

RATING POLICY 2023/24	
Statutory Policy	
TRIM Reference	AR23/38544
First Issued	11 July 2023
Last Reviewed	11 July 2023
Next Review	July 2024

1. POLICY STATEMENT

1.1 The Rating Policy sets out the guidelines that the Port Augusta City Council adheres to when setting and collecting rates from its community. Rates are not a fee for services. They constitute a system of taxation for Local Government purposes.

1.2 ANNUAL ADOPTION OF THE POLICY

1.2.1 Section 123 of the Local Government Act 1999 (the Act) requires a Council to prepare and adopt each year an Annual Business Plan and Budget. Section 123 (2)(d) of the Act, states the Annual Business Plan must set out the rates structure and policies for the financial year. A summary of the Annual Business Plan must be included with the first rates notice. The Annual Business Plan (as adopted) must be available for inspection (without charge) or purchase on payment of a fee fixed by the Council.

This policy is available for inspection at the Customer Service Counter of the Council Office, 4 Mackay Street, Port Augusta SA 5700 or on Council's website www.portaugusta.sa.gov.au

2. PURPOSE

2.1 Purpose

To provide a clear understanding of the process for determining rates on an annual basis.

2.2 Scope

The policy covers:

- Method used to value land
- Adoption of valuations
- Notional values
- Rates impact statement
- Council's Revenue Raising Powers
- Fixed Charge
- Service charges
- Regional Landscape Levy
- Concessions
- Payment of rates
- Late payment of rates & debt recovery
- Remission and postponement of rates
- Rebate of rates
- Sale of land for non-payment of rates

2.3 Definitions

In this Policy:

2.3.1 **Act** means *Local Government Act 1999* and reference to a **section(s)** means a section of that Act.

2.3.2 **Council** means this Council.

2.4 Strategic Reference

5 Governance and Financial Sustainability

5.3 We are in a surplus financial operating position.

5.5 We meet or exceed legislative and accreditation requirements for all relevant programs.

3. PRINCIPLES

3.1 METHOD USED TO VALUE LAND

Pursuant to Section 151 of the Local Government Act, Capital Value is utilised as the value of land for the purpose of rating.

3.2 ADOPTION OF VALUATIONS

The Council is required to adopt the most recent valuations made by the Office of the Valuer General for the 2023/24 financial year prior to declaration of rates.

If a principal ratepayer is dissatisfied with the valuation made by the Valuer-General then they may object to the Valuer-General in writing within 60 days of receiving the first notice of the valuation, explaining the basis for the objection - provided they have not:

- a) previously received a notice of this valuation under the Local Government Act, in which case the objection period is 60 days from the receipt of the first notice; or
- b) previously had an objection to the valuation considered by the Valuer-General.

Further information is available at:

<https://www.sa.gov.au/topics/planning-and-property/owning-a-property/objecting-to-a-property-valuation>

The contact details for the Office of the Valuer General are:

Post:
Office of the Valuer-General
GPO Box 1354
Adelaide SA 5001

Phone: [1300-653-346](tel:1300-653-346)
Email: OVGobjections@sa.gov.au
Website: www.valuergeneral.sa.gov.au

NOTE - The Council has no role in this process. It is also important to note that the lodgement of an objection does not alter the due date for payment of rates. Rates must be paid in accordance with the Rate Notice unless otherwise notified by the Council.

If an objection is upheld and a new value issued by the Office of the Valuer General, rates will be adjusted accordingly for the current financial year and an amended rate notice will be issued. Retrospective adjustments will not be made for prior financial years.

3.3 NOTIONAL VALUES

Notional values are concessional values based on the actual use of the land in certain circumstances and not the highest and best use of the land. It is a statutory value less than the market value of the property.

Certain properties may be eligible for a “notional value” under the Valuation of Land Act 1971 and may be applied to your property if it is your principal place of residence.

An application for a notional value must be made to the Office of the Valuer-General.

3.4 RATES IMPACT STATEMENT

The Council has considered the impact of rates on business and associated activity in the area. In considering the impact, Council assessed the following matters:

- a) Council’s Policy on “Rebates of Rates”.
- b) The support provided for community groups and events through sponsorships and to Regional Development Australia Far North, which in turn support business operations in the City and adjoining areas.
- c) Council’s Procurement Policy, which provides preference for local suppliers if certain criteria are met.
- d) The equity of the distribution of the rate burden between classes of ratepayers based on land use and occupation.
- e) The provisions of the Local Government Act pertaining to mandatory rebates.
- f) Current local, state, and national economic conditions.
- g) Council’s Strategic Directions 2019-2029, Asset Management Plans, and Long Term Financial Plan, and Council’s desire to achieve financial sustainability by 2032.
- h) Funding committed by the SA Government towards the Australian Arid Lands Botanic Garden to provide rate relief to the Port Augusta Community.

3.5 COUNCIL’S REVENUE RAISING POWERS

The Local Government Act provides for a Council to raise revenue for the broad purposes of the Council through a general or differential rate which applies to all rateable land. In accordance with the Local Government Act 1999 the following practices apply:

- a) All land within a council area is rateable, except for land specifically exempt (e.g. crown land, council occupied land and others as prescribed in the Local Government Act).
- b) The Local Government Act provides for rates to be assessed against any piece or section of land subject to separate ownership or occupation and requires that the division of land for the purposes of establishing separate

ownership and occupation be made fairly and in accordance with principles and practices that apply on a uniform basis across the area of the council.

- c) When determining the basis for rating, Council is required under the provisions of the Local Government Act to take into account the following principles:

- i. that rates constitute a system of taxation for Local Government purposes;
- ii. strategies to provide relief from rates where appropriate;
- iii. take into account the financial effects of the decision on future generations.

- d) Council has set differential general rates in the dollar to raise the necessary revenue, by way of utilising specific localities within Residential Land Use and the 9 different categories of land use incorporated under the Local Government (General) Regulations, namely:

Land use:	1	Residential
	2	Commercial - Shop
	3	Commercial - Office
	4	Commercial - Other
	5	Industry Light
	6	Industry Other
	7	Primary Production
	8	Vacant Land
	9	Other

Locality	Rural Shack Settlement
	Rural Living
	Conservation
	Rural
	Rural Neighbourhood

- e) The locality and the use of land govern differential rates. If a ratepayer believes that a property has been wrongly classified as to its land use, then an objection in writing to the Office of the Valuer-General may be made within 60 days of being notified of the land use classification.

lsgobjections@sa.gov.au or

Office of the Valuer-General
GPO Box 1354,
ADELAIDE SA 5001.

It is important to note that the lodgement of an objection does not alter the due date for payment of rates.

Per Section 148(1) of the Act, Rates may be assessed against—

(a) any piece or section of land subject to separate ownership or occupation;

Where more than one occupancy exists on one valuation, Council will request the Office of the Valuer-General to create a tenancy apportionment to reflect the separate occupations.

Where more than one residency exists on one valuation, and they are both/all occupied by the owner's children and/or their parent/s, Council will consider that the site is occupied by a single occupier being an extended family.

The Council also raises revenue through fees and charges, which are set giving consideration to the cost of the service provided and any equity issues. The list of applicable fees and charges is available at the Port Augusta City Council Civic Centre, 4 Mackay Street, Port Augusta or on Council's website at www.portaugusta.sa.gov.au. A Goods and Services Tax at a rate determined under the Goods and Services Tax Act 1999 will be charged on those fees not given exemption under the Act.

3.6 FIXED CHARGE

Section 152 of the Act permits a Council to impose a fixed charge.

A fixed charge is levied against the whole of an allotment (including land under a separate lease or licence) and only one fixed charge is levied against two or more pieces of adjoining land (where intercepted by a road or not) if they are owned by the same owner and occupied by the same occupier. Also, if two or more pieces of rateable land within the area of the Council constitute a single farm enterprise, only one fixed charge may be imposed against the whole of the land.

Council has imposed a fixed charge as it considers it appropriate that all rateable properties contribute to the cost of administering the Council's activities and to the cost of creating and maintaining the physical infrastructure that supports each property.

As per the Act, Council is limited to the amount that can be raised by the fixed charge in that it cannot raise more than 50% of its general rate revenue from the fixed charge component. In 2023/24, Council has retained a fixed charge of \$900. This equates to approximately 37% of general rate revenue.

3.7 SERVICE CHARGES

Council provides specific services for the benefit of specific properties for which service charges are applied. Services charges may be raised to cover the cost of establishing, operating, maintaining, improving, and replacing such services. Funds raised may not be immediately required until future capital expenditure is necessary for renewing or replacing assets used in the provision of the service.

Council will impose the following service charges for the 2023/24 financial year:

Kerbside Waste Collection & Recycling Charge

In order to recover the cost to Council of establishing, operating and maintaining a kerbside waste collection/recycling service in its area, a service charge will apply to all households, businesses and occupancies that receive or are capable of receiving a service, with the exception of vacant land which may apply on request.

In 2023/24 financial year, the service charge will be \$226 per service.

In areas where the kerbside waste collection is only available on a fortnightly basis

such as Blanche Harbour and Miranda, properties will be charged \$113 per service.

Community Wastewater Management Scheme (Effluent Drainage Scheme)

In some areas in the City of Port Augusta, Council manages a Community Wastewater Management Scheme. Other areas are serviced and charged through SA Water on a quarterly basis for sewerage systems.

All revenue raised from the CWMS service charge must be used to cover the cost to the Council of establishing, operating, maintaining, improving, and replacing the service including, by future capital works. The service charge for CWMS is calculated using the Code for Establishing and Applying Property Units for the Imposition of Annual Services Charges for CWMS.

In the 2023/2024 financial year, the Community Wastewater Management Scheme (CWMS) service charge will be \$514 per property unit on all land to which the Council provides or makes available the service.

**Additional charges may apply where non-biodegradable products are found within a septic tank during a desludging process resulting in additional work to be undertaken.

3.8 REGIONAL LANDSCAPE LEVY (previously Natural Resource Management Levy)

Council collects the Regional Landscape Levy for the SA Arid Lands Landscape Board under the Landscape South Australia Act 2019 to enable the board to manage the land, water, pest animals and plants, and biodiversity in the Region. The SA Arid Land Landscape Board has determined Council's contribution for 2023/24 as \$366,124. The total revenue will be generated from a service charge applied to all rateable properties.

The SA Arid Lands Landscape Board has undertaken an equalisation process, with changes implemented from 2023/24. As a result, Port Augusta City Council is required to transition to three different Regional Landscape Levy amounts based on land use. As advised by the Landscape Board, the levies for 2023/24 are:

Residential / Vacant / Other	\$45.35
Commercial / Industrial	\$90.69
Primary Production	\$226.73

3.9 CONCESSIONS

Cost of Living Concession

A number of years ago, the State Government replaced rate concessions with a 'cost of living concession' that is paid directly to pensioners and concession card holders. Information is available at:

<http://www.sa.gov.au/topics/care-and-support/financial-support/concessions/cost-of-living-concessions>

E-mail: Costoflivingconcession@sa.gov.au

Phone: ConcessionsSA Hotline - 1800 307 758

If you have a hearing or speech impairment - TTY 8226 6789

If you require interpreting and translating services, please call 1800 280 203

Water and Sewerage Rate Concessions

Water and Sewerage Rate Concessions will also be paid directly by the South Australian Government to eligible pensioners and concessional card holders.

Further details are available at:

<https://www.sa.gov.au/topics/care-and-support/concessions/household-concessions/water-and-sewerage-rate-concession>

Please contact the State Government at:

Email: concessions@sa.gov.au

Phone: ConcessionsSA Hotline (9:00 am to 5:00 pm, Monday to Friday) - [1800 307 758](tel:1800307758)

Translations: to arrange an onsite or telephone interpreter, or to have a document translated, please call the [Interpreting and Translating Centre \(ITC\)](#) on [1800 280 203](tel:1800280203).

3.10 PAYMENT OF RATES

As required by Section 181(1) of the Act, ratepayers may pay their rates in four approximately equal instalments, payable in the months of September, December, March and June of the financial year for which the rates are declared. The total outstanding balance of rates may be paid in full at any time.

Separate notices relating to each instalment will be issued to the principal ratepayer at least 30 days prior to the due date of each instalment (unless paid in prior to the due date of the following instalment).

Rate Notices are issued to the principal ratepayer either by post, email, or Bpay View. To register to receive rates notices via email, ratepayers are required to log into: www.portaugusta.sa.gov.au and click on the ezybill portal.

It is the responsibility of the principal ratepayer to ensure receipt of the rate notice. If a rate notice is not received by the principal ratepayer, contact must be made with the Rates Department to facilitate a rate notice copy. Failure to make payment of an instalment by the due date will result in fines and interest being imposed in accordance with the provisions of Section 181(8) of the Act and this policy.

Ratepayers can lodge a complaint with Australia Post for mail not received via that method.

Council processes rate assessment record updates per weekly notification from Land Services SA. Notification is linked via the certificate of title pertaining to the land. It is an owners responsibility to ensure that postal address details are correct when dealing with Land Services as Council records will be amended to reflect advice received.

Rates may be paid at the Civic Centre, 4 Mackay Street Port Augusta between the hours of 9am and 5pm, Monday to Friday. EFTPOS facilities are available. Payments by post can be made to PO Box 1704, Port Augusta SA 5700. If a payment is received via cheque which is dishonoured, any fees incurred will be added to the rates assessment.

Rates may also be paid by: -

- Direct Debit

A ratepayer can provide Council with an authorisation to deduct regular payments of a fixed amount from a bank account. An administrative fee of \$5 will be incurred if a payment rejection occurs. Three consecutive rejections will result in cancellation of the direct debit arrangement. Any new direct debit arrangement requests following cancellation of a prior arrangement will

be at the discretion of the Rates Coordinator with consideration of payment history.

- BPay and BPay View
Quote biller code 27961 and Customer Reference Number
- Council Website www.portaugusta.sa.gov.au
Select 'Make a Payment' from the Fast Find menu, then "Online Payments Transactions, then 'Rate Payment'.
- Centrepay
Ratepayers who receive a regular payment from Centrelink can elect to pay Council rate via Centrepay.
- Telephone
Contact **1300 276 468**, enter the Biller Code **1351915**, the Customer Reference Number, amount, and card details to complete the payment.
- Australia Post (Post Billpay)
Payment may be made in store at Australia Post or by phone on 13 18 16 quoting Billpay code 2808.

If paying through an external agency, ratepayers need to be mindful that it can take up to 72 hours for funds to be transferred to Council. It is the ratepayer's responsibility to ensure payment is received and receipted by Council on or before the due date of each instalment.

Any ratepayer who may experience difficulty with meeting the standard payment arrangements is invited to contact the Rates Department on 86419100 to discuss alternative payment arrangements. Such enquiries will be dealt with in confidence.

3.11 LATE PAYMENT OF RATES & DEBT RECOVERY

Council has determined that penalties for late payments will be imposed in accordance with the provisions of Section 181(8) of the Act and this policy.

The Act provides that, if an instalment of rates is not paid on or before the date on which it falls due:

- (a) the instalment will be regarded as being in arrears
- (b) a fine of two percent of the amount of the instalment is payable
- (c) on the expiration of each full month from that date, interest of the prescribed percentage of the amount in arrears (including the amount of any previous unpaid fine and including interest from any previous month) accrues.

Any ratepayer who may, or is likely to, have trouble with meeting the standard instalments and due dates can contact the Rates Department to discuss alternative payment arrangements. It should be noted that fines and interest are still incurred in accordance with the Act under any payment arrangement.

Council will consider applications for remission of fines in certain extenuating circumstances. A request for waiver of fines should be made in writing to the Rates Department, setting out detailed reasons why a fine remission has been requested when rates are in arrears Council pursues legal recovery of rates.

The Council first issues an overdue notice for payment of rates when rates are unpaid by the due date. Should rates remain unpaid for more than 14 days after the

issue of the overdue notice then the Council may refer the debt to a debt collection agency for collection unless contact is otherwise made.

Should a ratepayer fail to either pay overdue rates on the debt collection agency demand notice, or establish a payment plan, the Council will commence legal action to recover the debt. Where legal action occurs, it is a requirement of Council that all costs associated with the debt recovery process be reimbursed by the principal ratepayer.

When the Council receives a payment in respect of rates the Council applies the money received as follows:

- a) first - to satisfy any costs associated with debt collection processes;
- b) second - to satisfy any interest costs;
- c) third - in payment of any fines imposed;
- d) fourth - in payment of rates, in chronological order (starting with the oldest rate levy first).

3.12 REMISSION AND POSTPONEMENT OF RATES

Section 182 of the Local Government Act permits a Council, on the application of the principal ratepayer, to partially or wholly remit rates or to postpone rates, on the basis of hardship.

Where a principal ratepayer is suffering hardship in paying rates, he/she is invited to contact the Rates Department on 8641 9100 to discuss the matter. Council treats such enquiries confidentially. Although arrangements for late payment of rates are negotiable, remission of rates in whole or in part is rarely approved due to the inequitable outcome for the rest of the community.

Separate provisions in the Local Government Act pertain to the postponement of rates for Seniors.

Also refer to policy Rates - Hardship Policy

3.13 REBATE OF RATES

Division 5 of the Local Government Act requires Councils to rebate rates payable for certain land uses.

Please refer to Council's Rate Rebates Policy.

Community and recreational groups that previously received a discretionary rates rebate are encouraged to apply for sponsorship as per Council's Sponsorship Policy.

Rate Capping

For the 2023/24 financial year, Council considers it appropriate to grant pursuant to Section 166(1)(l)(i) of the Local Government Act a rebate to provide relief against what would otherwise amount to a substantial change in rates payable by a ratepayer due to a redistribution of the rates burden within the community arising from a change to the basis of the Council's rates from site value to capital value that occurred from the 2021/2022 year.

Consequently, rebates will be granted* to limit the increase of the 2023/24 general rate over the amount of the general rate payable in the 2022/23 financial year as follows:

- (a) increase in the general rate payable will be limited to 10% over the general rates payable in the 2022/23 financial year for all assessments with a

residential land use.

- (b) Increase in the general rates payable will be limited to 20% over the general rates payable in the 2022/23 financial year for assessments in all other categories of land use.

*Exclusions apply where:

- the land use has changed from the 2022/23 rating year to the 2023/24 rating year
- the ratepayer is granted any other rebate of rates for 2023/24 under the Local Government Act 1999 sections 159 to 166
- a new valuation has been provided by the Valuer-General for the purpose of incorporating contiguous land
- tenancy cancellation from the 2022/23 rating year to the 2023/24 rating year resulting in merged assessments.

3.14 SALE OF LAND FOR NON-PAYMENT OF RATES

Where rates have been in arrears for three (3) years or more, and Council has unsuccessfully pursued all reasonable attempts to secure payment, Council may invoke Section 184 of the Local Government Act 1999 to pursue recovery of outstanding rates through the sale of land. The Council will provide the principal ratepayer and the owner (if not the same person) and any registered mortgagee with details of the outstanding amounts and advise them of its intention to sell the land if payment of the outstanding amount is not received within a given timeframe.

3.15 APPLICATION OF THE POLICY

A copy of this Council policy is available from the Rates Department, either telephone on 8641 9100, by written request to the Port Augusta City Council, PO Box 1704, Port Augusta SA 5700, or via Council's website www.portaugusta.sa.gov.au

Where a ratepayer believes that the Council has failed to properly apply this policy it should raise the matter with the Council. In the first instance contact the Rates Department on 8641 9100 to discuss the matter. If, after this initial contact, a ratepayer is still dissatisfied they should write to the Chief Executive Officer, Port Augusta City Council, PO Box 1704, Port Augusta SA 5700.

A rate cannot be challenged on the basis of non-compliance with this policy and must be paid in accordance with the required payment provisions.

4. RESPONSIBILITY & REVIEW

4.1 Responsible Officer

Director Corporate and Community Services
Rates Coordinator

4.2 Availability

This policy will be available on Council's website.

4.3 Review

Reviewed annually in June/July of each year.

5. REFERENCES

5.1 Legislation

Local Government Act 1999

5.2 Other References

Hardship Policy for Residential Customers of Minor & Intermediate Water Retailers

Procurement Policy

Rebate of Rates Policy

Rates Hardship Policy

Sponsorship Policy