

Revenue and Rating Plan 2025–2029



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OVERVIEW

Pursuant to the Local Government Act 2020's *Integrated Strategic Planning and Reporting Framework*, it is a requirement for all Victorian councils to develop a four-year Revenue and Rating Plan, by 30 June after a general election.

The Revenue and Rating Plan is a requirement for Councils and provides a medium-term plan for how Council will generate income to deliver on the Council Plan, program and services and capital works commitments over a 4-year period.

Revenue and Rating Plan means a Revenue and Rating Plan prepared by a Council under section 93 of the Act. Schedule 1 of the regulations requires the governance and management checklist included in the report of operations in a council's Annual Report to include the Revenue and Rating Plan as an item. The checklist confirms the Revenue and Rating Plan has been adopted by council.

The Revenue and Rating Plan will incorporate consideration of:

- how revenue will be generated through rates on properties 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 pricing policies
- developer contributions and other revenue
- revenue generated from use or allocation of Council assets (including the application of discounts and waivers)
- recurrent and non-recurrent operational and capital grants from other levels of government
- entrepreneurial, business, or collaborative activities established to deliver programs or services and generate income or reduce costs

Assumptions underpinning the Budget must be transparent and linked to preparation of individual service and program budgets, service standards and major initiatives (both operational and capital).

The Revenue and Rating Plan must therefore identify each source of revenue to be included in the budget and the policy rationale/assumptions that underpin these.

1.0 PURPOSE

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

The purpose of the Revenue and Rating Plan is to determine the most appropriate and affordable revenue and rating approach for Council which in conjunction with other income sources will adequately finance the objectives in the MV2040 Strategy, and the council plan. The MV2040 Strategy reduces the need for multiple standalone Council strategies and places an enhanced focus on service delivery. Importantly, it will allow Council to plan more effectively and finance and deliver infrastructure over the longer term. The Strategy provides the long-term vision for the city. It is designed to operate as Council's overarching strategy guiding planning, infrastructure and service delivery across our 13 neighbourhoods.

The Revenue and Rating Plan will explain 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 will set 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 will also set out principles that are used in decision making for other revenue sources such as fees and charges.

It should be noted that this plan does not set revenue targets for Council, however, outlines the strategic framework and decisions that inform how Council will go about calculating and collecting its revenue.

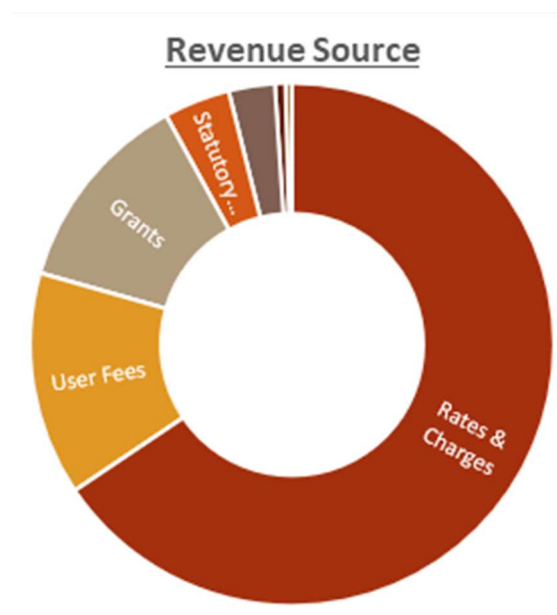
2.0 INTRODUCTION

Council provides a number of services and facilities to our community, and in doing so, must collect revenue to cover the cost of providing these services and facilities. Council’s revenue sources include:

- Rates and Charges
- Statutory Fees and Fines
- User Fees
- Grants
- Cash and non-cash contributions from other parties (i.e. developers, community groups)
- Net gain (loss) on disposal of property, infrastructure, plant and equipment
- Other Income

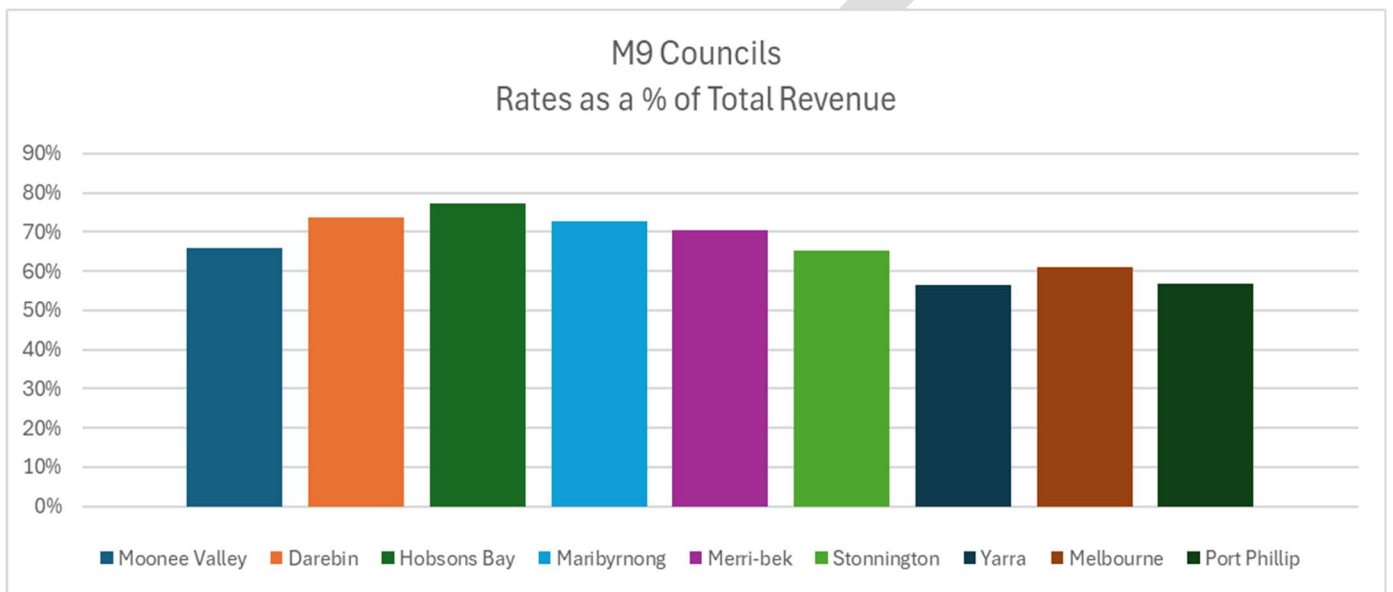
The graphical display and table below show the sources of revenue for Council in the 2024/25 financial year.

Revenue Source	%
Rates & Charges	66%
Statutory fees & fines	5%
User Fees	14%
Grants	11%
Contributions	3%
Other Income	1%



Rates are the most significant revenue source for Council and make up approximately 66% of annual income. The introduction of the Fair Go Rates System (rate capping) has provided substantial financial challenges to Council’s long-term financial sustainability and continues to restrict Council’s ability to raise revenue to maintain service delivery levels and invest in community assets. This strategy addresses Council’s reliance on rate income and provides options to actively reduce that reliance.

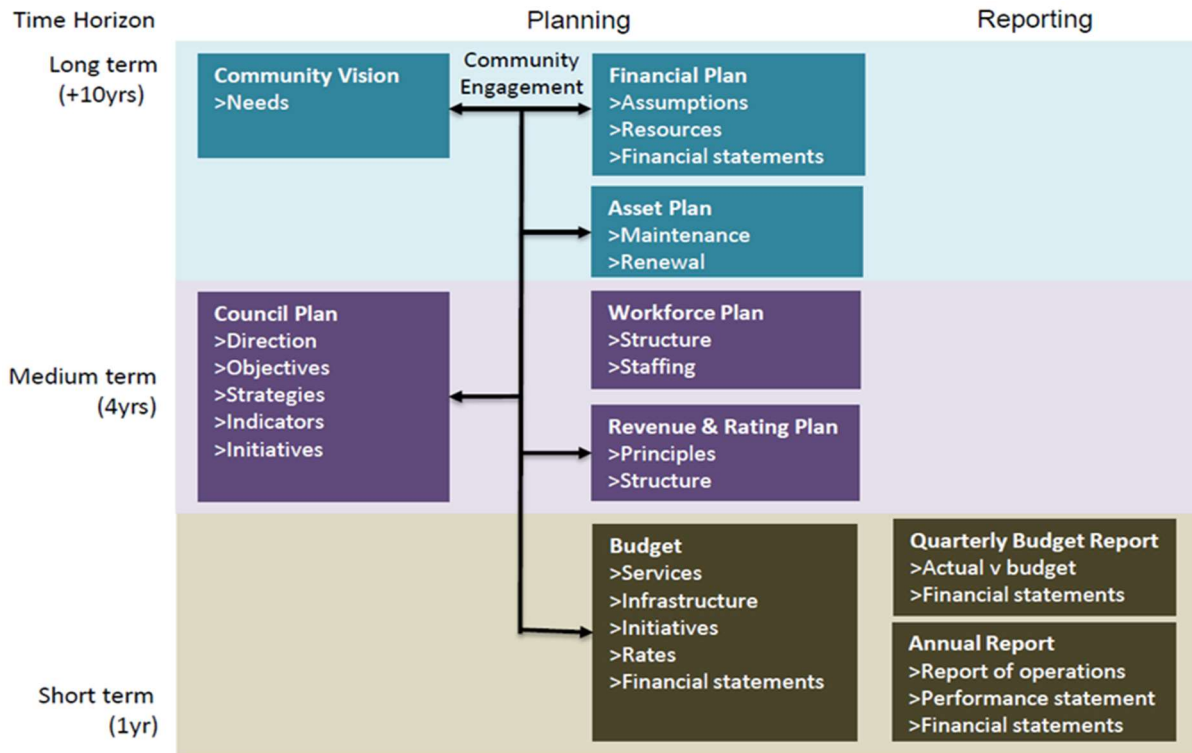
As shown in the chart below, Moonee Valley’s percentage of 66% in rate revenue is within the average of other M9 councils. Those councils with a lower percentage receive a higher amount of revenue in fees and fines and user fees. Although Moonee Valley is unable to attract similar amounts for this type of revenue, it needs to budget for 4-6% annual increases in user fees to ensure the reliance on rate revenue does not increase beyond 70%.



Council provides a wide range of services to the community, often for a fee or charge. The nature of these fees and charges generally depends on whether they relate to statutory or discretionary services. Some of these, such as statutory planning fees are set by State Government statute and are commonly known as regulatory fees. In these cases, Council usually has no control over service pricing. However, in relation to other services, Council can set a fee or charge and will set that fee based on the principles outlined in this revenue and rating plan.

Council revenue can also be adversely affected by changes to funding from other levels of government. Some grants are tied to the delivery of council services, whilst many are tied directly to the delivery of new community assets, such as roads or sports pavilions. Council will be clear about what grants we intend to apply for, and the obligations that grants create in the delivery of services or infrastructure.

Council has developed the long-term plan MV2040 to guide how Council will make Moonee Valley a great place to live for current and future generations. The MV2040 Strategy is the ‘umbrella’ strategy which will guide all of Council’s future work through action plans to deliver on the five themes of the strategy. The following diagram shows the relationship between the key planning and reporting documents that make up the planning and accountability framework for the City of Moonee Valley.



Planning for future rate increases has therefore been an important component of the financial planning process. The Fair Go Rates System (FGRS) sets out the maximum amount councils may increase rates in a year. For 2025/26 the FGRS cap has been set at 3%. The cap applies to both general rates and municipal charges and is calculated on the basis of council's average rates and charges.

The level of required rates and charges has been considered in this context, with reference to Council's other sources of income and the planned expenditure on services and works to be undertaken for the community.

3.0 RATES AND CHARGES

Rates are property taxes that allow Council to raise revenue to fund essential public services to cater for the municipal population. Importantly, it is a taxation system that includes flexibility for Council to utilise different tools in its rating structure to accommodate issues of equity and to ensure fairness in rating for all ratepayers. Council has established a rating structure comprising the following key element:

- **General Rates** – Based on property values (using the Capital Improved Valuation methodology), which are indicative of capacity to pay and form the central basis of rating under the Local Government Act 2020.

Striking a proper balance with this element will help to improve equity in the distribution of the rate burden across the community. Council makes a further distinction when applying general rates by applying rating differentials based on the purpose for which the property is used, that is, whether the property is used for “residential” or “non-residential” purposes. This distinction is based on the concept that different property categories should pay a fair and equitable contribution. The differential rates are currently set as follows:

- Residential **100%**
- Non-Residential **123%**
- Cultural and Recreational Land **100%**

The formula for calculating General Rates, excluding any additional charges, arrears or additional supplementary rates is:

- Valuation (Capital Improved Value) x Rate in the Dollar (Differential Rate Type)

The rate in the dollar for each rating differential category is included in Council’s annual budget. Rates and charges are an important source of revenue, accounting for approximately 66% of operating revenue received by Council. The collection of rates is an important factor in funding Council services. Planning for future rate increases is therefore an essential component of the long-term financial planning process and plays a significant role in funding both additional service delivery and the increasing costs related to providing Council services. Council is aware of the balance between rate revenue (as an important income source) and community sensitivity to rate increases.

With the introduction of the State Government’s Fair Go Rates legislation, all rate increases are capped to a rate declared by the Minister for Local Government, which is usually announced in December for the following financial year.

To achieve these objectives while maintaining service levels and a strong capital expenditure program, the average general rate and the municipal charge will increase by 3% in line with the rate cap. This will raise total rates and charges for 2025/26 to \$155.66 million.

The reconciliation of the total rates and charges to the Comprehensive Income Statement is as follows:

Rates & Charges	2024/25 \$'000	2025/26 \$'000	Change \$'000	Change %
General rates	114,727	118,877	4,108	3.62%
Municipal charge	10,331	10,649	310	3.08%
Waste management charge	19,834	20,503	669	3.30%
Service rates and charges	1,845	1,881	36	1.92%
Special rates and charges	505	505	-	0%
Supplementary rates & rate adjustments	750	750	-	0%
Interest on rates and charges	736	500	(236)	(32.10%)
Revenue in lieu of rates	2,000	2,060	60	3%
Total rates and charges	150,729	155,726	4,997	3.32%

3.1 Rating Legislation

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

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

- General rates under Section 158
- Municipal charges under Section 159
- Service rates and charges under Section 162 and 221
- Special rates and charges under Section 163

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

- Site Valuation
- Capital Improved Valuation
- Net Annual Value.

The City of Moonee Valley has historically used the Capital Improved Value as a method of distributing municipal rates across property owners/tenants, and there are no immediate proposals to alter this system to either of the other value bases.

The advantages and disadvantages of the respective valuation basis are discussed further in this document. Whilst this document outlines Council's strategy regarding rates revenue, rates data will be contained in the Council's Annual Budget as required by the *Local Government Act 2020*.

Section 94 (1 and 2) of the *Local Government Act 2020* states that Council must adopt a budget by 30 June each year (or at another time fixed by the Minister) to include:

- a) the total amount that the Council intends to raise by rates and charges:
- b) a statement as to whether the rates will be raised by the application of a uniform rate or a differential rate:
- c) a description of any fixed component of the rates, if applicable:
- d) if the Council proposes to declare a uniform rate, the matters specified in section 160 of the *Local Government Act 1989*; and,
- e) 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*.

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

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

This plan outlines the principles and strategic framework that Council will utilise in calculating and distributing the rates to property owners. The quantum of rate revenue and rating differential

amounts will be stated in the City of Moonee Valley budget.

In August 2022, the Victorian Government passed the *Local Government Legislation Amendment (Rating and Other Matters) Act 2022 (Act)* making a number of amendments including a particular focus on ratepayers experiencing hardship and improving the way rates are collected. This change has amended both the *Local Government Act 1989* and the *Local Government Act 2020*.

Some of the key changes are:

- a) service rates and charges: Waste charges were previously limited to the collection and disposal of refuse. The Act updates the description of waste charges to include all modern waste management activities such as collection, transport, processing, storage and treatment of waste and recyclable material.
- b) rebates and concessions: The previous arrangements for rate rebates and concessions were confined to the reservation of buildings and the environment, the Act recommends a new, contemporary public benefit test for councils to offer rate rebates and concessions for land uses that provide a public benefit to the community
- c) hardship and payment plans: The alternative means of paying rates via a payment plan has been formalised in the Act which ensures consistent application across all councils. The Act supports people who are struggling to pay their debt and limits the use of court proceedings for recovering unpaid rates in situations where rates or charges have not been paid for two years or more. It also requires interest rate on unpaid rates to be set by the Minister of Local Government instead of being levied pursuant to Penalty Interest Rate Act 1983 al.
- d) Special rates and charges: The Act require Councils to levy special rates and charges within 12 months of declaring such a scheme, else the scheme itself lapses.

3.2 Rating Principles

Taxation Principles:

When developing a rating strategy, in particular with reference to differential rates, a Council should give consideration to the following good practice taxation principles:

- Wealth Tax
- Equity
- Efficiency
- Simplicity
- Benefit
- Capacity to Pay
- Diversity

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.

The rating challenge for Council therefore is to determine the appropriate balancing of competing considerations.

Rates and Charges Revenue Principles:

Property rates will:

- be reviewed annually;

- not change dramatically from one year to next:
- be sufficient to fund current expenditure commitments and deliverables outlined in the Council Plan, Financial Plan and Asset Plan:
- that rates will continue to be based principally on an ad-valorem basis (i.e. based on the capital improved valuation) of the various properties with separate charges for waste collection to be raised where applicable: and
- that Council will continue to apply a differential rate for commercial and industrial properties.

Details of the current rating framework is provided in Table 1 below:

Rating option/ LG Act reference	Description	Comments
General rate S158	A general rate is applied to all properties and can be set as either a uniform rate or a number of differential rates.	Overall provision for the setting and payment of rate
Uniform rate S160	A uniform rate is a single rate in the dollar that is applied to the value of all properties in the municipality.	Moonee Valley does not apply a uniform rate
Differential rates S161	Differential rates are different rates in the dollar that are applied to different classes of properties and are permitted if the Council uses Capital Improved Value as the rating valuation base. The Act allows the use of differential rates if the Council considers that this will contribute to the equitable and efficient carrying out of its functions.	Moonee Valley applies differential rates
Municipal charge S159	A municipal charge to cover some of the administrative costs of the Council. This is a flat-rate charge applied to all properties.	Moonee Valley levies a municipal charge.
Service rates and charges S162 and S221	Service rates or annual service charges (or a combination of both) can be levied for provision of a water supply, collection and disposal or waste, and sewerage services.	Moonee Valley levies a service charge to all eligible residential property and any businesses that elects to use Council's waste service.

<p>Incentives for prompt payment S168</p>	<p>Council may declare that incentives will be given by it for the payment of rates and charges, in full, before the due date.</p>	<p>Moonee Valley does not offer an early payment discount</p>
<p>Rebates and Concessions S169</p>	<p>The Act allows Councils to grant a rebate or concession in relation to any rate or charge to assist the proper development of all or part of the municipal district, preserve buildings or places of historical, environmental, architectural or scientific importance.</p>	<p>Moonee Valley provides a rebate to eligible recipients under the <i>State Concession Act 2004</i>.</p>
<p>Special rates and charges S163</p>	<p>A special rate or charge may be declared for purposes of:</p> <ul style="list-style-type: none"> • defraying any expenses, or • repaying with interest any advance made or debt incurred or loan raised by Council. 	<p>Moonee Valley levies special rates and charges for promotional and marketing activities to assist retail associations. Currently there are 4 special rates schemes, which are:</p> <ul style="list-style-type: none"> • Moonee Ponds • Flemington • Union Road • Niddrie
<p>Cultural and Recreational Lands Act 1963 S 4</p>	<p><i>The Cultural and Recreational Lands Act 1963 (CRLA)</i> requires a council to levy rate equivalent amounts in lieu of rates in respect of any “recreational lands” which would otherwise be rateable land under the Act.</p>	<p>Council will declare rate equivalent amounts calculated by having regard to the services provided to eligible CRL properties and the benefit to the community derived from them, at the times and in the manner prescribed by the CRLA.</p>

3.3 Valuation Base

Under the Local Government Act 1989, Council has three options as to the valuation base it elects to use. They are:

- Capital Improved Valuation (CIV) – Value of land and improvements upon the land.
- Site Valuation (SV) – Value of land only.
- Net Annual Value (NAV) – Rental valuation based on CIV.

The City of Moonee Valley utilises the Capital Improved Value rating system, which is the simplest of the definitions and includes the combined value of the land and all existing improvements as at the relevant date of valuation, being 1st January in each year.

The Capital Improved Value rating system has been utilised by the City of Moonee Valley for a number of years and whilst there are no immediate proposals to alter this system, Council will engage with both the community and industry to better explain the general aspects of the valuation and appropriate rating system. The Capital Improved Value system allows Council to utilise differential rates (varying rates in the dollar on different properties).

The general objectives of Council’s differential rates is to ensure that all rateable land makes an equitable financial contribution to cost of carrying out the functions of Council. The continuation of three (3) differential rates, “residential”, “non-residential” and “cultural & recreational” and the difference between the rates in the dollar, Council is of the opinion that this fair and equitable to all ratepayers. The application of the differential rates will be reviewed as part of the review of this “Plan”.

The Valuation of Land Act 1960 is the principal legislation in determining property valuations. Under the Valuation of Land Act 1960, the Victorian Valuer-General conducts property valuations on an annual basis, the most recent being the values as at the 1 January 2025. The movement in Capital Improved Values by property classification from 2024 to 2025 can be seen in the table below:

Class of Land	Assessments	2024/25 Capital Improved value \$'000	2025/26 Capital Improved value \$'000	% Movement
Residential	58,128	57,875,385	59,170,880	2.24%
Non-Residential	3,621	5,165,430	5,135,718	(0.58%)
Cultural & Recreational	30	151,825	147,900	(2.59%)
Total	61,779	63,192,640	64,454,498	2.00%

The value of land is always derived by the principal of valuing land for its highest and best use at the relevant time of valuation (1st January 2025). Council is mindful of the impacts of revaluations on the various property types in implementing the differential rating strategy outlined in the previous section to ensure that rises and falls in Council rates remain affordable and that rating ‘shocks’ are mitigated to some degree. However, Council also acknowledges that movement in individual rates from one year to the next is driven by the movement in individual property values as a comparison to the movement in median property values across the municipality. It is this principle that Council believes an education program for the community is required.

Whilst the general valuation is undertaken annually, supplementary valuations are carried out quarterly, for a variety of reasons including rezoning, subdivisions, amalgamations, renovations, new constructions, extensions, occupancy changes and corrections. The Victorian Valuer-General is tasked with undertaking supplementary revaluations and advises Council on a quarterly basis of valuation and Australian Valuation Property Classification Code (AVPCC) changes. Supplementary valuations bring the value of the affected property into line with the general valuation of other properties within the municipality. Currently, Council receives an additional \$750,000 in rate revenue income annually.

Part 3 of the Valuation of Land Act 1960 provides that a property owner (or tenant) may lodge an objection against the valuation of a property or the Australian Valuation Property Classification Code (AVPCC) within two months of the issue of the original or amended (supplementary) Rates and Valuation Charges Notice (Rates Notice), or within four months if the notice was not originally issued to the occupier of the land.

3.4 Rating Differentials

Council utilises three (3) differential rates on the Capital Improved Value of rateable properties within the municipality, “residential”, “non-residential” and “cultural and recreational”. The definitions of the differential are as follows:

Residential land (including Residential Vacant Land) is any land, which is occupied or adapted to be occupied for residential purposes but excluding any land which is used as or for a boarding house, hostel or similar purpose. Residential Vacant land is any land and includes any land on which no building has been erected, and which is located within the Residential 1 zone under the Moonee Valley Planning Scheme.

Non-Residential is any land which is not Residential Land, not Residential Vacant Land, and includes land occupied or adapted to be occupied for commercial or industrial purposes.

Cultural & Recreational Use Land-Residential rateable assessments that receive a Cultural & Recreational Land rebate will be classified as Residential Land. Council allows a Cultural & Recreational Land rebate for each of the 2 classifications under Council’s Cultural & Recreational Land Policy – Category 1 receive 95% rebate and Category 2 receive 0% rebate from both the general rate and the municipal charge.

The money raised by the differential 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. The objectives of this differential rate, having regard to principles of equity including the capacity to pay of those levied the rate, is to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including (but not limited to) the:

- construction and maintenance of infrastructure assets;
- development and provision of health and community services; and
- provision of general support services.

The types and classes of rateable land within this differential rate are those having the relevant characteristics described in the paragraphs immediately above.

The objective of Council’s differential rates is to ensure that Council has adequate funding to undertake its strategic, statutory, service provision and community services obligations and to ensure that the differential rate in the dollar declared for both “residential” and “non-residential” properties is fair and equitable, having regard to the cost and the level of benefits derived from provision of Council services. An example of the application of Council’s differential rates, is as follows:

Example

An example of a “residential” and “non-residential” property, both valued at \$1.0 million in the 2025 general valuation.

Residential property valued @ \$1.0 million (capital improved value), therefore, municipal rates calculated @ **\$1.0 mil x \$0.00181116 = \$1,811.16**

Non-residential property valued @ \$1.0 million (capital improved value), therefore, municipal rates calculated @ **\$1.0 mil x \$0.00222773 = \$2,227.73**

The difference between the municipal rates assessed on the two (2) main property types above, represents what Council believes characterises a fair and equitable system, whereby the non-residential and income producing property, has a slightly higher amount than the residential property.

As stated previously, Council utilises the Capital Improved Value (CIV) rating system. Council has also historically introduced three (3) differential rates, “residential”, “non-residential” and “cultural & recreational”. These rates for 2025/26 for “residential” (including cultural & recreational properties) will increase from 0.177768 cents to 0.181269 cents and for “non-residential” will increase from 0.218455 cents to 0.222960 cents.

Type or class of land	2024/25 cents/\$CIV	2025/26 cents/\$CIV	Change
General rate for rateable residential properties	0.177768	0.181116	1.88%
General rate for rateable non-residential properties	0.218455	0.222773	1.98%
General rate for rateable Cultural & recreational properties	0.177768	0.181116	1.88%

3.5 Municipal Charge

The City of Moonee Valley currently levies charges under the following section of the Act:

- Section 159 – Municipal charge

The municipal charge, which applies to all rateable properties within the municipality, will increase from \$166.35 per assessment in 2024/25 to \$171.30 per assessment in 2025/26, an increase of \$4.95 per assessment or 3%. This charge will produce \$10,649,378 in total for 2025/26, an increase of \$371,948.

3.6 Special Charge Schemes

The City of Moonee Valley currently levies rates or charges under the following section of the Act:

- Section 162 – Service rate and service charge

Council does have these current “special charge schemes” for the following business districts:

- Moonee Ponds
- Flemington
- Union Road
- Niddrie

In total, these special charge schemes will produce \$505,000 in 2025/26 which is in line with the revenue received in 2024/25.

3.7 Service Rates and Charges

The City of Moonee Valley currently levies rates or charges under the following section of the Act:

- Section 162 – Service rate and service charge

This charge is easily understood by residents as a fee for a direct service. All residents who receive the same level of waste service pay an equal amount, and those that do not receive the service are not charged. Each property receiving Council waste collection services is currently charged depending on the level of service received:

- A 120L or 240L general waste bin and / or a 120L or 240L recycling bin
- A 240L general waste bin for non-residential industrial and commercial properties
- A 240L green waste bin for non-pensioners
- A discounted 240L green waste bin for pensioners
- Landfill 120 Litre Bin - New Additional Bin – Residential
- Landfill 120 Litre Bin - Existing Additional Bin – Residential
- Landfill 240 Litre Bin - Additional Bin – Commercial
- Landfill 240 Litre Bin - Existing Additional Bin – Commercial
- Landfill 240 Litre Bin - Upgrade from 120 Litre Bin – Residential
- Landfill 240 Litre Bin - Existing Additional Bin – Residential
- Landfill 660 Litre Bin - New Bin
- FOGO 140 Litre Bin - Additional Bin
- FOGO 140 Litre Bin - Existing Additional Bin
- FOGO 140 Litre Bin - Existing Additional Bin – Pensioner
- FOGO 240 Litre Bin - Additional Bin
- FOGO 240 Litre Bin - Existing Additional Bin
- FOGO 240 Litre Bin - Existing Additional Bin – Pensioner
- Recycle 120 Litre Bin - Additional Bin – Residential
- Recycle 120 Litre Bin - Existing Additional Bin Residential
- Recycle 240 Litre Bin - Additional Bin Residential
- Recycle 240 Litre Bin - Existing Additional Bin Commercial
- Recycle 360 Litre Bin - Upgrade from 140 or 240 – Residential
- Recycle 360 Litre Bin - Existing Additional Bin – Commercial
- Recycle 360 Litre Bin - Existing Additional Bin – Residential
- Recycle 360 Litre Bin - New Additional Bin - Residential/Commercial
- Recycle 660 Litre Bin - for Multi-Unit Developments that require council to provide the service

This service charge also funds:

- hard waste collection,
- street sweeping,
- public litter bins,
- laneway cleansing,
- transfer station,
- the state government landfill contribution levy

The rate or unit amount to be levied for each type of service rate or charge under Section 162 of the Act compared with the previous financial year.

Type of Charge	Per serviced property 2024/25	Per serviced property 2025/26	Change	
	\$	\$	\$	%
Waste service charge	\$415.50	\$415.30	(\$0.20)	(0.05%)
Waste service charge (Pensioner)	\$381.50	\$385.30	\$3.80	1.00%
Total	\$797.00	\$800.60	\$3.60	0.45%

The estimated total amount to be raised by each type of service rate or charge, and the estimated total amount to be raised by service rates and charges, compared with the previous financial year.

Type of Charge	Per serviced property 2024/25	Per serviced property 2025/26	Change	
	\$	\$	\$	%
Waste service charge	\$19,887,461	\$20,503,323	\$615,862	3.10%
Waste service charge (Pensioner)	\$1,845,785	\$1,881,005	\$35,220	1.91%
Total	\$21,733,246	\$22,384,328	\$651,082	2.91%

The waste service charge for 2024/25 changed to reflect the implementation of the Victorian State Government Circular Economy Waste Policy, which amongst other things includes greater waste service standardisation across all councils and separates waste services into household rubbish, mixed recycling and food organics and garden organics (FOGO).

Council will be introducing the Kerbside Glass Collection Service (purple bin) in late 2026. All Councils are required to provide the Kerbside Glass Collection Service by 1/07/2027, to comply with the State Government Circular Economy (Waste Reduction and Recycling) Act 2021.

The indicative cost per annum for the collection and disposal of the glass material is \$1,357,657 based on the collection of 50,000 kerbside bins and the community glass collection bins. Assuming that the number of tenements receiving Council waste service at 1/07/2026 is 56,000, this would be an additional \$24.25 added to the waste charge per tenement.

3.8 Collection and Administration of Rates and Charges

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

Payment options

Rates notices are normally sent to ratepayers early to *mid-September* with rates able to be paid in four equal instalments, the date for each instalment is as follows:

Instalment 1: 30 September

Instalment 2: 30 November

Instalment 3: 28 February

Instalment 4: 31 May

Council offers a range of payment options including:

- in person at Council offices (9 Kellaway Avenue, Moonee Ponds)
- online via Council's ratepayer portal,
- BPAY or BPAY View,
- By direct debit,
- Credit or debit card over the phone,
- An Australia Post outlet

Email: Ratepayers can save time and the environment by signing up to receive their rates notice via email.

Interest on arrears and overdue rates

City of Moonee Valley charges interest on late payments, in accordance with Section 172 of the Local Government Act 1989. Interest is charged at the penalty interest rate, which is currently 10 per cent per annum, as fixed under Section 2 of the Penalty Interest Rates Act 1983. Penalty interest on any arrears of rates and charges will continue to accrue. Interest will be calculated from the date when each quarterly instalment was due.

Pensioner rebates

Holders of a Centrelink or Veteran Affairs Pension Concession card or a Veteran Affairs Gold card which stipulates TPI or War Widow may claim a rebate on their sole or principal place of residence. Upon initial application, ongoing eligibility is maintained, unless rejected by Centrelink or the Department of Veteran Affairs during the annual verification procedure. Upon confirmation of an eligible pensioner concession status, the pensioner rebate is deducted from the rate account before payment is required by the ratepayer.

With regards to new applicants, after being granted a Pensioner Concession Card (PCC), pensioners can then apply for the rebate at any time throughout the rating year. Retrospective claims up to a maximum of one previous financial year can be approved by Council on verification of eligibility criteria, for periods prior to this claim may be approved by the relevant government department. In 2025 this Government Rebate was **\$309.50** per household (inclusive of the rebate on the fire services levy). In addition to this Government rebate, Council operates a Pensioner Rebate scheme under which those eligible to receive the Victorian Government rebate receive an additional City of Moonee rebate of **\$20** per household.

Deferred payments/ Rates Assistance Policy/ Debt recovery

Council has **Financial Hardship Guidelines** which assists ratepayers experiencing difficulty paying their outstanding rates, fees and charges. The Guideline provides assistance to ratepayers who meet the following criteria:

- a. For waiver of rates – a ratepayer of a residential property who is also the owner-occupier
- b. For deferment of rates – both residential and commercial ratepayers
- c. For suspension, reduction or waiving of interest charges – both residential and commercial ratepayers.

Fire Services Property Levy

In 2016 the Victorian State Government passed legislation requiring the Fire Services Property Levy to be collected from ratepayers by all Councils across Victoria. Previously this was collected through building and property insurance premiums. The Fire Services Property Levy helps fund the services provided by the Metropolitan Fire Brigade (MFB) and Country Fire Authority (CFA), and all levies collected by Council are passed through to the State Government. The Fire Services Property Levy is based on two components, a fixed charge, and a variable charge which is linked to the Capital Improved Value of the property. This levy is not included in the rate cap, and increases in the levy are at the discretion of the State Government.

4.0 OTHER REVENUE ITEMS

4.1 Statutory Fees and Fines

Statutory fees relate mainly to fees and fines levied in accordance with legislation and include animal registrations, Public Health and Wellbeing Act 2008 registrations and parking fines. Increases in statutory fees are made in accordance with legislative requirements. Statutory fees are budgeted to decrease by 2.90% or \$0.36 million compared to 2024/25. Examples of Statutory Fees and Fines include:

- Infringements
- Town planning fees
- Permits

Penalty units

Penalty units are used to define the amount payable for fines for many offences. For example, the fine for selling a tobacco product to a person aged under 18 is four penalty units.

The rate for penalty units is indexed each financial year so that it is raised in line with inflation. Any change to the value of a penalty unit will happen on 1 July each year.

Fee units

Fee units are used to calculate the cost of a certificate, registration or licence that is set out in an Act or Regulation. For example, the cost of depositing a Will with the supreme court registrar of probates is 1.6 fee units.

The rate for one fee unit is indexed each financial year so that it is raised in line with inflation. Any change to the value of a penalty unit will happen on 1 July each year.

The cost of fees and penalties is calculated by multiplying the number of units by the current value of the fee or unit. The exact cost may be rounded up or down.

4.2 User Fees

User charges relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services. These include separate rating schemes, use of leisure, entertainment and other community facilities and the provision of human services such as family day care and home help services.

In setting the budget, increases in user charges are normally determined in line with CPI increase or market levels. User charges are projected to decrease by 31.65% or \$10.94 million over 2024/25. A change in accounting treatment for the Leisure centre contacts (\$10.03 million) has significantly impacted the decrease in user fees for Activation, Sport & Recreation. Council plans to increase user charges for all areas by between 4.0% - 6% in line with expected inflationary trends over the budget period to maintain parity between user charges and the costs of service delivery. User fees include:

- Family & Children
- Activation, Sport & Recreation
- City Works & Waste Management

- City Safety & Amenity
- Young, Inclusive & Ageing
- Community & Corporate Planning
- Planning & Building
- Other fees and charges

4.3 Grants

Grant revenue represents income usually received from other levels of government. Some grants are singular and attached to the delivery of specific projects, whilst others can be of a recurrent nature and may or may not be linked to the delivery of projects. Council will pro-actively advocate to other levels of government for grant funding support to deliver important infrastructure and service outcomes for the community. When preparing its financial plan, Council considers its project proposal pipeline, advocacy priorities, upcoming grant program opportunities, and co-funding options to determine what grants to apply for.

Operating grants include all monies received from State and Federal sources for the purposes of funding the delivery of Council's services to ratepayers. Overall, the level of operating grants is projected to decrease by 6.89% or \$1.65 million compared to 2024/25. Capital grants include all monies received from State, Federal and community sources for the purposes of funding the capital works program. Overall, the level of capital grants is projected to decrease by 55.95% or \$1.42 million compared to 2024/25.

4.4 Contributions

Contributions represent funds received by Councils, usually from non-government sources, and are usually linked to projects.

Contributions can be made to Council in the form of either cash payments or asset handovers.

Examples of Contributions include:

- Monies collected under Developer Contributions Plans (DCP)
- Monies collected under the Open Space Contribution
- Contributions from user groups towards upgrade of facilities
- Assets handed over to council from developers at the completion of a subdivision, such as roads, drainage and streetlights.

Contributions should always be linked to a planning or funding agreement. Council will not undertake any work on a contribution-funded project until signed agreement outlining the contribution details in place.

Contributions linked to developments can be received well before any Council expenditure occurs. In this situation, the funds will be identified and held separately in a restricted reserve for the specific works identified in the agreements. Restricted reserves are held for Developer Contribution Plan (DCP) and Open Space Contributions.

4.5 Other Income

Other income relates to a range of items such as private works, cost recoups and other miscellaneous income items. It also includes interest revenue on investments and rate arrears. Other income is forecast to decrease by 32.48% or \$1.14 million compared to 2024/25. Other income includes:

- Interest
- Investment property rental
- Reimbursements
- Sponsorships

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

4.6 Sale of Assets

Assets will only be considered for disposal where there is no clear Council or community need for that asset in the foreseeable future. All property considered for disposal will undergo a thorough evaluation based on both financial and community benefit factors.

Any proceeds derived from property realisation will be directed towards funding land acquisition, new/upgrade capital works or debt reduction and will not be used to fund operating expenditure. Council will not necessarily hold property that has no current or future identified purpose, or if that purpose can be met more effectively in other ways.

Existing holdings or strategic acquisitions must meet existing needs, new identified needs or adopted strategies. To enhance community benefit opportunities for the alternative use of property (including asset realisation) will be investigated.

Regular reviews of asset holdings will be conducted to identify opportunities for asset realisation. The Property Strategy, Asset management plans, asset usage, land use planning documents and community benefit will be considerations in such reviews.

4.7 Borrowings

Whilst not a source of income, borrowings are an important cash management tool in Council's over financial strategy. There are \$7 million borrowings budgeted in 2025/26 financial year in addition to \$35.2M carried over from 2024/25.

	2024/25 \$'000	2025/26 \$'000
Amount borrowed as at 30 June of the prior year	8,010	7,274
Amount proposed to be borrowed	-	42,200
Amount projected to be redeemed	(736)	(1,622)
Amount of borrowings as at 30 June	7,274	47,852

Moonee Valley Language Line

العربية	Arabic	9932 1471	Ελληνικά	Greek	9932 1474	Español	Spanish	9932 1477
廣東話	Cantonese	9932 1472	Italiano	Italian	9932 1475	Türkçe	Turkish	9932 1478
Hrvatski	Croatian	9932 1473	Somali	Somali	9932 1476	Tiếng Việt	Vietnamese	9932 1479

All other languages 9932 1480

National Relay Service 13 36 77 or relayservice.com.au