

**ORDINARY MEETING**

27 JULY 2022

**10****2022/23 RATES BENCHMARKING**

Anna Adlam | 63/8/12-05 | #6998083

**RECOMMENDATION:**

**That Council note the 2022/23 Rates Benchmarking report.**

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**INTERESTED PARTIES:**

Not applicable

*Note: The identification of interested parties is provided on a best endeavours basis by Council Officers and may not be exhaustive.*

**EXECUTIVE SUMMARY:**

This report provides a comparison of rates and utility charges for a selection of properties in the Cairns Regional Council area against the charges which would be applicable in other local government areas. Two benchmarking comparisons are included in this report:

- 1) Queensland Local Government Areas with a population greater than 100,000; and
- 2) Neighbouring local councils

The results of the comparison indicate rates and utility charges within the Cairns Regional Council area are at the lower end of the comparison to other local government areas. Since the Local Government Areas over 100,000 population benchmarking began in 2016/17, Cairns has been the lowest in Residential Minimum, Strata Minimum and Residential by Median Valuation.

The neighbouring local councils benchmarking which began in 2021/22 again shows Cairns Regional Council has the lowest Residential Minimum, Strata Minimum and Residential by Median Valuation.

In anticipation of the introduction of the new rating category for non-Principal Place of Residence (Non-PPR) in 2023/24, a comparison of Non-PPR residential properties on the Median valuation has been completed.

**COMMENT:**

The graphs and tables included in the attachments provide a comparison of rates and utility charges for a selection of properties in the Cairns Regional Council area against the charges which would be applicable in other local government areas.

The other local governments used for comparison are:

- 1) Queensland Local Government Areas with a population greater than 100,000; and
- 2) Neighbouring local councils.

The sample properties chosen were:

- A residential property (excluding strata and flats) paying the minimum rate – this represents 25% of residential properties in the Cairns Regional Council area;
- A residential property (excluding strata and flats) with the median valuation within its own local government area; and
- A strata title property paying the minimum rate – this represents 89% of strata title properties in the Cairns Regional Council area.

Care has been taken to ensure a “like-with-like” comparison due to the differing rates and charges structures applicable in other councils. The comparison included in the attachments represents a “like-with-like” comparison and takes into account all property related charges paid to the local government/water utility on an annual basis and includes a level of water usage consistent with the average for a Cairns ratepayer.

Where applicable, the following key assumptions have been made:

- General rates are based on Principal Place of Residence.
- Where strata rates differ based on high or low rise, the low-rise option has been shown.
- All rates are shown net of early payment discounts.

In anticipation of the new rating category for non-Principal Place of Residence (Non-PPR) to be introduced in 2023/24, a comparison of Non-PPR residential properties on the Median valuation has been completed. Cairns does not have this charge in 2022/23.

### **ATTACHMENTS:**

Attachment 1 - 2022/23 Rates Benchmarking – QLD Councils with Population > 100,000  
Attachment 2 - 2022/23 Rate Benchmarking – Neighbouring Councils  
Attachment 3 - 2022/23 Rates Benchmarking – Non-PPR



Jason Ritchie  
Executive Manager Finance



Lisa Whitton  
Chief Financial Officer

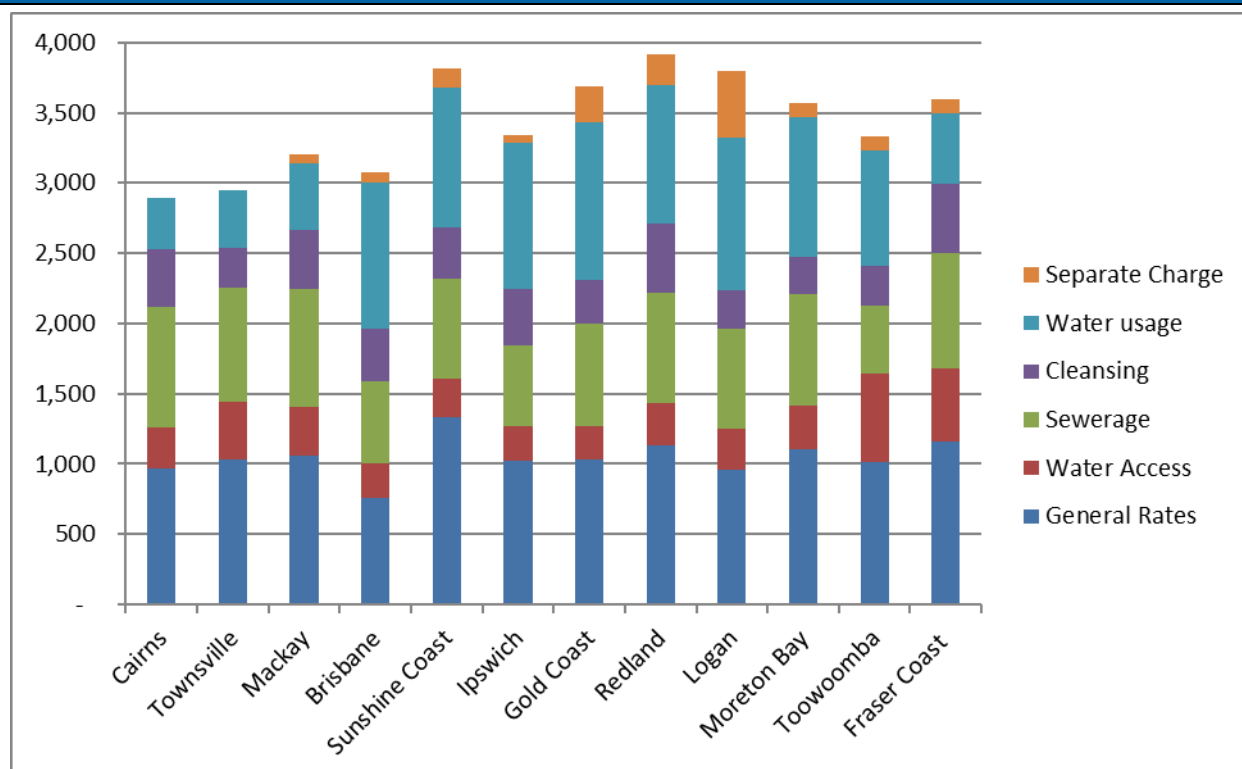
## Attachment 1 - 2022/23 Rates Benchmarking – QLD Councils with Population > 100,000

### ASSUMPTIONS

Where applicable, the following key assumptions have been made:

- General rates are based on Principal Place of Residence.
- Where strata rates differ based on high or low rise, the low-rise option has been shown.
- All rates are shown net of early payment discounts.

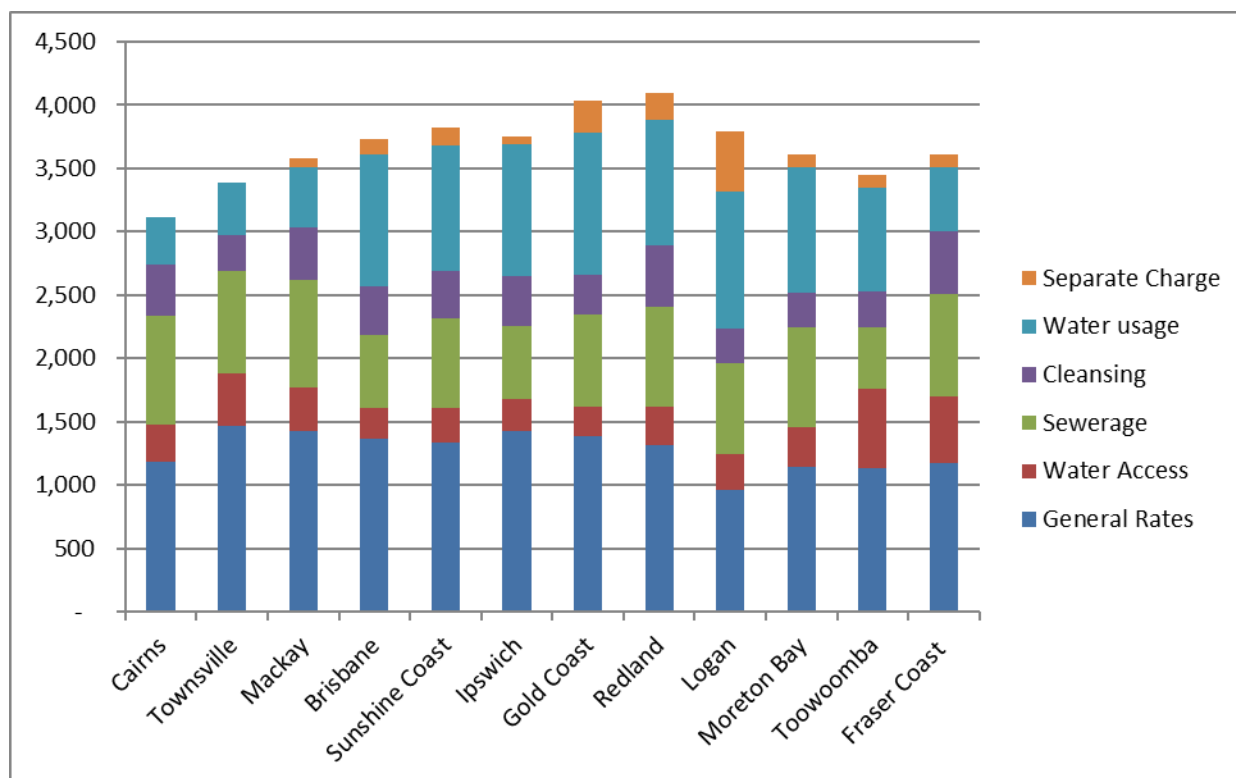
### RATES BENCHMARKING – RESIDENTIAL – MINIMUM



The below table shows the total rates charges (including water usage) for the Minimum Residential ratepayer in each local government area.

Council	Annual Charge	Variance to Cairns (\$)	Variance to Cairns (%)
Cairns	\$2,894	\$0	0%
Townsville	\$2,951	\$57	2%
Brisbane	\$3,077	\$183	6%
Mackay	\$3,204	\$310	11%
Toowoomba	\$3,336	\$442	15%
Ipswich	\$3,339	\$445	15%
Moreton Bay	\$3,565	\$671	23%
Fraser Coast	\$3,593	\$699	24%
Gold Coast	\$3,686	\$792	27%
Logan	\$3,796	\$902	31%
Sunshine Coast	\$3,818	\$924	32%
Redland	\$3,912	\$1,018	35%

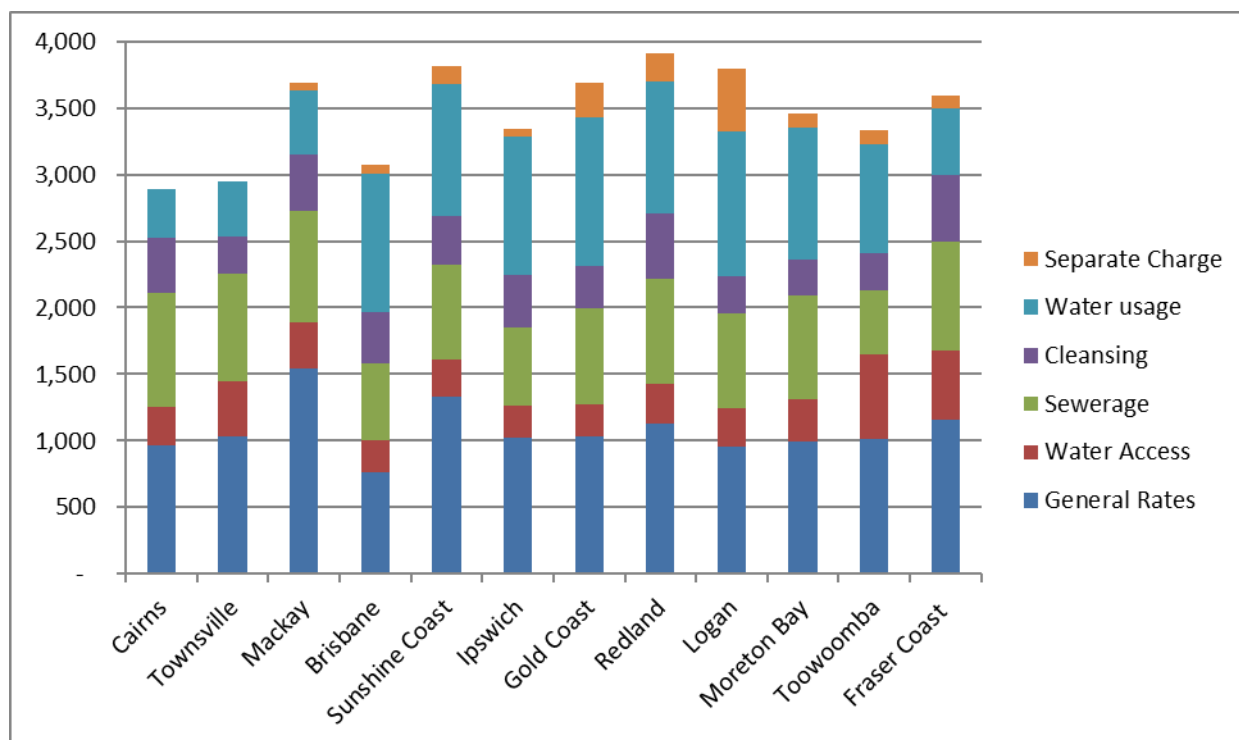
## RATES BENCHMARKING – RESIDENTIAL – MEDIAN VALUATION #



The below table shows the median valuation and total rates charges (including water usage) for the Median Residential ratepayer in each Local Government Area.

Council	Median Valuation	Annual Charge	Variance to Cairns (\$)	Variance to Cairns (%)
Cairns	\$217,500	\$3,112	\$0	0%
Townsville	\$155,000	\$3,386	\$275	9%
Toowoomba	\$205,000	\$3,450	\$339	11%
Mackay	\$150,000	\$3,576	\$464	15%
Moreton Bay	\$320,000	\$3,605	\$494	16%
Fraser Coast	\$157,500	\$3,606	\$494	16%
Brisbane	\$550,000	\$3,729	\$618	20%
Ipswich	\$207,500	\$3,749	\$637	20%
Logan	\$270,000	\$3,796	\$684	22%
Sunshine Coast	\$345,000	\$3,818	\$707	23%
Gold Coast	\$480,000	\$4,037	\$925	30%
Redland	\$375,000	\$4,099	\$987	32%

## RATES BENCHMARKING – STRATA – MINIMUM



The below table shows the total rates charges (including water usage) for the Minimum Strata ratepayer in each Local Government Area.

Council	Annual Charge	Variance to Cairns (\$)	Variance to Cairns (%)
Cairns	\$2,894	\$0	0%
Townsville	\$2,951	\$57	2%
Brisbane	\$3,077	\$183	6%
Toowoomba	\$3,336	\$442	15%
Ipswich	\$3,339	\$445	15%
Moreton Bay	\$3,455	\$561	19%
Fraser Coast	\$3,593	\$699	24%
Gold Coast	\$3,686	\$792	27%
Mackay	\$3,691	\$797	28%
Logan	\$3,796	\$902	31%
Sunshine Coast	\$3,818	\$924	32%
Redland	\$3,912	\$1,018	35%

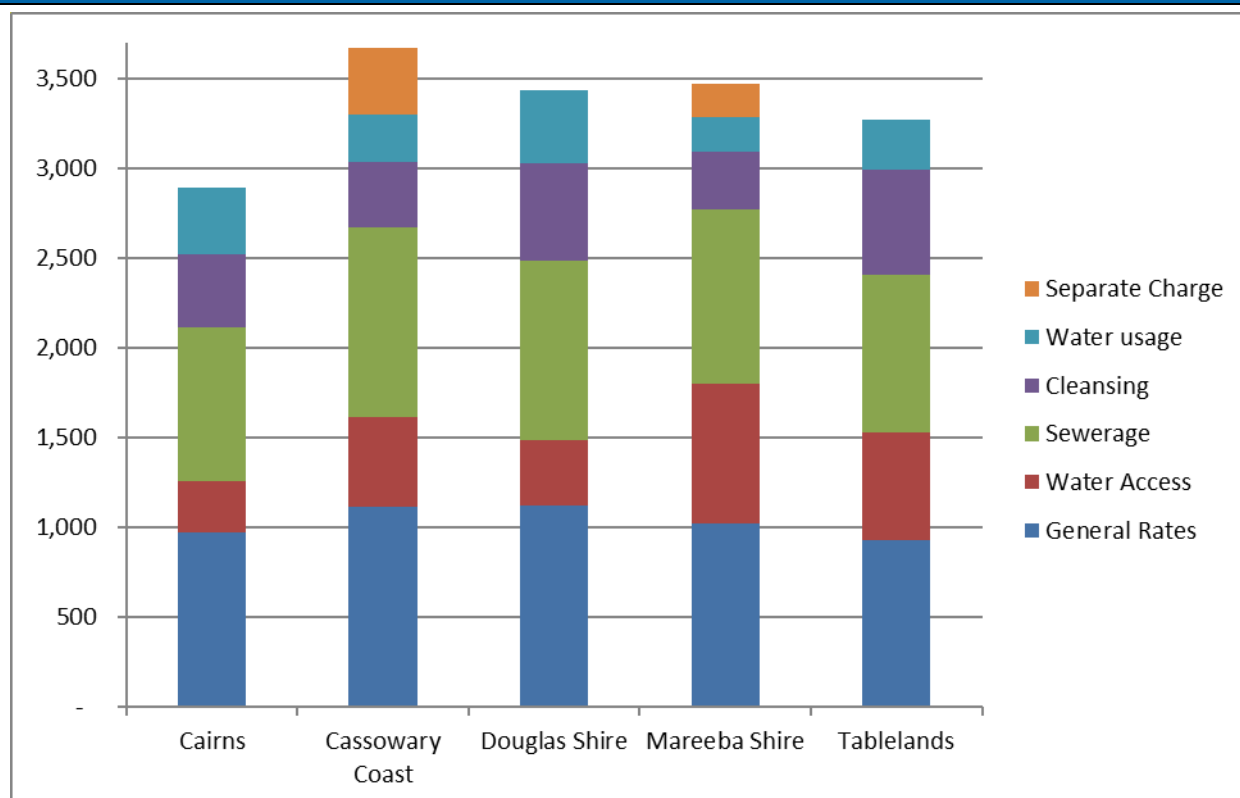
## Attachment 2 - 2022/23 Rate Benchmarking – Neighbouring Councils

### ASSUMPTIONS

Where applicable, the following key assumptions have been made:

- General rates are based on Principal Place of Residence.
- Where strata rates differ based on high or low rise, the low-rise option has been shown.
- All rates are shown net of early payment discounts.

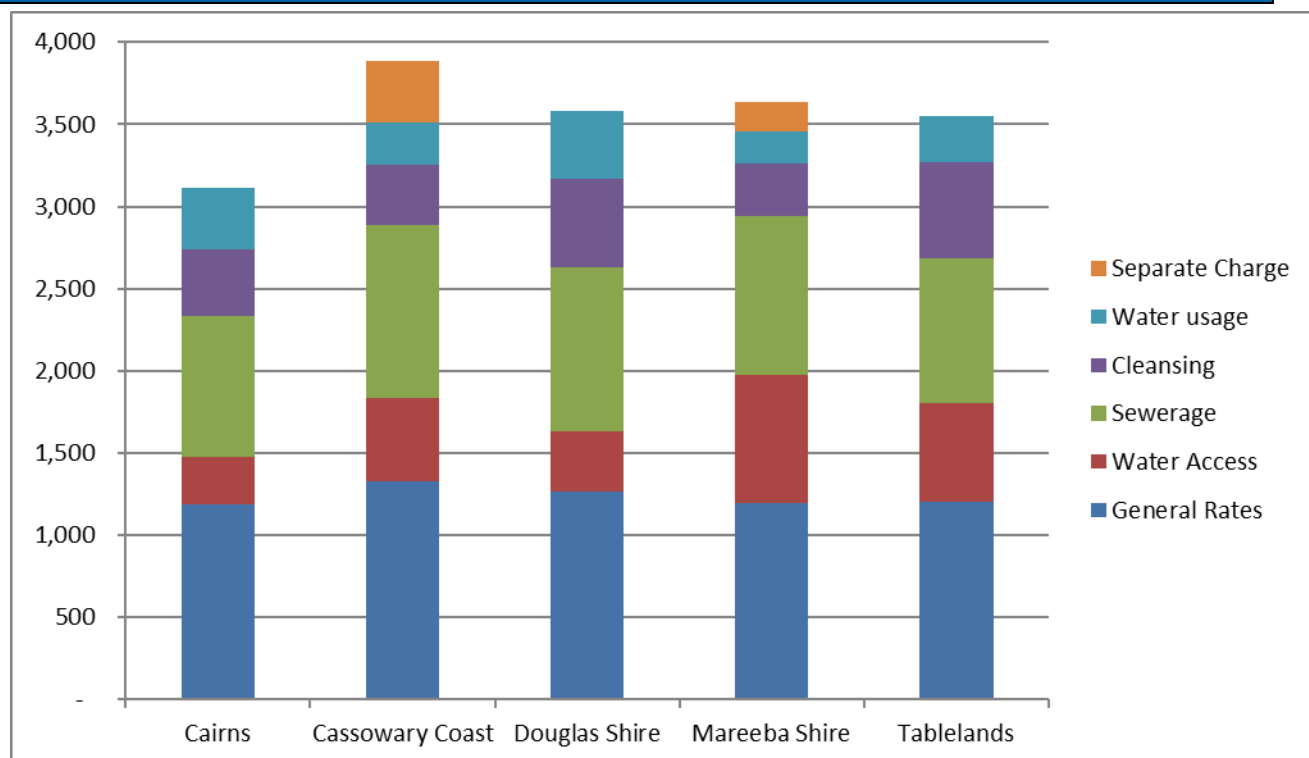
### RATES BENCHMARKING – RESIDENTIAL – MINIMUM



The below table shows the total rates charges (including water usage) for the Minimum Residential ratepayer in each neighbouring local council.

Council	Annual Charge	Variance to Cairns (\$)	Variance to Cairns (%)
Cairns	\$2,894	\$0	0%
Tablelands	\$3,272	\$378	13%
Douglas Shire	\$3,434	\$540	19%
Mareeba Shire	\$3,468	\$574	20%
Cassowary Coast	\$3,668	\$774	27%

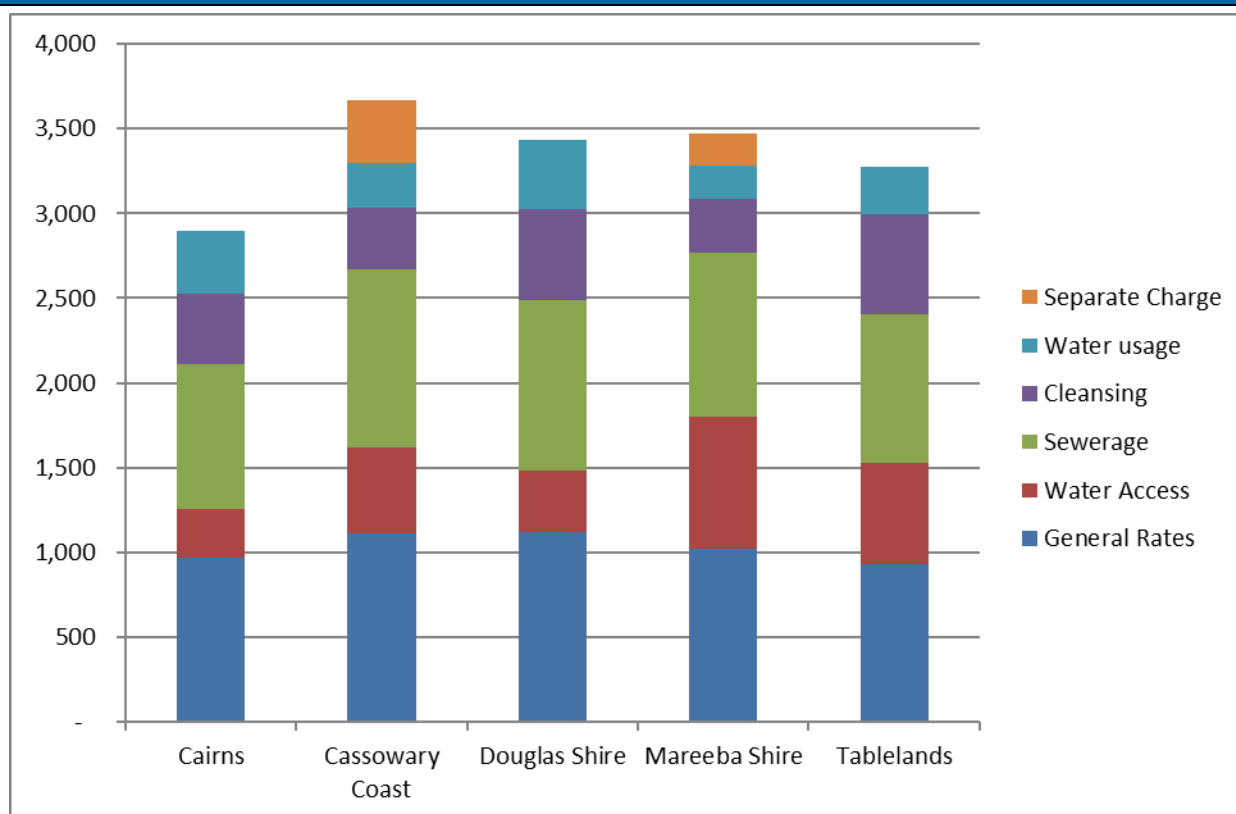
## RATES BENCHMARKING – RESIDENTIAL – MEDIAN VALUATION #



The below table shows the total rates charges (including water usage) for the Median Residential ratepayer in each neighbouring local council.

Council	Median Valuation	Annual Charge	Variance to Cairns (\$)	Variance to Cairns (%)
Cairns	\$217,500	\$3,112	\$0	0%
Tablelands	\$102,000	\$3,548	\$436	14%
Douglas Shire	\$180,000	\$3,578	\$466	15%
Mareeba Shire	\$100,000	\$3,639	\$527	17%
Cassowary Coast	\$73,000	\$3,883	\$771	25%

## RATES BENCHMARKING – STRATA – MINIMUM



The below table shows the total rates charges (including water usage) for the Minimum Strata ratepayer in each neighbouring local council.

Council	Annual Charge	Variance to Cairns (\$)	Variance to Cairns (%)
Cairns	\$2,894	\$0	0%
Tablelands	\$3,272	\$378	13%
Douglas Shire	\$3,434	\$540	19%
Mareeba Shire	\$3,468	\$574	20%
Cassowary Coast	\$3,668	\$774	27%



## Attachment 3 - 2022/23 Rate Benchmarking – Non-PPR

### ASSUMPTIONS

Where applicable, the following key assumptions have been made:

- General rates are based on Non Principal Place of Residence.
- All rates are shown net of early payment discounts.
- The below tables show the median valuation and total rates charges (including water usage) for the Median Residential ratepayer in each Local Government Area.

### QLD Councils with Population > 100,000

Council	Median Valuation	PPR Annual Charge	General rates Non-PPR additional charge %	General rates Non-PPR additional charge \$	Non-PPR Annual Charge
Cairns	\$217,500	\$3,112	0%	\$0	\$3,112
Townsville	\$155,000	\$3,386	24%	\$353	\$3,739
Toowoomba	\$205,000	\$3,450	0%	\$0	\$3,450
Mackay	\$150,000	\$3,576	0%	\$0	\$3,576
Moreton Bay	\$320,000	\$3,605	25%	\$285	\$3,891
Fraser Coast	\$157,500	\$3,606	15%	\$176	\$3,782
Brisbane	\$550,000	\$3,729	42%	\$542	\$4,272
Ipswich	\$207,500	\$3,749	34%	\$487	\$4,236
Logan	\$270,000	\$3,796	26%	\$253	\$4,049
Sunshine Coast	\$345,000	\$3,818	20%	\$268	\$4,086
Gold Coast	\$480,000	\$4,037	40%	\$553	\$4,590
Redland	\$375,000	\$4,099	20%	\$264	\$4,364

Cairns, Toowoomba and Mackay do not have separate rating categories for non-PPR in the 2022/23 financial year.

### Neighbouring Councils

Council	Median Valuation	PPR Annual Charge	General rates Non-PPR additional charge %	General rates Non-PPR additional charge \$	Non-PPR Annual Charge
Cairns	\$217,500	\$3,112	0%	\$0	\$3,112
Tablelands	\$102,000	\$3,548	0%	\$0	\$3,548
Douglas Shire	\$180,000	\$3,578	1%	\$12	\$3,591
Mareeba Shire	\$100,000	\$3,639	0%	\$0	\$3,639
Cassowary Coast	\$73,000	\$3,883	5%	\$66	\$3,949

Cairns, Tablelands and Mareeba do not have separate rating categories for non-PPR in the 2022/23 financial year.