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<tbody>
<tr>
<td>RS01</td>
<td>Yes</td>
<td>2.30pm</td>
<td>Barry Gilbert</td>
<td>Reduce the Rural Vacant Land rate from 190% to 140%.</td>
<td>Reduce the Rural Vacant Land rate from 190% to 140%.</td>
<td>Section 9.9</td>
<td>Changing the differential to 140% will result in a redistribution of approximately $80,095 of rates from Rural Vacant Land to all other properties. On average, this will reduce rural vacant land rates by an average of $381 per property (from $1,456 to $1,075) and increase the rates on all other properties by an average of $4.07 (equivalent to 0.20%). The additional rates for each property type will approximately be as follows: Residential $3.53; Industrial $8.04.; Extractive Industry $19.79; Infrastructure &amp; Utilities $4.38; Commercial $4.32; Farm $6.50; Rural Residential $4.10; Vacant Other $2.79 and Cultural &amp; Recreational $2.00.</td>
<td>Yes</td>
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<tr>
<td>RS02</td>
<td>No</td>
<td>N/A</td>
<td>Noelene Cosson (President) Korumburra Business Association</td>
<td>Support Business and Industrial rate but reasoning behind Extractive Industrial and Infrastructure and Utilities rate.</td>
<td>Korumburra Business Association is pleased that the rating differential for Business and Industrial has not increased. However they are unsure as to the reasoning behind the two new categories Extractive Industrial and Infrastructure and Utilities when they have the same differential rate as the categories they were originally included in which may be a strategy for future years but they feel complicates the whole rating system.</td>
<td>Sections 9.3 and 9.4</td>
<td>Council created the Extractive Industries Rate and the Infrastructure and Utilities Rate to promote its economic development objectives. Whilst for 2019/20 the rates in the dollar applying to these properties are the same as the categories in which they were originally included, Council has the ability annually as part of the budget process to review these rates to ensure the ongoing equitable imposition of rates and charges.</td>
<td>No</td>
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<tr>
<td>RS03</td>
<td>Yes</td>
<td>2.40pm</td>
<td>Marie Gerrard-Staton (Rate Challengers - A Community South Gippsland Group)</td>
<td>Five main questions for the Rating Strategy 2019 - 2022:</td>
<td>On behalf of the Rate Challengers - Community South Gippsland Group this submitter has provided five main questions for the Rating Strategy 2019 - 2022:</td>
<td>Nil</td>
<td>Question 1: Would like a public platform for Ratepayers to address questions they have relating to rates by Council setting up regular monthly meetings throughout various locations within South Gippsland Shire Council. This is to improve the communication between South Gippsland Shire Council and its rate payers.</td>
<td>No</td>
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<tr>
<td>Marie Gerrard-Staton continued</td>
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<td></td>
<td>Question 1 of this submission is not relevant to the contents of the Rating Strategy. Notwithstanding, the views expressed in the submission will be considered by Council.</td>
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<td><strong>Questions 2:</strong> That a panel of community Representatives provide feedback to the South Gippsland Rating Strategy include the following representatives from the South Gippsland Shire Community: 1. 50% minimum female representation reflecting the figures of the female population in South Gippsland Shire in the South Gippsland population profile. 2. A representative of increasingly growing number of older female ratepayers who live alone in the South Gippsland Shire community and are responsible for rates payment. 3. A representative of rate payers who receive an aged pension or disability allowance as their sole form of income to pay South Gippsland Shire rates. 4. A representative who does not belong to formal community groups i.e. a newcomer, or someone who is not linked in or otherwise represented on the panel yet still is obligated to pay rates. Please refer to page 6 of the Proposed Rating Strategy 2019 - 2022.</td>
<td>No</td>
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<td></td>
<td>Question 2 of this submission is not relevant to the contents of the Rating Strategy. Notwithstanding, the views expressed in the submission will be considered by Council.</td>
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<td><strong>Question 3:</strong> That all Councillors attend meetings specifically designed to educate and inform them about the Rating Strategy and the rates subject of key</td>
<td>No</td>
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</tbody>
</table>

**Question 3:** The importance to South Gippsland Shire ratepayers and invite interested South Gippsland Shire ratepayers so that they too can be better informed and misunderstandings avoided.

**Response:**

Question 3 of this submission is not relevant to the contents of the Rating Strategy. Notwithstanding, the views expressed in the submission will be considered by Council.

**Question 4:** Please introduce a waiver on rate payments for pensioners and old aged, disability community.

**Response:**

The Rating Strategy relates to differential rates between property classes, not financial hardship. Council intends to separately review its Rates Hardship Policy over the forthcoming 12 months.

**Question 5:** What changed between 1 October 2018 when Cr Don Hill and Meg Edwards and MP Danny O’Brien addressing about 80 ratepayers at the Korumburra Scout Hall firmly indicating a rate reduction of 10% was affordable yet by March 2019 Cr Hill is supporting a 2.5% rate increase. Please refer to Council Plan page 23 Strategic Objective 4.3.

**Response:**

Question 5 of this submission is not relevant to the contents of the Rating Strategy. Notwithstanding, the views expressed in the submission will be considered by Council.

In the preparation of the budget, Council concluded that it is the best interests of the municipality to defer rate cuts pending the preparation of a sustainable ten-year cost reduction strategy. The objective of
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<tr>
<td>RS04</td>
<td>No</td>
<td>N/A</td>
<td>James Fawcett</td>
<td>Remove the Rural Residential Rate</td>
<td>Submitter would like to see the classification Rural Residential rate removed as it is not in line with Council’s adopted policy direction. The classification was created to meet one objector’s wish to have the farm rate applied to their property in 2015.</td>
<td>9.7</td>
<td>Removing the Rural Residential category and re-classifying 39 properties to the general residential rate will result in a redistribution of approximately $34,143 of rates from all other properties to the 39 Rural Residential properties. On average, this will increase the rates of these 39 properties by an average of $873 (from $2,413 to $2,916) and reduce the rates on all other properties by an average of $4.07 (equivalent to 0.20%). The rate reductions for each property type will be as follows: Residential $1.50; Industrial $3.42; Extractive industry $8.41; Infrastructure &amp; Utilities $1.91; Commercial $1.83; Farm $2.76; Rural Vacant $1.24; Vacant Other $1.19 and Cultural &amp; Recreational $0.85.</td>
<td>No</td>
</tr>
<tr>
<td>RS05</td>
<td>Yes</td>
<td>2.50pm</td>
<td>Cheryl Denman</td>
<td>The Rating Strategy was introduced in 2013 and this is when the rate increases became unsustainable and unfair time to change it.</td>
<td>Submitter considers Council’s writing of the Rating Strategy is either out of touch or does not give a damn about the community’s outcries. The Rating Strategy was introduced in 2013 and this is when the rate increases became unsustainable and</td>
<td>Nil</td>
<td>The Rating Strategy relates to differential rates between property classes, not the level of rates or financial hardship. Notwithstanding, Council will consider this submission as part of its budget deliberations. In relation to financial hardship, Council intends to separately review its rates hardship policy over the forthcoming 12 months.</td>
<td>No</td>
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<tr>
<td>RS06</td>
<td>Yes</td>
<td>2.20pm</td>
<td>Ralph Gallagher</td>
<td>Six questions for the Rating Strategy 2019 - 2022:</td>
<td>unfair in my experience. Our Community is aging. More of us each year finding ourselves on the pension. Councillors can no longer sit back and deny the hardship rate increases are having on all rate payers, especially pensioners and low income earners, it is time to grow a heart and conscious, time to be accountable, time to change like never before.</td>
<td>Nil</td>
<td>Question 1. The rates issue has lain on the table for almost 18 months since the initialisation of the Shire’s second ratings strategy review process. That second process was left unresolved as result of Council’s decision to put to one side both the report of the reviewing committee and the minority report submitted by two members of that committee. Council elected to proceed with the existing rates structure (v.2017/2018) and to conduct a further examination over the course of the current reference year. The decisions reached by Council listed in the report Proposed Rating Strategy 2019 – 2022 and to a lesser extent, several aspects of the review process, are considered here.</td>
<td>No</td>
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**Question 1.** The rates issue has lain on the table for almost 18 months since the initialisation of the Shire’s second ratings strategy review process. That second process was left unresolved as result of Council’s decision to put to one side both the report of the reviewing committee and the minority report submitted by two members of that committee. Council elected to proceed with the existing rates structure (v.2017/2018) and to conduct a further examination over the course of the current reference year. The decisions reached by Council listed in the report Proposed Rating Strategy 2019 – 2022 and to a lesser extent, several aspects of the review process, are considered here.

**Question 2.** Aspects of The Second Ratings Strategy Review Process

The review process was not a satisfactory one – the meetings were littered with attempts to misapply statistics, heated exchanges, unsubtle and frequent efforts to effect category-wide changes on a
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<td></td>
<td>Ralph Gallagher</td>
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<td>single case basis. And at times, quite inappropriate behaviour. The Chair did admonish one member for such behaviour. It is also relevant to note that the reference to the review process in the current report overlooks the fact that a minority report was also submitted to Council as part of that review. When Council met with the review committee the chair of the latter made it abundantly clear that the behaviour of some members of the committee had been, on several occasions, inappropriate. Apparently this verbal advice has not been recorded.</td>
<td>Question 2 of this submission is not relevant to the contents of the Rating Strategy. Notwithstanding, the views expressed in the submission will be considered by Council.</td>
<td>No</td>
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<td>9.3</td>
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<td>Question 3. Proposed Ratings Categories The Proposed Rating Strategy 2019 – 2022 recommends the adoption of three new ratings categories. - Extractive Industries - Infrastructure and Utilities - Vacant Rural Land</td>
<td>3.1 Extractive Industries “properties are those that are used for the purpose of quarrying sand, gravel and stone”. There are 12 such properties and the differential remains as it was/is when the 12 were included in the Industrial category. The reason for the change is unclear. Paragraph 3 of Item 9.3 leaves the impression of confusion. A better explanation is needed for consideration.</td>
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<td>3.2 The newly-identified Infrastructure and Utilities category suffers a similar malady to its fellow newbie. Why do it? What was unsatisfactory about the previous categorisation? Such mystery,</td>
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South Gippsland Shire Council
S223 Proposed Rating Strategy 2019 - 2022 Submissions
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<td>Ralph Gallagher</td>
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<td>absence of adequate explanation, gives rise to doubts about intent. Acknowledging the repeated expression of commitment to transparency, Council should expect residents of the Shire to look for an effective statement of need for the change and the corrections and benefits accruing therefrom and such should be provided. 3.3 Vacant Rural Land is to be subject to a 1.9 differential. A slight reduction to that applied to other vacant land, apparently recognising the alleged higher cost of service connections. Are there data available to provide an adequate basis for this claim? 3.4 Overall the establishment of these three categories, unjustified in any sensible way (if one relies on the text of the report), adds further size and definition issues to the ratings system without any obvious benefit to the Shire. Increased claims of unfairness and discrimination will no doubt result. What is the real demonstrated need and consequential benefit of these new categories?</td>
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<td>Paragraph 3 of Section 9.3 reads, “Council currently has 12 extractive industry properties. Extractive industries properties are those that are used for the purposes of quarrying sand, gravel and stone. These properties constitute 0.06% of the total assessments and contribute 0.31% of the total rates raised.” This paragraph describes the AVPCC codes that apply to this category. AVPCC 410 is: “Land from which sand is being extracted by a licensed operator” and AVPCC 411 is: “Land from which stone and gravel are being extracted by a licensed operator.”</td>
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<td>Ralph Gallagher</td>
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<td>Council created the Extractive Industries Rate and the Infrastructure and Utilities Rate to promote its economic development objectives. Whilst for 2019/20 the rates in the dollar applying to these properties are the same as the categories in which they were originally included, Council has the ability annually as part of the budget process to review these rates to ensure the ongoing equitable imposition of rates and charges.</td>
<td>Sections 8.3, 9.2, 9.3, 9.4, 9.5</td>
<td>The Rating Strategy does not state that tax deductibility is a negative feature for farms. Section 8.3 on page 21 states, “The perceived advantages of utilising a differential rating system are that it provides greater flexibility to distribute the rate burden between all classes of property and therefore to link rates with the capacity to pay, including reflecting the tax deductibility of rates for Farms, Commercial and Industrial Land; Section 9.2 states, “The higher differential rate applied for industrial properties takes into account the tax deductibility of rates for businesses, which is not available to the residential sector, and the extent of use of the Council’s infrastructure by Industrial</td>
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<td><strong>Question 4. Taxation</strong></td>
<td>The report (prolix and otiose as it is) makes several mentions of “ability to access taxation deductibility” as a condition that on one hand is a negative feature for “the farm” but a positive benefit for a commercial or industrial enterprise. Advice suggests all enjoy a positive taxation regime that is not available to the general ratepayer. The usage of taxation provisions as a basis for the application of a differential needs to be clarified.</td>
<td>No</td>
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<td></td>
<td>Ralph Gallagher continued</td>
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<td>Question 5. Rates Cap</td>
<td>For some years now Council has promoted the severity of the State Government's cap imposition and the difficulty this causes. More recently the Town Crier declared that Council had done well to observe the cap at the same time as it anticipates a significant reduction in &quot;rates&quot; in years to come. Some doubts about the actual worth of the future promise have been promoted recently suggesting that the promise will become real only as a result of the substantial increases imposed on ratepayers over recent years. Council should rebut these claims using data not simply statements.</td>
<td>Question 5 of this submission is not relevant to the contents of the Rating Strategy. Notwithstanding, the views expressed in the submission will be considered by Council.</td>
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<td>Question 6. Necessary Information for Ratepayers</td>
<td>Following on from the previous observations Council should provide a number of data reports for our information and consideration.</td>
<td>• Firstly a report (anonymised of course) showing the rates payable for say 30 rated properties across each of the categories (except vacant land and Cultural and Recreational land) for each of the last five years. • In addition a similar report for the last five years showing the rates payable at various CIV points over that same period</td>
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<td>RS07</td>
<td>Yes</td>
<td>3.00pm</td>
<td>Phil Rerden (Foster Chamber of Commerce)</td>
<td>Maintain the status quo for the Commercial and Industrial Properties differential rate and the Rural Residential differential rate is contentious.</td>
<td>The Foster Chamber of Commerce Advocate for maintaining the status quo in particular the Commercial and Industrial Properties differential rate should remain the same as the 2014 Rating Strategy and believe the Rural Residential differential rate is contentious. The impact of increased rates for Commercial and Industrial categories will directly affect the viability of many retail, commercial and industrial businesses because most of these business lease or rent their properties and pay the direct costs of rates as well as rental.</td>
<td>9.2 and 9.5</td>
<td>In 2014 the differential for commercial and industrial properties was the same as the general residential rate. Reverting back to that model would result in a redistribution of approximately $107,725 in rates from commercial and industrial properties to all other classes. 647 Commercial properties will have their rates reduced on average by $97 (from $2,152 to $2,055) and 217 Industrial properties will have their rates reduced on average by $181 (from $4,008 to $3,827). All other properties will have their rates increased as follows: Residential $4.75; Extractive Industry $26.63; Infrastructure and Utilities $6.04; Farm $8.75; Rural Residential $5.51; Rural Vacant $3.93; Vacant Other $3.76; and Cultural and Recreational $2.69.</td>
<td>Yes</td>
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Another area that directly impacts on the cost of running businesses is the cost of compliance. South Gippsland Shire has its own system of raising funds to pay for its services, but many of those costs and charges affect commercial, retail and industrial rate payers.
Submission RS01 – Barry Gilbert – Reduce the Rural Vacant Land rate from 190% to 140%.

Speaking to Submission - Yes

8 April 2019
Barry Gilbert

Mr Tim Tamlin
Chief Executive Officer
South Gippsland Shire Council
Private Bag 4
Longreach Vic 3953

Dear Sir,

Re: PROPOSED RATING STRATEGY 2019-2022

On 24 March I sent you my submission to the above Proposed Rating Strategy 2019-2022 which has been accepted and for which I have requested to speak at the Open Hearing of Council on Wednesday 22 May, 2019.

With further research on the vacant land rate at the Baw Baw Shire Council, I have been advised by Kim McGUFFIE, Revenue Officer, that vacant land below 2 hectares in their farming zone attracting the General Rate (Refer to copy of his email to me of April 1, 2019).

In my submission I listed the vacant land rates of neighbouring rural shires as:

<table>
<thead>
<tr>
<th>Shire</th>
<th>Differential Rate</th>
<th>General Rate</th>
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</thead>
<tbody>
<tr>
<td>Baw Baw</td>
<td>180%</td>
<td>100%</td>
</tr>
<tr>
<td>Cardinia</td>
<td>150%</td>
<td>100%</td>
</tr>
<tr>
<td>Bass Coast</td>
<td>100%</td>
<td>150%</td>
</tr>
<tr>
<td>Wellington</td>
<td>100%</td>
<td>100%</td>
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Please find my amended listing:

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<tr>
<th>Shire</th>
<th>Differential General Rate</th>
<th>General Rate</th>
</tr>
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<tbody>
<tr>
<td>Baw Baw</td>
<td>100%</td>
<td>100%</td>
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<tr>
<td>Wellington</td>
<td>100%</td>
<td>100%</td>
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</table>

When studying the rating strategy of neighbouring rural shires, it is always not clear, especially in the case of Baw Baw who has a differential rating system, that small rural blocks of land in farming zones are often excluded from the higher vacant land rate and rated as “General”.

8 April 2019
Barry Gilbert
This further illustrates the grossly inequitable proposed South Gippsland Shire’s new category of “Rural Vacant Land” at 190% when compared to neighbouring rural shires.

I request that this extra submission be included as an addendum to my previous submission.

Yours sincerely,

Barry Gilbert
b.gilbert@optusnet.com.au

From: Monday, April 01, 2019 1:49 PM
To: RE: General Enquiry

Good afternoon Barry,

The Farm Rate differential is 9% less than the General Rate and is applied to property which meet the criteria as set out in the Farm Rate application from.

Vacant land under 2ha that is zoned Farm will attract the General Rate

Regards

Kim McGuffie
Revenue Officer

Baw Baw Shire Council
bawbawshire.vic.gov.au

Council acknowledges the traditional custodians of the land that makes up Baw Baw Shire. We pay our respects to their Elders both past and present. We are committed to providing a safe working environment that embraces and values child safety, diversity and inclusion.

From: Wednesday, March 27, 2019 10:29 AM
To: General Enquiry

Hello Baw Baw Shire,

I wish to make an enquiry re your differential rating strategy, in particular, the rate for rural vacant land below 2 hectares in the farming zone as a percentage of the general rate.

It appears to me after looking at your web site and budget that the differential rate is approximately 180% of the general rate.

Am I correct or is there a reduced rate for vacant land in the farming zone?

4/1/2019
Submission RS02 – Noelene Cosson (President) Korumburra Business Association, Pleased with Business and Industrial rate but reasoning behind Extractive Industrial and Infrastructure and Utilities rate.

Speaking to Submission - No

Korumburra Business Association Inc.

17th April 2019

The Chief Executive Officer
South Gippsland Shire
Private Bag 4
Leongatha Vic 3953

Dear Sir,

Submission – Proposed Rating Strategy 2019/2022

The Korumburra Business Association committee has considered the current Proposed Rating Strategy. We are very pleased to see that the rating differential for Business and Industrial has not increased. Operating a small business is tough enough without having an increase in Shire rates. The business community, whether they own the freehold or not are still responsible for paying the Shire rates through their lease arrangements along with every other cost associated with running a business. Many of these same people are paying residential rates on their own dwellings further contributing to the Shire rate income. The Korumburra Business Association is very grateful the council is not further burdening the business community and have kept the rate differential the same.

We are unsure as to the reasoning behind two of the new categories Extractive Industrial and Infrastructure and Utilities when these have the same differential rate as the categories they were originally included in. This is possibly a strategy that may play out in future years although feel it further complicates the whole Rating system. We will follow this closely in the years to come.

Regards

Noelene Cosson
President
Submission RS03 – Marie Gerrard – Staton - On behalf of the Rate Challengers - Community South Gippsland Group this submitter has provided five main questions for the Rating Strategy 2019 - 2022:

**Speaking to Submission - Yes**

[Handwritten text]

To: SGS, CEO
PRIVATE BAG
MORNINGTON, VIC. 3953

DEAR COUNCILLORS,

ENCLOSED SUBMISSIONS NUMBERED 1-5

I, MARIE GERRARD-STATON formally
request to be heard in support of each of
your 5 submissions, as per the S.G.S.C
submission process as outlined in section 223
of the LOCAL GOVT ACT 1989.

Yours faithfully,

Marie Gerrard – Staton
To: CEO, S.G.S.C.
PRIVATE BAG #
LEONGATON, VIC. 3953.

Submitted on 4th May.

Dear S.G.S. Councillors,

Please accept my submission as follows.

Considering that there were 19,752 Rateable Properties in S.G.S. in July 2018 – Dec. 2018 (S.G.S. Organisational Performance Report, P.38: Council’s Service Performance), and S.G.S. offered no public platform to its ratepayers in that period specifically to offer them the chance to address questions or clarify issues relating to their rates, I wish to suggest that S.G.S. initiate and setup regular monthly community consultative meetings throughout various locations within the S.G.S.

The present regular S.G.S. ordinary meetings do not offer a user-friendly platform in which residents can address Councillors and Administrative staff personally and openly and expeditiously. Ratepayers in S.G.S. have indicated their interest in participating in such future meetings which are designed expeditiously to improve communication between S.G.S. and its ratepayers.

Thank you.

Arii Donald, Shire

(Rates Chalengers –
A Community South Gippsland Group)

Simplicity. P/l.
To: S9SC. C.E.O
Private Bag 4,
Leongatha Vic. 3953


Dear Councillors,

We request that the panel of community representatives that inputs feedback to the S9S rating strategy includes the following additional representatives from the S9S community:

1. A representative of the increasing number of older female ratepayers who live alone in the S9S community and are responsible for rate payments.

2. A representative of ratepayers who receive an aged pension or disability allowance as their sole form of income to pay S9S rates.

3. A representative who does not belong to formal community groups, i.e., a newcomer, or someone who is not involved in an otherwise represented on the panel yet still obligated to pay rates.


Marie Gerardt Aitken
MAYE RICHARD - S9S
(For) RATES CHALLENGERS - S9S Community Group.
Submission/Petition 3

To: SGGC. LEO.
Private Bag 4,
Leongatha, Vic 3953

RE: PROPOSED RATING STRATEGY SGS 2019/20

Dear L.E.O. Councillors,

Please accept the following submission.

Since the current SGS councillors recently publicly admitted in Ordinary SGS meetings that it was “hard to get their heads around the difficult subject of rates” that all SGS councillors attend meetings specifically designed to educate and inform them about this subject of key importance to SGS ratepayers.

We also suggest that invitations be extended to interested SGS ratepayers so that they too can be better informed and misunderstandings avoided.

Ref: Cr. Mayor J. Hill in response to question on notice posted by their local station on behalf of SGS rates challenger at SGS ordinary meeting 24/04/19.

Thank you.

REF: 2. EXECUTIVE SUMMARY & RECOMMENDATIONS P.6.

SGS PROPOSED RATING STRATEGY 2019-2022

Yours sincerely,

[Signature]
Submission 4

To: SGS CEO,

PRIVATE BAG 4,

LEONGATHA VIC 3953

Dear SGS Council,

Please accept my submission as follows:

With respect I feel the present rates do not offer any waiver or rate pension due from pensioners, old aged or disability.

I believe the SGS rates as a ratepayer do not represent a fair go for those SGS pensioners who as ratepayer make up an increasing number of the SGS ratepaying community.

We are aware that a waiver is possible by the SGC if adopted, as so we care in neighbouring Cities.

Please introduce a waiver to the desiring senior ratepayers of the South Gippsland Shire.

And you,

Anne Gerard - Station.

(for Ratepayers)

(For community South Gippsland group)
Question No: 1.

What specific event &/or administration performance failure happened between 1st October, 2018, when Cr. Don Hill, in the presence of Cr. Meg Edwards & MP Danny O’Brien, addressed about 80 ratepayers at a Public Meeting (Scout Hall, Korumburra) & firmly indicated a rate reduction of 10% was affordable & yet, by March, 2019 Cr. Hill is supporting a 2.5% rate increase – effectively that’s a multi-million $, 12 ½% turnaround in the rate revenue target in just 5 months - such a change of position appears odd, given the Finance Manager, Tracey Lindup, said around that time: “Cash and other financial assets were projected to be $18.87 million in 2018-19” (Ref. The Great Southern Star, 30 Oct. 2018, p9) & moreover when considered in light of Cr. Hill’s previous commitment to the ‘South Gippsland Council Plan 2017-2021 (Adopted Revised Version – June 2018), Ref. page 23, where in the segment ‘Enhance Organisational Development & Implement Governance Best Practice’ – Strategies to Achieve the Objective, 4.3, it states: “Work in partnership with the Chief Executive Officer and senior staff to develop a four year Rate Reduction Strategy, to reduce the rate burden by 3% through improved innovation and productivity savings, streamlining the administrative structures and processes, through improved Business Unit performance and economic growth”?
Submission RS04 - James Fawcett – Remove the Rural Residential rate

Speaking to Submission - No

James D Fawcett
24 April 2019

Chief Executive Officer
South Gippsland Shire Council
9 Smith St
LEONGATHA VIC 3953

Dear Sir

I submit that the 2019-2022 rating strategy be amended to remove the classification Rural Residential rate.

The reason for removal is that this classification is not in line with Councils adopted policy direction.

The classification was created to meet one objectors wish to have the farming rate applied to their property in 2015.

There is no valid or logical reason to have this category in the rating strategy. The 20-hectare cut off was chosen because at that level the unimproved value of the land generally exceeded the difference from the capital improved value.

The present classification is arbitrary and obvious in its intent to favour a small group of lifestyle properties that would otherwise not satisfy the objectives of a rate differential for genuine farming enterprises.

I do not wish to speak to my submission.

Yours sincerely

James Fawcett

SOUTH GIPPSLAND SHIRE COUNCIL
26 APR 2019
Submission RS05 – Cheryl Denman - The Rating Strategy was introduced in 2013 and this is when the rate increases became unsustainable and unfair time to change it.

Speaking to Submission - Yes

Hello,

I am submitting my opinion on the revised rating strategy.

I have sat in on many council meetings, organised and attended community meetings regarding SGS's outrageous rate hikes and been personally advocating for those like myself with this council for many years regarding the unsustainable rate rises continually forced upon the community. I have and am still under financial stress due to my personal situation which I do not expect to change as the underlying cause will never change. I represent those in our community that are doing it hard. I'm not only on a disability pension due to a broken back, PTSD, anxiety etc due to domestic violence, but at the age of 57 I also found myself with a mortgage. Hard living with no prospect of improvement, the pressure of outrageous rate rises from council only causing more stresses in an already depressing, challenging situation.

I know Councillors are aware the community is hurting from the rate hikes they impose, I've seen and heard their stories in community meetings. The council writing the rating strategy is either out of touch or does not give a damn about the community's outcries. Councillors are there to serve the community not rip us off. They need to listen and hear and represent us and our needs not their own agendas. It’s time the Councillors put their words into action and pass on promised rate cuts to their community, after all, they are in a great financial position we are told at Council meetings. Please don't waive that around as a victory flag, do something compassionate and positive, connect and fulfil your rate reduction promises with the community, IT'S TIME.

The fact that council can give an additional concession on top of the Government concession to those holding concession cards living on the lowest of incomes, pensioners, needs to be implemented now. Council concealing this assistance from the community it serves is disgraceful. This is as important if not more so than changing the hardship policy as it gives consistent and real financial assistance to those of us who need it most taking pressure of the need to apply for councils hardship policy which currently does nothing in fact to help those applying for it, it is humiliating and degrading in its nature. I don't need a financial adviser to explain that my hmm $3 per fortnight, twice a year pension increase will not cover the cost of increases in food costs, electricity, insurances, petrol etc and rate rises. Being in this position, living under these circumstances I can tell you I don't have a problem with my spending, I have a problem with councils!

I sincerely hope Councillors listen and hear me, show some compassion and understanding, reduce the burden of rates imposed on us, the community, especially since the 2013 rate strategy was introduce as this is when rate increases became unsustainable and unfair in my experience. Our community is aging, more of us each year finding ourselves on a pension. Councillors can no longer sit back and deny the hardship rate increases are having on all rate payers, especially pensioners and low income earners, it's time to grow a heart and conscious, time to be accountable, time to change like never before!

Sincerely
Cheryl Denman
Speaking to Submission - Yes

To: Chief Executive Officer, Shire of South Gippsland
From: Ralph Gallagher
Address:
Phone:
Date: Friday, 26 April 2019

Please note that I would appreciate the opportunity to speak in support of this submission at the meeting proposed for this purpose.

1. Preamble
The rates issue has lain on the table for almost 18 months since the initialisation of the Shire’s second ratings strategy review process. That second process was left unresolved as result of Council’s decision to put to one side both the report of the reviewing committee and the minority report submitted by two members of that committee. Council elected to proceed with the existing rates structure (v.2017/2018) and to conduct a further examination over the course of the current reference year. The decisions reached by Council listed in the report *Proposed Rating Strategy 2019 – 2022* and to a lesser extent, several aspects of the review process, are considered here.

2. Aspects of The Second Ratings Strategy Review Process
The review process was not a satisfactory one – the meetings were littered with attempts to misapply statistics, heated exchanges, unsubtle and frequent efforts to effect category-wide changes on a single case basis. And at times, quite inappropriate behaviour. The Chair did admonish one member for such behaviour. It is also relevant to note that the reference to the review process in the current report overlooks the fact that a minority report was also submitted to Council as part of that review. When Council met with the review committee the chair of the latter made it abundantly clear that the behaviour of some members of the committee had been, on several occasions, inappropriate. Apparently this verbal advice has not been recorded.

3. Proposed Ratings Categories
The *Proposed Rating Strategy 2019 – 2022* recommends the adoption of three new ratings categories.
3.1 Extractive Industries “properties are those that are used for the purpose of quarrying sand, gravel and stone”. There are 12 such properties and the differential remains as it was/is when the 12 were included in the Industrial category. The reason for the change is unclear. Paragraph 3 of Item 9.3 leaves the impression of confusion. A better explanation is needed for consideration.

3.2 The newly-identified Infrastructure and Utilities category suffers a similar malady to its fellow newbie. Why do it? What was unsatisfactory about the previous categorisation? Such mystery, absence of adequate explanation, gives rise to doubts about intent. Acknowledging the repeated expression of commitment to transparency, Council should expect residents of the Shire to look for an effective statement of need for the change and the corrections and benefits accruing therefrom and such should be provided.

3.3 Vacant Rural Land is to be subject to a 1.9 differential. A slight reduction to that applied to other vacant land, apparently recognising the alleged higher cost of service connections. Are there data available to provide an adequate basis for this claim?

3.4 Overall the establishment of these three categories, unjustified in any sensible way (if one relies on the text of the report), adds further size and definition issues to the ratings system without any obvious benefit to the Shire. Increased claims of unfairness and discrimination will no doubt result. What is the real demonstrated need and consequential benefit of these new categories?

4. Taxation

The report (prolix and otiose as it is) makes several mentions of “ability to access taxation deductibility” as a condition that on one hand is a negative feature for “the farm” but a positive benefit for a commercial or industrial enterprise. Advice suggests all enjoy a positive taxation regime that is not available to the general ratepayer. The usage of taxation provisions as a basis for the application of a differential needs to be clarified.

5. Rates Cap

For some years now Council has promoted the severity of the State Government’s cap imposition and the difficulty this causes. More recently the Town Crier declared that Council had done well to observe the cap at the same time as it anticipates a significant reduction in “rates” in years to come. Some doubts about the actual worth of the future promise have been promoted recently suggesting that the promise will become real only as a result of the substantial increases imposed on ratepayers over recent years. Council should rebut these claims using data not simply statements.

6. Necessary Information for Ratepayers

Following on from the previous observations Council should provide a number of data reports for our information and consideration.
Firstly a report (anonymised of course) showing the rates payable for say 30 rated properties across each of the categories (except vacant land and Cultural and Recreational land) for each of the last five years.

In addition a similar report for the last five years showing the rates payable at various CIV points over that same period across each of the categories referred to in the preceding paragraph.

None of these data are difficult to obtain from the Shire’s ratings model. The ease of extracting such data was demonstrated many times during the review process. Circulation of such data would add greatly to our understanding of the system – reduce the mystique, further re-inforce the notion of transparency!

7. Conclusion
I look forward to the opportunity to speak to Council and to explain any of the foregoing should this be necessary.

Ralph Gallagher
Re: Submission to the Rating Strategy South Gippsland Shire 2019

The Foster Chamber of Commerce supports the decision of Council on the 21st March 2018 to reject the recommendations of the Rating Review Committee with its changes to the rating strategy.

We advocate maintaining the status quo. In particular we advocate that the differential for Commercial and Industrial properties should remain the same as the 2014 strategy. We believe the category Rural Residential (lifestyle blocks) and the rate subsidies enjoyed by the owners of these properties are particularly contentious.

This submission focuses on the disproportionate share of rates, to come from the Commercial and Industrial sectors in the Shire. If these changes were to be accepted there would be a significant impact on those businesses with large increases in amounts individual properties would have to pay. The impacts would be far reaching, given the role retail, industrial, and commercial businesses contribute to the economy of our shire.

We would like to quote the philosophy of Council articulated in the letter accompanying the 17/18 Budget which stated “...an increased emphasis on economic development. In a changing global economy we must support our industries to be adaptive and attract new industries to the region.

While agriculture underpins our economy it is augmented by food production, value adding and manufacturing sectors …. We believe there is a bright future for South Gippsland we just have to have everything in place to harness it.” (Cr. Argento)
The intent of the Rates Strategy Review Committee recommendations clearly gives further relief to the farming sector and owners of small acreages (by categorising the latter as farms). The Rating Strategy Committee was over represented by the farming sector with an inappropriate amount of discussion on relief for farmers and not enough consideration given to impacts on other sectors.

It is noted that the reintroduction of a municipal charge which was phased out by the previous Rating Review Committee would be regressive and would impact especially adversely on those least able to pay.

We acknowledge that farmers are also small business operators, indeed there are quite a few ‘Main Street’ retail or industrial estate owners who also have significant land holdings and operational farms. It is a fact that rates are a form of Wealth Tax, the greater the Capital Improved Value the higher the rates, the more the property owner has to pay. That is the system that Council operates within. At the moment the farmers already have a 70% differential rate.

The State Government is in the process of reviewing the current rating system. It would be appropriate for Council to wait for the outcomes of this review.

No one wants to pay more tax, and there is no evidence that small businesses (which represent 95% of all businesses in the Shire) are doing any better than any other sector at present and able to increase their proportion of the contribution to the rate base. Cr. Hill’s statement at the March 2018 meeting that “businesses can afford to pay their employees so they can afford to pay more …. And that the increases only equated to a cup of coffee every three weeks” is ludicrous and over simplifies the situation.

In your own Council plan you have acknowledged that the community has requested you to “focus attention on the economic growth of our Shire, the sustainability of our businesses and creation of jobs”. The Council plan goes on to acknowledge that “the cost of living is escalating, so please improve the efficiency of your operations and minimise rate rises and keep rates affordable and reduce them where you can”. These are the commitments you have made, as councillors, to the South Gippsland community.

Small businesses have a number of pressures they have to deal with. Not only is there the commitment to have the door open at the same time every day, there is the juggle to find enough to pay wages, services and overheads. Electricity costs have risen rapidly and disproportionately lately. The growth of large supermarket chains and the advent of the digital age and online purchasing have meant that small business operators have to be innovative and flexible to be competitive – all of which serves as an additional financial burden. The dramatic changes in the retail sector have adversely affected our main streets, particularly in Leongatha and Korumburra.

The impact of increased rates for Commercial and Industrial categories will directly affect the viability of many retail, commercial and industrial businesses because most of these business lease or rent their properties and pay the direct costs of rates as well as rental.

Another area that directly impacts on the cost of running businesses is the cost of compliance. South Gippsland Shire has its own system of raising funds to pay for its services, but many of those costs and charges affect commercial, retail and industrial rate payers.

**We need South Gippsland to be competitive.**

Cr. Brown, when speaking to the motion on March 21st 2018 pointed out a number of comparisons with other Gippsland Shires and we stood up well. Historically, our Shire has developed out of the
direct needs of farmers to have communities and suppliers within a reasonable distance of their farms. The cost of maintaining the services in our 28 towns and villages is significant. Not only do we want our communities to survive, we need them to prosper, with opportunities for employment.

Therefore, we are not asking Council to ‘slash and burn’ and cut rates dramatically. What we are asking for is a considered approach to managing budgets, and a considered and fair approach to their rating strategy, which at the present time would be to maintain the current rates status quo.

Phil Rerden

President Foster Chamber of Commerce