

ABOUT SPECIAL RATE AND CHARGE SCHEMES



Why would the City consider using a Special Rate and Charge scheme?

An SRC scheme is a co funding arrangement, where the cost of a project can be shared between the City and benefiting property owners.

The Local Government Act 1989 states that a project of special benefit to a group of property owners can be levied as a special rate or charge. The term 'special benefit' is important. It is the reason that a project can be considered for funding via an SRC scheme. We contribute towards the cost of the works on behalf of those who may use the new or upgraded infrastructure but have not been

levied a charge. Our contribution is known as the 'community benefit' of a project.

When communities request localised road, drain, kerb and channel, and footpath upgrades, not prioritised in our annual capital works budget and where there is a 'special benefit' (i.e. all-weather access, flood protection and storm water drainage, improved look, reduced mud/dust, improved road safety, etc. to a group of property owners), we can consider using an SRC scheme as a way to fund projects which might otherwise not be constructed.

What is the process?

While all projects likely to involve a special rate and charge follow a similar process, bigger projects will generally involve more consultation with property owners. The basic steps are:

PROJECT STAGE	WHAT HAPPENS
Project initiation	In most cases, we'll receive requests from property owners or residents asking for new or upgraded infrastructure in their street. Sometimes we will initiate the project. In both cases, we will conduct a preliminary assessment, including an early engagement.
Project assessment	If the project has merit, we'll begin design work and investigate costs, expected benefits to the community and nearby property owners, and options for timing the works.
Community engagement	Once we have designed and costed the proposal - establishing accurate contribution rates for each property owner - we will then seek further feedback to determine support for the scheme. If there is enough support, an 'intention to declare' a special charge report will be submitted to Council for consideration. If Council supports the project, property owners then have an opportunity to make a submission 'for' or 'against' the proposal. For larger projects, there may also be opportunities to attend community information or design feedback sessions before the final report is prepared.
Final review	Submitters will be invited to address a Submissions Review Panel.
Final decision	If the scheme goes ahead, property owners will be sent a Levy Notice informing them of the estimated charge for their property. You will have 30 days to challenge the decision at the Victorian Civil and Administrative Tribunal (VCAT).

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How long will it take?

The process detailed above may take 1–3 years, depending on the level of community engagement required. Once the process is complete, works can be scheduled into our major works program. Invoices will be sent within 12 months of a scheme being Declared.

Why am I being asked to contribute to upgrade infrastructure when I pay my rates?

We inherit infrastructure from developers to manage. There are a number of areas within our municipality that have not been constructed with kerb and channel, footpaths, drainage, sealed surfaces etc. As such these construction costs were not placed on the land value at the time of sale, as happens today in new developments.

Sealing roads, building new footpaths, kerb and channel, and drains is a costly process. Your rates already contribute towards funding over 120 services we provide to the community and only a portion can be allocated to new and upgraded infrastructure.

We support localised infrastructure works when there is a willingness from the local community to provide financial contributions via our Special Rate and Charge (SRC) scheme process.

How does community feedback influence the outcome?

As part of the community engagement process, we ask for your feedback to help us understand if this infrastructure upgrade is supported by the community and if property owners are willing to financially contribute (please note, we accept a singular vote per ratable property). Whether you support or don't support an SRC scheme, your feedback is important as it ensures our decisions are representative of everyone involved.

If a majority of property owners who respond indicate they are:

- Willing to contribute funds, then the project will proceed under an SRC scheme and all property owners who directly benefit will be included in the scheme.
- Not willing to contribute funds, then the project will not proceed.

When will property owners be expected to pay?

Property owners are not expected to pay upfront. We will send a levy notice to property owners at the time an SRC scheme is declared by Council. Invoices will be sent within the following 12 months. Property owners will have up to 5 years to pay.

There are various payment plans available:

- pay in full within 28 days interest free
- pay in two quarterly installments over six months interest free
- pay in eight quarterly installments over two years
- pay in twenty quarterly installments over five years
- Once construction is completed, we will finalise a scheme. There may be an additional charge of up to 10% per property, depending on the final costs.

Can I appeal a special rate or charge?

We understand that not all property owners will agree with a decision about a special rate or charge levied on their property. If Council resolves to proceed with a project via an SRC scheme, property owners have the right to submit an appeal to VCAT (at their own cost). VCAT may choose to uphold or amend the scheme.

Where can I find more information about Special Rate and Charge schemes?

- Scan the QR code below
- Visit yoursay.geelongaustralia.com.au/SRC
- Email: engineeringplans@geelongcity.vic.gov.au
- Phone: 5272 5272
- Please refer to our website for details if you need assistance via an interpreter or have a hearing or speech impairment

