

## **Appendix 2 Rating Policy 2021/22**

# Rating Policy 2021/22

Policy Author	General Manager Strategy & Corporate
Date of next review	May 2022

## Statement of Intent

In South Australia, council rates are a form of property tax levied by Local Government, as the primary source of funding for the many mandatory and discretionary services provided by councils. Rates are administered by each council in line with the Local Government Act 1999 (the Act) which allows some flexibility for each council to make decisions to suit its local community. This document sets out the City of Playford's policy for setting and collecting rates from its community.

Council Rates are not a fee for service but a system of taxation for Local Government purposes. All land within the Council's area is rateable except land that is subject to an exemption under the Act.

Council considers a general rate, which consists of two components: one being based on the value of the land and other being a fixed charge, to be the fairest and most equitable method of imposing general rates. A fixed charge is a means of ensuring all ratepayers contribute equally to Council services and the development and maintenance of community infrastructure. The Council imposes differential general rates that vary based on land use. A ratepayer may in accordance with the Act object to a land use that has been attributed to their land.

The differential general rate for rateable land that has a commercial or industrial land use, have a higher rate in the dollar than land with other land uses. This differential rate is applied on the basis that:

- a. Commercial/Industrial Properties pay rates out of pre tax revenue; and
- b. Commercial/Industrial Properties have a greater impact on core Council infrastructure.

In June 2014, Council approved the Commercial Rating Strategy, with 75% of new commercial rate revenue received from growth used to fund rate a reduction in rates for all businesses. The Commercial Rating Strategy forms part of a greater objective of encouraging business development and employment opportunities within the Council area.

Council strategy aims to gradually reduce rates for commercial properties by up to 40 per cent in a staged approach, balancing the demands from business for rate relief with the needs from residential rate payers for Council to continue to provide a sustainable level of services.

Council assesses rates against each piece or section of land subject to separate occupation save for land with a commercial or industrial land use for which rates are assessed against each piece or section of such land subject to separate ownership.

Council adopts the capital values of land in its area made or caused to be made by the Valuer-General. An owner of land may in accordance with the Valuation of Land Act object to a valuation made by the Valuer-General of their land.

Council considers that this method of valuing land provides the fairest method of distributing the rate burden across all ratepayers on the following basis:

- Rates constitute a system of taxation and the equity principle of taxation requires that ratepayers of similar wealth pay similar taxes and ratepayers of greater wealth pay more tax than ratepayers of lesser wealth;
- Property value is a relatively good indicator of wealth, and the capital value, which closely approximates the market value of a property, provides the best indicator of overall property value.

The Council imposes a separate rate known as the Landscapes SA Levy to reimburse the Council for amounts it is required under the Landscapes SA Act 2019 to contribute to the Green Adelaide Board. This separate rate is effectively a State tax and Council does not retain the revenue collected by way of the separate rate. Any questions in relation to the Landscapes SA Levy should be directed to the Green Adelaide Board at website [www.landscape.sa.gov.au](http://www.landscape.sa.gov.au) or telephone 8463 3733.

The Council applies rate remissions, postponements and rebates in accordance with the Act and its Rate Rebate Policy. In addition, if a ratepayer is experiencing hardship with paying their rates, they may make an application for rate relief by way of a remission or postponement in accordance with the Act and the Council's Hardship Policy. Fines and interest apply to overdue rates and if an amount payable by way of rates is in arrears for three years or more, the Council may sell the land for non-payment of rates.

#### **Disclaimer**

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.

Where a ratepayer believes that Council has failed to properly apply this policy, it should raise the matter with Council.

## **Scope**

This policy applies to all ratepayers within the Council's area.

## **Legislation and References**

- City of Playford Strategic Plan
- Annual Business Plan and Budget
- City of Playford Long Term Financial Plan
- Debt Recovery Procedure
- Hardship Policy
- Hardship Procedure
- The Local Government Act 1999 (as amended), "the Act"
- The Local Government (Financial Management) Regulations (as amended)
- The Local Government (General) Regulations 2013
- Landscapes SA Act 2019
- Valuation of Land Act 1971
- Rating Procedure
- Rate Rebate Policy
- Rate Rebate Procedure

## **Application**

CEO	Facilitate endorsement of Rating Policy as part of the ABP and LTFP process
General Manager Strategy & Corporate	Facilitate the delivery of Rating Policy as part of the ABP and LTFP process
Senior Manager Finance	Annual review as part of ABP and LTFP
Manager Rates	To oversee the consistent application of the Rating Policy
Rates Officers	To apply consistent delivery of the Rating Policy to ratepayers

## Relevance to Risk Appetite Statement

### Regulatory Compliance

The COP has **ZERO TOLERANCE** for non-compliance with applicable legislation. The policy and procedure is updated annually to ensure compliance is maintained for each financial year, as part of the ABP and LTFP process.

### Service Delivery

The COP has a **MODERATE** appetite for service delivery requirements. Maintaining the policy and procedure ensures service delivery within required timeframes.

*General Manager – Strategy & Corporate*

### Feedback

Your feedback on this policy is invited and can be directed to the Manager Governance via email to [governance@playford.sa.gov.au](mailto:governance@playford.sa.gov.au) or by calling the Customer Contact Team on 8256 0333.

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### Administration use only

ECM document set no.

Version no.	<i>3 (Supersedes Rating Policy 2020/21)</i>
Policy link	<i>Rating Policy</i>
Policy author	<i>General Manager – Strategy &amp; Corporate</i>
Endorsed by	<i>Council</i>
Resolution no.	
Legal requirement	<i>Local Government Act 1999</i>
Review schedule	<i>Annually</i>
Date of current version	<i>May 2021</i>
Date of next review	<i>May 2022</i>

### Version history

Version no.	Approval date	Approval by	Change
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1	02/07/2019	Council	Annual review
2	30/06/2020	Council	Annual review
3		Council	Annual review

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## **Appendix 3 Rating Procedure 2021/22**

# Rating Procedure 2021/22

Procedure Author	Manager Rates
Date of next review	May 2022

## 1. Purpose

In South Australia, council rates are a form of property tax levied by Local Government, as the primary source of funding for the many mandatory and discretionary services provided by councils. Rates are administered by each council in line with the Local Government Act 1999 which allows some flexibility for each council to make decisions to suit its local community. This document sets out the City of Playford's procedure for setting and collecting rates from its community.

This procedure applies to all ratepayers within the Council's area.

## 2. References and Supporting Documentation

In determining a suitable rating policy the Council has considered the following

- City of Playford Strategic Plan
- Annual Business Plan and Budget
- City of Playford Long Term Financial Plan
- The Local Government Act 1999 (as amended), "the Act"
- The Local Government (Financial Management) Regulations (as amended)
- Landscapes SA Act 2019
- Valuation of Land Act 1971
- Rating Policy
- Rate Rebate Policy
- Rate Rebate Procedure
- Hardship Policy
- Hardship Policy Procedure
- Debt Recovery Procedure

## 3. Application

Senior Manager Finance	Annual review as part of ABP and LTFP
Manager Rates	To oversee the consistent application of the Rating Policy
Rates Officer	To apply consistent delivery of the Rating Policy to ratepayers

## 4. Policy Procedure

### General Rates

The Council declares rates every year for the ensuing financial year. Council has declared a general rate that consists of two components: one being based on the value of the land and the other being a fixed charge, pursuant to Sections 151(c), and 152(1)(c) of the Act.

### **Fixed Charge**

A fixed charge is a fair and equitable means of ensuring that all ratepayers contribute equally to Council's services and the development and maintenance of the community's infrastructure.

The Council is unable to raise more than 50% of total general rate revenue through the imposition of a fixed charge as a component of general rates.

### **Differential Rate**

A general rate can include in addition to a fixed charge, a component that is based on the value of the land. Further, the Council can impose differential rates that vary according to the location of land or the use of land (residential, commercial, industrial etc.) or according to the locality of the land and its use. The Council has declared differential general rates that vary according to the use of the land prescribed by Regulation 14 of the Local Government (General) Regulations 2013. The Council attributes a land use for rating purposes to each piece of land in its area.

### **Commercial Rating Strategy**

The Council's Commercial Rating Strategy rate reductions will occur in the year following a year in which a surplus occurs. The impact of the Commercial Rating Strategy on individual business rates remains subject to changes in property valuations.

### **Method Used to Value Land**

In accordance with the principles in Section 148 of the Act, the Council assesses rates against each piece or section of land subject to separate occupation save for land with a commercial or industrial land use for which rates are assessed against each separate piece or section of land subject to separate ownership.

The Council adopts the Valuer-General's valuation of the capital values of land in its area each year for rating purposes.

For rating purposes, the Council adopted the valuations made by the Valuer-General available to it at the time it adopted its budget for the 2020/2021 financial year.

If a ratepayer is dissatisfied with the valuation made by the Valuer-General, the rates notice issued by the Council will include information about how to object to the valuation. The Council has no role in this process. The lodgement of an objection does not change the due date for the payment of rates.

### **Objections to Land Use classification**

If a ratepayer believes that a particular land use has been wrongly attributed by the Council to their land, then the ratepayer may object to that land use by writing to Council within 60 days of being notified or such longer period as the Council may allow. The objection must set out the basis for the objection and details of the land use that the ratepayer considers should be attributed to the land.

Council may decide an objection as it sees fit and may request the Valuer-General reassess the land and, upon receiving the Valuer-General's recommendation, make a decision regarding the objection.

A ratepayer, if not satisfied with the Council's decision, may appeal to the South Australian Civil and Administrative Tribunal (SACAT) against Council's decision within 21 days after the



ratepayer receives notice of the Council's decision (or within such longer period as SACAT may allow).

### **Landscapes SA Levy**

The Council is required under the Landscapes SA Act 2019 to make a specified contribution to the Green Adelaide Board. It recovers the contribution it makes to the Green Adelaide Board by imposing a separate rate on land within the area of the Green Adelaide Board and the Council.

Council does not retain any of the revenue, calculate the amount of its contribution or determine how the revenue is spent.

The Landscapes SA levy appears separately on rate notices.

If a ratepayer has any questions in relation to the Landscapes SA levy they are directed to the Green Adelaide Board at website [www.landscape.sa.gov.au](http://www.landscape.sa.gov.au). Ph 8463 3733

### **Rates Cap**

The Act requires the Council to decide each year whether to apply a maximum rate increase (or a rates cap) to a ratepayers principal place of residence.

A cap can be applied to provide relief against a substantial change in rates payable incurred due to rapid changes in valuations.

The Council has determined that it will not apply a maximum increase (rates cap) for the general rate to be charged on rateable land constituting the principal place of residence of a ratepayer.

### **Pensioner Concessions and State Beneficiaries of Concessions**

From 1 July 2015 Council concessions were replaced with the State Government cost of living concession for pensioners.

If a ratepayer seeks further information, they are directed to ConcessionsSA Hotline on 1800 307 758 or the website [www.sa.gov.au/concessions](http://www.sa.gov.au/concessions).

### **Rate Relief**

Council applies rate remissions, postponements and rebates in accordance with the Act and its Rate Rebate Policy.

An application form for rate relief is available from Council's Customer Service Centres and Council website.

#### **Remission of Rates – Hardship**

Section 182 of the Local Government Act 1999 permits a council to postpone or give remission on rates due to hardship and other defined reasons. If a ratepayer seeks further information, they are directed to the Hardship Policy.

A ratepayer who will, or is likely to, experience difficulty with meeting the standard arrangements is invited to contact a Council rates officer to discuss alternative payment arrangements. Such enquiries are treated with the strictest confidence.

#### **Seniors Postponement**

Section 182A of the Local Government Act 1999 provides for postponement of rates for seniors.

It is a system designed to assist senior card holders who may find themselves in the situation of being asset rich and cash poor by allowing them to postpone annual rates amounts greater than \$500. At least \$500 of the annual Council rates payable must be paid as it falls due, but any amount in excess of \$500 per year may be postponed for an indefinite period (up until the property is sold or eligibility ceases). If a ratepayer seeks further

information, they are directed to the information about the Seniors Rate Postponement Scheme available on Council's website.

#### Discretionary Rebates

Council may consider an application and approve a rebate in its discretion in accordance with section 166 of the Act. Further information is detailed in the Rate Rebate Policy.

#### Payment of Rates

Council will collect rates quarterly on the dates sent by Council as detailed below:

- 2 September 2021
- 2 December 2021
- 2 March 2022
- 2 June 2022

Rates may be paid in person at Council's Customer Service Centres or by any method detailed on the rates notice.

#### Late Payment of Rates

The Act provides that the Council may impose a penalty of 2% on any instalment of rates that is not paid on or before the due date. A payment that is late is also charged a prescribed interest rate for each month it continues to be late.

When Council receives a payment in respect of overdue rates Council applies the money received in accordance with Section 183 of the Act as follows:

- first – to satisfy any costs awarded in connection with court proceedings;
- second – to satisfy any interest costs;
- third – in payment of any fines imposed;
- fourth – in payment of rates, in chronological order (starting with the oldest account first).

#### Non-Payment of Rates

Section 184 of the Local Government Act 1999 provides that a council may sell any land to recover outstanding rates where an amount payable by way of rates has been in arrears for three years or more.

## 5. Feedback

We invite your feedback on this policy which can be directed to Senior Manager of Finance at [playford@playford.sa.gov.au](mailto:playford@playford.sa.gov.au).

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#### Administration use only

ECM document set no.

Version no.	1
Policy link	<i>Rating Policy 21/22</i>
Procedure author	<i>General Manager – Strategy &amp; Corporate</i>
Endorsed by	<i>Council</i>
Resolution no.	
Legal requirement	<i>Local Government Act 1999</i>
Review schedule	<i>Annually</i>
Date of current version	May 2021

Date of next review      May 2022

### Version history

Version no.	Approval date	Approval by	Change
1		Council	New procedure to support Rating Policy

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## **Appendix 4    Rate Rebate Policy 2021/22**

# Rate Rebate Policy

Policy Author	General Manager Strategy & Corporate
Date of next review	May 2022

## Statement of Intent

The objective of this Policy is to ensure that all applications for rate rebates are considered in an equal and fair manner in line with the provisions set out under the Local Government Act and this Policy.

Rates are a form of taxation and provide the main revenue stream for Council to deliver services to the community and are levied under the Local Government Act 1999 on the basis of land value and use, which is widely accepted as a reasonable indicator of capacity to pay. Recognizing that there may be circumstances where this may not always be the case, the Local Government Act makes provision for Council to consider applications for rate rebates.

This policy is intended to provide guidance as to the grounds upon which relief of rates payable is available to a person or body/organization, in the form of rebates. Council will consider each application to ensure the requirements under the Local Government Act 1999 have been met. This supports the provision of equitable services and facilities to meet the needs of the whole community.

Council Rebates will be annually assessed to determine if the circumstances justify the continued endorsement of the application of the rebate.

## Scope

Mandatory rebates must be applied where ratepayers meet eligibility, as prescribed in sections 160-165 of the Local Government Act.

Discretionary rebates may be applied, at council's discretion, where ratepayers make an application, and they meet the eligibility criteria, as prescribed in section 166 under the Local Government Act.

## Legislation and References

This Policy is to be read in conjunction with the Rate Rebate Procedures

- Sections 159-166 of the Local Government Act 1999 outline the provision of rates mandatory and discretionary rebates.
- City of Playford Global Glossary

## Responsibilities

CEO/Council	Approval of discretionary rebates greater than 50%, or if a commitment for greater than one year, the recommendation will be put to full Council for decision.
Senior Manager Finance	Approval for discretionary rebates less than 50%
Manager Rates	To oversee the consistent application of the Rate Rebate Policy
Rates Officers	To apply consistent delivery of the Rate Rebate Policy to ratepayers

## Relevance to Risk Appetite Statement

### Regulatory Compliance

The COP has **ZERO TOLERANCE** for non-compliance with applicable legislation. Maintaining the policy and procedure ensures compliance is maintained.

### Service Delivery

The COP has a **MODERATE** appetite for service delivery requirements. Maintaining the policy and procedure ensures service delivery within required timeframes.

### Feedback

Your feedback on this policy is invited and can be directed to the Manager Governance via email to [governance@playford.sa.gov.au](mailto:governance@playford.sa.gov.au) or by calling the Customer Contact Team on 8256 0333.

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### Administration use only

ECM document set no.	<b>3978634</b>
Version no.	6
Policy link	<i>Rates Rebate Policy</i>
Policy author	<i>General Manager – Strategy &amp; Corporate</i>
Endorsed by	<i>Council</i>
Resolution no.	
Legal requirement	<i>Sections 159-166 Local Government Act 1999</i>
Review schedule	<i>Annual</i>
Date of current version	May 2021
Date of next review	May 2022

### Version history

Version no.	Approval date	Approval by	Change
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6	30/06/2021	Council	Annual review
5	30/06/2020	Council	Annual review
4	30/06/2019	Council	Annual review
3	30/06/2018	Council	Annual review
2	August 2012	Council	Reviewed
1	April 2007	Council	Adopted by Council

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## **Appendix 5 Rate Rebate Procedure 2021/22**



# Rate Rebate Procedure

Procedure Author	General Manager Strategy & Corporate
Date of next review	May 2022

## 1. Purpose

The objective of this procedure is to ensure that all applications for rate rebates are considered in an equal and fair manner in line with the provisions set out under the Local Government Act and the Rate Rebate Policy.

Rates are a form of taxation and provide the main revenue stream for Council to deliver services to the community and are levied under the Local Government act 1999 on the basis of land value and use, which is widely accepted as a reasonable indicator of capacity to pay. Recognizing that there may be circumstances where this may not always be the case, the Local Government Act makes provision for Council to consider applications for rate rebates.

This procedure provides guidance as to the grounds upon which a person or body/organization is, or may be, entitled to receive a rebate of rates. Council will consider each application to ensure the requirements under the Local Government Act 1999 have been met.

This procedure includes both mandatory and discretionary rebates and support the provision of equitable services and facilities to meet the needs of the whole community.

## 2. References and Supporting Documentation

- Sections 159-166 of the Local Government Act 1999 outline the provision of rates rebates through mandatory and discretionary rebates.
- Rate Rebate Policy

## 3. Application

CEO/Council	Delegation for approval of discretionary rebates greater than 50% or a commitment for greater than one year, then the recommendation will be put to full Council for decision.
Senior Manager Finance	Delegation for approval of discretionary rebates less than 50%
Manager Rates	To oversee the consistent application of the Rebate Policy
Rates Officers	To apply consistent delivery of the Rebate Policy to ratepayers

## 4. Procedures

### Division 5 - Rebates of Rates

Sections 159-166 of the Local Government Act 1999 outline the provision of rates rebates through mandatory and discretionary rebates.

## 4.1 Preliminary grounds and penalties

Section 159 of the Local Government Act 1999 provides guidance regarding the grounds for rebates and penalties that may apply. These include:

s159(1) If grounds exist for a person or body to receive a rebate of rates in pursuance of this Division, the person or body may apply to the council in a manner and form determined by the council (supplying such information as the council may reasonably require).

s159(2) a person or body must not:

- (a) make a false or misleading statement or representation in an application made (or purporting to be made) under this Division; or
- (b) provide false or misleading information or evidence in support of an application made (or purporting to be made) under this Division.

Maximum penalty: \$5 000.

s159(7) If a person or body has the benefit of a rebate of rates under this Division and the grounds on which the rebate has been granted cease to exist, the person or body must immediately inform the council of that fact and (whether or not the council is so informed) the entitlement to a rebate ceases.

s159(8) If a person or body fails to comply with subsection (7), the person or body is guilty of an offence.

Maximum penalty: \$5 000.

s159(10) A council may, for proper cause, determine that an entitlement to a rebate of rates in pursuance of this Division no longer applies.

s159(11) If an entitlement to a rebate of rates ceases or no longer applies during the course of a financial year, the council is entitled to recover rates, or rates at the increased level (as the case may be), proportionate to the remaining part of the financial year.

## 4.2 Mandatory Rebates

Ratepayers entitled to a mandatory rebate may make an application in the form determined by council, are required to include evidence where requested, and meet the requirements of section 159(1) of the Act.

Where a council is aware that a mandatory rebate applies to land the council must apply the rebate regardless of whether or not an application has been made. This approach has equal application in respect of a property that becomes eligible for a mandatory rebate part way through a financial year when the rebate will be applied on a pro rata basis.

Otherwise, the Act does not impose any obligation on a council to seek out persons who may be eligible for a mandatory rebate if they have not made an application.

Where an application is made or if a council becomes aware, that an entitlement to a mandatory rebate exists during the course of the financial year, the council must apply the mandatory rebate for the whole of the financial year except where the land becomes rateable during the course of a financial year when the rebate will be applied pro rata for the period of rateability.

Refunds for previous financial years are not required, unless the council was made aware or knew that an entitlement existed in that previous year or years.

Mandatory rebate eligibility is listed in the Local Government Act 1999 under the following sections

- Section 160—100% Rebate of rates—health services
- Section 161—75% Rebate of rates—community services
- Section 162—100% Rebate of rates—religious purposes
- Section 163—100% Rebate of rates—public cemeteries
- Section 164—100% Rebate of rates—Royal Zoological Society of SA
- Section 165—75% Rebate of rates—educational purposes

### 4.3 Discretionary Rebates

Discretionary rebate eligibility is listed under Section 166 of the Local Government Act 1999.

Ratepayers may make an application for a discretionary rebate by completing the application form on Council's website [www.playford.sa.gov.au](http://www.playford.sa.gov.au) or by contacting Council on (08) 8256 0333.

The discretion to grant a rebate must be exercised consistently and in the interests of the community. In this regard each council must consider its community, not the wider community of the State. This is because decisions regarding rate rebates impacts directly on the ratepayers and residents of individual council areas.

### 4.4 Council Endorsed Rebates

Council annually review eligibility of historical rebates to determine if circumstances endorse continuation of rebates.

### 4.5 Granting of Rebates

Under Section 166 - Discretionary rebate of rates, Council may grant:

- A rebate of rates or charges under subsection (1) on such conditions as the council thinks fit.
- A rebate of rates or charges under subsection (1)(a), (b) or (k) may be granted for a period exceeding one year, but not exceeding 10 years.
- A rebate of rates or charges under subsection (1)(l) may be granted for a period exceeding one year, but not exceeding three years.
- A council should give reasonable consideration to the granting of rebates under this section and should not adopt a policy that excludes the consideration of applications for rebates on their merits.
- A council may grant a rebate under this section that is up to (and including) 100 per cent of the relevant rates or service charge.

### 4.6 Application and approval process

Applications for rate rebates are to be made on Council's application form and accompanied by the appropriate supporting documentation. The rate rebate policy, and application form are available on Council's website [www.playford.sa.gov.au](http://www.playford.sa.gov.au) or by contacting Council on (08) 8256 0333.

In accordance with section 159(1) of the Act council may request any information from an applicant that it reasonably requires in order to make a decision in respect of a rebate application.

Where an application for a discretionary rebate is made after the date on which rates are declared, the council may choose not to consider the application for that financial year. However, the council will need to consider the application for a rebate applicable in the next financial year.

Retrospective discretionary rebates may, but need not be given by the council

Assessment of discretionary rebates are to be undertaken in a fair and consistent manner, using the assessment eligibility weighting matrix based on reasons for application, which assists with recommendation for approval and calculating % and value of rebate.

Approval of rebates should be made in line with delegation levels.

The applicant should be advised of the council's decision and rights of review should the applicant not be satisfied with the decision.

## 5. Complaints and appeals

Customers not satisfied with the outcome of their complaint should be directed to contact the Ombudsman SA on 08 8226 8699 or [Ombudsman@ombudsman.sa.gov.au](mailto:Ombudsman@ombudsman.sa.gov.au)

Complaints and appeals will be considered in accordance with Council's complaints and grievance procedures and sections 270 and 271 of the *Local Government Act 1999*. A copy of the Complaints Handling Policy can be found at [www.playford.sa.gov.au](http://www.playford.sa.gov.au)

## 6. Feedback

Your feedback on this policy is invited and can be directed to the Manager Governance via email to [governance@playford.sa.gov.au](mailto:governance@playford.sa.gov.au) or by calling the Customer Contact Team on 8256 0333.

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### Administration use only

ECM document set no. **3978636**

Version no.

Policy link *Rate Rebate Policy*

Procedure author *General Manager – Strategy & Corporate*

Endorsed by *Council*

Resolution no.

Legal requirement *Sections 159-166 Local Government Act 1999*

Review schedule *Annually*

Date of current version *May 2021*

Date of next review *May 2022*

### Version history

Version no.	Approval date	Approval by	Change
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2

May 2021

Annual review

1

June 2018

Senior Manager  
Finance

New

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