

City of Greater Geelong

SPECIAL RATE AND CHARGE SCHEME

Community Focus Group Report

October 2025

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Background

What is a Special Rate and Charge Scheme?

A Special Rates and Charges Scheme SRC is an arrangement where the cost of specific infrastructure or services, such as the development of a new or upgraded footpath (which is not prioritised in the capital works budget and may otherwise not be funded), is shared between the City of Greater Geelong and property owners who are deemed to receive a 'special benefit' from these works. A special benefit may include flood protection, improved storm water drainage, improved amenity (visual appeal), improved visibility, reduced mud or dust, improved road safety and all-weather access. The need for the specific form of infrastructure or service is identified either by property owners or the City.

The ability of Local Government Authorities to levy a special rate or charge to property owners who receive a 'special benefit' from a specific project is outlined in the Local Government Act (1989). This Act states that Councils can determine the amount that is levied to property owners, based on the perceived amount of benefit they will receive. Councils then contribute the proportion of community benefit that has been identified for the project. However, in order for SRCs to proceed, there are clear processes and procedures, including agreement by a certain percentage of affected property owners.

Why is City of Greater Geelong engaging with the community about SRCs?

The City of Greater Geelong is in the process of reviewing its Special Rate and Charge Scheme Procedure. Members of the community were engaged to provide feedback on the Special Rate and Charge Scheme Procedure to ensure that what is proposed is fair, equitable and transparent.

Who was involved in the review?

Expressions of interest were sought from the broader community in May 2025 to attend a panel meeting to provide input into the Special Rate and Charge Scheme Procedure review, specifically the cost apportionment method identified in the appendix.

Initially three sessions were planned – one in Geelong, one in Lara and one in Drysdale. Due to a limited number of responses for the Lara session, it was combined with the Geelong session. The first session was held at Wurriki Nyal on Tuesday 19 August from 5.30pm to 8.00pm, and the second session was held at Drysdale Library on Wednesday 28 August from 10.00am to 12.30pm. A total of 17 people attended the two sessions. In addition to selected community representatives, three staff from the Civil Infrastructure unit attended. The session was jointly facilitated by these three staff along with an external facilitator.

A brief profile of participants follows:

	Session 1	Session 2
Number of participants	5	12
Gender	4 males, 1 female	8 males, 4 females
Age	36-75	56-76
Suburb / town of residence	Lara (2), Moolap, South Geelong, Ocean Grove	Ocean Grove (5), Drysdale (3), Portarlington (2), Mt Duneed (1), South Geelong (1)
Property ownership	All property owners	All property owners
Independent or group representative	All independent	10 independent; 1 representing Combined Bellarine Community Associations; and 1 representing Ocean Grove United Church
Involved in an SRC previously	0	8

Participants were provided with a Terms of Reference document and pre-reading material comprising of a link to the draft Review of Special Rates and Charges review 2025; and background material incorporating information about the process and cost apportionment methods. Participants were contacted in advance to determine whether or not they had any questions prior to the workshops.

What was the role of panel members?

Panel members were invited to attend one of the two workshops to discuss:

- The existing SRC process from project initiation to completion, with a view to identifying any improvements.
- The proposed cost apportionment methods for footpaths; roads and street lighting; drainage; kerb and channel to determine whether or not they are fair and reasonable, and if not, suggest a more suitable methodology.
- Any other aspects of the review or cost apportionment method they think could be changed.

Review of Special Rate and Charge process

Group 1

Group 1 was asked to discuss the existing SRC process. Feedback received indicates that they are generally satisfied with the existing process. Participants asked questions about:

- Whether or not Councillors were happy with the process and touch points
- How many SRC's Council undertakes each year
- What happens if works aren't as expensive as estimated by Council during the design stage
- What happens if a contractor goes out of business mid-construction
- Whether or not there are hardship provision and who picks up the cost until such time as property owners are able to pay their share
- Whether or not it would be better to have a higher percentage of agreement at the first stage of the assessment process (i.e. evidence of community interest) of around 70%-80%, recognising that this figure may decline as time goes on down to the 60% level required.

Group 2

Group 2 was asked to discuss the existing SRC process in two groups. Feedback received indicates that they are relatively happy with the current process. Their questions and comments included:

- How long do you have to pay your special rate and charge if it is designated?
- What if you can't reach everyone in the street?
- How does the scheme apply to holiday homes?
- Potentially too many interactions with Councillors
- Need to let people know the timeframe it takes for each step
- Need to state that in the evidence of community interest section that the area in question may not be one street, but a precinct
- How does Council communicate the work that it does and what it's about to do (rather than expecting people to read the Council budget to find out what has been funded).

Summary

Overall, participants expressed a reasonably high level of satisfaction with the existing structure, noting that it was very comprehensive and had lots of 'checks and balances' before proceeding to the next level or being abandoned.

Preferred methods used to apportion costs

Participants were asked to give their view about the various methods currently used to apportion costs for infrastructure developed as part of an SRC scheme. Feedback is as follows:

Method	Group 1 Feedback	Group 2 Feedback
Equal share of costs by all property owners in the SRC	It was felt that there were too many variables with this method.	There was some support for equal share of costs.
Frontage	There was general support for street frontage (pending the project).	There was some support for frontage.
Land value	There was general support for land value (pending the project), providing that there is a cap on how much property owners are required to pay. It was agreed that the fairest way of determining land value was to use the amount indicated on the City of Greater Geelong's rate notices. This method, however, may not work as well in lower socio-economic areas as the amount raised will be less, although infrastructure won't cost less.	There was some support for land value.
Usage (access and amenity)	Usage was not discussed in any detail.	There was no support for usage.
A combination of apportionment criteria methods	A table of different costs was presented as part of the package for this question, showing different costs according to which method was chosen. Participants did not have time to read and discuss this in detail, although they could see that different methods resulted in quite different charges depending on land value, frontage and an equal share of costs.	A table of different costs was presented as part of the package for this question, showing different costs according to which method was chosen. Participants did not have time to read and discuss this in detail, although they could see that different methods resulted in quite different charges depending on land value, frontage and an equal share of costs.
General comments		Participants felt that it's best to keep the model as simple as possible.

Summary

At this point of the sessions, consideration was given to equal share, frontage and land value.

Best option for different scenarios

Participants were asked to discuss their thoughts on what they believe is fair and reasonable for three different scenarios:



Feedback on these scenarios follows:

Scenario	Group 1	Group 2
One	2 participants supported frontage 2 supported land value 1 supported equal share	All supported equal share.
Two	2 supported land value 1 supported equal share 1 said that it depends on what the works are for, but would go for either land value or frontage, however, would need to take into consideration very small blocks 1 said that it depends on what the works are for but would go for land value if it's a road and frontage for other works.	All supported equal share.
Three	3 supported frontage 2 supported land value - In terms of units, one person suggested measuring the internal roadway in a block of units and divide that by the number of units to come up with the length of frontage. Another suggested to utilise the original size of the block and divide that by the number of units to work out the proportion of costs each person living in the unit needs to pay. - The question of how to address battle axe blocks was stated.	All supported equal share.

Scenario	Group 1	Group 2
	- One person believes that a people living in a court receive a 100% special benefit. However, after a short discussion it was agreed that the percentage of special benefit is likely to be less than 100% if that court is adjacent to another street where there is a school for example, and people use the court for parking. - A discussion was held about the number of traffic movements estimated for each property each day, as well as improved amenity.	
General comments		One person stated that if a commercial property is involved in the scheme, there may be greater usage of the item in question (e.g. road) and hence this may need to be looked at differently.

Summary

In summary, Group 1 had varying opinions about which method was best according to each scenario, with land value and street frontage the most popular responses. Group 2, however, all supported equal share.

Footpaths

Group 1

Participants were asked to review the proposed percentages for property owners (as a special benefit) and the proposed community benefit.

Road Hierarchy	Special Benefit	Community Benefit	Feedback – preferred percentages	
Category 3 – Arterial / Collector	30%	70%	Special benefit 30% 30% 10% 10% Did not answer Average: 20%	Community benefit 70% 70% 90% 90% Did not answer Average: 80%
Category 2 - Local	50%	50%	Special benefit 50% 50% 20% 20% Did not answer Average: 35%	Community benefit 50% 50% 80% 80% Did not answer Average: 65%
Precinct	35%	65%	Special benefit 30% 30% 0% 0% Did not answer Average: 15%	Community benefit 70% 70% 100% 100% Did not answer Average: 85%
Activity centre	30%	70%	Special benefit 30% 30% 0% 0% Did not answer Average: 15%	Community benefit 70% 70% 100% 100% Did not answer Average: 85%
Parks / reserves	30%	70%	Special benefit 30% 30% 0% 0% Did not answer Average: 15%	Community benefit 70% 70% 100% 100% Did not answer Average: 85%
General comments			Group 1 had a discussion about courts (as part of Local Roads – Category 2), having their own specific hierarchy level. A fair special benefit of 30% was identified, with a community benefit of 70%.	

Group 2

Participants were asked to review the proposed percentages for property owners (as a special benefit) and the proposed community benefit.

Road Hierarchy	Special Benefit	Community Benefit	Feedback – preferred percentages
Category 3 – Arterial / Collector	30%	70%	Support proposed rate
Category 2 - Local	50%	50%	Support proposed rate
Precinct	35%	65%	- Agreed special benefit should be 30% and community benefit should be 70% - One person felt that precinct should be called network - One person wanted to know who determines when it's a precinct, i.e. does it go from local area to precinct - Need a clear definition of precinct, neighbourhood and suburb - Want a threshold for precinct, i.e. where do connections go
Activity centre	30%	70%	Support proposed rate
Parks / reserves	30%	70%	Support proposed rate
General comment			Need to place an asterix in the document to say that the rates can be varied if Councillors decide to do so.

Summary

Group 1 consistently advocated for a lower rate than Council's proposed amount, whereas Group 2 supported all of Council's proposed amounts for footpaths, with the exception of 'Precinct'.

Roads and street lighting

Group 1

Participants were asked to review the proposed percentages for property owners (as a special benefit) and the proposed community benefit.

Road Hierarchy	Special Benefit	Community Benefit	Feedback – preferred percentages	
Category 3 – Arterial / Collector	50%	50%	Special benefit 20% 20% 0% 0% 30% Average: 14%	Community benefit 80% 80% 100% 100% 70% Average: 86%
Category 2 (Through road) - Local	70%	30%	Special benefit 25-30% 25-30% 10% 10% 50% Average: 25%	Community benefit 70-75% 70-75% 90% 90% 50% Average: 75%
Category 2 (No through road) - Local	100%	0%	Special benefit 60-70% 60-70% 50% 50% Did not answer Average: 58%	Community benefit 30-40% 30-40% 50% 50% Did not answer Average: 42%
Category 1 - Laneway	100%	0%	Special benefit 80% 80% 50% 50% Did not answer Average: 65%	Community benefit 20% 20% 50% 50% Did not answer Average: 35%
Precinct	35%	65%	Special benefit Did not answer Did not answer 0% 0% Did not answer Average: 0%	Community benefit Did not answer Did not answer 100% 100% Did not answer Average: 100%

Group 2

Participants were asked to review the proposed percentages for property owners (as a special benefit) and the proposed community benefit.

Road Hierarchy	Special Benefit	Community Benefit	Feedback – preferred percentages
Category 3 – Arterial / Collector	50%	50%	The group supported the percentages proposed by Council.
Category 2 (Through road) - Local	70%	30%	One person suggested that local roads should have a 65% special benefit. The remainder of the group was happy with what has been proposed by Council.
Category 2 (No through road) - Local	100%	0%	One person mentioned that a no through road which has beach access definitely has some community benefit.
Category 1 - Laneway	100%	0%	The group supported the percentages proposed by Council.
Unformed road reserve	100%	0%	The group supported the percentages proposed by Council.
Precinct	35%	65%	- One person suggested that precinct could be a combination of category 2 and 3 - One person suggested 40% for special benefit and 60% for community benefit for precinct. The remainder of the group was happy with what has been proposed by Council. - One person suggested adding neighbourhood to the precinct definition.

Summary

Group 1 consistently advocated for a lower rate than Council's proposed amount, whereas Group 2 supported all of Council's proposed amounts for roads and streetlighting, with the exception of one person for each of 'Local road' and 'Precinct'.

Drainage

Group 1

Participants were asked to review the proposed percentages for property owners (as a special benefit) and the proposed community benefit.

Road Hierarchy	Special Benefit	Community Benefit	Feedback – preferred percentages	
Easement drain	100%	0%	Special benefit: 80-90% 80-90% 20% 20% 50% Average: 52%	Community benefit: 10-20% 30-40% 80% 80% 50% Average: 48%
Road drain	Match road type	Match road type	Special benefit: 60-70% 60-70% 20% 20% Did not answer Average: 34%	Community benefit: 30-40% 30-40% 80% 80% Did not answer Average: 66%
Network / trunk drain	70%	30%	Special benefit: 80% 80% 0% 0% 30% Average: 38%	Community benefit: 20% 20% 100% 100% 70% Average: 62%

Group 2

Participants were asked to review the proposed percentages for property owners (as a special benefit) and the proposed community benefit.

Road Hierarchy	Special Benefit	Community Benefit	Feedback – preferred percentages
Easement drain	100%	0%	The group supported the percentages proposed by Council.
Road drain	Match road type	Match road type	The group supported the percentages proposed by Council.
Network / trunk drain	70%	30%	The group supported the percentages proposed by Council.
General comments			Some discussion was held about major drainage issues for some houses that were built in in Drysdale and the modelling that is currently being undertaken.

Road Hierarchy	Special Benefit	Community Benefit	Feedback – preferred percentages
			Group members acknowledged that drainage is essential.

Summary

Group 1 consistently advocated for a lower rate than Council's proposed amount, whereas Group 2 supported all of Council's proposed amounts for drainage.

Kerb and channel

Group 1

Participants were asked to review the proposed percentages for property owners (as a special benefit) and the proposed community benefit.

Road Hierarchy	Special Benefit	Community Benefit	Feedback – preferred percentages	
Category 3 – Arterial / Collector	50%	50%	Special benefit 30% 30% 0% 0% 30% Average: 18%	Community benefit 70% 70% 100% 100% 70% Average: 82%
Category 2 (Through road) - Local	70%	30%	Special benefit 40-50% 40-50% 10% 10% 50% Average: 32%	Community benefit 50-60% 50-60% 90% 90% 50% Average: 68%
Category 2 (No through road) - Local	100%	0%	Special benefit 70-80% 70-80% 30% 30% Less than 100% if access to an amenity, e.g. a school Average: 52%	Community benefit 20-30% 20-30% 70% 70% Greater than 0% if access to an amenity, e.g. a school Average: 48%

Group 2

Participants were asked to review the proposed percentages for property owners (as a special benefit) and the proposed community benefit.

Road Hierarchy	Special Benefit	Community Benefit	Feedback
Category 3 – Arterial / Collector	50%	50%	The group supported the percentages proposed by Council.
Category 2 (Through road) - Local	70%	30%	The group supported the percentages proposed by Council.

Road Hierarchy	Special Benefit	Community Benefit	Feedback
Category 2 (No through road) - Local	100%	0%	Group supported 70% for special benefit and 30% for community benefit if there is amenity attached to the no through road, e.g. access to a beach.

Summary

Group 1 consistently advocated for a lower rate than Council's proposed amount, whereas Group 2 supported all of Council's proposed amounts for kerb and channel with the exception of no through roads if there is amenity attached to the road such as access to a beach.

General comments

Group 1:

Setting the scene at the beginning of the session around Council's assets and budget was helpful for participants to understand the financial pressures and constraints impacting the Infrastructure Team.

In general, participants expressed satisfaction with the Special Rate and Charge process, however, some discussion was held regarding implementing a percentage of around 70-80% approval from impacted property owners at the community expression of interest phase, recognising that it could slip to the nominated 60% cut-off rate as the project progresses through the SRC process. Participants felt that this would alleviate some costs to Council for engagement, preliminary design and indicative costings. City staff advised that it is rare for a potential project to have a support rate of around 80%, so that would mean fewer projects would be approved.

Some participants also wanted to ensure that there was a cap placed on the maximum contribution that they would be asked to contribute so that they could effectively budget for this amount.

Participants were happy to see that there is a hardship consideration for property owners and liked that the special contribution could be paid back to Council on sale of the property.

Given that some participants signed up to the focus group as they have some concerns about the Special Rate and Charge scheme, or are keen to ensure that they will not have to pay too much for infrastructure impacting their property, it is not surprising that the percentages identified by participants for special benefits versus community benefits was erring more on the side of community benefits rather than benefits for property owners. However, the proportions were relatively similar to those proposed by City staff.

Group 2:

Once again, setting the scene at the beginning of the session around Council's assets and budget was very helpful for participants to understand the financial pressures and constraints impacting the Infrastructure Team.

Group 2 generally supported the Special Rate and Charge process and also the percentages proposed to be charged by Council for footpaths, roads, street lighting, drainage and kerb and channel as part of the scheme, with just a few exceptions.

Like Group 1, Group 2 was pleased to hear that hardship considerations are available and that the rate charged to property owners can be paid off over a period of time. The group wants to see a tiered repayment system implemented.

Recommendations

It is recommended that Council officers review the feedback contained within this report and:

1. Retain the existing Special Rate and Charge process
2. Provide clearer definitions of categories such as 'precinct'
3. Undertake minor amendments to the proposed percentages to be charged for special benefits and community benefits for footpaths, roads, street lighting, drainage and kerb and channel, i.e.
 - a. Footpaths – Precinct – 30% special benefit to property owners and 70% community benefit
 - b. Amend the percentages in the case of no through roads where there is community amenity, e.g. beach access or school access from the no through road, to 70% special benefit to property owners and 30% benefit to the community
4. Document a tiered repayment system in the Special Rate and Charge Scheme Procedure.

Officer feedback to recommendations made

- 1 No changes have been made to the existing Special Rate and Charge process.
- 2 Clearer definitions relating to road meanings and neighbourhood precinct have been added to the procedure.
 - a. As per recommendation, neighbourhood precinct has now been amended to 30% special benefit and 70% community benefit and a note added to ensure consideration is given for a no through road that provides a community amenity e.g. beach access or school access from the no through road, to 70% special benefit to property owners and 30% benefit to the community.
- 3 The tiered repayment process is available under step 7 of the Special Rate and Charge Scheme Procedure.