CITY OF HOBART

MINUTES ATTACHMENTS

THE HOBART WORKSHOP COMMITTEE MEETING

OPEN PORTION OF THE MEETING

MONDAY, 11 MAY 2026
AT 4.00PM
VENUE: LADY OSBORNE ROOM

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Natural Hazards Research Australia

Hobart Rural-Urban Wildfire Hazard Mapping and Scenario Testing

Grant Williamson & David Bowman
Fire Centre - University of Tasmania

UNIVERSITY of TASMANIA | FIRE CENTRE Bushfire Research Hub

Thinning and prescribed burning 'active forest management' for wildfire adaptation

Question: How much and where to be effective?

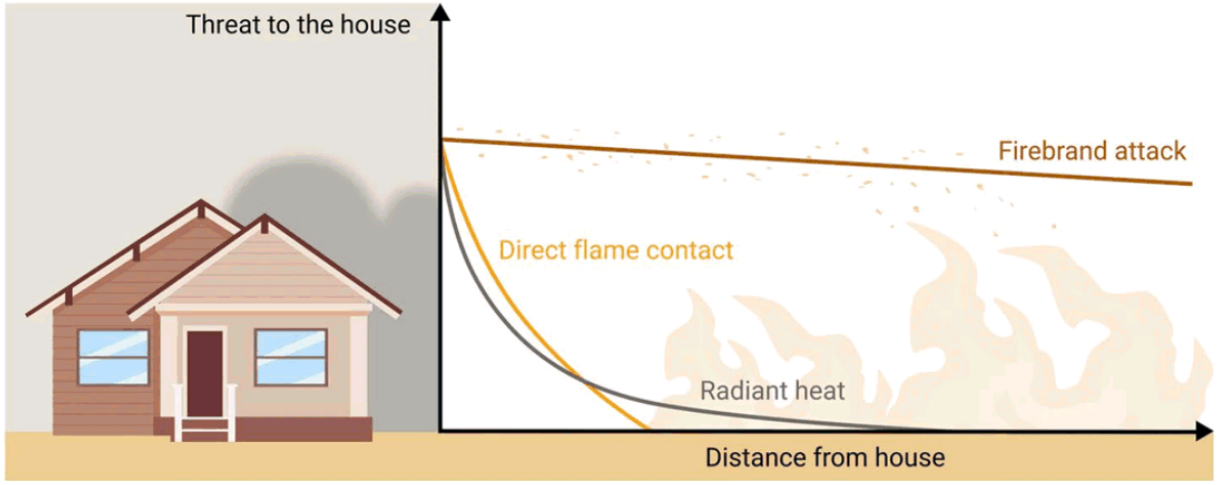
J.M. Furlaud et al. Journal of Environmental Management 344 (2023) 118301

Furlaud *et al*. (2023) *Journal of Environmental Management* 344, p.118301.

Interface Risk

→ Building risk to bushfire operates at multiple scales

- Direct flame contact (garden space)
- Radiant heat (short distance)
- Firebrand impact
- Long-range spotting

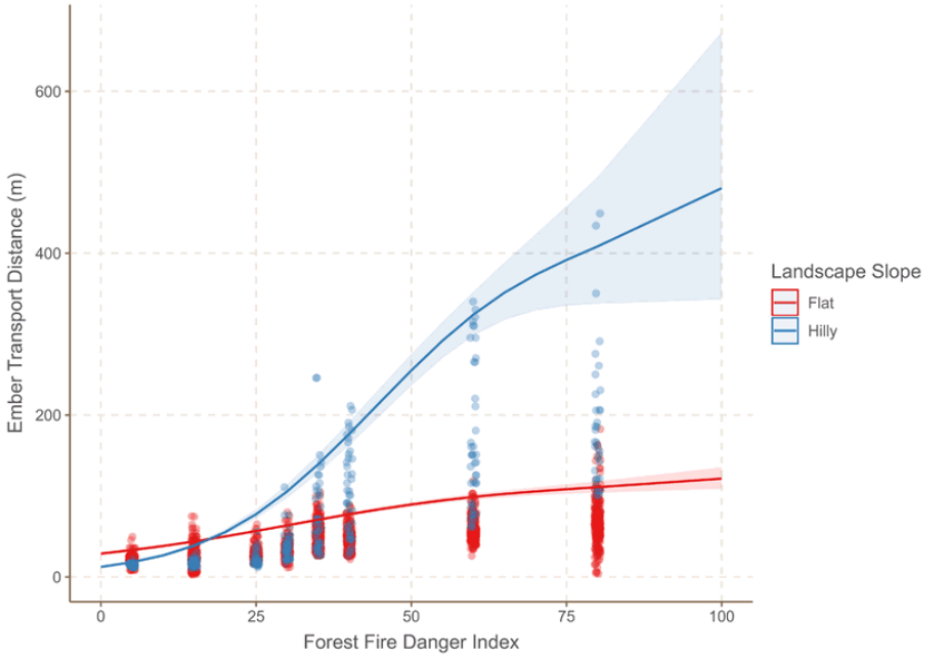


Current Australian Interface Wildfire Hazard Assessments

- Bushfire Prone Land
  - 100m buffer around vegetated areas above threshold size
  - Fine-tuning of vegetation and property boundaries
  - Bushfire Attack Level (BAL)
    - Estimate of potential exposure of property
    - Slope, vegetation, expected FFDI
  - Firebrands are essentially ignored

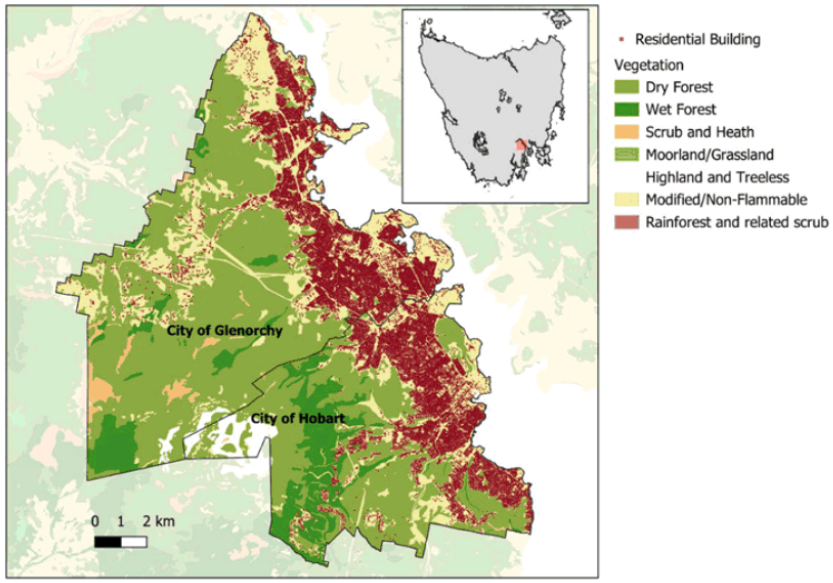
Firebrand Model

- Developed statistical model of maximum firebrand distance using simulator output
- Limit = 5 firebrands / m2
- Function of fire weather, fuel load, landscape slope

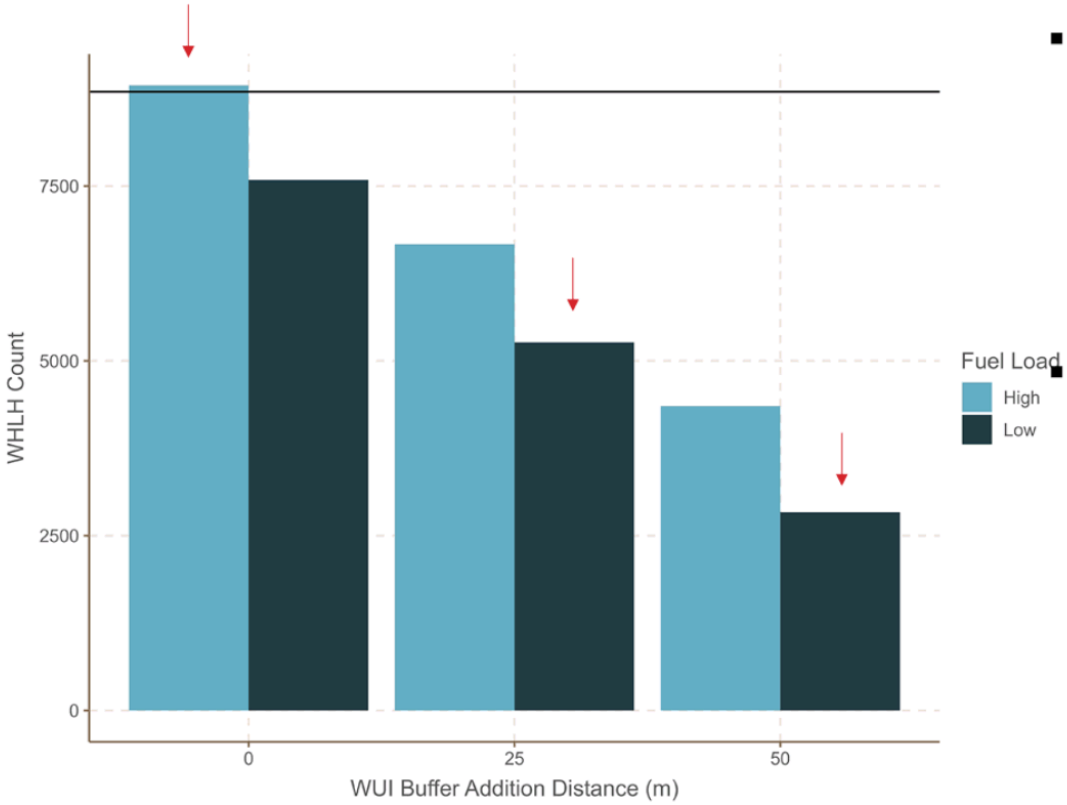


Landscape-Scale Risk Simulation

- Conducted for all buildings in Hobart and Glenorchy LGAs
  - Comparison to proportion of houses within bushfire prone land (~15%)
  - At range of fire weather (0-100) and high/low fuel load, counted
    - Radiant heat impact
    - Firebrand impact
    - Combined (OR) impact
  - How does this change if, for high hazard houses, we increase distance to vegetation with additional fuel modification/break construction?



Scenario Summary – FFDI 65 (Severe)



- Fuel treatments that **reduce fuel loads by 50%**, combined with increased **25m buffer around high-risk areas**, reduced exposure on the interface by **~40%**

- 50 buffer reduced exposure on the interface by **~70%**

Hobart LGA High-Risk Interface

Combined Hobart + Glenorchy LGA Interface Modification

Targeted 25m modification	459 hectares
Targeted 50m modification	961 hectares


Bushfire Resilience Pilot Project
City of Hobart/ Kingborough/ RACT
RACT
UNIVERSITY of TASMANIA
FIRE CENTRE
Bushfire Research Hub

Why partner with RACT

RACT is a Tasmanian mutual organisation owned by over **223,000 members**, in **70% of households**, and **employing 450+ Tasmanians**.

We invest in and retain local capability which would not otherwise exist, and we exist to advocate for and deliver long-term value to Tasmanians.

Continuing a 100+ year legacy

Tasmanian-owned

All profits reinvested locally, not mainland or international shareholders.

Focused on value

Recognised by CHOICE as offering Tasmania's best value home insurance.

We are already investing in solutions

A local government partnership would accelerate RACT's existing resilience investments:

- Tasmanian focused research to inform actions through the RACT/ UTas Fire Centre partnership ($1.2M).
- RACT will contribute at least $450K annually to the Pilot.

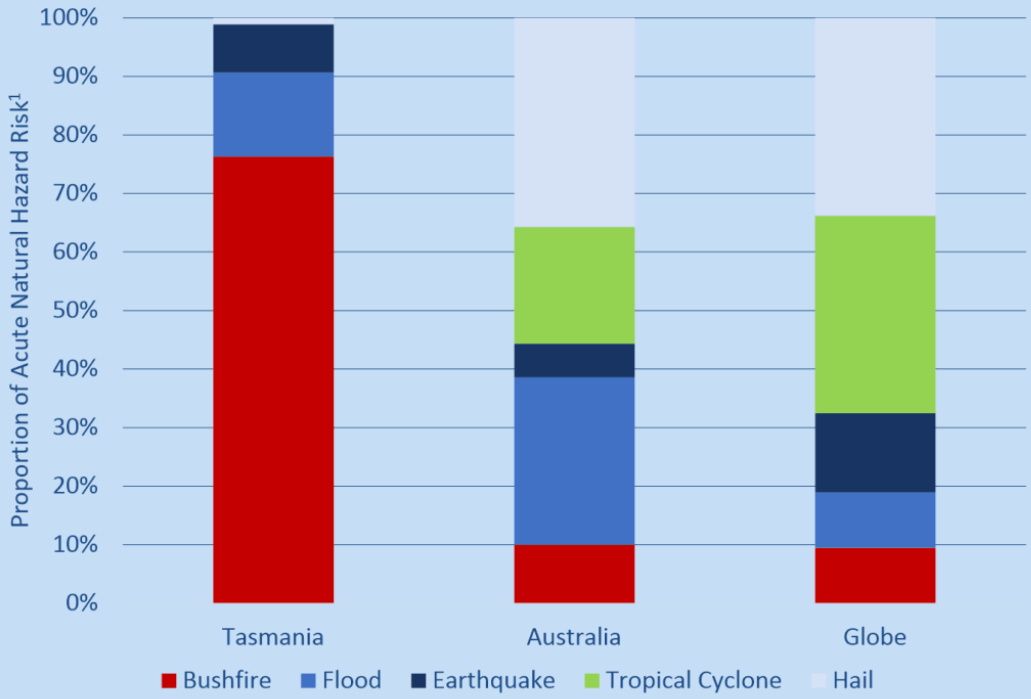
We're committed to Tasmania

As the only insurer that underwrites Tasmanian risk, when you partner with RACT we provide direct access to local expertise.

Through our extensive member network, we can rapidly deliver targeted education and preparedness programs that build resilience where it matters most.

Tasmania's risk challenge

Tasmania has a unique risk profile and an economic imperative to lead Bushfire resilience. A large fire event has a disproportional impact on our island economy. Tasmania is 0.9% of Australia's insurance risk but 100% of RACT's focus.



Tasmania's largest natural peril at both a State and household level is Bushfire Risk.

Other states and countries have significant fire risk but it is not their main problem.

State	Likely Economic Loss	Share of GSP [1]
Victoria	$8.8b	1.6%
NSW	$7.4b	1.0%
Tasmania	**$2.9b**	**7.6%**
Western Australia	$1.6b	0.4%
South Australia	$0.9b	0.7%

1. Tasmanian losses modelled by RACT, Australian losses by Suncorp, and Global losses by Verisk 2025
2. Australian Hazard Losses Modelled by Aon Reinsurance Solutions & *RMIT, 2016, Disaster Losses from Natural Hazards in Australia 1967 - 2013*

Tasmanians' current attitudes to building resilience

Tasmanians feel that existing information about preparing for bushfire is inconsistent and complex. This is contributing to confusion and inaction.

- **Preparedness** is not strongly related to level of actual **risk.** People are more likely to see others risk as higher than their own, with a higher level of concern for their local community.
- Tasmanians are **seeking support** in being more resilient with 76% wanting more action in their community and 55% of those in bush-fire areas seeking information about how to protect their home.
- Seek information on how to protect their home that is **simple and supported** and targeted government grants or subsidies.
- The majority are **seeking more to be done** to support their local community for future natural disasters.
- There is some existing understanding of the link between **risk reduction and insurance costs**

RACT Member and Community Resilience Research. Jan 2026. N = 11000

Supporting the individual as part of a local community

Supporting individual actions that make the largest difference to risk reduction is critical

A focus on Defendable Space

House loss data shows flammability reduction in the **first 2 meters** around a structure **nearly doubles** the chance of survival

90% of Homes are lost due to Ember Attack, over **95%** of embers land within 100 meters of fire front

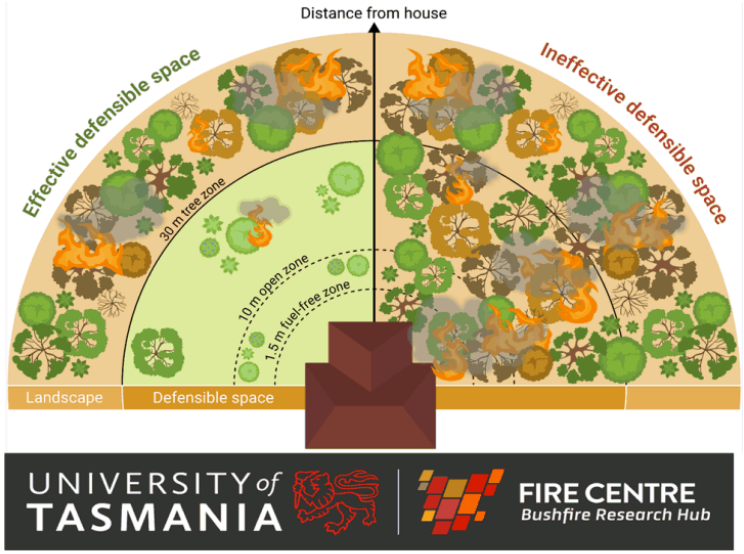
Defensible space fuel management is **3-4 times** as effective as home hardening

Supporting individuals converting knowledge into action

Community centric solutions with individual interaction can achieve **>80% engagement** with **>60% of these actioning change**

Integrate reward feedback mechanisms for fire safe behaviours (as seen in Canada FireSmart and US FireWise)

Share the task through coordinated adjacent efforts that target high risk areas on the urban interface



Household Resilience Pilot Summary

Pilot Scope

Phase 1
RACT and Council funded:
- 120 Households at ~4 locations
- 1000 - 1200 Control Households

~ investment **$1.4M**

Phase 2
With **DRF4** funding request of **$1.5M** included:
- 400+ Households at ~8 locations
- 1200 Control Households plus
- Landscape treatments

~ investment **$3.2M**

Pilot expected return on investment of **5:1**

Partners

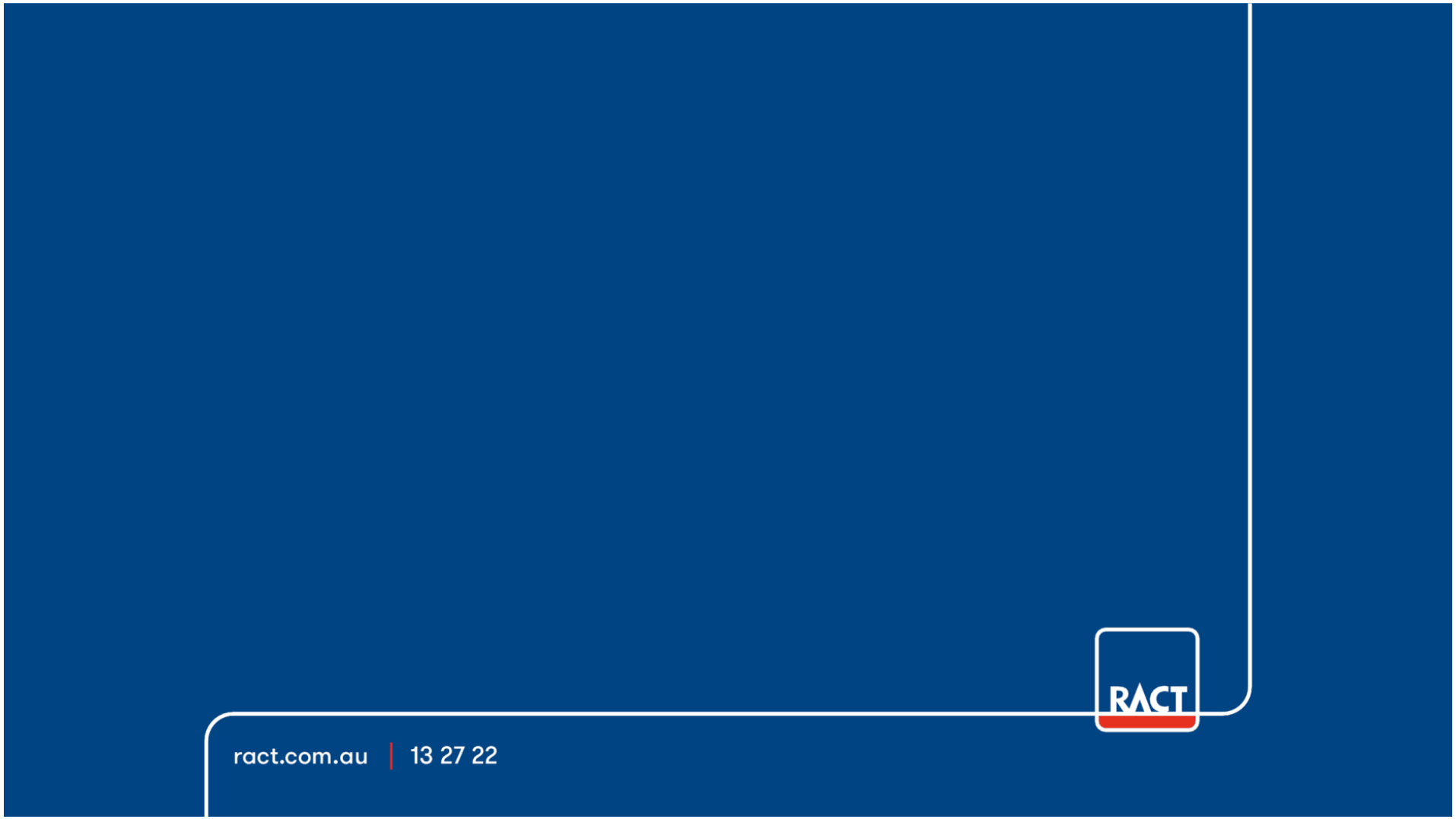
- City of Hobart
- Kingborough Council

Key Collaborators

- UTas Fire Centre – Bushfire Research Hub
- Virtual Tas
- Munich RE
- AON

What Participants will see

- Individual household **assessments** and **support** by Pilot staff – combined with **street level** engagement activities
- **Risk Ladder** with easy-to-follow, effective, economically sustainable and **prioritised** actions to prepare properties
- Access to **incentives** most likely to support behavioural change e.g. **free green waste removal**, gardening assistance, **reduced insurance** premiums, subsidised tip fees, vouchers
- Improved individual **risk ratings** for households who take mitigation action
- **Council participation** through street clean up and curb clearance
- **Safer** households and communities as improved property-level preparedness **increases community-wide resilience** by slowing fire spread into the built environment


RACT
ract.com.au | 13 27 22

Hobart Workshop Committee – 11 May 2026

MID-TERM REVIEW CITY OF HOBART RATING AND VALUATION STRATEGY 2024-28

Workshop Purpose and Overview

- Purpose of this session
- Context – Council rating
- Background – Rating and Valuation Strategy development
- Initial outcomes from the Strategy adoption
- What has changed since the Strategy took effect
- Review to date – reduction in maximum %Inc. cap to 5%
- Additional focus areas
- Key issues for discussion
- Timeline and next steps

Council Rates

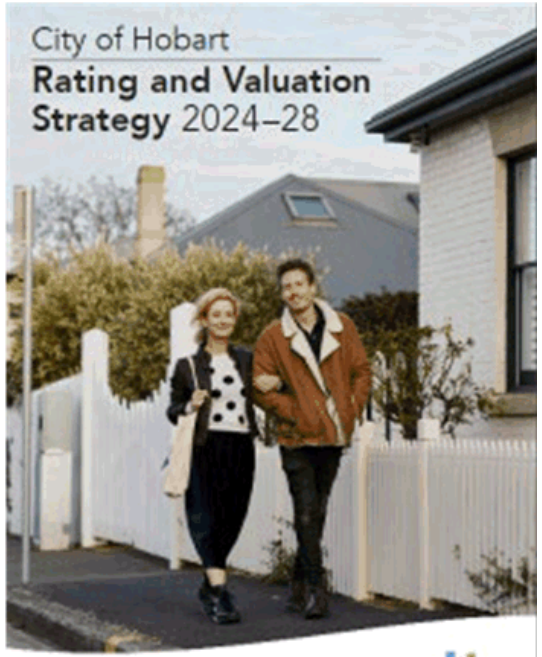
- Rates are a form of property tax so principles of taxation apply
- Amount of rates required each year comes from the budget
  - When property values increase Council does not receive a rating windfall
  - An increase in property values does not cause rates to rise
  - A change in rating strategy or valuation base does not mean Council receives more rates revenue
- The amount charged to a property depends on the property's value
  - Properties are independently valued by the Valuer-General
  - 6-year cycle with biennial adjustments 'indexation'
- Council AAV until 30 June 2024, from 1 July 2024 moved to CV
- Rates for General and Stormwater Removal services
- Charges for Waste Management and FOGO collection services
- Collect State Government fire levy and waste levy through rates

Why Change was Required

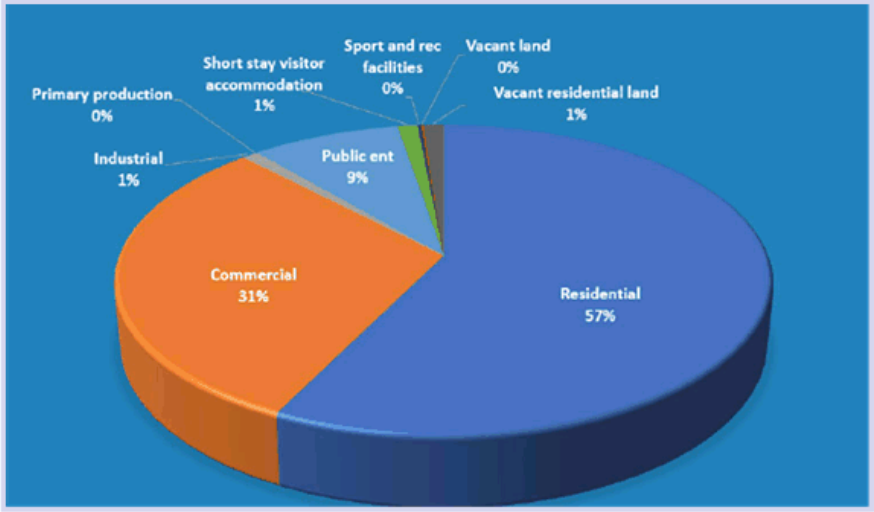
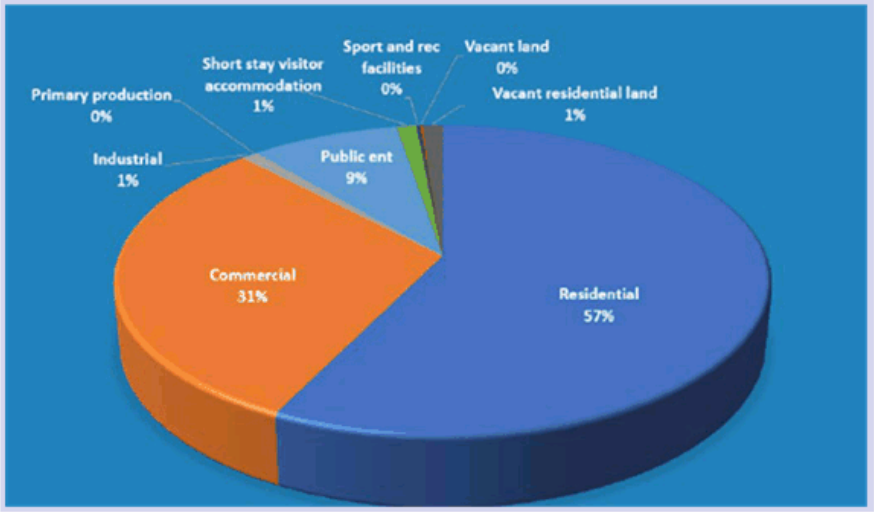
- Former system: singe rate in the dollar using AAV
- 2021 municipal revaluation
  - caused large, uneven property value shifts
    - Residential 46% increase
    - Commercial & Industrial 3% increase
- Valuation shifts would have caused large rates shocks
- Outcomes inconsistent with principal of taxation:
  - Fairness and equity
  - Capacity to pay
  - Predictability and stability

Rating and Valuation Strategy 2024-28

- Followed a 12-month review
- Community consultation - Options Paper
- Outcomes from the review
  - Move to Capital Value rating from 1 July 2024
  - Differential rating to manage transition
    - By land use ensuring same %rates
    - Includes continuation of differential for short stay and vacant residential land
  - Maximum increase cap for Commercial and Industrial to manage transitionary impact of move to CV
  - Support for those with least capacity to pay
- Rating principles of fairness & equity, sustainability, simplicity and capacity to pay
- Used as a guide for raising rates each year



Move to CV Differential by land use

2023-24	2024-25
	
Valuation base used: AAV	Valuation base used: CV
$Amount is in Council's budget	$Amount is in Council's budget

- Each land use contributes same portion of the rates as before
- Creates a different rate in the dollar for each land use
- Council does not receive additional revenue

Differential Rating

Land use	Rate burden current %	Differential
Residential and Primary Production	57	100
Commercial and Industrial	32	221
Public Enterprise	9	164
Short Stay Visitor Accommodation	1	200
Sporting and Recreation	*	140
Vacant Land Other	*	116
Vacant Residential Land	1	232

*Less than 1%

- Differential rating enables equitable distribution of the rate burden
- Allows different rates by land use without changing total revenue
- Each differential must have
  - A clear attribute of the land
  - A defined policy intent
  - A proportionate relationship to that intent

Initial Outcomes from Strategy

- Stable rate increases for most ratepayers
- Fewer enquiries than in any year prior
- Minimal impact on most land uses including Residential
- Feedback received led to further review of the maximum % increase cap for Commercial & Industrial
- Reduced the C&I maximum % rates cap to 5% for 2025-26

Mid-term Review Purpose & Scope

- Purpose
  - Confirm the Strategy remains fit for purpose
  - Assess how it is operating in practice
  - Consider valuation movements, policy settings and market conditions
  - Test whether refinements are required ahead of 2026-27 rates

- Scope
  - Alignment with strategic objectives and taxation principles
  - Effectiveness and equity of the rating framework
  - Differential rates (including R7 and V1)
  - Service rates and charges
  - Impacts of State Government indexation
  - Compliance processes

What has Changed Since Adoption

- Property market moderated but remains constrained
- Indexation applied by the Valuer General

HOBART						
LOCALITY	CLASS					
	RESIDENTIAL	COMMERCIAL	INDUSTRIAL	PRIMARY PRODUCTION	COMMUNITY SERVICES	OTHER
GENERAL	1.00	1.10	1.00	1.00	1.00	1.00

Table 1: Property Valuation Adjustment Factors 2024

HOBART						
LOCALITY	CLASS					
	RESIDENTIAL	COMMERCIAL	INDUSTRIAL	PRIMARY PRODUCTION	COMMUNITY SERVICES	OTHER
GENERAL	1.05	1.15	1.10	1.05	1.05	1.05
BATTERY POINT	1.00	1.15	1.10	1.05	1.05	1.05
DYNNYRNE	1.00	1.15	1.10	1.05	1.05	1.05
KINGSTON	1.00	1.15	1.10	1.05	1.05	1.05
SANDY BAY	1.00	1.15	1.10	1.05	1.05	1.05
WEST HOBART	1.00	1.15	1.10	1.05	1.05	1.05

Table 2: Property Valuation Adjustment Factors 2026

- Supplementary valuations from development
- Data on how differentials operate in practice

Items for Workshopping

Differential Rates

- Are differentials:
  - Still fit for purpose?
  - Proportionate?
  - Aligned with policy intent?
- Impact of indexation, property valuation increases uneven
  - Commercial 15%
  - Industrial 10%
  - Others 5%
  - Residential property valuation increase 0 - 5%

Land use	Rate burden current %	Differential
Residential and Primary Production	56.15	100
Commercial and Industrial	32.06	210
Public Enterprise	8.25	168
Short Stay Visitor Accommodation	2.22	200
Sporting and Recreation	0.17	134
Vacant Land Other	0.12	126
Vacant Residential Land	1.03	252

Differential Rates Valuation Change

Land Use	Valuation $Inc	Valuation %Inc
Residential *	599,432,200	2.89%
Pimary Production	177,500	5.00%
Short Stay Visitor Accommodation	20,555,900	3.89%
Public Enterprise	159,263,500	4.65%
Commercial	291,964,400	4.76%
Industrial	19,207,700	10.48%
Sport and Recreation	5,790,400	4.83%
Vacant Land	891,500	2.09%
Vacant Land - Residential	910,000	0.45%

Property Value Increases since 1 July 2025

- Increases in property values caused by supplementary valuations (development activity) and indexation
- *Indexation causes a 5% increase in Residential property values but not uniformly across all suburbs – causing a redistributive effect
- No material increase impact on the differential rates

Vacant Residential Land

- Current settings
  - Applies to residential vacant land (V1)
  - Differential set at 2x vacant land rate

- Policy objective: encourage development, discourage land banking and support housing supply

- Observed outcome
  - Vacant residential land reduced:
    - 488 (July 2023)
    - 449 (July 2025)
    - 430 (April 2026)
      - 20 of these - development of land is in progress
- Differential is having an impact on intended policy outcomes

Short Stay Visitor Accommodation

- Current settings
  - Applies to residential short stay visitor accommodation (R7)
  - Differential set at 2x residential land rate

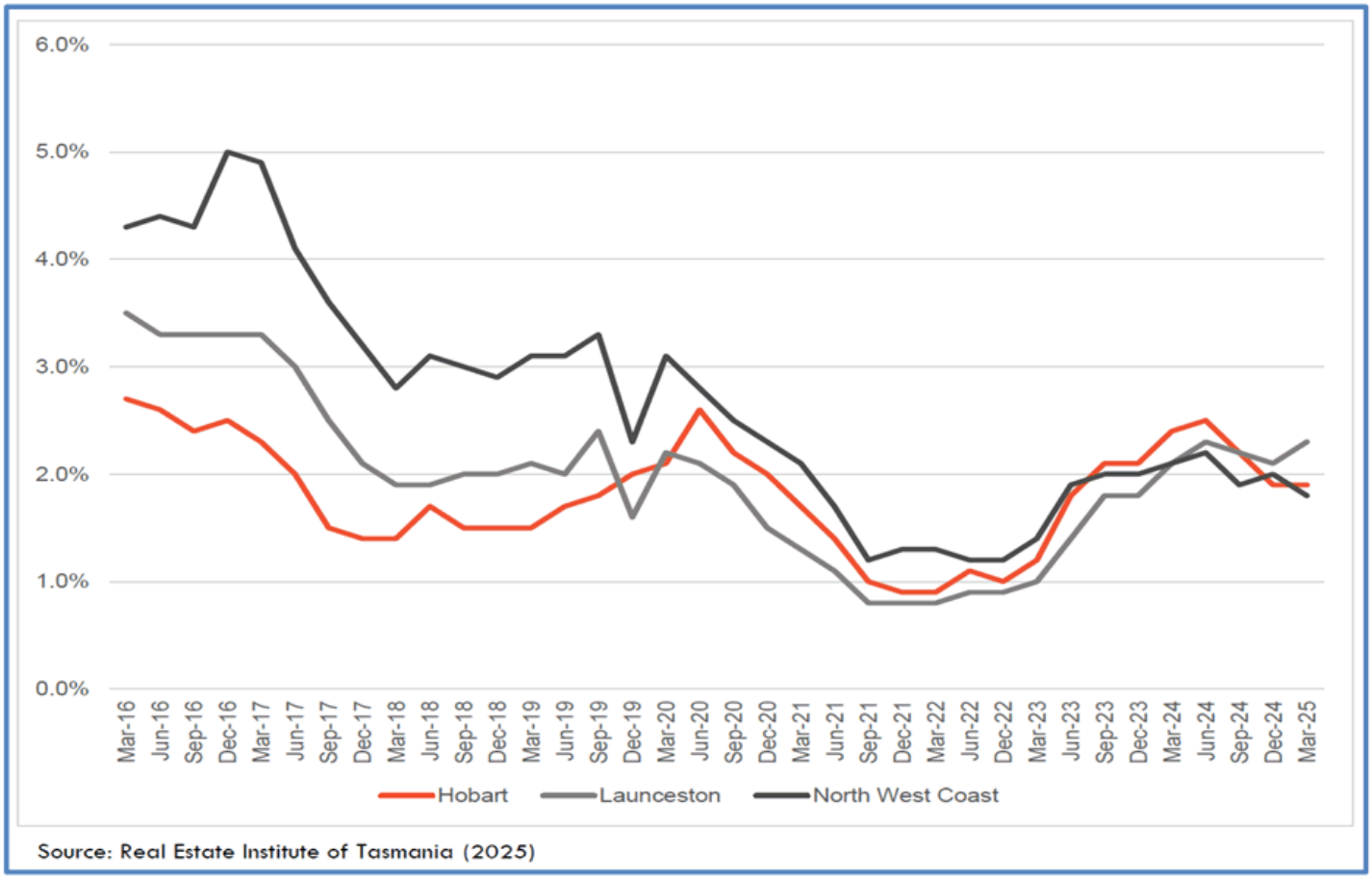
- Policy objective: ensure housing stock is retained and commercial use contributes to the provision of Council services

- Observed outcome
  - Returning to housing stock:
    - 22% (January 2025)
    - 19% (July 2025)
    - 23% (April 2026)
      - Approximately 50% long term leased and 50% owner occupied
  - Additional future data required to assess trends

Permit Applications

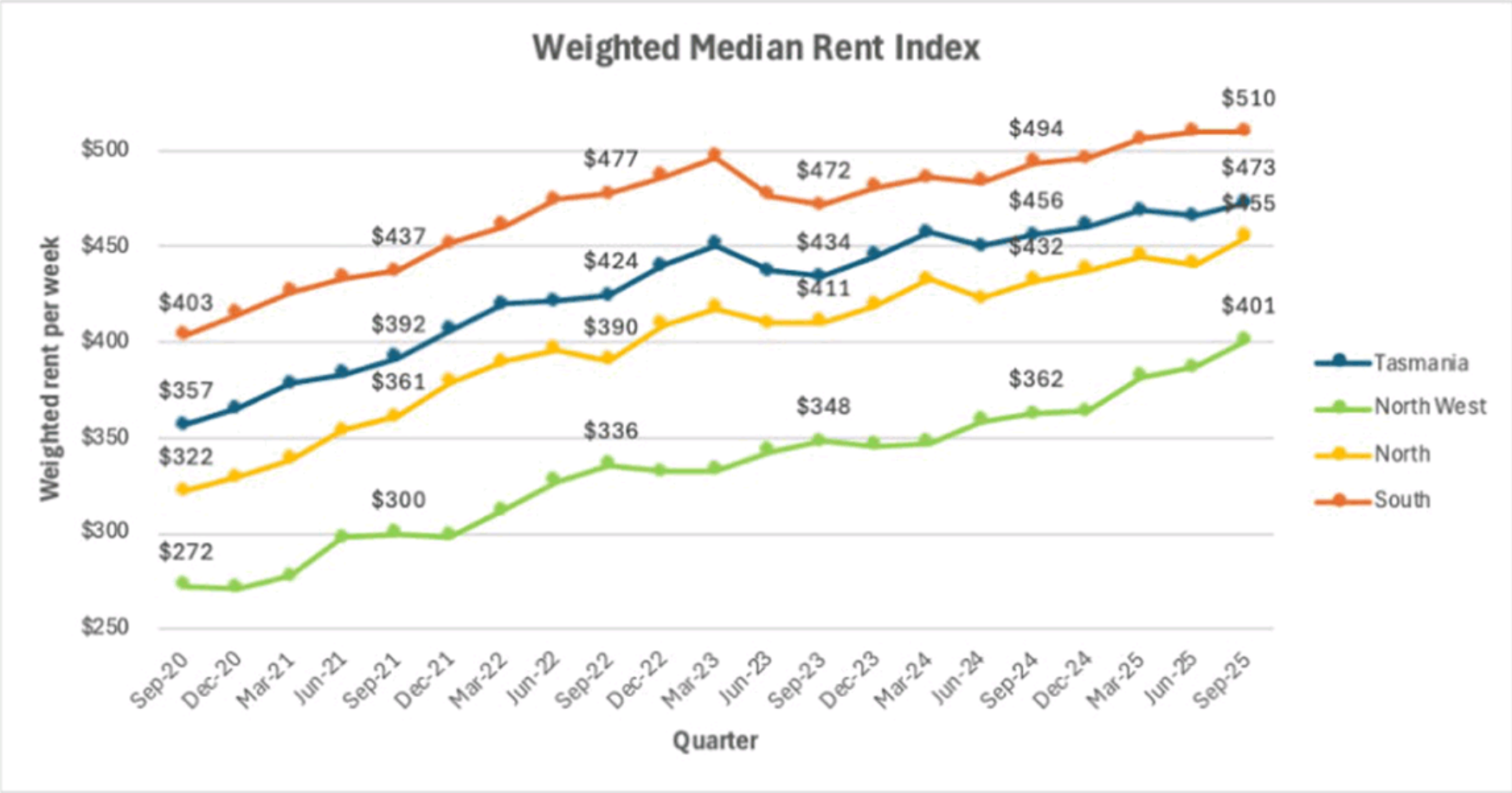
- Number of applications lodged decreasing since 2022-23
- Percentage approved of applications lodged declining since 2022-23
  - 86%, 84%, 64%, 63%

Housing Rental Availability



Vacancy rates for Hobart further declined in June 2025 to 1.8%

Rental Affordability



Tenants Union of Tasmania (Sept 2025) https://tutas.org.au/tasrents-september-2025/

Differential Increase Impacts

SSVA (R7)	2x	2.5x	Increase		3x	Increase	
CV	Gen Rates	Gen Rates	$	%	Gen Rates	$	%
1,000,000	4,498.11	5,561.22	1,063.11	24%	6,601.36	2,103.25	38%
1,500,000	6,747.17	8,341.84	1,594.67	24%	9,902.04	3,154.87	38%

Residential	2x	2.5x	Increase		3x	Increase	
CV	Gen Rates	Gen Rates	$	%	Gen Rates	$	%
1,000,000	2,249.06	2,224.49	-24.57	-1%	2,200.45	-48.61	-2%
1,500,000	3,373.58	3,336.73	-36.85	-1%	3,300.68	-72.90	-2%

- C52 – Commercial Holiday Apartments
- C51 – Boarding House / Private Accommodation
- 2026-27 Commercial Rates estimate
  - $1,000,000 $5,311.24
  - $1,500,000 $7,966.86

Differential Level

- Differential is having an impact on intended policy outcomes with 23% of properties returned to residential market
- Rates a form of taxation – fairness and equity in considering level of differential
- Each differential must have
  - A clear attribute of the land
  - A defined policy intent
  - A proportionate relationship to that intent

Service Rates & Charges

- Council currently applies
  - Service rates (valuation based)
    - Stormwater removal
    - State Fire Service Rate (on behalf of SFC)
  - Service charges (fixed amount)
    - Waste management
    - FOGO collection
    - Waste levy offset (on behalf of State Gvt)
- Stormwater is not a uniform or discrete service
- Cost and impact vary by
  - Property value
  - Scale and impervious surfaces
  - Location and connection to infrastructure
- Valuation based service rate best reflects benefit and impact

Stormwater Rebate Review

- 547 properties currently receive a rebate – Council remissions policy
- Historically granted where practical connection not possible
  - Majority are rural, fringe or steep locations

- Includes 169 separately titled carparks
  - Separate titled so not part of existing property
  - Typically located in urban areas
  - Generate stormwater runoff from hard-stand surfaces
  - Rely on City stormwater infrastructure and flood mitigation
  - Benefit from public stormwater management

Recommendation: stormwater removal service rate is applicable

Outcomes

- The Strategy is operating broadly as intended
- Continues to align with taxation principles of equity, fairness, transparency, sustainability and capacity to pay
- Overall distribution of the rate burden remains consistent with Council's adopted policy intent
- Feedback has been actioned with the review of the maximum percentage increase cap already occurred
- The review has identified targeted improvement opportunities to strengthen equity, clarity and administration, including:
  - Clearer stormwater service rate remission guidance
  - Improved policy alignment for short stay visitor accommodation remissions
  - Future consideration of pathway for unwinding the rates cap

Other Matters

Charitable Rates Exemptions

- Provided under s87 of the LG Act – General Rate exemption
- Service Rates and Charges apply
- Owned and operated exclusively for charitable purpose
- Council Policy – Charitable rates exemptions
- 170 properties (0.68% of all properties) – total rebate $5,866,438
  - 27 Commercial = $345,040
  - 90 Public Enterprise = $4,920,667
  - 45 Residential = $574,613
  - 4 Sport and Recreation = $12,290
  - 4 Vacant Land = $13,827

Next Steps

- Feedback from the Hobart Workshop Committee
- Inform development of Rates Resolution 2026-27
- Rates Resolution presented as part of the Budget Estimates 2026-27 for approval – June 2026


Q&A