# Frequently Asked Questions

Mornington Peninsula Shire

## What is this consultation about?

The Shire is reviewing the Rating Strategy, which sets out how rates and waste charges are structured across different types of properties. The review covers differential rates, waste service charges, and payment timing. The draft strategy outlines several options and scenarios for community feedback.

## Why are we reviewing the Rating Strategy now?

Council have initiated this review to check whether the current distribution of rates across different property types is still appropriate.

## What are differential rates?

Differential rates allow the Shire to apply different rate levels to different property types based on how land is used and the type of activity that occurs on it.

The draft Strategy explores several scenarios, including:

- Keeping the current categories
- Refining categories to better match property use
- Considering updated percentage allocations for each category

Each scenario includes reasoning — such as land use, service demand, economic development and legislative requirements.

## How is the retirement village rebate structured?

A discounted differential rate for residents in retirement villages at **80% of the general rate** has been requested.

If this differential rate were introduced:

- The average household (outside retirement villages) would pay **around $4 more** to fund it
- Eligibility criteria would need to be implemented and verified
- The differential rate would apply only to specified retirement village properties

The Shire is asking the community whether this differential rate should be included in the final Rating Strategy.

## What changes are proposed for waste service charges?

The draft proposes splitting waste costs into:

- **Direct household waste services** (bin collection, kerbside services), and
- **Indirect public amenity services** (street/park bins, foreshore cleaning, illegal dumping, public litter programs)

Under this model:

- Around **93,000 households with bins** would move from **$433 to $474**
- Around **12,000 properties without bins** and non-serviced land) would move from **$433 to $130**

This revised structure aligns the charge more closely with the level of service provided.

These amounts are based on this year only and will be updated annually.

## Why are properties without bins included?

Even if a property does not receive kerbside bin collection, it still contributes to public waste generation. Money from this group helps fund:

- Foreshore and beach cleaning
- Street litter bins
- Waste education programs
- Management of illegal dumping

The proposed updated charge separates household waste from public waste so that property owners are charged based on the type of service they actually received.

## Why is farmland being reviewed?

This process helps ensure the farmland differential rate is applied fairly and consistently.
It also confirms that properties receiving the discounted rate are genuine farming businesses, not hobby farms or land banking.

## What does a farmland reassessment involve?

Property owners may be asked to complete an *Application for Classification of Rateable Property as Farm Land* and provide evidence that the primary use of the land is agricultural. This may include:

- ATO Primary Producer status
- Evidence of a genuine farming business
- Records, documentation or proof of commercial farming activity

The Shire may also inspect the property as part of the assessment.

## Who needs to submit a farm land application?

Any owner or occupier who wants their property classified as farmland is responsible for submitting an application with supporting documentation. A fresh application must be made when ownership changes.

## What happens if a property no longer meets the farmland criteria?

If a property no longer qualifies for the farmland rate, it would move to a different rating category. This makes sure the discounted farmland rate goes only to properties that meet the legal requirements for agricultural business use.

## Are any of these changes locked in?

No. All proposals in the draft Rating Strategy are **options only**. Council will not make decisions until the community has had the opportunity to review, ask questions and provide feedback.

## Will these changes raise extra revenue?

No. The review is not about increasing total revenue. It is about reviewing **how** the existing rates burden is shared across different types of land and service levels.

## Is the Shire changing how quickly rates need to be paid?

The Shire is asking for feedback on the **"pay in full" due date**. Nearly 50% of ratepayers currently pay in full by February. Any change would take at least **18 months** to implement.

## How do these proposals support our long-term planning?

The Rating Strategy links directly to Council's Annual Budget. Updates help ensure:

- Clear, consistent methods for categorising properties
- Alignment with cost recovery for waste services
- Transparent treatment of farmland and lifestyle/rural land
- Future-proofing against demographic and land-use changes