

**Hepburn Shire Council**

**DRAFT REVENUE AND RATING PLAN  
2021-2025**

**April 2021**



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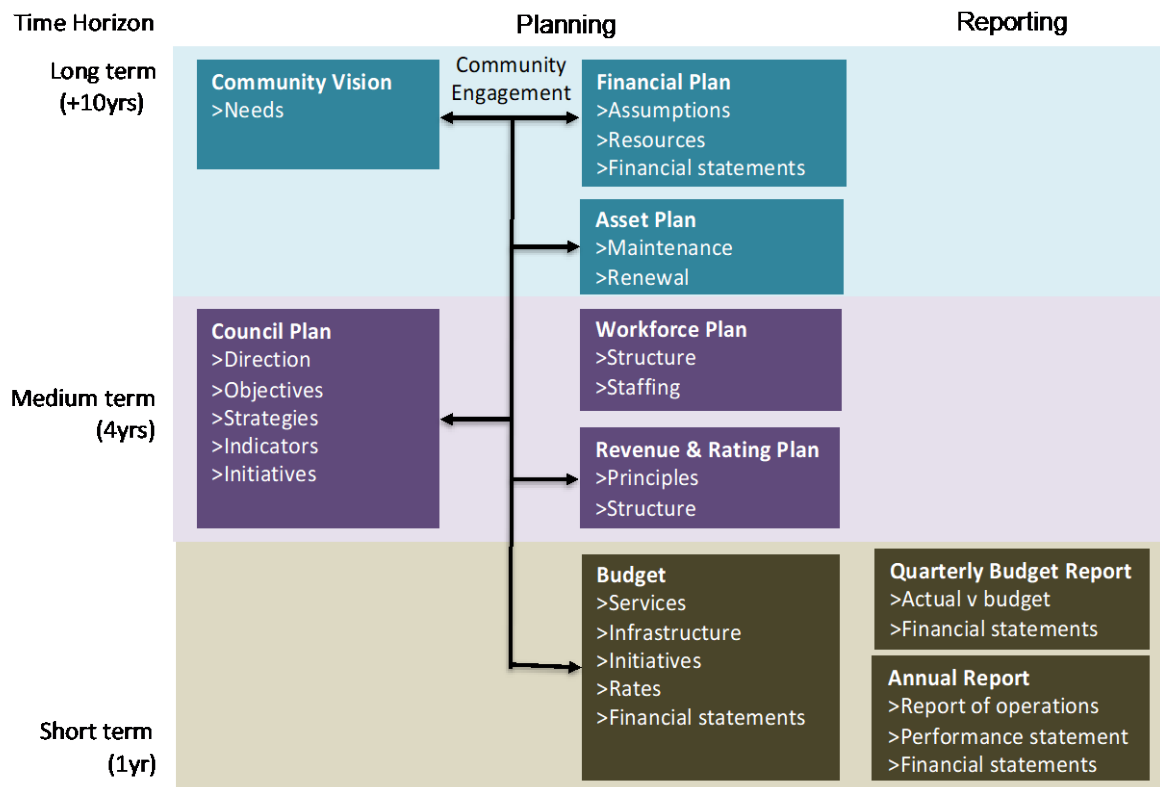
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# 1 Purpose

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

The purpose of the Revenue and Rating Plan is to determine the most appropriate and affordable revenue and rating approach for the Hepburn Shire Council (the Council) 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 Council's Integrated Strategic Planning Framework as set out in the following diagram.



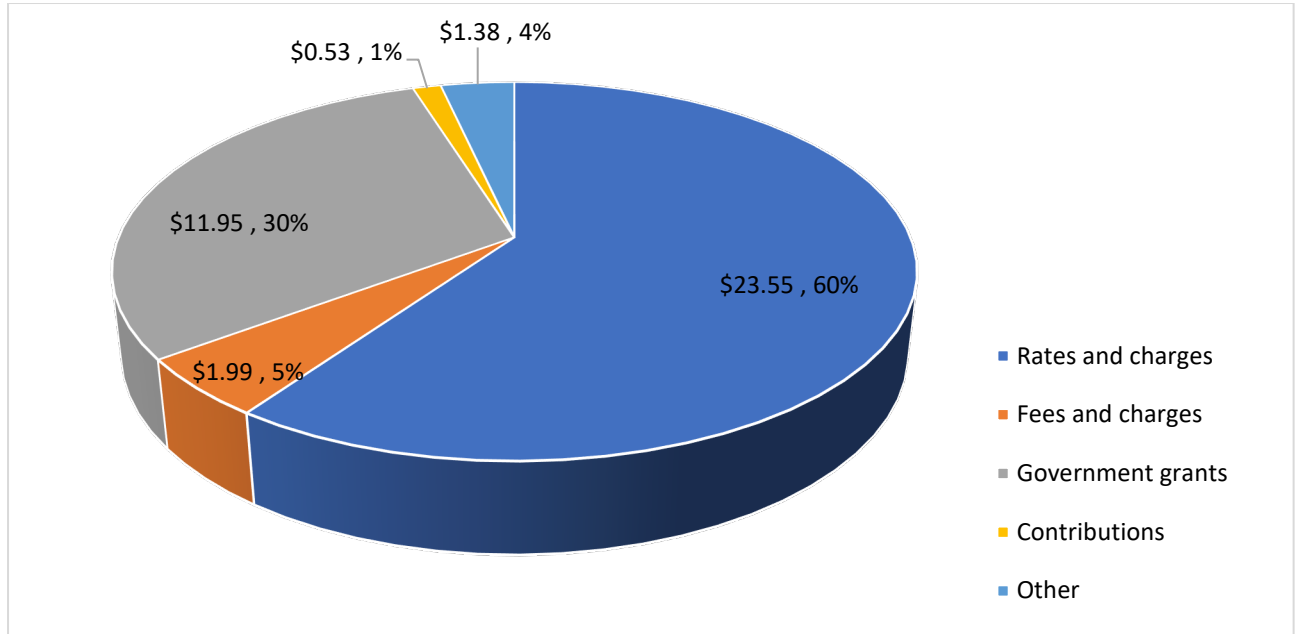
The strategies outlined in this plan align with the objectives contained in the Council Plan and feed into the Council's Budget and Financial Plan, as well as other strategic planning documents.

This plan explains how Council calculates the revenue needed to fund its activities, and how the funding burden will be apportioned between ratepayers and other users of Council facilities and services. In particular, this plan sets out decisions that Council has made in relation to rating options available to it under the *Local Government Act 2020* to ensure the fair and equitable distribution of rates across property owners. It 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

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

### 2.1 Revenue Sources



Note: All \$numbers on the graph are shown in millions.

The above graph shows a breakup of the revenue the Council uses to fund services and facilities for the Hepburn Shire community. The total revenue for the 2021-22 year is budgeted to be \$39 million with the major components being rates and charges (60%), government grants (30%) and fees and charges (5%). Loss on disposal of property, infrastructure, plant and equipment of \$30,000 has been excluded for the purposes of the analysis.

### 2.2 Revenue Requirements

The Revenue and Rating Plan is a medium-term plan for how the Council 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 Council 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 Council 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 Council 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 Council 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.

### 3 Community Engagement

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

Revenue and Rating Plan community engagement process:

- Draft Revenue and Rating Plan prepared by officers and a number of briefings provided to Council
- Draft Revenue and Rating Plan placed on public exhibition at the 20 April 2021 Council meeting for a period of 28 days and calling for public feedback
- Community engagement through local news outlets and social media
- Draft Revenue and Rating Plan (with any revisions) to be presented to a Special Council Meeting on 29 June 2021 for adoption.

No changes are proposed to the structure and level of rates and charges for the 2021-22 year.

The following changes to the structure and level of rates and charges will be considered by Council during the 2022-23 year:

- Provide a lower concession for recreational land properties which are able to generate significant income
- Introduce a higher differential rate for residential properties that are used for short term accommodation
- Introduce a lower differential rate for residential properties used for social housing
- Introduce a higher differential rate for commercial, industrial and mixed-use properties to reflect their greater capacity to pay rates and charges
- Introduce a lower differential for farmland properties that undertake sustainable farming practises
- Introduce a higher differential rate for vacant land
- Introduce a higher differential rate for vacant properties

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

## 4 Legislative Framework

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

### 4.1 Local Government Act 2020

#### Section 8 Role of a Council

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

#### Section 9 Overarching Governance Principles

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

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

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

#### Section 101 Financial Management Principles

Relevant financial management principles include:

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

#### Section 94 The Budget

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

- The total amount that 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; or
- That the Council has made an application to the ESC for a special order and is waiting for the outcome of the application; or
- 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.

## **4.2 Local Government Act 1989**

### **Section 155 Charges that Maybe Declared**

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

- General rates under
- 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*.

## **4.3 Quantum of Rates and Charges**

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

## **4.4 Local Government Rating System Review**

In 2019 the Victorian State Government conducted a Local Government Rating System Review. The Local Government Rating System Review Panel presented their final report and list of recommendations to the Victorian Government in March 2020. The Victorian Government subsequently published a response to the recommendations of the Panel's report. However, at the time of publication the recommended changes have not yet been implemented, and timelines to make these changes have not been announced.

## **4.5 Taxation Principles**

The Victorian Government's *Local Government Better Practice Guide: Revenue and Rating Strategy 2014* states that when developing a rating strategy, in particular with reference to differential rates, 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.

#### **4.6 Rate Capping**

The Fair Go Rates System (FGRS) sets out the maximum amount councils may increase rates in a year. For the 2020-21 year the FGRS cap was set at 2.00%. For the 2021-22 year it has been set at 1.50%. The cap applies to both general rates and municipal charges and is calculated on the basis of council’s average rates and charges.

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

Currently, Council has not applied for an increase above the State Government rate cap. Any increase will be considered in the adoption of Council’s Financial Plan (10 Year Long Term Financial Plan).

## 5 Rates and Charges

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

Hepburn Shire has traditionally been a lower rating Council than many other councils in Victoria. As per the Victorian Government's Know Your Council website, it notes that Council's average rates per property assessment for the 2019/20 financial year was \$1,566. This compares to \$1,680.55 for similar sized Councils and \$1,774 for all Victorian Councils.

### 5.1 Valuation Method

#### Legislation

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

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

#### Policy

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

### 5.2 Rates and Charges

#### Legislation

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

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

#### Policy

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

## 5.3 Differential Rates

### Legislation

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

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

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

A Council must have regard to any Ministerial guidelines before declaring a differential rate for any land. The Minister issued Guidelines in April 2013. These guidelines attempt to spell out clearly what types and classes of land may be considered for differentials and 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 nine differential rates. Details of the types/classes of land and the level of rate applicable to each differential is as follows:

- Residential: 100 per cent of the general rate
- Commercial: 116 per cent of the general rate
- Mixed use: 116 per cent of the general rate
- Industrial: 116 per cent of the general rate
- Farm: 65 per cent of the general rate
- Vacant land (township): 125 per cent of the general rate
- Vacant land (other): 100 per cent of the general rate
- Trust for Nature: 50 per cent of the general rate
- Recreational: 50 per cent of the general rate.

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

## 5.4 Municipal Charge

### Legislation

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

### Policy and Charges

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

## **5.5 Service Rates and Charges**

### **Legislation**

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

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

### **Policy and Charges**

The Council has the following service rates and charges:

- Kerbside collection (garbage weekly)
- Kerbside collection (garbage fortnightly)
- Kerbside collection (recycling)
- Commercial garbage
- Waste management (improved)
- Waste management (unimproved).

The Council's policy in regard to setting service rates and charges is full cost recovery. Council is undertaking the development of a Waste Strategy in the 2021-22 year, which will consider the services delivered and costing structures.

## **5.6 Special Rates and Charges**

### **Legislation**

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

### **Policy**

Special rates and charges schemes are raised in accordance with the requirements of the *Local Government Act 1989*.

## **5.7 Payment of Rates and Charges**

### **Legislation**

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

## **Policy**

Rates are payable by quarterly instalments. Ratepayers can also pay over 10 equal instalments.

## **5.8 Rebates and Concessions**

### **Legislation**

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

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

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

### **Policy**

Ratepayers who hold 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.

Ratepayers who are eligible to receive the pensioner concession, are also eligible to receive an additional concession to accommodate the financial difficulties experienced by pensioners. The additional pensioner concession is set at \$21.00 and is fully funded by Council. It should be noted that the additional pensioner concession is offered by few Victorian Councils, has been in place at Hepburn Shire since 2013 and currently costs Council \$37,000 per annum.

## **5.9 Deferments and Waivers**

### **Legislation**

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

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

### **Policy**

The Council has a Revenue Collection and Hardship Policy for the purposes of providing financial relief in regard to rates and other debts. Ratepayers who are suffering financial hardship or would suffer financial hardship if they paid the full amount of rates and charges

for which they are liable can make an application for deferment of payment of rates and charges and interest. Consideration will also be given to the waiver of current year and future interest charges.

## 6 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 Council's services. These use of leisure, entertainment and other community facilities, and the provision of human services such as childcare and home and community care services.

### 6.1 Pricing Policy

The Council has developed a Pricing Policy for the 2021-22 year that provides guidance for its approach in setting appropriate levels of fees and charges. This policy applies to all fees and charges that are listed in the Fees and Charges Schedule which is published in the Annual Budget. The policy seeks to ensure that the following key service performance principles under Section 106 of the Act are met:

- 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 Council should provide good value to the municipal community.

The Council must also comply with the 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.

### 6.2 Statutory Fees and Fines

#### Policy

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

#### Fees and Fines

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

- Planning
- Registrations
- Infringements
- Permits

### 6.3 User Fees

#### Policy

For user fees not regulated by statute, the 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. 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 Council provides the service free of charge) to partial subsidies, where the Council provides the service to the user with a discount.

The schedule of Fees and Charges in the Budget includes around 400 individual fees and charges which are reviewed annually as part of the Budget process. The Council 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:

- Waste management
- Aged and health
- Building
- Aquatic centres



## 7 Other Revenue Sources

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

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

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

- Financial assistance grants
- Aged care
- Libraries
- Maternal and child health
- Emergency
- Information technology
- School crossings
- Recreation
- Transport
- Waste and environment
- Youth

##### ***Capital***

- Roads to recovery
- Community infrastructure
- Recreation
- Buildings
- Tourism
- Waste and environment

## 7.2 Contributions

### Policy

Contributions represent funds received by the Council, usually from non-government sources, and are usually linked to projects. Contributions can be made to the Council in the form of either cash payments or physical assets. Contributions are always linked to a planning or funding agreement and the Council will not undertake any work on a contribution-funded project until a signed agreement outlining the contribution details is in place. Contributions linked to developments can be received well before any expenditure occurs. In this situation, the funds are identified and held separately in a reserve for the specific works identified in the agreements.

### Contributions

A summary of contributions by type is as follows.

- Open space
- Community group contributions to projects.

## 7.3 Other Revenue

### Policy

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

## APPENDIX A: Differential Rate Definitions

### Residential Land

<b>Definition</b>	Residential Land is land, which is used solely for residential purposes and the balance of land defined by exception to the general rate.
<b>Objectives</b>	<p>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 the Hepburn Shire Council, including (but not limited to) the:</p> <ul style="list-style-type: none"> <li>• Construction and maintenance of infrastructure assets.</li> <li>• Development and provision of health and community services.</li> <li>• Provision of general support services</li> </ul>
<b>Characteristics</b>	<p>The characteristics of planning scheme zoning are applicable to the determination of vacant land which will be subject to the rate applicable to residential land.</p> <p>The vacant land affected by this rate is that which is zoned residential under the Hepburn Shire Planning Scheme.</p> <p>The classification of land which is improved will be determined by the occupation of that land and have reference to the planning scheme zoning</p>
<b>Types and classes</b>	The types and classes of rateable land within this rate are those having the relevant characteristics described above
<b>Use of rate</b>	<p>The money raised by this rate will be applied to the items of expenditure described in the Budget by Council.</p> <p>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</p>
<b>Level of rate</b>	100 per cent of the general rate
<b>Use of land</b>	Is any use permitted under the Hepburn Shire Planning Scheme
<b>Geographic location</b>	This rate is applicable to land within the municipal district
<b>Planning scheme zoning</b>	The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Planning Scheme
<b>Types of buildings</b>	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 financial year

## Commercial Land

<b>Definition</b>	Commercial land is land, which is used solely for commercial purposes. Includes rateable land which is used for short term accommodation which does not qualify as Residential under the Residential Tenancies Act 1997 characterised by stays of greater than 60 days and the existence of a tenancy agreement to which the <i>Residential Tenancy Act 1997</i> applies.
<b>Objectives</b>	<p>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 the Hepburn Shire Council, including (but not limited to) the:</p> <ul style="list-style-type: none"> <li>• Construction and maintenance of infrastructure assets.</li> <li>• Development and provision of health and community services.</li> <li>• Provision of general support services</li> </ul>
<b>Characteristics</b>	<p>The characteristics of planning scheme zoning are applicable to the determination of vacant land which will be subject to the rate applicable to residential land.</p> <p>The vacant land affected by this rate is that which is zoned residential under the Hepburn Shire Planning Scheme.</p> <p>The classification of land which is improved will be determined by the occupation of that land and have reference to the planning scheme zoning</p>
<b>Types and classes</b>	The types and classes of rateable land within this rate are those having the relevant characteristics described above
<b>Use of rate</b>	<p>The money raised by this rate will be applied to the items of expenditure described in the Budget by Council.</p> <p>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</p>
<b>Level of rate</b>	116 per cent of the general rate
<b>Use of land</b>	Is any use permitted under the Hepburn Shire Scheme
<b>Geographic location</b>	This rate is applicable to land within the municipal district
<b>Planning scheme zoning</b>	The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Planning Scheme
<b>Types of buildings</b>	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 financial year

## Industrial Land

<b>Definition</b>	Industrial Land is land, which is used solely for industrial purposes.
<b>Objectives</b>	<p>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 the Hepburn Shire Council, including (but not limited to) the:</p> <ul style="list-style-type: none"> <li>• Construction and maintenance of infrastructure assets.</li> <li>• Development and provision of health and community services.</li> <li>• Provision of general support services</li> </ul>
<b>Characteristics</b>	<p>The characteristics of planning scheme zoning are applicable to the determination of vacant land which will be subject to the rate applicable to residential land.</p> <p>The vacant land affected by this rate is that which is zoned residential under the Hepburn Shire Planning Scheme.</p> <p>The classification of land which is improved will be determined by the occupation of that land and have reference to the planning scheme zoning</p>
<b>Types and classes</b>	The types and classes of rateable land within this rate are those having the relevant characteristics described above
<b>Use of rate</b>	<p>The money raised by this rate will be applied to the items of expenditure described in the Budget by Council.</p> <p>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</p>
<b>Level of rate</b>	116 per cent of the general rate
<b>Use of land</b>	Is any use permitted under the Hepburn Shire Planning Scheme
<b>Geographic location</b>	This rate is applicable to land within the municipal district
<b>Planning scheme zoning</b>	The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Planning Scheme
<b>Types of buildings</b>	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 financial year

## Mixed Use Land

<b>Definition</b>	Mixed Use Land is land, which is not used solely for residential, commercial, industrial, farm land or recreational land but is a combination of residential and at least one other category.
<b>Objectives</b>	<p>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 the Hepburn Shire Council, including (but not limited to) the:</p> <ul style="list-style-type: none"> <li>• Construction and maintenance of infrastructure assets.</li> <li>• Development and provision of health and community services.</li> <li>• Provision of general support services</li> </ul>
<b>Characteristics</b>	<p>The characteristics of planning scheme zoning are applicable to the determination of vacant land which will be subject to the rate applicable to residential land.</p> <p>The vacant land affected by this rate is that which is zoned residential under the Hepburn Shire Planning Scheme.</p> <p>The classification of land which is improved will be determined by the occupation of that land and have reference to the planning scheme zoning</p>
<b>Types and classes</b>	The types and classes of rateable land within this rate are those having the relevant characteristics described above
<b>Use of rate</b>	<p>The money raised by this rate will be applied to the items of expenditure described in the Budget by Council.</p> <p>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</p>
<b>Level of rate</b>	116 per cent of the general rate
<b>Use of land</b>	Is any use permitted under the Hepburn Shire Planning Scheme
<b>Geographic location</b>	This rate is applicable to land within the municipal district
<b>Planning scheme zoning</b>	The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Planning Scheme
<b>Types of buildings</b>	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 financial year

## Farm Land

<b>Definition</b>	Farm Land is land, which is identified and defined as farmland and which is used solely for the purpose of farming as defined in section 2(1) of the <i>Valuation of Land Act 1960</i> and is deemed to be a property for primary production purposes as accepted by the Australian Taxation Office
<b>Objectives</b>	<p>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 the Hepburn Shire Council, including (but not limited to) the:</p> <ul style="list-style-type: none"> <li>• Construction and maintenance of infrastructure assets.</li> <li>• Development and provision of health and community services.</li> <li>• Provision of general support services</li> </ul>
<b>Characteristics</b>	<p>The characteristics of planning scheme zoning are applicable to the determination of vacant land which will be subject to the rate applicable to residential land.</p> <p>The vacant land affected by this rate is that which is zoned residential under the Hepburn Shire Planning Scheme.</p> <p>The classification of land which is improved will be determined by the occupation of that land and have reference to the planning scheme zoning</p>
<b>Types and classes</b>	The types and classes of rateable land within this rate are those having the relevant characteristics described above
<b>Use of rate</b>	<p>The money raised by this rate will be applied to the items of expenditure described in the Budget by Council.</p> <p>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</p>
<b>Level of rate</b>	65 per cent of the general rate
<b>Use of land</b>	Is any use permitted under the Hepburn Shire Planning Scheme
<b>Geographic location</b>	This rate is applicable to land within the municipal district
<b>Planning scheme zoning</b>	The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Planning Scheme
<b>Types of buildings</b>	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 financial year

## Vacant Land (township)

<b>Definition</b>	Vacant Land (township) is land within township boundaries, which does not form part of a commercial, industrial, farming enterprise or recreational purpose or upon which a residence is erected
<b>Objectives</b>	<p>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 Hepburn Shire Council, including (but not limited to) the:</p> <ul style="list-style-type: none"> <li>• Construction and maintenance of infrastructure assets.</li> <li>• Development and provision of health and community services.</li> <li>• Provision of general support services</li> </ul>
<b>Characteristics</b>	<p>The characteristics of planning scheme zoning are applicable to the determination of vacant land which will be subject to the rate applicable to residential land.</p> <p>The vacant land affected by this rate is that which is zoned residential under the Hepburn Shire Planning Scheme.</p> <p>The classification of land which is improved will be determined by the occupation of that land and have reference to the planning scheme zoning</p>
<b>Types and classes</b>	The types and classes of rateable land within this rate are those having the relevant characteristics described above
<b>Use of rate</b>	<p>The money raised by this rate will be applied to the items of expenditure described in the Budget by Council.</p> <p>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</p>
<b>Level of rate</b>	125 per cent of the general rate
<b>Use of land</b>	Is any use permitted under the Hepburn Shire Planning Scheme
<b>Geographic location</b>	This rate is applicable to land within the municipal district
<b>Planning scheme zoning</b>	The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Planning Scheme
<b>Types of buildings</b>	Not applicable



## Vacant Land (other)

<b>Definition</b>	Vacant Land (other) is land, which does not form part of a commercial, industrial, farming enterprise or recreational purpose or upon which a residence is erected and doesn't meet the definition of Vacant Land (township)
<b>Objectives</b>	<p>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 Hepburn Shire Council, including (but not limited to) the:</p> <ul style="list-style-type: none"> <li>• Construction and maintenance of infrastructure assets.</li> <li>• Development and provision of health and community services.</li> <li>• Provision of general support services</li> </ul>
<b>Characteristics</b>	<p>The characteristics of planning scheme zoning are applicable to the determination of vacant land which will be subject to the rate applicable to residential land.</p> <p>The vacant land affected by this rate is that which is zoned residential under the Hepburn Shire Planning Scheme.</p> <p>The classification of land which is improved will be determined by the occupation of that land and have reference to the planning scheme zoning</p>
<b>Types and classes</b>	The types and classes of rateable land within this rate are those having the relevant characteristics described above
<b>Use of rate</b>	<p>The money raised by this rate will be applied to the items of expenditure described in the Budget by Council.</p> <p>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</p>
<b>Level of rate</b>	100 per cent of the general rate
<b>Use of land</b>	Is any use permitted under the Hepburn Shire Planning Scheme
<b>Geographic location</b>	This rate is applicable to land within the municipal district
<b>Planning scheme zoning</b>	The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Planning Scheme
<b>Types of buildings</b>	Not applicable

## Trust for Nature Land

<b>Definition</b>	Trust for Nature Land is land, which has a Trust for Nature Covenant applying to the land. A Trust for Nature Covenant enables the permanent protection of significant areas of natural bush land.
<b>Objectives</b>	<p>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 the Hepburn Shire Council, including (but not limited to) the:</p> <ul style="list-style-type: none"> <li>• Construction and maintenance of infrastructure assets.</li> <li>• Development and provision of health and community services.</li> <li>• Provision of general support services</li> </ul> <p>It is also to encourage landowners to voluntarily place conservation covenants on their land</p>
<b>Characteristics</b>	<p>The characteristics of planning scheme zoning are applicable to the determination of vacant land which will be subject to the rate applicable to residential land.</p> <p>The vacant land affected by this rate is that which is zoned residential under the Hepburn Shire Planning Scheme.</p> <p>The classification of land which is improved will be determined by the occupation of that land and have reference to the planning scheme zoning</p>
<b>Types and classes</b>	The types and classes of rateable land within this rate are those having the relevant characteristics described above
<b>Use of rate</b>	<p>The money raised by this rate will be applied to the items of expenditure described in the Budget by Council.</p> <p>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</p>
<b>Level of rate</b>	50 per cent of the general rate
<b>Use of land</b>	Is any use permitted under the Hepburn Shire Planning Scheme
<b>Geographic location</b>	This rate is applicable to land within the municipal district
<b>Planning scheme zoning</b>	The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Planning Scheme
<b>Types of buildings</b>	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 financial year

## Recreational Land

<b>Definition</b>	Cultural and Recreational Land is land as defined under the <i>Cultural and Recreational Lands Act 1963</i>
<b>Objectives</b>	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
<b>Characteristics</b>	Is cultural and recreational land and: <ul style="list-style-type: none"> <li>• Occupied by a body which exists for cultural or recreational purposes and applies its profits in promoting the furthering of this purpose</li> <li>• Owned by the body, by the Crown or by Council</li> <li>• Not agricultural showgrounds</li> </ul>
<b>Types and classes</b>	The types and classes of rateable land within this rate are those having the relevant characteristics described above
<b>Use of rate</b>	The money raised by this rate will be applied to the items of expenditure described in the Budget by Council.  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
<b>Level of rate</b>	50 per cent of the general rate
<b>Use of land</b>	Is any use permitted under the Hepburn Shire Planning Scheme
<b>Geographic location</b>	This rate is applicable to land within the municipal district
<b>Planning scheme zoning</b>	The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Planning Scheme
<b>Types of buildings</b>	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 financial year