



# **Agenda**

## **Special Meeting of Council**

Wednesday 9 March 2016 at 4:00pm

Queenscliff Town Hall  
50 Learmonth Street, Queenscliff

### **Distribution**

### **Councillors**

Cr. Helene Cameron (Mayor)

Cr. Bob Merriman

Cr. Peter Russell

Cr. Susan Salter

Cr. Sue Wasterval

### **Officers**

Lenny Jenner - Chief Executive Officer

Lynne Stevenson - General Manager Corporate & Community Services

Phil Josipovic - General Manager Planning & Infrastructure

In accordance with the Borough of Queenscliffe Local Law No 1, 2010, the information contained within this Agenda is for the confidential and privileged use of Councillors until at least 48 hours prior to this meeting.

**THIS MATERIAL DOES NOT NECESSARILY REFLECT THE VIEWS OF COUNCIL**



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## Appendices

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Appendix 1	Draft Rating Strategy	4.1 Draft Rating Strategy	Under separate cover

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**1. OPENING OF MEETING**

**2. PRESENT & APOLOGIES**

*Present:*

*Apologies:*

**3. PECUNIARY INTEREST & CONFLICT OF INTEREST DISCLOSURES**

*Councillors must disclose a conflict of interest in accordance with Section 79 of the Local Government Act 1989.*

Councillors:

Officers:

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#### 4. GOVERNANCE & FINANCE

##### 4.1 Draft Rating Strategy

<b>File:</b>	<b>QG2270601</b>
<b>Report Author:</b>	<b>General Manager, Corporate &amp; Community Services Senior Accountant</b>
<b>Strategic Objective:</b>	<b>A proactive and accountable Council</b>
<b>Portfolio:</b>	<b>Governance and Finance</b>
<b>Portfolio Holder:</b>	<b>Cr Bob Merriman</b>

##### **Purpose**

The purpose of this report is for Council to consider the revised draft Rating Strategy following direction provided by Council at its Ordinary Meeting held on 24 February 2016 requesting officers to prepare a revised draft Rating Strategy for this meeting to:

- a. Include a fixed charge approach to recover the costs of all Council's waste management services; and
- b. Incorporate the fixed charges of (i) residential kerbside including hard waste, (ii) public waste and (iii) green waste each to be itemised on the Rates Notice.

This report also enables Council to endorse the revised draft Rating Strategy, prior to commencing a further public consultation process given the proposed change to the scope of the waste management charges as well as the application of a different methodology being proposed compared to the initial draft Rating Strategy. The draft Rating Strategy is included at **Appendix 1** for consideration.

##### **Introduction**

A Rating Strategy is a local government sector best practice approach to developing Council's rationale and objectives in relation to the components of its rating and charges structure. The Rating Strategy is an important policy reference point for Council in preparing its budget within a longer term financial planning framework and has been prepared in accordance with the requirements of the *Local Government Act 1989* (the Act) relating to the establishment of rates and charges.

The draft Rating Strategy is a high level statement about the Borough of Queenscliffe Council's policy intent in relation to the rating valuation base to be used, how differential rating will be

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applied between various property types, the Council position on a municipal charge and service charges (waste collection and disposal) and the application of rebates and the payment methodology to be used.

The key objective of the Strategy is to ensure the fair and equitable distribution of rates and charges, while still achieving the Council's strategic objectives, as specified in the Council Plan 2013-2017. The principles form the basis for Council to develop the proposed rating differential rates and charges to be applied to rateable land in future budgets and will be applied in preparation of the draft 2016/17 Budget. The revised draft Rating Strategy gives consideration to:

- Council's strategic objectives in the Council Plan 2013-2017,
- sound financial management principles,
- the principles of the previous Rating Strategy (adopted by Council on 26 June 2013),
- research and discussion on the application and impact of alternative rating structures and charges,
- annual budget considerations,
- State and Federal legislative requirements, including the imposition of rate capping from 2016/17 by the State Government
- the current economic climate and relevant external factors, and
- provision of an opportunity for public feedback on elements of the Rating Strategy.

The revised draft Rating Strategy is proposed to apply from the 2016/17 rating year, effective from 1 July 2016.

The initial draft Rating Strategy was considered by Council at its Ordinary Meeting held on 24 February 2016 following a community consultation process conducted during January/February 2016. At the 24 February 2016 Ordinary Meeting, Council resolved:

*"That Council, having further considered the impact of the State Government rate cap on Council's current approach to rating, community feedback and formal submissions received in response to the draft Rating Strategy and the alternative rating options:*

1. *Reconfirms its formal resolution at its 20 January 2016 Special Meeting not to make an application to the Essential Services Commission to increase the rate revenue above 2.5% in 2016/17;*
  2. *Requests officers to prepare a revised draft Rating Strategy that:*
    - a. *Includes a fixed charge approach to recover the costs of all Council's waste management services;*
    - b. *Incorporates the fixed charges of (i) residential kerbside including hard waste, (ii) public waste and (iii) green waste each to be itemised on the Rates Notice;*
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3. *Requests officers to present the revised draft Rating Strategy for Council's consideration at a Special Meeting to be held on 9 March 2016;*
4. *Requests officers to write to submitters to the draft Rating Strategy advising of this resolution;*
5. *Request officers to reconvene a meeting of the Governance & Finance Portfolio Reference Group;*
6. *Requests the Chief Executive Officer to prepare a media release to advise the public of this resolution."*

## Background

In light of the direction above from Council at the 24 February 2016 Ordinary Meeting the preparation of the draft Rating Strategy will require an adjustment to the process presented to Council at the 24 February 2016 Ordinary Meeting. The adjusted process is summarised below:

Rating Strategy Process	Timing
1. Officers prepare Initial Draft Rating Strategy	December
2. Councillors workshop initial Draft Rating Strategy	December – January
3. Final Draft Rating Strategy submitted to Council for consideration	20 January
4. Public notice calling for submissions	21 January
5. Information and awareness	21 January – 17 February
6. Rating Strategy available for public inspection and submissions	21 January – 17 February
7. Submissions period closes (28 days)	17 February
8. Hearing of submissions by Council	18 February
9. Council resolution to revise Draft Rating Strategy	24 February
10. Revised Draft Rating Strategy submitted to Council for consideration	9 March
11. Public notice calling for further submissions	10 March
12. Information and awareness	10 March – 24 March
13. Draft Rating Strategy available for public inspection and submissions	10 March – 24 March
14. Final Rating Strategy and submissions presented to Council for consideration	6 April

Public consultation is an important part of the development of the Rating Strategy. The complexity of rating systems about how rating systems are applied emphasises the importance of maintaining a better informed community. The community engagement process included seeking public submissions over a four week period on the initial draft Rating Strategy, consistent with Section



223 of the Act, and a community information video clip was published on Council's website to provide additional information about the changes proposed in the draft Rating Strategy. This is particularly important this year due to the impact of State government imposed rate capping and how this alters the way that Council rates are proposed to be calculated. The communication undertaken to date aimed to explain the elements of the initial draft Rating Strategy, provide an understanding of the changes and what it means for ratepayers.

Four submissions were received on the initial draft Rating Strategy considered by Council on 24 February 2016. All were opposed to the establishment of a separate Kerbside Waste charge (previously described as a General Waste charge) above the 2.5% rate cap promised by the State Government due to the exclusion of waste management charges from the rate cap.

Other matters raised by submitters related mainly to:

- Concern about application of a Capital Improved Valuation based Kerbside Waste charge instead of a fixed charge.
- Concern about increases in the State Government's Fire Services Property Levy above the rate cap and the effect of the 2016 general revaluation of all properties in the Borough.
- Support for the differential rating structure, however requests Council to investigate different categories of Commercial differential rates.
- Requests Council to investigate avenues to levy rates on the Commonwealth.
- Support for Concessions on Trust for Nature Properties.
- Support for a rating concession for volunteer based, not for profit clubs.
- Requests Council to consider concessions for ratepayers providing ongoing services to Council.
- Support for maintaining Capital Improved Value as the methodology for valuing properties.
- Support for applying the General (residential) rate to residential vacant land.
- Support for the fixed Green Waste service/charge.
- Support for the application of fixed charges for additional bin services, and
- Support for the increase in the Council pension rebate from \$20 to \$40 per eligible ratepayer.

To enable the community to understand the principles underpinning the proposed changes to the revised draft Rating Strategy relating to the introduction of a Public Waste Charge, the change from a CIV-based to a fixed Kerbside Waste (previously described as General Waste) charge and to provide further opportunity for community feedback on the changes, it is proposed that the revised draft Rating Strategy be submitted to Council for approval following a further community consultation process, involving a call for public submissions for a further two week period.

This will require the revised draft Rating Strategy to be considered by Council at a Special Meeting proposed to be held on 6 April 2016 followed by Council consideration of the draft 2016/17 Budget at a Special Council Meeting on 20 April 2016. Importantly, this will enable Council to incorporate the key elements of the Rating Strategy into the draft 2016/17 Budget for Council consideration and adoption of the draft 2016/17 Budget at its Ordinary Meeting scheduled on 22 June 2016 to meet its statutory process obligations as follows:

- Section 129(2) of the Act requires Council to call for public submissions on its Budget for a minimum 28 days in accordance with the Section 223 public submission process, and
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- Section 130(3) of the Act requires Council to adopt the Budget by 30 June each year.

The revised draft Rating Strategy including the changes requested by Council at the Ordinary Meeting held on 24 February 2016 is framed around nine key elements:

1. Capital improved value (CIV) of properties and differential rating to determine the distribution of total rates levied,
2. Application of a General (residential) rate for rateable residential properties,
3. Application of differential rates to:
  - a. Commercial properties:
    - i. Commercial businesses,
    - ii. Properties having six or more bedrooms which are rented out as holiday accommodation,
  - b. Tourist accommodation properties, that is properties having five or less bedrooms which are rented out as holiday accommodation,
4. Rating concessions for cultural and recreational ratepayers,
5. An additional pensioner concession of \$40, above the government funded pension rebate, per eligible ratepayer property,
6. A fixed Kerbside Waste charge to recover the cost of residential kerbside waste collection and disposal,
7. A fixed Green Waste charge to recover the cost of the kerbside green waste service,
8. A fixed Public Waste charge to recover the cost of public waste collection and disposal, and
9. Additional bin charges for additional general waste, recycle and green garbage bin services.

### **Statutory Requirements**

The relevant statutory requirements relating to the establishment of rates and charges are contained in the following legislation:

#### ***i. Local Government Act 1989***

##### ***(a) Part 8 - Rates and Charges on Rateable Land***

- Section 158 (Declaring rates and charges)
- Section 161 (Differential rates)
- Section 162 (Service rates and charges)
- Section 163 (Special rates and charges)
- Section 170 (Deferred payment)
- Section 171 (Waiver)
- Section 171A (Financial hardship)
- Section 172 of the *Local Government Act 1989* (Interest on Rates Arrears)

##### ***(b) Part 8A – Rate Caps***



**ii. Valuation of Land Act 1960**

**iii. Cultural and Recreational Lands Act 1963**

**iv. Penalty Interest Rates Act 1983**

The revised draft Rating Strategy has been prepared in accordance with the above legislation and also gives consideration to the Department of Water, Environment, Land and Planning's *Local Government Better Practice Guide – Revenue and Rating Strategy, 2014*.

Section 158 of the Act requires that Council must:

- (a) declare the amount which Council intends to raise by general rates, municipal charges, services rates and charges, and
- (b) whether the general rates will be raised by the application of a uniform rate or differential rate.

Rate capping legislation introduced in December 2015 (*Part 8A – Rate caps*) further prescribes how the total amount of general rate revenue declared under Section 158 of the Act will now be calculated, in line with State Government policy, which was introduced following the election of the Andrews Labour Government in November 2014, to restrict Council rate increases to CPI. The 2016/17 rate cap was set at 2.5% by the Minister for Local Government, The Hon. Natalie Hutchins MP, on 22 December 2015. The Essential Service Services Commission was delegated responsibility by the Minister for Local Government to establish a Local Government Rates Capping & Variation Framework to provide advice to councils on the processes and guidance to best give effect to the new rate capping regime and provide a recommended approach for council's wishes to seek a variation to the rate cap.

Section 161 prescribes how a uniform rate or differential rate may be applied. Section 162 and 163 enables Council to establish waste management charges to recover the costs of collection and disposal of waste (service rates and charges) or functions that will be of specific benefit to persons required to pay (special rates and charges). Section 5 of the *Cultural and Recreational Lands Act 1963* also establishes rate exemptions for recreational lands.

The *Valuation of Land Act 1983* prescribes how valuations will be calculated for properties in the municipality, that are applied to the differential rate (rate in the dollar) in order to determine the rate amount that will payable by each ratepayer.

Section 162 of the Act gives Council powers to establish a fixed (for example, Green Waste charge or Additional bin charges) or a variable charge (for example, CIV (Capital Improved Value)-based waste charge) and recognises that councils may apply full cost recovery to ratepayers for the provision of waste collection and disposal services within the municipality from those who have access to the service.

Sections 171, 171A and 172 of the Act and Section 2 of the *Penalty Interest Rates Act 1983* determine how Council may apply rules to the collection of outstanding rates and charges.

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Noting that the Rating Strategy is a key foundation document for the Budget, it is also incumbent on Council to ensure that it complies with Section 130(3) of the Act, which requires that Council must adopt the Budget by 30 June each year.

### Key Issues

Key changes proposed to the revised draft Rating Strategy adopted previously by Council in June 2013, that are included in this revised draft Rating Strategy, include:

- Making no change to the current differential rates,
- Not applying a fixed municipal charge,
- Reducing the amount of general rates it intends to raise to exclude the amount required to recover the cost of the provision of both residential kerbside and public waste collection and disposal services,
- Introducing a fixed Kerbside Waste charge to be applied to residential premises rated as General rate or Tourist Accommodation rate that are capable of being occupied, to recover the cost of the provision of kerbside waste collection and disposal services,
- Introducing a fixed Public Waste charge to be applied to all rateable properties in the Borough, to recover the cost of the provision of public waste collection and disposal services,
- Increasing the Council pension rebate, which is in addition to the State government funded pension concession, per eligible ratepayer property, from \$20 to \$40, and
- Providing clearer descriptions of the principles and objectives of each differential rate or charge, including who obtains access to services where service charges are applied.

This revised draft Rating Strategy has been developed following research and investigation, feedback from the community on the initial draft Rating Strategy and Council direction provided at its Ordinary Meeting on 24 February 2016, to determine the most appropriate strategy to continue to maintain a fair and equitable rating system in the Borough of Queenscliffe.

In reviewing the draft Rating Strategy, Council has articulated a firm commitment to three key principles in relation to funding waste management services:

1. Full cost recovery of all waste management services,
2. Clear identification of the waste management cost streams of kerbside waste, green waste and public waste and specifying these on the Rate Notice where applicable, and
3. Disclosure of all costs associated with each of the waste management streams to the community as supplementary information to accompany the 2016/17 Rate Notice.

There is an underlying principle applied in the Act recognising that local government may apply full cost recovery to ratepayers for the provision of waste collection and disposal services within the municipality. The introduction of waste management charges for all waste services, including a kerbside waste charge, green waste charge and public waste charge, allows Council to continue to apply this principle using a different application method and increase transparency about the waste management costs to be recovered in each year on the Rate Notice. The State Government

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also acknowledges that waste management is a cost recovery service and cost increases for waste collection and disposal services are typically significantly higher than CPI. This is within the context of significant change to State government policy that will impact on how local government will be able to fund the provision of Council services in the future. The revised draft Rating Strategy has been prepared on the basis that Council does not intend to prepare a submission to the Essential Services Commission to seek a variation to the 2016/17 rate cap of 2.5%.

The revised draft Rating Strategy also changes the proposed application of a waste charge to be applied to residential kerbside waste collection and disposal from a CIV-based waste charge to a fixed waste charge. The revised draft Rating Strategy aims to deliver an equitable rating outcome, within the parameters available under the legislative framework that now applies to local government.

To enable the community to understand the principles underpinning the proposed changes, it is proposed that the revised draft Rating Strategy be submitted to Council for approval following a further community consultation process, involving a call for public submissions for a further two week period.

The Rating Strategy is a key foundation document for the annual budget, therefore needs to be adopted by Council prior to consideration of the draft 2016/17 Budget to enable the budget process to be completed and the 2016/17 Budget to be adopted no later than 30 June 2016 to meet Council's statutory obligations. The proposed revised process meets this statutory requirement.

## **Discussion**

The revised draft Rating Strategy is framed around nine key elements:

1. Capital improved value (CIV) of properties and differential rating to determine the distribution of total rates levied,
  2. Application of a General (residential) rate for rateable residential properties,
  3. Application of differential rates to:
    - a. Commercial properties:
      - i. Commercial businesses,
      - ii. Properties having six or more bedrooms which are rented out as holiday accommodation,
    - b. Tourist accommodation properties, that is properties having five or less bedrooms which are rented out as holiday accommodation,
  4. Rating concessions for cultural and recreational ratepayers,
  5. An additional pensioner concession of \$40, above the government funded pension rebate, per eligible ratepayer property,
  6. A fixed Kerbside Waste charge to recover the cost of residential kerbside waste collection and disposal, to be applied to residential premises rated as General rate or Tourist
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- Accommodation rate that are capable of being occupied, to recover the cost of the provision of kerbside waste collection and disposal services,
7. A fixed Public Waste charge, to be applied to all rateable properties in the Borough, to recover the cost of the provision of public waste collection and disposal services,
  8. A fixed Green Waste charge to recover the cost of the kerbside green waste service, to be applied to residential premises rated as General rate or Tourism Accommodation rate, however exclude vacant residential land from 2016/17, to recover expenditure incurred in the provision of this service, and
  9. Additional bin charges for additional general waste, recycle and green garbage bin services.

In developing the elements of the revised draft Rating Strategy, Council officers presented to Council the benefits and limitations of alternative rating models for the recovery of kerbside collection and disposal services and a fixed Public Waste charge, which are summarised below:

<b>1. A fixed Kerbside charge, fixed Green Waste charge and fixed Public Waste charge</b>	
<b>Benefits</b> <ul style="list-style-type: none"><li>• Recovery of actual costs and transparency of full waste management costs on the rates notice</li><li>• Only those who access the service pay for the service (Kerbside Waste and Green Waste charges excludes Commercial &amp; vacant residential land assessments; Public Waste charge applies to all properties who receive similar benefits)</li><li>• Consistent approach to current fixed charges for Green Waste (compulsory) and Additional Bin (optional) charges</li><li>• Everyone pays a set charge for the same service received</li><li>• Everyone continues to contribute to public waste services</li><li>• Previously established and accepted approach in the sector</li></ul>	<b>Limitations</b> <ul style="list-style-type: none"><li>• Inconsistent with current equity approach in the current Rating Strategy</li><li>• Pensioners and comparatively low income ratepayers are disadvantaged</li><li>• Perception that Council intends to raise extra revenue versus recovery of costs</li><li>• Low value residential properties contribute significantly more and high value residential properties contribute significantly less compared to current approach</li><li>• Commercial rates and vacant residential properties contribute less rates and charges revenue and residential properties and tourist accommodation properties contribute less</li></ul>
<b>2. A CIV-based Kerbside Waste charge, Green Waste charge and fixed Public Waste charge</b>	
<b>Benefits</b> <ul style="list-style-type: none"><li>• Recovery of actual costs and transparency of full waste management costs on the rates notice</li><li>• Only those who access the service pay for the service (Kerbside Waste charge and Green Waste charge excludes Commercial &amp; vacant residential land</li></ul>	<b>Limitations</b> <ul style="list-style-type: none"><li>• Ratepayers may not expect to pay more or less for the same service</li><li>• A CIV-based Kerbside Charge is an inconsistent approach to other 'fixed' waste charges</li><li>• Perception that Council intends to raise extra revenue versus recovery of costs</li><li>• Low value residential properties contribute</li></ul>



<p>assessments)</p> <ul style="list-style-type: none"><li>• Everyone continues to contribute to public waste services</li></ul> <p><b>Benefits (continued)</b></p> <ul style="list-style-type: none"><li>• Using a CIV based approach is consistent with current accepted rating approach – those with higher property values contribute more</li><li>• Those ratepayers with less capacity to pay (low value properties, pensioners, war veterans) are less disadvantaged.</li><li>• Those ratepayers with more capacity to pay (high value properties) contribute more to kerbside waste services</li></ul>	<p>significantly more and high value residential properties contribute significantly less</p>
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The new State Government imposed rate capping legislation imposes a 2.5% rate cap on general rates and municipal charges, which represents capping of general rates to CPI in the 2016/17 rating year. The intent of the new State government policy is that the recovery of the cost of waste collection and disposal not be included in the rate cap. The introduction of waste charges to recover the full cost of all waste management services will enable the Borough of Queenscliffe to continue to recover the full cost of kerbside collection and disposal of waste and public waste services, which generally exceed CPI. Separating waste charges on the Rate Notice also enables increased transparency about the waste management costs to be recovered in each year.

The waste management cost streams covered by waste charges include residential kerbside collection and disposal, green waste collection and disposal and public waste collection and disposal. It is proposed that all costs associated with each of the waste management streams be disclosed to the community as supplementary information to accompany the 2016/17 Rate Notice.

These cost streams are included in the annual budget and may include the net cost of items such as:

#### **Kerbside Waste**

- Roadside E Waste collection
- Kerbside waste collection (including general, recycling and hard waste)
- Landfill disposal (including Landfill Levy)
- Waste collection bin renewal
- Waste and litter education
- Regional Waste Management Group membership



### **Green Waste**

- Kerbside collection and disposal of green waste
- Green waste monitoring and evaluation
- Green waste education program

### **Public Waste**

- Public waste collection (including street and park bins)
- Street cleaning and sweeping
- Beach cleaning

Given the financial pressures impacting on pensioners with fixed incomes, it is also recommended that the Council pensioner concession rebate, which is in addition to the State government funded pension concession, per eligible ratepayer property, be increased from \$20 to \$40. This recognises that the burden of the cost of kerbside waste collection and disposal will no longer be shared by all rateable properties, only those who have access to the service and represents residential properties within the Borough.

The following elements of the draft Rating Strategy are proposed to remain unchanged:

- Capital improved value (CIV) of properties and differential rating to determine the distribution of total rates levied,
- A General (residential) rate for rateable residential properties (100%),
- A Commercial rate (130% of the General rate),
- A Tourist accommodation rate (110% of the General rate),
- Rating concessions for cultural and recreational ratepayers,
- Rating concessions to rateable properties with significant environmental benefit to the community; and
- No municipal charge.

### ***Community engagement***

The key communications objectives are:

1. To inform the community of the elements of the Rating Strategy,
2. To raise awareness of the impacts of State government imposed changes, including rate capping,
3. To encourage ratepayers to fully explore applicable rebates, hardship provisions and alternative payment arrangements; and
4. To engage with the community and seek feedback on the draft Rating Strategy.

Public consultation is an important part of the development of the Rating Strategy. Given the complexity of rating systems and how rating systems are applied, this emphasises the importance of maintaining a better informed community.

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Council, together with the local community, place a high priority on clearly communicating the elements of the draft Rating Strategy and understanding the State Government imposed changes. This is particularly important this year due to the impact of rate capping and how this alters the way that Council rates are calculated.

Public submissions were invited on the previous draft Rating Strategy endorsed by Council on 20 January 2016, which occurred over a 28 day exhibition period in line with Section 223 of the Act and closed on Wednesday, 17 February 2016. This revised Rating Strategy is prepared in accordance with the Act and will be submitted to Council for approval following a further community consultation process, involving a call for public submissions for a further two week period. This will assist to enhance the community's understanding of the principles underpinning the proposed changes to the revised draft Rating Strategy relating to waste management charges and provide further opportunity for community feedback. This draft Rating Strategy will be available for inspection at the Council offices and on Council's web site from 10 March to 24 March 2016. Interested community members will be able to make a submission on any proposal contained in the Strategy. All submissions will be considered before consideration of the final Rating Strategy by Council at a Special Council Meeting scheduled on 6 April 2016.

To assist interested persons to understand the Rating Strategy and make a submission if they wish, Council officers will undertake a further community engagement process, provide additional general information and awareness communication during the public submission period and seek further community feedback on the Rating Strategy. The final step is for Council to adopt the Rating Strategy after receiving and considering any submissions from interested parties. The Rating Strategy will be adopted before Council considers the Draft 2016/17 Budget at Special Meeting of Council on 20 April 2016.

### **Council Plan**

The draft Rating Strategy is in line with the key strategy in the Council Plan to: *'Provide accountable governance and long term sustainable financial management'*.

The Rating Strategy will directly inform the development of the draft 2016/17 Budget.

### **Financial**

The revised draft Rating Strategy attached as **Appendix 1** has been prepared with current available staff resources. The Rating Strategy does not propose to change the level of rates and charges revenue generated by Council. It recommends that the rates and charges revenue continue to be distributed across the community in a fair and equitable manner, taking into account changes to legislative requirements and the economic climate impacting on the Borough of Queenscliffe.

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## **Social**

No specific items to report.

## **Environmental**

No specific items to report.

## **Risk Management**

Changes proposed to the revised draft Rating Strategy comply with legislative requirements with respect to developing the Borough of Queenscliffe Council's approach to its rating and charges structure, including responding to the State Government imposed rate cap. It also ensures that Council takes a responsible approach to reviewing its rating strategy to ensure that the costs of waste management services are fully recovered in an equitable manner from only those ratepayers who have access to the services or who receive the benefits of those services.

To assist interested persons to understand the revised draft Rating Strategy and make a submission if they wish, Council officers will undertake a further community engagement process, provide additional general information and awareness communication during the public submission period and seek further community feedback on the Rating Strategy. Council will be able to consider further feedback from the community prior to making an informed decision about the adoption of the revised draft Rating Strategy at a Special Meeting proposed to be scheduled on 6 April 2016.

## **Officer Direct or Indirect Interest**

*Under Section 80C (1) (2) of the Local Government Act 1989, Council staff and persons engaged under a contract to provide advice or a report to a meeting of the Council or a special committee, and who have a direct or indirect interest in a matter to which the advice or report relates, must disclose the type of interest when providing the advice or report and before the advice or report is consider by the Council or the committee.*

Officers involved in developing the report have no direct or indirect interests.

## **Conclusion**

This revised draft Rating Strategy responds to Council's direction provide at its 24 February 2016 Ordinary Meeting, requesting revisions to be made to the draft Rating Strategy presented at that meeting. The revised draft Rating Strategy has been developed through a process of consultation and review and includes Council's response to the State Government's new rate capping legislation, which commences from 1 July 2016. Subject to any further changes to the revised draft

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Rating Strategy, Council officers propose that Council consider the final Rating Strategy for adoption at a Special Meeting to be scheduled on 6 April 2016. This will enable Council to consider and adopt the final Budget at its Ordinary Meeting scheduled on 22 June 2016 and meet its statutory process obligations to adopt the Rating Strategy and prepare the 2016/17 Budget, which must be adopted by 30 June 2016.

**Recommendation:**

**That Council:**

- 1. Endorse the revised draft Rating Strategy as presented;**
- 2. Give public notice that Council has prepared the draft Rating Strategy and call for public submissions by no later than 4pm on Wednesday, 23 March 2016.**
- 3. Consider the draft Rating Strategy for adoption at a Special Meeting to be scheduled on Wednesday, 6 April 2016.**

**5. CLOSE OF MEETING**

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