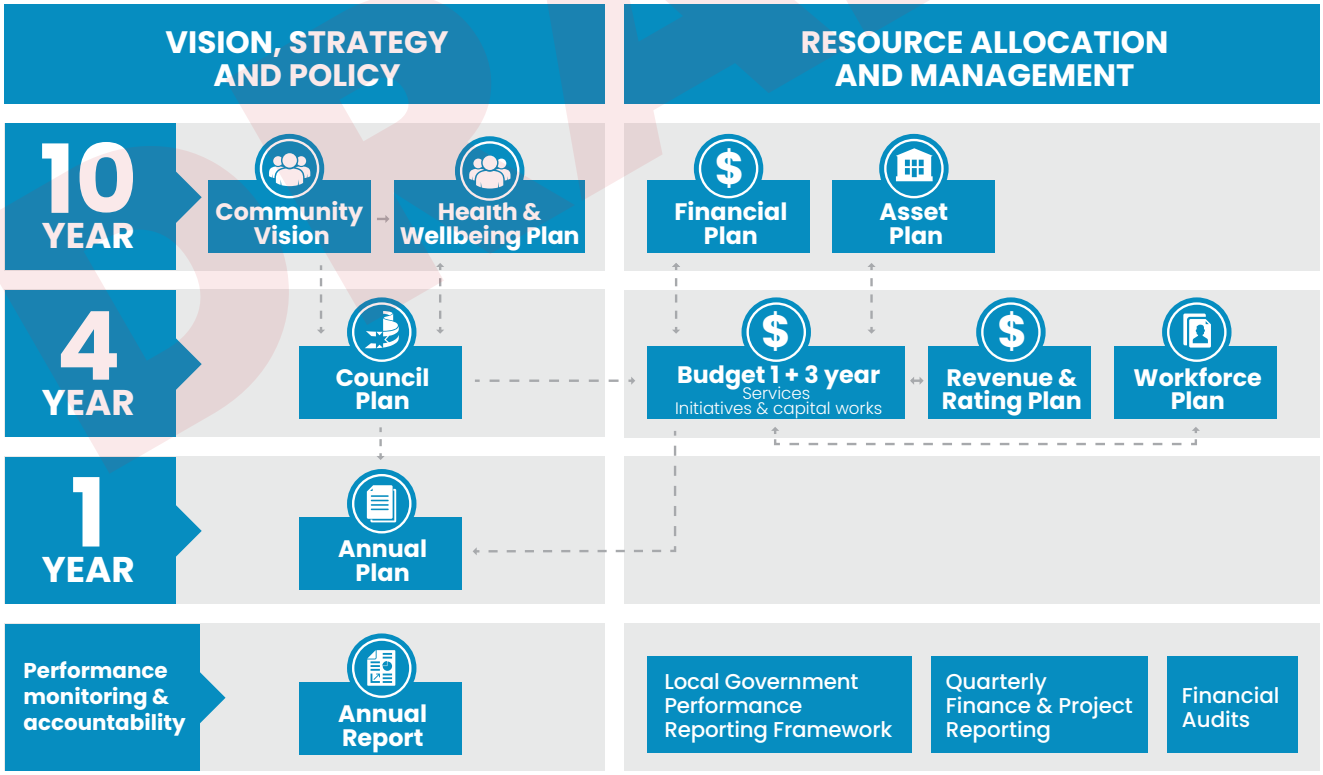
1. Purpose

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

The purpose of the Revenue and Rating Plan is to determine the most appropriate revenue and rating approach for the City of Ballarat (the City)which, in conjunction with other income sources, will adequately finance the objectives in the Council Plan.

The Revenue and Rating Plan is part of the City's Integrated Strategic Planning Framework as set out in the following diagram.

City of Ballarat integrated strategic planning framework



The strategies outlined in this plan align with the objectives contained in the Council Plan and feed into the City's Budget and Long Term Financial Plan, as well as other strategic planning documents.

This plan explains how the City calculates the revenue needed to fund its activities, and how the funding burden will be apportioned between ratepayers and other users of the City of Ballarat's facilities and services.

In particular, this plan sets 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 also sets out principles that are used in decision making for other revenue sources such as fees and charges. The plan does not set revenue targets.

2. Introduction

The City provides a number of services and facilities to its local community, and in doing so, must collect revenue to cover the cost of providing those services and facilities.

The Revenue and Rating plan does not determine how much a property owner pays in rates and charges; it's purpose is to determine the types of rates that are charged, the rate classifications used for each property and how the rates revenue declared by Council through the annual budget process is split between the various rate classifications.

2.1 Revenue Sources

The City of Ballarat has a number of revenue sources that generate the funds used by the City on services and facilities for our community. On average, municipal rates and charges account for approximately 54% of the revenue raised by City of Ballarat. Grants and contributions contribute about 33% while approximately 10% comes from fees and fines. 3% comes from other miscellaneous income sources.

2.2 Revenue Requirements

The Revenue and Rating Plan is a medium-term plan for how the City will generate income to deliver on the Council Plan, program and services and capital works commitments over the next four years. In determining its revenue requirements, the City has identified what each source of revenue is, how much will be raised in each class, and the policy rationale/assumptions for each. In doing this, the City has given consideration to:

- How revenue will be generated through rates on properties (including differential rates [if any] on different property classes)
- Fixed service charges that might be applied on services such as waste or recycling
- Fees and charges for services and programs including cost recovery policies, user charges and means testing
- Recurrent and non-recurrent operational and capital grants from other levels of government
- Developer contributions and other revenue
- Revenue generated from the use or allocation of Council assets (including the application of discounts and waivers)
- Entrepreneurial, business, or collaborative activities established to deliver programs or services and generate income or reduce costs.

2.3 Revenue Balance

The City provides public goods and services, private goods and services and a mix of both to the community. In determining if services should be funded through rates and charges or other revenue sources such as user charges, the City considers whether services are either entirely or partially public goods. That is, where a service provides a broad benefit to the whole community then it will be mostly funded from rates. Where individual or groups of ratepayers receive a particular benefit then the service will be mostly funded from user charges.

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3. Community Engagement

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The deliberative engagement process

The Community Panel comprised 43 randomly selected participants from a recruitment process. Participants met over three face-to-face sessions between February and March 2025. The Community Panel's primary task was to respond to the following remit, in order to help the City of Ballarat formulate our strategic plans.

REMIT

The future of Ballarat is set for significant growth, with the population projected to increase and change in age and diversity. The Community Vision sets out our aspirations for Ballarat's future, however we must ensure we are supporting the Ballarat we know today, while planning for the changing needs of our community.

What should Council do to prioritise and balance our services, infrastructure and finances to best support our community?

The Community Panel worked together to revise the Community Vision and write a set of principles in their own words. All Community Panel members had the opportunity to contribute to the writing and refining of each principle.

The final report consisted of:

- A brief introduction
- The updated Community Vision 2025-2035
- A set of principles

At the conclusion of their final session the Community Panel handed over their report to Councillor Tracey Hargreaves (Mayor) and Evan King (Chief Executive Officer).

The process involved:

a clear question (remit) to focus the deliberations access to a broad range of information from a variety of sources relevant to the remit

conversations and Q&As with City of Ballarat staff

17 hours per person of discussion and deliberations across three Community Panel sessions

support from facilitators experienced in delivering deliberative processes

an online portal that provided a central place for participants to access relevant information inputs

group agreement processes where 80% or more of the Community Panel said they could live with it or better was used as a guiding principle

4. Summary of Changes

There are two major changes to the 2025-2029 Revenue and Rating Plan from the previous 2021-2025 Plan.

A summary of these changes is below:

- Commercial, Industrial and Recreation 2 categories have been combined into a single 'Business' category
- Residential and Rural Residential categories combined into a single 'Residential' category
- Recreation 1 category renamed to 'Recreation'

The following table sets out the proposed changes to the current (2024-25) structure and level of general rates for each type/class of property.

Each of the differential rates below have been expressed as a percentage of the residential rate.

DIFFERENTIAL RATE	2024/25	2025/26	2026/27	2027/28	2028/29
Residential	100%	100%	100%	100%	100%
Business	250%	250%	250%	250%	250%
Farm	72%	72%	72%	72%	72%
Recreation	0%	0%	0%	0%	0%

No changes are proposed to any other revenue policies in this Revenue and Rating Plan.

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5. Legislative Framework

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

5.1 Local Government Act 2020

Section 8 Role of a Council

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

Section 9 Overarching Governance Principles

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

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

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

Section 101 Financial Management Principles

Relevant financial management principles include:

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

Section 94 The Budget

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

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

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

- That 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
- That the Council has made an application to the ESC for a special order and is waiting for the outcome of the application
- 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.

5.2 Local Government Act 1989

Section 155 Charges that Maybe Declared

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

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

Section 157 System of Valuing Land

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

5.3 Quantum of Rates and Charges

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

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5.4 Taxation Principles

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

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

5.5 Rate capping

The Fair Go Rates System (FGRS) sets out the maximum amount councils may increase rates in a year. The cap applies to both general rates and municipal charges and is calculated on the basis of a council's average rates and charges.

A Council may choose to increase their rate revenue by an amount no more than the rate cap that has been set. Should a Council wish to go above the rate cap, an exemption may be sought from the Essential Services Commission following public consultation.

As a result of the annual changes in valuations, the actual rate increase for an individual rateable property may differ from the rate cap percentage due to changes in its valuation in comparison to average valuation changes. 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.

Financial year	Rate cap
2025-26	3.00%
2024-25	2.75%
2023-24	3.50%
2022-23	1.75%
2021-22	1.50%
2020-21	2.00%
2019-20	2.50%
2018-19	2.25%
2017-18	2.00%
2016-17	2.50%

5.6 Property Valuations

From the 2019 year, general revaluations of all properties have been undertaken by the Valuer General Victoria on an annual basis. Council has no input in the setting of property valuations.

All valuations are set on data available at a point in time each year (1 January) and are used by Council from 1 July. Council may request the Valuer General Victoria to perform a supplementary valuation during the year in circumstances where a significant change has occurred on the property that would affect its valuation, the more common circumstances are the subdivision of land or the construction/demolition of a building on the land. In these circumstances, an amended rates notice is issued to the property owner reflecting the change in valuation.

There is a common misconception that Council raises more rates revenue when property valuations increase. Property valuations are used in conjunction with the rate classifications and differentials to determine how the rate revenue is split between property types.

A ratepayer may lodge an objection to their property valuation. An objection must meet the requirements that are set under the Valuation of Land Act 1960.

5.7 *Local Government Act Amendments 2022/2023*

Amendments made to *Local Government Act* in the 2022 year and the 2023 year are noted, however, have no material impact on the Revenue and Rating Plan.

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6. Rates and Charges

Rates and charges are property taxes that allow the City to raise revenue to fund essential public services to cater to its municipal population. Importantly, it is a taxation system that includes flexibility to use different tools in its rating structure to accommodate issues of equity and to ensure fairness in rating for all ratepayers.

6.1 Valuation Method

Legislation

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

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

Policy

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

6.2 Rates and Charges

Legislation

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

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

Policy

The City's current policy for rates and charges is set out in the following sections.

6.3 Differential Rates

Legislation

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

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

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

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

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

Policy and Charges

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

- Residential: this is the base rate that all other differentials are calculated against.
- Business: 250% of the residential rate
- Farm: 72% of the residential rate
- Recreation: This rate is applied under the provision of the *Cultural & Recreational Lands Act 1963*

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

The rating classifications and differential amounts for the term of this revenue and rating plan are displayed in Appendix B

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6.4 Municipal Charge

Legislation

Under Section 155 of the *Local Government Act 1989,* a council may declare a municipal charge. A municipal charge is defined under Section 159 of the *Local Government Act 1989* as a charge used to cover some of the administrative costs of the council. A council's total revenue from a municipal charge in a financial year must not exceed 20% of the sum total of the council's total revenue from a municipal charge and total revenue from general rates.

Policy and Charges

The City does not levy a municipal charge due to its regressive nature, in that it impacts lower value properties which have a lesser capacity to pay.

6.5 Service Rates and Charges

Legislation

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

- Waste, recycling or resource recovery services
- Any other prescribed service.

Policy and Charges

The City has the following service rates and charges:

- General Waste Service Charge
- Recycling Service Charge
- Glass Service Charge
- Food Organics and Garden Organics Service Charge

The City's policy in regard to setting service rates and charges is full cost recovery. These service charges are applied to rates assessments where the provision of the specific service is available, the use of the service does not determine if the charge is applicable.

Further service charges may be included during the term of this revenue and rating plan to include new collection services or to separate the costs of existing services.

6.6 Special Rates and Charges

Legislation

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

Policy

The City applies a special rate for properties in the Bridge Mall for the purposes of employing a manager and for promotion and security of the Bridge Mall and surrounds. The Special Rate Scheme has existed for more than 30 years and is levied at the request of the Bridge Mall Business Association Incorporated. The current Special Rate was declared in 2023 and remains in force for a period of 5 years, expiring on 30 June 2028. Any other rate or charge schemes raised in the future will be carried out in accordance with the requirements of the *Local Government Act 1989.*

6.7 Payment of Rates and Charges

Legislation

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

Policy

Council offers both four instalment and lump sum payment options.

In addition to the legislated options, Council also provides direct debit facilities enabling ratepayers to make small, more regular payments on the rates and charges.

Ratepayers may also chose to make payments towards their rates and charges at any time however need to be mindful that the amount due is paid on or before its due date to avoid penalties.

Payment Dates

Council offers the following legislated rate payment dates:

Annually – 15th February

By Instalment

1st Instalment – 30th September

2nd Instalment – 30th November

3rd Instalment – 28th February

4th Instalment – 31st May

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Direct Debit Payment

In 2024/25 Council's direct debit options included installment payments on their due dates or monthly payments over 10 months on the 15th of each month

between September and June. Council will investigate further flexibility to the rate direct debit payment alternatives which may include weekly and fortnightly payments in addition to the existing monthly and instalment payment options.

6.8 Rebates and Concessions

Legislation

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

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

A Council resolution granting a rebate or concession must specify the benefit to the community as a whole resulting from the rebate or concession.

Policy

Ratepayers who hold eligible pensioner concession cards may be entitled to receive a State Government-funded concession on their rates and charges for their principal place of residence. The pensioner concession is set at half the rates and charges levied up to a maximum amount and is fully funded by the State Government. Eligible pensioners are also entitled to receive a concession on the Fire Services Property Levy.

In addition to the State Government Concession, ratepayers who are eligible to receive the pensioner concession and reside in a single person household may also be entitled to receive a Council funded additional concession.

Through Council's annual budget processes, consideration will be given to the variation or introduction of any other rebates or concessions.

6.9 Deferments and Waivers

Legislation

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

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

Policy

Council has a Financial Hardship Policy which provides Council with a framework setting out the process of providing financial relief to individuals and businesses requiring assistance in the payment of rates and charges on the grounds of financial hardship.

The policy also aims to provide a clear understanding of the options and assistance available to property owners and ratepayers who are experiencing financial hardship and assist them in managing the payment of rates in a manner that is acceptable to both the Council and the property owner.

This policy applies to property owners and ratepayers of City of Ballarat in accordance with Sections 170, 171, and 171A of the *Local Government Act 1989.*

The scope of this policy extends an opportunity to all property owners and ratepayers who have been identified, either by themselves, City of Ballarat Officers, or by an independent accredited financial counsellor, as having the intention to pay their rates but do not have the financial capacity to make the required payments, to make an application for financial hardship.

Full details are included in the Financial Hardship Policy that can be found at ballarat.vic.gov.au

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7. Fees and Charges

Fees and charges consist of statutory fees and fines and user fees. Statutory fees and fines relate mainly to those levied in accordance with legislation and include animal registrations, *Public Health and Wellbeing Act 2008* registrations and parking fines. User fees relate to the recovery of service delivery costs through the charging of fees to users of the City's services, including the use of leisure, entertainment, child care, waste management and other community facilities.

7.1 Pricing Policy

Council reviews and updates user fees at least annually taking into consideration its obligations under the *Local Government Act 2020,* in particular, the following three service performance principles set out in Section 106

- Services should be provided in an equitable manner and be responsive to the diverse needs of the municipal community
- Services should be accessible to the members of the municipal community for whom the services are intended
- Quality and costs standards for services set by the City should provide good value to the municipal community.

The level of these fees and charges are set after taking into account the cost of providing a service and balancing this against the community's capacity to pay and social need. User fees and charges are also benchmarked on a regular basis to ensure they are consistent with other service providers and/or Councils.

The City must also comply with the Victorian Government's Competitive Neutrality Policy for significant business activities it provides and adjust service prices to neutralise any competitive advantages when competing with the private sector.

More information available at *vic.gov.au/competitive-neutrality*

7.2 Statutory Fees and Fines

Policy

Statutory fees and fines are those which the City collects under the direction of legislation or other government directives. The rates used for statutory fees and fines are advised by the Victorian Government department responsible for the corresponding services or legislation, and the City has limited discretion in applying these fees.

Fees and Fines

A summary of statutory fees and fines by major service area is as follows:

- Animal registrations
- Health and license fees
- Land information certificates
- Local law permits
- Subdivision supervision certificates
- Town planning fees and certificates
- Other

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7.3 User Fees

Policy

For user fees not regulated by statute, the City 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. The three types of non-statutory pricing are as follows:

• **Market price:** Price based on the benchmarked competitive prices of alternate suppliers. In general this represents full cost recovery plus an allowance for profit

• **Full cost recovery price:** Price based on recovering 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

• **Subsidised price:** Price based on less than full cost of that service and range from full subsidies (i.e. The City provides the service free of charge) to partial subsidies, where the City provides the service to the user with a discount.

The schedule of Fees and Charges in the Budget includes around 900 individual fees and charges which are reviewed annually as part of the Budget process. The City is yet to apply the Pricing Policy to its non-statutory fees and charges.

User Fees

A summary of user fees by major service area is as follows:

- Animal shelter
- Art Gallery of Ballarat
- Aquatic/health club
- Building
- Childcare
- Eureka Centre
- Family day care
- Waste management
- Her Majesty's Theatre
- Landfill
- Library
- Meals
- Parking fees and fines
- Recreation
- Robert Clarke Centre
- Transfer station
- Other

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8. Other Revenue Sources

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

8.1 Government Grants

Policy

Grant revenue represents income usually received from other levels of government. Some grants are singular and attached to the delivery of specific projects, whilst others can be of a recurrent nature and may or may not be linked to the delivery of projects. The City pro-actively advocates to other levels of government for grant funding support to deliver important infrastructure and service outcomes for the community. The City may use its own funds to leverage higher grant funding and maximise external funding opportunities.

When preparing its financial plan, the City considers its project proposal pipeline, advocacy priorities, upcoming grant program opportunities, and co-funding options to determine what grants to apply for. The City will only apply for and accept external funding if it is consistent with the Community Vision and does not lead to the distortion of Council Plan priorities. Grant assumptions are then clearly detailed in the City's budget document. No project that is reliant on grant funding will proceed until a signed funding agreement is in place.

Government Grants

A summary of government grants by type is as follows:

Operating

- Victorian Grants Commission
- Aged care
- Family and children
- Maternal and child health
- Library
- School crossings
- Arts and culture
- Immunisation
- Other

Capital

- Federal Blackspot
- Roads to Recovery
- Other

8.2 Contributions

Policy

Contributions represent funds received by the City, usually from non-government sources, and are usually linked to projects. Contributions can be made to the City in the form of either cash payments or physical assets. Contributions are always linked to a planning or funding agreement and the City will not undertake any work on a contribution-funded project until a signed agreement outlining the contribution details is in place.

Contributions linked to developments can be received well before any expenditure occurs. In this situation, the funds are identified and held separately in reserve for the specific works identified in the agreements. The Ballarat West Development Contributions Plan covers development of land in the Ballarat West Growth Area. Development contributions fund major infrastructure projects such as drainage, roads, intersections, and recreational open spaces. There are two levies imposed under the Ballarat West Development Contributions Plan, the Development Infrastructure Levy (DIL) and the Community Infrastructure Levy (CIL).

Contributions

A summary of contributions by type is as follows:

- Development contribution plan
- Subdividers

8.3 Other Revenue

Policy

The City earns other sources of revenue from property rental, interest on investments and interest on rate arrears. The amount of revenue earned from property rental is based on rental agreements that set the rental amount at market rates. The City receives interest on funds managed as part of its investment portfolio, where funds are held in advance of expenditure, or for special purposes. The investment portfolio is managed per the City's investment policy, which seeks to earn the best return on funds, whilst minimising risk. The City also earns interest from outstanding rates and charges balances.

Other Revenue

A summary of other revenue by type is as follows:

- Rental
- Interest on investments
- Interest on rate arrears
- Other

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APPENDIX A: Differential Rate Definitions

Residential Land

Definition	Residential Land is any land, which is used for private residential purposes, including but not limited to houses, dwellings, flats, units and private boatsheds, together with vacant unoccupied land not covered by another differential, but excluding motels, caravan parks, supported accommodation, accommodation houses, boarding houses and the like.
Objectives	The objective of this differential rate is to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of City of Ballarat, 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
Characteristics	Land that is used in accordance with the above definition of Residential Land. The characteristics of planning scheme zoning are applicable to the determination of vacant land that will be subject to the rate applicable to Residential Land. The vacant land affected by this rate is that which is contained in a residential or rural zone under the City of Ballarat Planning Scheme. The classification of land which is improved will be determined by the occupation of that land and have reference to the planning scheme zoning.
Types and classes	The types and classes of rateable land within this rate are those having the relevant characteristics described above.
Use of rate	The money raised by this rate will be applied to the items of expenditure described in the Budget by the City. The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land.
Level of rate	100% of the Residential Land rate.
Use of land	Is any use permitted under the City of Ballarat Planning Scheme.
Geographic location	This rate is applicable to land within the municipal district.
Planning scheme zoning	The zoning applicable to each rateable land within this category as determined by consulting maps referred to in the relevant Planning Scheme.
Types of buildings	The types of buildings on the land within this rate are all buildings already constructed on the land or which will be constructed prior to the expiry of the 2025/26 year.

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Business Land

Definition	Business Land is any land which is: • Used or adapted to be used for business and/or administrative purposes, including but not limited to properties used for: *- The sale or hire of goods by retail or trade sales, e.g. shops, auction rooms, hardware stores* *- The manufacture of goods where the goods are sold on the property* *- The provision of entertainment, e.g. theatres, cinemas, amusement parlours, nightclubs* *- Media/broadcasting/communication establishments, e.g. television stations, newspaper offices, radio stations, telecommunication towers and associated facilities* *- The provision of accommodation other than private residential, e.g. motels, caravan parks, camping grounds, camps, supported accommodation, accommodation houses, hostels, boarding houses* *- Short term tourist accommodation specifically identified and coded with an Australian Valuation Property Classification Code (AVPCC) of 232 (serviced apartments/holiday units) or 233 (bed and breakfast)* *- The provision of hospitality, e.g. hotels, bottle shops, restaurants, cafes, takeaway food establishments, tearooms* *- Tourist and leisure industry, e.g. flora and fauna parks, gymnasiums, indoor sports stadiums, gaming establishments* *- Art galleries, museums* *- Showrooms, e.g. display of goods* *- Brothels* *- Commercial storage (mini storage units, wholesale distributors)* *- Religious purposes* *- Public offices* *- Halls for commercial hire* *- Mixed businesses/milkbars (those operating in residential type zones under the Ballarat Planning Scheme and non-conforming residential/milkbar properties within industrial zones under the Ballarat Planning Scheme, with attached residences, occupied as the principal place of residence of the person(s) operating the mixed business/milkbar component of the rateable property, will have the residential portion separately rated as Residential)* • Used for the provision of health services, including but not limited to properties used for hospitals, nursing homes, rehabilitation, medical practices and dental practices • Used primarily as offices or for administration purposes including but not limited to properties used for legal practices, real estate agents, veterinary surgeons, accounting firms, insurance agencies or any other organisation, group, business, association or representative body • Used primarily for manufacturing or industrial processes, including, but not limited to the following: *- The manufacture of goods, equipment, plant, machinery, food or beverage which are generally not sold or consumed on site* *- Warehouse/bulk storage of goods* *- The storage of plant and machinery* *- The production of raw materials in the extractive and timber industries* *- The treatment and storage of industrial waste materials.* • Vacant unoccupied land zoned or otherwise intended to be used for commercial or industrial purposes

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Business Land (cont)

Objectives	The objective of this differential rate is to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of City of Ballarat, 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
Characteristics	The characteristics of planning scheme zoning are applicable to the determination of vacant land that will be subject to the rate applicable to Business Land. The vacant land affected by this rate is that which is contained within a commercial or industrial zone under the City of Ballarat Planning Scheme. The classification of land which is improved will be determined primarily by the occupation of that land and may have reference to the planning scheme zoning.
Types and classes	The types and classes of rateable land within this rate are those having the relevant characteristics described above.
Use of rate	The money raised by this rate will be applied to the items of expenditure described in the Budget by the City. The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land.
Level of rate	250% of the Residential Land rate
Use of land	Is any use permitted under the City of Ballarat Planning Scheme
Geographic location	This rate is applicable to land within the municipal district
Planning scheme zoning	The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Planning Scheme
Types of buildings	The types of buildings on the land within this rate are all buildings already constructed on the land or which will be constructed prior to the expiry of the 2025/26 year

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Farm Land

Definition	Farm land is any land, which: • Is not less than 2 hectares in area • Is used for carrying on a business of primary production as determined by the Australian Taxation Office • Is used primarily for grazing (including agistment), dairying, pig farming, poultry farming, fish farming, tree farming, bee keeping, viticulture, horticulture, fruit growing or the growing of crops of any kind or for any combination of those activities • Is used by a business: *- That has a significant and substantial commercial purpose or character* *- That seeks to make a profit on a continuous or repetitive basis from its activities on the land* *- That is making 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* In consideration the City will take into account that: • Whatever activity is being conducted on a property, it must be a business of primary production as opposed to a hobby or recreational activity
Objectives	The objective of this differential rate is to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of City of Ballarat, 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
Characteristics	Land that is used in accordance with the definition of Farm Land. Planning scheme zoning may be relevant to the determination of land which will be subject to the rate applicable to Farm Land
Types and classes	The types and classes of rateable land within this rate are those having the relevant characteristics described above
Use of rate	The money raised by this rate will be applied to the items of expenditure described in the Budget by the City The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land.
Level of rate	72% of the Residential Land rate
Use of land	Is any use permitted under the City of Ballarat Planning Scheme
Geographic location	This rate is applicable to land within the municipal district
Planning scheme zoning	The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Planning Scheme
Types of buildings	The types of buildings on the land within this rate are all buildings already constructed on the land or which will be constructed prior to the expiry of the 2025/26 year

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Recreation Land

Definition	Recreation land is land as defined under the *Cultural and Recreational Lands Act 1963.*
Objectives	The objective of the rate is to recognise the large contribution that these community organisations and the volunteers make to the Municipality in the provision of sporting, cultural and recreational activities
Characteristics	Is cultural and recreation land and: • Occupied by a body which exists for cultural or recreational purposes and applies its profits in promoting the furthering of this purpose • Owned by the body, by the Crown or by Council • Not agricultural showgrounds
Types and classes	The types and classes of rateable land within this rate are those having the relevant characteristics described above
Use of rate	The money raised by this rate will be applied to the items of expenditure described in the Budget by the City The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land.
Level of rate	The rates leviable in relation to recreation land are to be determined in accordance with section 4 of the *Cultural and Recreational Lands Act 1963.*
Use of land	Is any use permitted under the City of Ballarat Planning Scheme
Geographic location	This rate is applicable to land within the municipal district
Planning scheme zoning	The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Planning Scheme
Types of buildings	The types of buildings on the land within this rate are all buildings already constructed on the land or which will be constructed prior to the expiry of the 2025/26 year

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APPENDIX B: Differential Rate

DIFFERENTIAL RATE	2024/25	2025/26	2026/27	2027/28	2028/29
Residential	100%	100%	100%	100%	100%
Business	250%	250%	250%	250%	250%
Farm	72%	72%	72%	72%	72%
Recreation	0%	0%	0%	0%	0%

No changes are proposed to any other revenue policies in this Revenue and Rating Plan.

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All information was correct at time of publish

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