



Your rates in 2022/23

A fairer rates system

Rates and valuations

Waste management

Investing in our City

**Delivering services,  
infrastructure and  
community support**

2022/23

# Your rates in 2022/23

**Rates are an important source of revenue that mean we can deliver quality services and \$3.2 billion of infrastructure. Rates and charges account for around 57 per cent (\$139 million) of our total revenue of just over \$244 million in 2022/23.**

The Budget 2022/23 ensures Council is continuing to invest in essential assets and services and providing support to the people in our community who need it most. Our commitment to efficiency and careful prioritisation means our budget delivers new services and increased investment while staying within the rates cap set by the Victorian Government and despite inflation of 4.5%.

This year we're also introducing new waste and recycling services, including Food Organics Garden Organics (FOGO) and communal Glass Recycling.

## Financial hardship assistance

We know that the last couple of years have been difficult for many people. Rates relief and other resources including free financial counselling are available to anyone eligible to receive assistance from Council. Please refer to our website or contact us to discuss your eligibility and what assistance might be available to you.

Additional support such as grants and financial assistance are also available for businesses and not-for-profit organisations.

Cover image: Council is providing new communal and kerbside FOGO recycling services, under our new Waste Management Strategy.

Council Plan 2021-31  
- delivering our community vision

## Proudly Port Phillip: A liveable and vibrant City that enhances the wellbeing of our community

**You can view the Council Plan 2021-31, budget and service profiles on our website, at St Kilda or Port Melbourne Town Halls, at one of our libraries, or contact ASSIST to arrange a copy.**

📞 ASSIST 03 9209 6777

🌐 [portphillip.vic.gov.au](http://portphillip.vic.gov.au)

# A fairer rates system

**We've changed how rates charges are worked out, from the rental value of a property to its sale value, to ensure a fair rates burden on residents. This will ensure that people are charged a fair contribution for services, particularly considering the shift in property valuations.**

We've moved from the Net Annual Value (NAV) to the Capital Improved Value (CIV) rating system, with Differential Rating, and a separated-out transparent waste charge, to give us enough flexibility to effectively address these changes and rate shift issues. CIV is a simpler mechanism based on property market value and is consistent with most Victorian councils, who are already using the CIV structure.

## Why change to CIV?

The NAV rating system saw rates distribution shifts from non-residential (commercial and industrial properties) to residential properties by up to \$0.9 million since 2016/17, due to changes in property valuation. The valuation for the 2021/22 year saw commercial and industrial properties on average receive a rate decrease, while residential properties on average had a rate increase above rates cap due to the valuation shift.

We're anticipating a continuation of this trend in the 2022/23 valuation cycle – which means that, without intervention, the rates burden would continue to shift towards residential properties.

## Differential Rating

Differential Rating and the change to CIV can be used to more effectively address the issues of valuation shifts. This reflects our goal to maintain fairness and relative consistency in the distribution of rates between property classes and a ratepayer's ability to pay. A higher differential rate would be set for commercial and industrial properties compared to residential properties.

This year the rates have been set at:

- residential rate in the dollar 0.001615
- commercial rate in the dollar 0.002062
- industrial rate in the dollar 0.002073.

To manage the impacts of change, any major differential rating changes will be gradual and take into consideration the annual general property valuation and demographic changes as part of the budget development process and setting of differential rates.

This change in our rating strategy to a CIV system with Differential Rating directly addresses these shifts to create a fairer system, and corrects the imbalance of a burden shift towards residential properties.

**Please contact us if you have any questions**

### Rates and Valuations

 ASSIST 03 9209 6777

 [portphillip.vic.gov.au/rates-valuations](https://portphillip.vic.gov.au/rates-valuations)

# Rates and valuations

## How are rates set?

The Victorian Government's rates cap (1.75 per cent) sets the overall increase in Council's rates revenue for existing ratepayers. Although this increase is capped at 1.75 per cent, your individual rates assessment will change depending on your property's valuation.

The extra \$2.4 million derived from this increase will go towards new waste services, increased investment in community assets, reducing flooding and managing cost inflation well above the rates cap.

## How do rates this year compare?

The 2022 Median Residential Property in Port Phillip is a Strata Flat in St Kilda West valued at \$630,000.

2020/21 rates

\$1,264

2021/22 rates

\$1,145

2022/23 rates and waste

\$1,194

**This is a 4 per cent increase or \$49, however is still \$70 less than the 2020/21 rates.**

Find comparisons for properties across Port Phillip on our website  
[portphillip.vic.gov.au/rates-valuations](https://portphillip.vic.gov.au/rates-valuations)

## When are properties revalued?

All properties were revalued as at 1 January 2022.

## How do valuations affect my rates?

Legislation requires valuations to be conducted annually by the Valuer-General Victoria as the valuation authority, at the statutory date (1 January). The revaluation impacts the rate amount billed to individual ratepayers, as rates are assessed on the value of the property.

The redistribution of rates is based on the market movement of property values from 1 January 2021 to 1 January 2022. This varies by property type and location within the municipality.

## How are valuations conducted?

Valuation services are carried out by independent, qualified valuers. Each stage of the valuation process is approved and certified by the Valuer-General Victoria. The general valuation on 1 January 2022 is current for the period 1 July 2022 to 30 June 2023, unless your property is subject to a supplementary valuation.

Rates in the City of Port Phillip are based on the Capital Improved Value (CIV) of a property. CIV is the total market (sale) value of the land plus buildings and other improvements.

The 2022 general valuation has a relevant date of 1 January 2022 and is therefore based on market conditions at, and immediately before, that date. For all properties, the market value of the land (Site Value - SV) is assessed during the valuation process.

# Waste management

**You'll see something different in your rates notice from this year: a separate waste charge, which separates out from general rates the cost to deliver waste services for kerbside bin collection, hard waste collection, and Resource Recovery Centre operation.**

This is part of managing the costs of delivering waste services for our City in the most fair, equitable and transparent way. The waste charge covers additional costs for new services – food organics and garden organics (FOGO) and glass recycling – requested by our community, as well as addressing the increased costs to deliver current services. This transparent 'fee for service' approach is in line with the existing practice of many of our neighbouring councils, who have been separating out waste costs for some time now.

A transparent, separate waste charge will see a reduction in the total amount of rates revenue we need to collect. This means the amount of the rates burden that you pay will also be reduced.

## Delivering the services our community wants

We've developed a new Waste Management Strategy to ensure we're delivering what our community wants – which is additional services to cover four different streams of waste management: general waste, general recycling (for paper, metal and plastics), glass, and FOGO.

## Additional bins, communal services

Unlike some outer metropolitan, regional and rural councils, many Port Phillip residents live in apartments or small properties who can't accommodate additional bins or don't generate a lot of garden organic waste. That's why we're rolling out a hybrid waste model, in which some residents who have gardens and space for additional bins will be allocated a kerbside FOGO bin.

Those who don't have the space or generate much garden material won't be allocated a separate FOGO bin, but instead will have access to a communal service, where you can drop off FOGO materials at communal recycling collection points in local parks, shopping centres and the like.

Glass recycling is being offered as a communal service, via drop-off points at different locations across our City, for everyone to access.

The aim of our new Waste Management Strategy is to reduce impact on the environment by reducing the amount of material sent to landfill, which over time will also reduce the costs incurred to process waste in our City.

## Different levels of service = different charges

We're introducing a tiered waste charge based on two different levels of service provided. These are assigned based on the property (for example, not all properties have the space to accommodate an additional kerbside bin). The tiered waste charge means that property owners who have a kerbside FOGO bin pay more for the convenience of this kerbside service, than those who cannot be given a kerbside service but instead have access only to communal drop-off services for FOGO.

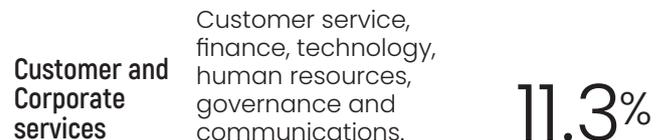
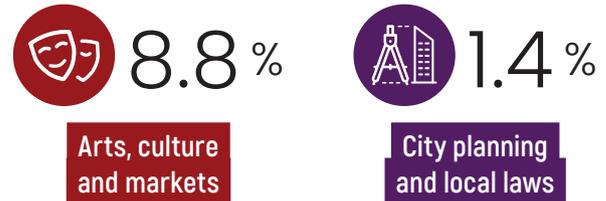
# Investing in our City

Major projects, upgrades and community support initiatives are being undertaken across our City during the life of the Council Plan.

## Major projects 2022/23

Bike infrastructure program	\$1.6 M
EcoCentre redevelopment	\$3.8 M
Elder Smith netball courts and pavilion construction	\$0.9 M
Energy efficient street lighting upgrade	\$1.7 M
Footpath and road renewals	\$2.5 M
Moubray Street Community Park	\$1.2 M
Palais Theatre and Luna Park precinct	\$3.7 M
Social and economic recovery initiatives	\$1.1 M
South Melbourne Town Hall renewal	\$3.2 M
Waste Transformation including bin purchases	\$2.4 M

## How rates and charges revenue will be spent



For a full list of how we deliver services, infrastructure and community support

[portphillip.vic.gov.au/council-plan](https://portphillip.vic.gov.au/council-plan)

Managing your rates has never been easier. Sign up for eNotices today.

 [portphillip.vic.gov.au](http://portphillip.vic.gov.au)

 eNotices



For general rates enquiries and to request a large print version



 ASSIST 03 9209 6777

 [portphillip.vic.gov.au/rates-valuations](http://portphillip.vic.gov.au/rates-valuations)

Receive the latest news from your City and Council

 [portphillip.vic.gov.au/divercity](http://portphillip.vic.gov.au/divercity)

**National  
Relay  
Service**

If you are deaf or have a hearing or speech impairment, phone us through the National Relay Service (NRS):

- TTY users dial 133677, ask for **03 9209 6777**
- Speak & Listen users **1300 555 727**, ask for **03 9209 6777**

### Language assistance

廣東話 9679 9810 Polska 9679 9812 Русский 9679 9813  
普通話 9679 9858 Ελληνικά 9679 9811 Other 9679 9814

Revive Laser is 100 % recycled, manufactured carbon neutral, and produced by an ISO 14001 certified mill. No chlorine bleaching occurs in the recycling process.



AUSTRALIAN MADE    CERTIFIED CO<sub>2</sub> NEUTRAL    FOREST MANAGEMENT    RENEWABLE ENERGY    RECYCLED CONTENT