



RATES STRUCTURE REVIEW COMMUNITY REFERENCE PANEL

Background Information

qprc.nsw.gov.au

Topics

- Background and requirements
- Methodology
- Constraints / Local Government Act
- Revenue Policy Principles
- Levers Available to Council
- Review current structure
- Rate structure options

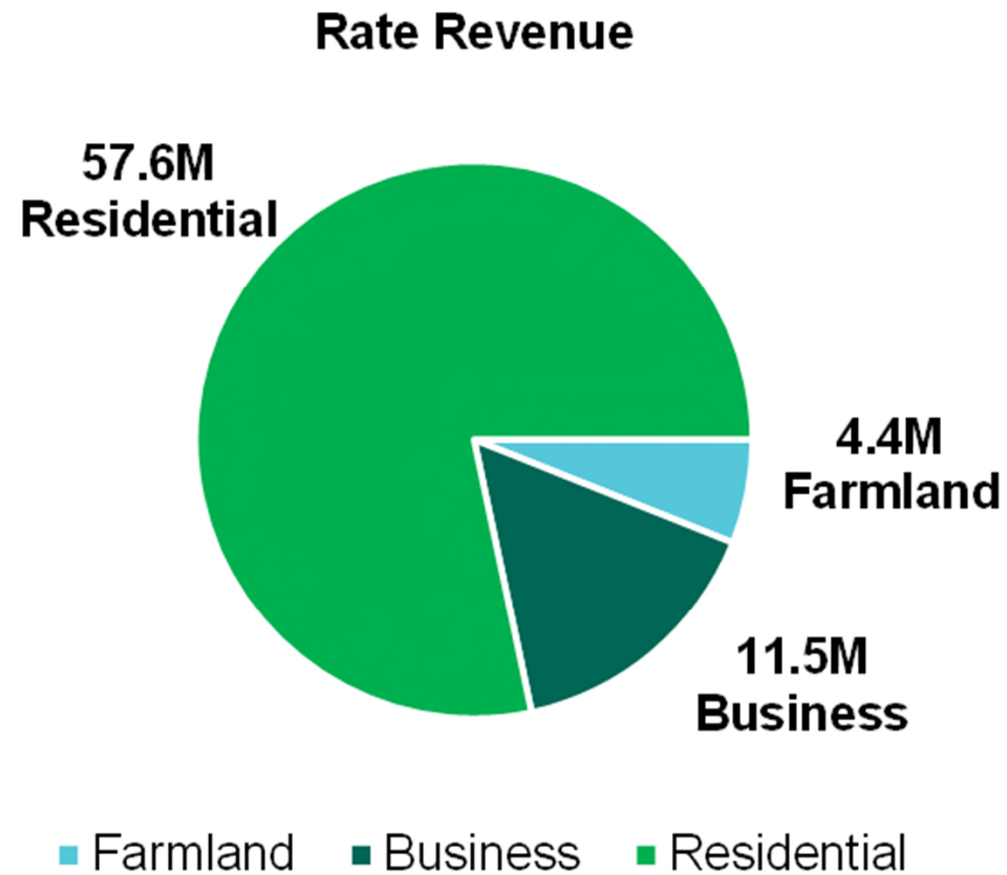
Background

- The QPRC rates structure was first adopted in 2020
- Council considered detailed rates modelling for 6 different options and shortlisted 2 preferred options
- A community reference panel reviewed the options and made recommendations to Council
- Since then there has also been an SRV of 18% x 3 years
- Council asked a new panel to test the rate structure in 2024
- The Panel reviewed 7 different options – ultimately decided no change at the time – for a number of reasons

Objectives of the 2026 Review

1. Provide feedback and advice to Council for its rates structure.
2. Advise whether the rate structure is fair for ratepayers across the local government area.
3. Recommend a preferred rating structure for consideration by Council and the broader community.

QPRC Rate Structure



Where are rates spent?

Where are your rates spent in Queanbeyan-Palerang?

	\$'000
Transport - Roads, Bridges and Footpaths	23,154
Urban Landscapes	14,277
Stormwater	6,314
Facilities	4,225
Aquatics	4,224
Development Assessment	4,218
Emergency Services	2,565
Corporate, Administration & Governance Costs	2,239
Strategic Planning	2,085
Libraries	1,910
Environment	1,882
Cemeteries	1,512
Economic Development and Tourism	1,292
Performance and Arts	1,197
Events	998
Community Development	849
Visual Arts and Museums	530
Civil Enforcement	286
Building Certification	224
Elected Representatives	212
Family Day Care	111
Fleet and Plant	19
Saleyards	13
	74,336

4 Workshops

26 February

- Background and purpose
- Define principles
- Early options discussion

26 March

- Results – Discussion
- Reference Panel advice

19 March

- Options Analysis
- What/if
- Workshop in groups

9 April

- Review principles
- Results – Discussion
- Reference Panel advice

Local Government Act 1993

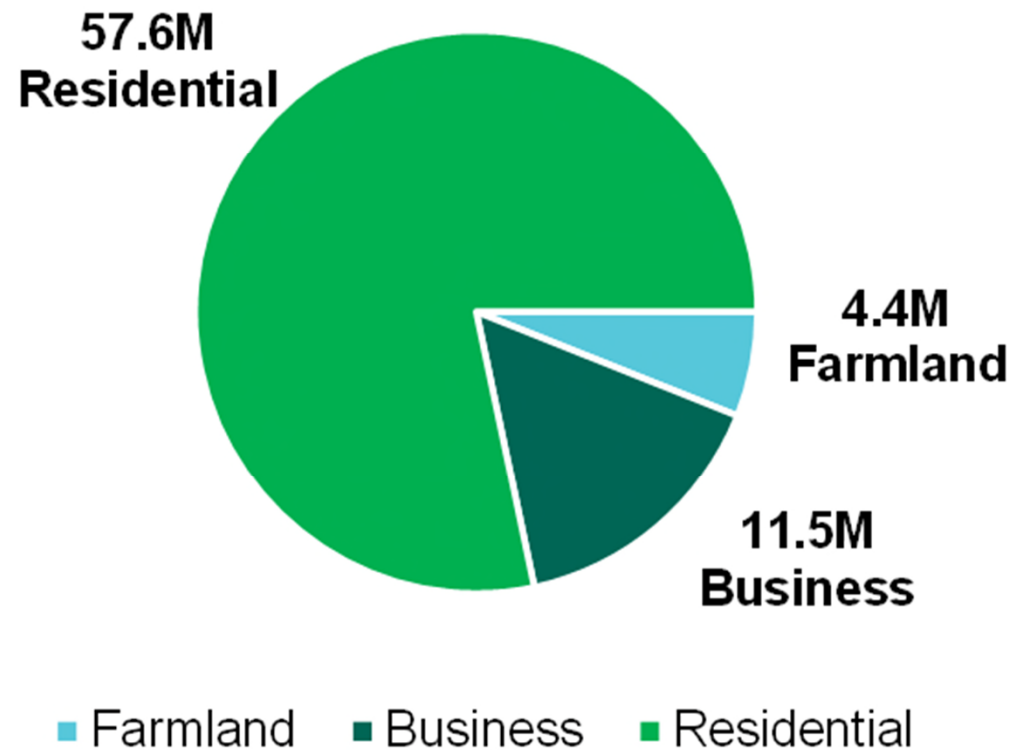
- Total rates income is capped by the State Government (via IPART)
- Rates may consist of:
 - An ad valorem component (may have a minimum)
 - A base amount and an ad valorem component
- The fixed amounts of a rate help to smooth the distribution
- The ad valorem is calculated with reference to the unimproved land value

Rates Categories and Subcategories

Residential	According to whether the land is rural residential According to centre of population Significant differences in relation to access or demand for services and infrastructure The maximum difference between the highest and average ad valorem and base is 50%
Business	According to centre of activity
Farmland	According to intensity of land use Economic factors affecting irrigability of land Geographic location
Mining	The kind of mine

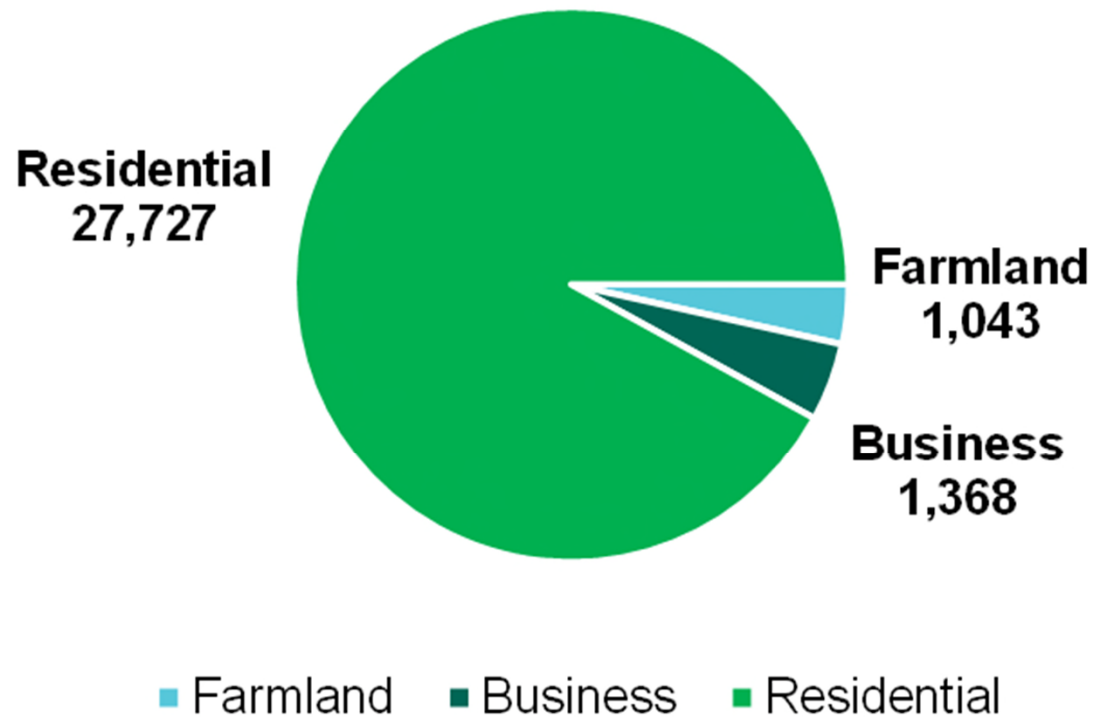
QPRC Rate Structure

Rate Revenue

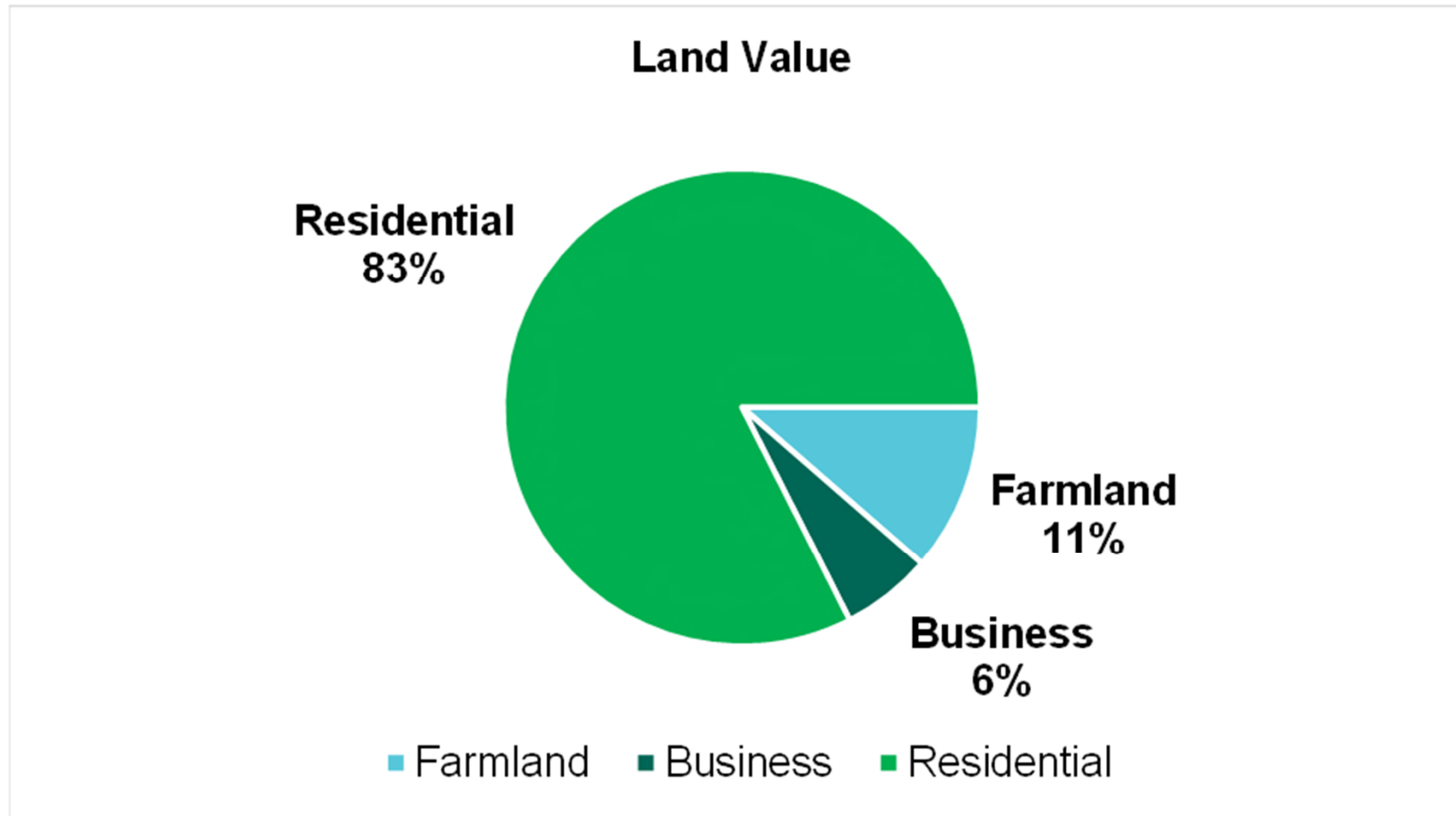


QPRC Rate Structure

Number of Assessments



QPRC Rate Structure



Revenue Policy Principles

Drivers

- Financial Sustainability - adequate funding for infrastructure and services
- The mix of rates revenue and other sources of revenue to fund service delivery

Principles

- Equity – Balance - Service benefit principle v capacity to pay principle
- Simplicity principle
- Efficiency principle
- Policy consistency
- Public vs private good

Levers available to Council

In setting its rating principles, Council needs to decide:

- The split between Farmland, Residential, Business and Mining
- Determining more or less subcategories:
 - Differentiate level of rates paid
 - Consider affordability or service level
 - Base structure or Ad valorem + Minimum structure
 - Higher or lower Base (max 50%)
 - Special rates for works / services that benefit rateable properties
 - Assess / change revenue streams
 - Pensioner rebates and Debt Recovery Policy

Current Rate Structure

Principles:

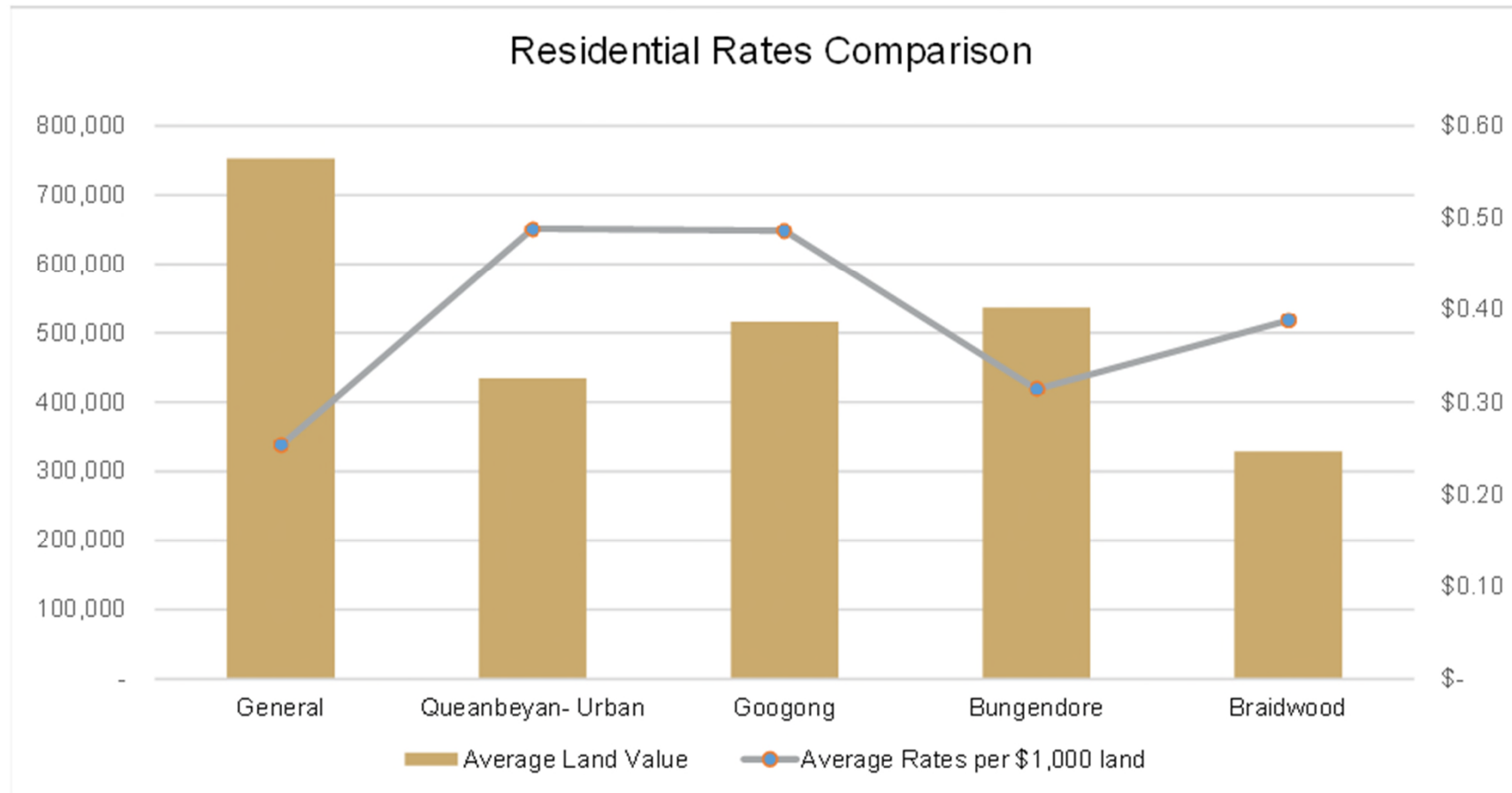
- Sub-categorisation for local communities with unique characteristics and different public infrastructure and Council services
- Parity in base amount across subcategories
- Parity in the ad valorem amount

In this way, all assessments pay an equitable share for the cost of services and infrastructure based on their land value and the base charge is used to set a pricing difference for the type, quality and scope of services provided in those localities

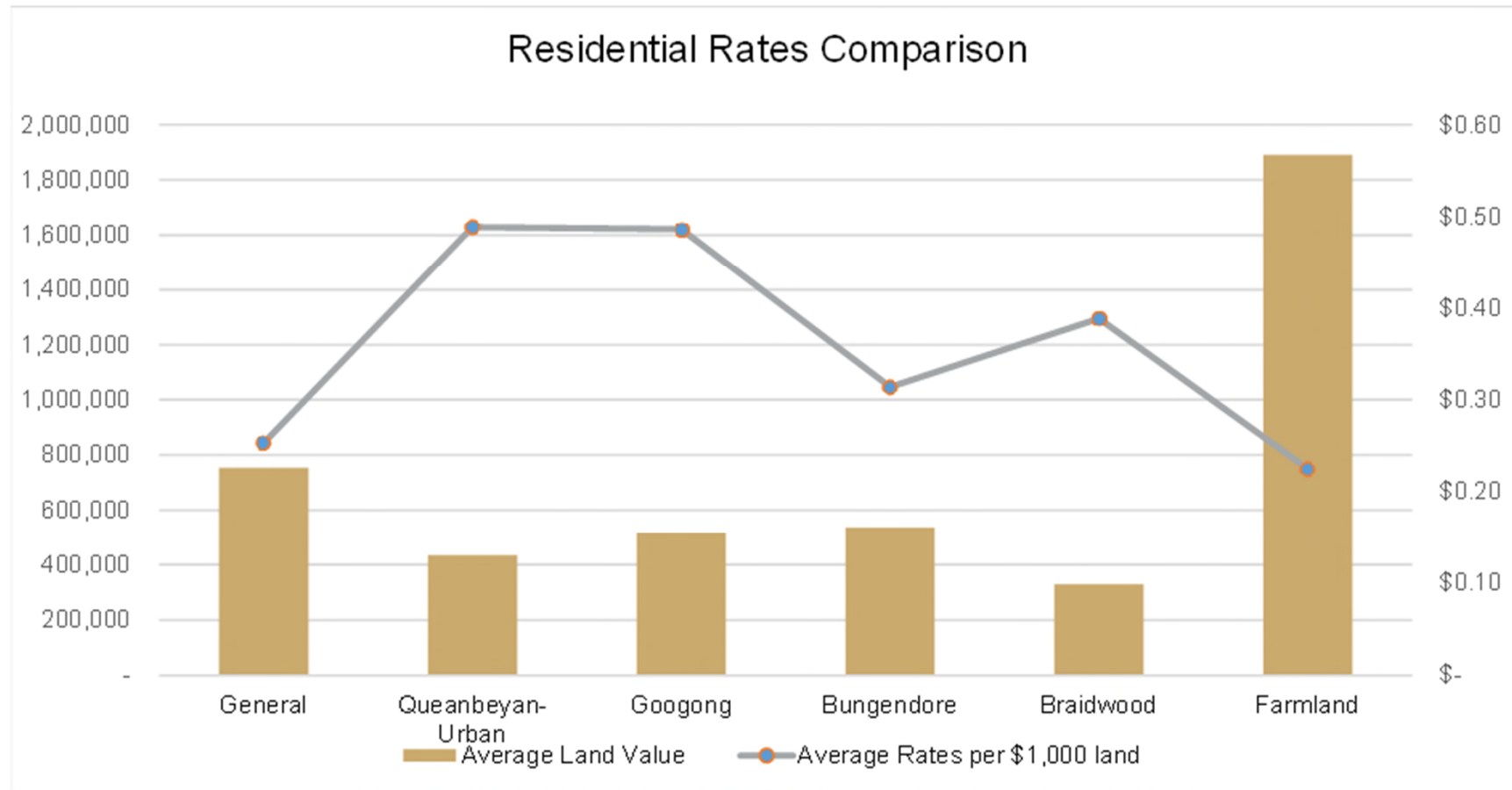
Current Rate Structure

Rate category and sub-category	Number of Assessments	Ad Valorem Rate (cents)	Base Amount	% base	Land Value	2025-26 estimated income	% Revenue	Average Rate
Residential								
Queanbeyan Urban	15866	0.32674058	\$ 703	33%	6,863,909,508	33,581,060	48.00%	\$ 2,117
Googong	3500	0.32674058	\$ 825	33%	1,801,631,060	8,774,160	11.97%	\$ 2,507
Bungendore	1698	0.19538157	\$ 636	38%	911,006,901	2,859,677	3.90%	\$ 1,684
Braidwood	776	0.19538157	\$ 636	49%	259,005,739	999,605	1.36%	\$ 1,288
General	5730	0.16863356	\$ 636	33%	4,337,064,385	10,958,026	14.95%	\$ 1,912
Business								
CBD	146	1.42329736	\$ 1,134	6%	188333820	2,846,114	4.13%	\$ 19,494
Googong	14	1.42329736	\$ 1,134	15%	6,329,021	105,957	0.17%	\$ 7,568
Poplars Business Park	15	1.42329736	\$ 1,134	2%	60,068,300	871,961	0.72%	\$ 58,131
Queanbeyan Urban	121	1.48695788	\$ 773	5%	132,414,670	2,062,854	2.99%	\$ 16,981
Industrial	801	0.84390579	\$ 773	12%	554,479,401	5,298,766	7.81%	\$ 6,612
General	259	0.17250444	\$ 703	43%	141542441	426,434	0.26%	\$ 1,645
Farmland	1046	0.12304639	\$ 1,925	45%	1,985,215,880	4,456,286	6.50%	\$ 4,260
Mining	1	0.55598532	\$ 1,889	5%	6,900,000	40,252	0.06%	\$ 40,252
	29974				17,247,901,126	73,281,152	100%	

Current Rate Structure



Current Rate Structure



Rate Structure Options

- Detailed modelling of rating structure options from Council rates data
- Analysis of ratepayer impact – any change from current structure
- Model output summarised by area

Key Questions

- What subcategories should we keep to create an equitable rating structure?
 - Towns separate?
 - Googong and Jerrabomberra?
- Are the principles right:
 - Parity between base and ad valorem
 - Base set at ~ 30-35% of the total at the category level
- Base and ad valorem amounts still equitable?