Council released its Draft Budget 2020/21 on 23 June and invites all community members to make a submission before 12.00 pm on Friday 24 July 2020.

After considering all feedback from the community, Council will formally adopt the Draft Budget 2020/21, which includes the declaration of rates and charges, with or without amendment, at the Council Meeting on Tuesday 25 August 2020.

In framing the budget, Council has been very aware of the challenging events the community has experienced in recent times.

It strikes a balance between community support, rate revenue, the long-term financial sustainability of the organisation, and providing a level of service expected by all ratepayers in these most challenging times.

The budget ensures the organisation is appropriately resourced to deliver the works, services and initiatives set out in the Revised Council Plan 2017-2021. It responds directly to the Plan’s strategic objective that, “Council is in a strong financial position and can provide for future generations of East Gippslanders”.

Delivering services

Each year Council determines how much money is needed to continue to provide services, programs and building projects that our community needs.

Rates and charges revenue provides over half of the funding to deliver these services.

Council rates are set within the constraints of the Victorian Government rate cap.

How are rates calculated?

Rates are based on the Capital Improved Value (CIV) of each property calculated by the rate in the dollar (set each year by Council) together with a fixed component - the Municipal Charge.

A different rate in the dollar is applied to each property class (differential rating system).

What is proposed:

- General (Residential) rate: 100%
- Commercial/Industrial: 145% (2019/20: 143%)
- Farm: 80% (2019/20: 82.5%)

Council reviews its rating strategy each year, it guides the rating component of the following year’s budget. Find out more: https://bit.ly/3fPAsB7

Average total rate and municipal charge revenue increase/decrease for each class of property for 2020/21: Residential: 0.2%; Commercial/Industrial: -2.24%; Farm: 1.23%.
Rates and municipal charge – 0% increase
Council is proposing that general rates and the municipal charge will remain at the 2019/20 average level of rating for the 2020/21 year, i.e. a 0% increase.

This is in recognition of the financial challenges many ratepayers have and continue to experience as a result of the events of the past year.

The Minister for Local Government has set the rate cap at 2.0% for the 2020/21 year.

- 40% of farming properties are exempt from the municipal charge as they are part of a single farming enterprise.

Fees and charges
Council fees and charges are proposed to remain at 2019/20 levels, with the exception being a small number of new fees for 2020/21.

Given the budget will not be adopted until 25 August, the current fees and charges for 2019/20 will continue to apply.

Property valuations
It’s important to point out that Council does not control the valuation process which determines your property’s Capital Improved Value (CIV).

- Valuations are conducted each year by independent contractors working for the Valuer-General Victoria.
- The CIV refers to the value of the land plus improvements, which include houses, other buildings, fences, landscaping and other aspects.
- Your CIV is used to determine your share of the total rates and charges.
- Valuations are influenced significantly by property sales data. Council must use the valuations certified by the Valuer-General Victoria.
- Your valuation is listed on your valuation and rate notice. You can object to your valuation, if...

$58.6 million capital works program
The budget proposes a capital works program of $58.6 million, which has a strong focus on the renewal of infrastructure together with several new initiatives. Significant government funding of $19.89M towards these capital projects is expected. Projects include:

- Lucknow Recreation Reserve Changerooms Upgrade ($2.3M)
- Road reseal program, including dust suppression ($4.6M)
- Upgrade of Moroney Street, Bairnsdale ($1.0M)
- Omeo Valley Road major rehabilitation ($1.0M)
- Gravel Road Renewal Program ($1.2M)
- Jemmy's Point - Stage 2 ($0.8M)
- Eagle Point Foreshore Hub ($1.2M)
- Genoa Pedestrian Bridge ($1.5M)
- Bullock Island Bridge ($2.2M)
- Hospital Creek Wairewa Road Bridge replacement ($0.8M)
- Turners Road Bridge, Deptford ($0.3M)
- WORLD Sporting Precinct Stage 1 ($5.4M)
- Council building renewals ($1.0M)
- Lakes Entrance streetscape works ($1.1M)
- Omeo Mountain Bike Trails ($1.9M)
- Information technology systems renewals and upgrades ($3.7M)
- Bairnsdale Landfill Cell 4 construction ($3.0M)
- Lakes Entrance Transfer Station Upgrade ($2.4M)
- Bullock Island Masterplan implementation ($2.6M)
you believe it is not correct, you need to do this within two months of the date of issue of the rates notice.

Of the $43M raised by general rates (excluding waste charges and municipal charge), $33M comes from Residential, $5M from Commercial/Industrial and $5M from farm properties.

Average property valuation changes 2020/21:

- Residential: 3.04% increase (2019/20: 6.55%)
- Commercial/industrial: 1.07% decrease (2019/20: 3.27%)
- Farm: 7.41% increase (2019/20: 9.91%)
- Average: 3.23% increase

Council has no legislative ability to object to or challenge the valuations provided by the Valuer-General Victoria.

Fire Services Levy

This levy is applied to all properties and collected by councils through rates notices. All levy payments are sent to the Victorian Government. This was a key recommendation of the 2009 Victorian Bushfires Royal Commission. The Victorian Government also sets the rates for the levy.

Operating surplus

To ensure Council has some funds in reserve to respond to unexpected events and other contingencies, operating surpluses are expected in all years.

The estimated surplus for the 2020/21 year is $19.845M, however, it is important to note that when non-recurring capital income is considered the underlying surplus is estimated to be $252,000.

(The underlying surplus or deficit is an important measure of operational financial performance as it negates the impact of one-off capital income).

How to provide Draft Budget feedback

Copies of the Draft Budget 2020/21 and submission forms are available from our:


Customer service centres in Bairnsdale (Corporate Centre), Lakes Entrance, Mallacoota, Orbost, Omeo and Paynesville; and outreach centres in Bendoc, Buchan and Cann River.

Written submissions:

Written submissions are invited in accordance with section 223 of the *Local Government Act 1989*.

Written submissions should be addressed to the Chief Executive Officer and received at Council’s Corporate Centre, 273 Main Street, Bairnsdale, 3875.

Online submissions:


All submissions must be received by 12.00 pm on Friday 24 July 2020.

Anyone making a submission should indicate if they wish to be heard in support of their submission. Anyone wishing to be heard is entitled to appear in person, or by a person acting on their behalf, at a meeting of a Committee of Council comprising the whole of Council, with a quorum being five councillors, to be held from 1.00 pm on Tuesday 11 August 2020 at the Corporate Centre, Bairnsdale.

If meeting attendance as a result of COVID-19 does not allow for submitters to attend the meeting in person, alternate arrangements will be made with each submitter.

Submitters should note that all submissions will be available to the public.

After considering all submissions received Council will formally adopt the Draft Budget 2020/21, which includes the declaration of rates and charges, with or without amendment, at the 25 August Council Meeting.