

The Capping of Council Rates

- A complex policy explained

The components of your annual council rates bill



A council can only raise its general rates and charges above the 1.5% cap if it has consulted with its community and been granted permission by the Essential Services Commission.

This year, six Victorian councils were granted a rate cap variation.

The waste charge pays for kerbside waste collection, recycling, waste disposal and State Government landfill levy - a charge the council must pay when depositing waste at landfill.

Waste charges are not subject to the rates cap.

All Fire Services Property Levy money collected by councils is passed onto the State Government to fund fire agencies.

This charge is set by the State Government and is not subject to the rates cap.

Your bill may be more or less than you expected because the 1.5% rate cap applies to the **overall rate revenue collected by each council, not your individual property.**

The 1.5% rate cap does not apply to waste charges, the fire services property levy or property revaluations.

How general rates and charges are calculated



Councils DO NOT get more money if your property valuation increases

By law, individual property values must be reviewed every two years based on market movements and recent sales trends.

If the value of your property has increased by a greater percentage than others in your municipality, you will pay a larger percentage of the combined general rates total.

If the value of your property has increased by a lesser percentage than others in your municipality, you will pay a smaller percentage of the combined general rates total.

The total combined general rates collected by the council remains the same.