

Win for ratepayers with all councils complying with average rate cap

For the first time in three years, all 79 Victorian councils have complied with the average rate cap set for 2019–20, according to a [new report from the Essential Services Commission](#).

The commission, which oversees the rate cap system, reports annually on whether councils have complied with the average cap set by the Minister for Local Government.

A 2.5 per cent average cap was in place for 2019–20, while four councils had approved higher rate caps.

The commission's Marcus Crudden said having 100 per cent compliance across the board is a good outcome for Victorian ratepayers.

"Councils have improved their processes for ensuring their average rate does not exceed the cap," he said.

"They are being more proactive about checking their rates early in the year, rather than waiting for our assessment, which has minimised costs to ratepayers," he said.

Mr Crudden says it's also pleasing to see that [four councils who did not comply last year \(with the 2018–19 cap\)](#) took steps to ensure ratepayers are not disadvantaged.

"In 2019–20 these four councils applied an average rate lower than the cap to rectify their previous non-compliance," Mr Crudden said.

The commission is currently engaging with councils across Victoria to discuss their obligations under the [Victorian Government's Fair Go Rates system](#) and the process for 2020-21 higher cap applications.

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