

## 2019/20 Rates Set at Council Meeting

Yesterday Council decided on the rates for South Gippsland properties for the 2019/20 financial year. After considering a range of options from zero through to the State Government-advised rate cap, Council has opted to apply the 2.5 per cent cap, which the community were earlier consulted on.

Administrator Julie Eisenbise was very conscious that she and her colleagues would be under some scrutiny for the reasons behind their decision.

“Council is in a sound financial position, and yes in theory that would have provided us with some scope for a lower rate rise. However, it is only in this position because it has adhered to the long term financial planning undertaken by the organisation’s Finance team. To make a decision to move away from the long term plans might provide some short-term relief to ratepayers, but ultimately it would undermine Council’s prudential security. For context, the difference for most ratepayers between zero and 2.5 per cent is just a dollar or two a week. Cumulatively though it could impact on Council’s ability to deliver projects and provide services into the future.

“The community has consistently said that it wants Council to do more – whether that’s big projects such as the Long Jetty, the Mirboo North pool, the Korumburra hub and Bair Street in Leongatha; or better maintenance of our 1,200 kilometres of gravel roads. Doing more doesn’t come for free.

“This is a really exciting time in terms of establishing the foundations for the future of South Gippsland. If we can get the settings right now – and that’s what today’s Budget and Ratings Strategy are all about – then the community will be reaping the rewards of our investment for decades to come,” said Ms Eisenbise.

As part of the deliberation on the Rating Strategy, Council opted to phase out the Rural Residential rate over three years, moving it from 70 per cent of General Residential in 2018/19 to 80 per cent in 2019/20.

Council also discussed the Vacant Rural Land rate, bringing it into line with the Farming rate.

Administrator Christian Zahra spoke about the need to change the Vacant Rural Land differential.

“Both the State Government and Council are very conscious of protecting our fertile and productive farming land,” said Mr Zahra. “The last thing we want to be doing in South Gippsland is penalising people for using Vacant Rural land as part of their farms. Applying a higher differential actually gave people an incentive to develop land that we’d much rather was being used for agriculture.”

For those seeking more information the Budget and Rating Strategy are available on Council’s website.

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