

## RATING POLICY

<b>Policy/Procedure Type</b>	Council
<b>Responsible Department</b>	Corporate Support
<b>Responsible Officer</b>	Manager Finance and Procurement
<b>Related Policies and Procedures</b>	<ul style="list-style-type: none"> <li>Rate Rebate Policy (Community)</li> <li>Rate Hardship &amp; Fine Remission Procedure</li> </ul>
<b>Community Plan Link</b>	This Policy supports the Community Plan's guiding principles of Integrity, Engagement, Financially Sustainable and Thought Leadership.
<b>Date Originally Adopted</b>	
<b>Last Review Date</b>	
<b>Next Review Date</b>	
<b>ECM Document No.</b>	

### 1. PREAMBLE

- 1.1. Rates are the City of Unley's principal source of income for the delivery of services, and maintenance and renewal of the City's infrastructure and assets.
- 1.2. Rates are a form of property taxation, and property values determine how much each property contributes. This system of taxation means that the rates paid may not directly relate to the services used by each ratepayer in a given year.
- 1.3. Section 123(2)(d) of the *Local Government Act 1999* (the Act) requires a council to set out the rates structure and policies for the financial year within its annual business plan.

### 2. SCOPE

- 2.1. This Policy is applicable to all properties within the City of Unley.

### 3. PURPOSE/OBJECTIVES

- 3.1. This policy defines Council's approach towards rating its community in line with the requirements of Chapter 10 of the *Local Government Act 1999* and the Council's Annual Business Plan and Budget.

#### 4. DEFINITIONS

<b><u>Term</u></b>	<b><u>Definition</u></b>
<b>Act</b>	Mean the <i>Local Government Act 1999</i>
<b>Approved Financial Counsellor</b>	Refers to a person who holds a Diploma of Community Services (Financial Counselling), and who has worked for at least 12 months as a financial counsellor under the supervision of the South Australian Financial Counsellors Association.
<b>Capital Value</b>	Means the value of the land and all improvements on the land.
<b>Differential General Rate</b>	Refers to a rate that may be applied to a category of land that is different to the rate applied to other land categories.
<b>Hardship</b>	Refers to a ratepayer who is unable, due to illness, unemployment or other reasonable cause, to pay their rates when due. It can be of limited or long-term duration and essentially involves an inability of the ratepayer to pay bills, rather than an unwillingness to do so.
<b>Prescribed Rate</b>	Is an amount calculated as per s182A of the Act, where: Prescribed Rate = (Cash Advance Debenture Rate for any relevant financial year + 1%) / 12.
<b>Prescribed Ratepayer</b>	Means a person who holds a current State Seniors Card issued by the State Government, or who has the qualifications to hold such a card and has applied for the card but has yet to be issued with the card, as per s182A of the Act.
<b>Remission</b>	Refers to any reduction in amount payable granted in accordance with Section 182 of the Act.

#### 5. ROLES AND RESPONSIBILITIES

<b><u>Role</u></b>	<b><u>Responsibilities</u></b>
Elected Members	<ul style="list-style-type: none"> <li>Responsible for the approval and adoption of this Policy</li> <li>Must comply with the requirements of this Policy</li> </ul>
Manager Finance and Procurement	<ul style="list-style-type: none"> <li>Responsible for authorising payment of rates using alternative methods, in extenuating circumstances.</li> <li>Responsible for the review and application of this Policy.</li> </ul>
Senior Rates Coordinator	<ul style="list-style-type: none"> <li>Responsible for application of this Policy.</li> </ul>
All Employees	<ul style="list-style-type: none"> <li>Must comply with the requirements of this Policy</li> </ul>

## 6. STATEMENT

### 6.1. Valuation Methodology

- 6.1.1. The City of Unley utilises the capital value method for the purpose of valuing land. This method values the land and all improvements on the land.
- 6.1.2. Council considers this valuation method the most equitable method to spread the rates burden across the measure of wealth within the city. It equates to the taxation principle that people should contribute to community's social and physical infrastructure in accordance with their capacity to pay as measured by property wealth.
- 6.1.3. Valuations are provided by the Office of the Valuer-General, and the Council adopts the most recent valuations provided by the Office of the Valuer-General.

### 6.2. Objections to a Valuation

- 6.2.1. If a ratepayer is dissatisfied with the valuation provided, the ratepayer may lodge an objection to the valuation in writing to the Valuer-General within 60 days after service of the first such notice, provided they have not:
  - 6.2.1.1. previously received a notice or notices under the Local Government Act 1999 referring to the valuation value, in which case the objection period is 60 days after service of the first such notice of the valuation; or
  - 6.2.1.2. the valuation if the Valuer-General has already considered an objection by you to that valuation.
- 6.2.2. A written objection to a valuation must set out the full and detailed grounds for objection, including any supporting Information, and be accordance with the instructions on the rates notice and stipulated by the Office of the Valuer-General.
- 6.2.3. The Valuer-General may extend the 60 day objection period where it can be shown there is reasonable cause to do so by a person entitled to make an objection to a valuation.
- 6.2.4. Rates are still due and payable by the due date even if an objection has been lodged.
- 6.2.5. All valuation objections are administered by the Office of the Valuer-General, and as such any information provided by the Valuer-General regarding the objections process will take precedence over the information provided in Section 5.2 above.

### 6.2. Differential General Rates

- 6.2.1. The *Local Government Act 1999* allows councils to differentiate rates based on the use of the land, the locality of the land, or on the use and locality of the land.
- 6.2.2. Differential General Rates levied by the Council are based on the Land Use Categories
- 6.2.3. Each year, the Council declares Differential General Rates according to the land use categories declared as permissible differentiating factors by Section 14(1) of the *Local Government Regulations 2013*:

Category/Land Use	Differential General Rate in the Dollar
a) Category 1	
• Residential	
b) Category 2	

<ul style="list-style-type: none"> <li>• Commercial Shop</li> <li>• Industrial Light</li> <li>• Industry Other</li> <li>• Primary Production</li> <li>• Vacant Land</li> <li>• Other</li> </ul>	
c) Category 3	
<ul style="list-style-type: none"> <li>• Commercial Office</li> <li>• Commercial Other</li> </ul>	

6.2.4. If a ratepayer believes that the Land Use Category applied to their land is incorrect, the ratepayer may object to that land use to Council within 60 days after receipt of notice of the attribution of the particular land use to which the objection relates (unless the Council in its discretion allows an extension of time). The objection must set out the basis for the objection, and details of the land use that, in the opinion of the ratepayer, should be attributed to that property.

### 6.3. Short Stay Accommodation

6.3.1. From 1 July 2025, the Land Use Category of residential properties offering short-stay accommodation will be assessed annually.

6.3.2. A property which is available for short-stay rental accommodation will be deemed as having a predominant land use of Commercial Other if both of the following criteria are met:

6.3.2.1. More than 50% of the property is available for short-stay accommodation; and

6.3.2.2. The property is available for short-stay accommodation for 183 or more nights in the preceding financial year.

6.3.3. A property with an assigned a property classification of Commercial Other will attract the Category 3 Differential Rate in the dollar in accordance with paragraph 6.2.3 of this policy.

6.3.4. A property owner may submit an objection to land use to Council within 60 days of receiving their first quarter rate notice. The objection must include supporting evidence that the property does not meet Council's short-term accommodation criteria.

6.3.5. In assessing the an objection, Council is required to give consideration to the criteria within paragraph 6.3.2 of this Policy. The Council may, at it's discretion, also give consideration the following:

6.3.5.1. Whether the property is offered for short-stay accommodation on a consistent basis; and/or

6.3.5.2. The nightly rate charged for the short-term accommodation.

### 6.4. Minimum Rate

6.4.1. Council considers it appropriate that all rateable properties contribute to the cost of administering the Council's activities and creating and maintaining the physical infrastructure that supports each property.

- 6.4.2. Where two or more adjoining properties have the same owner and are occupied by the same occupier, only one minimum rate is payable by the ratepayer.
- 6.4.3. In line with Section 158 of the Act, a minimum rate cannot apply to more than 35% of properties in the Council area.
- 6.4.4. Council has declared that there will be a minimum rate of \$..... on every rateable property.

## **6.5. Regional Landscape Levy**

- 6.5.1. The City of Unley falls within the area covered by the Green Adelaide Board and is required under the Landscape South Australia Act 2019 to make a specified contribution to the Green Adelaide Board each year. Council does so by imposing a separate rate against all rateable properties in the Council area.
- 6.5.2. Council has declared a rate of ..... on all rateable land for this purpose.
- 6.5.3. Revenue from this levy is not retained by Council, nor does Council determine how the revenue is spent.

## **6.6. Separate Rates**

- 6.6.1. Section 154 of the Act permits Council to raise a separate rate on properties, which may benefit from a project or undertaking. The separate rate can be applied to properties that benefit from the purpose of raising the rate and money raised cannot be put to any other use.
- 6.6.2. Council has declared the following separate rates to be utilised for the provision of marketing, street beautification and minor value-added infrastructure projects within the relevant areas:
  - 6.6.2.1. Fullarton Road Separate Rate: A fixed charge of \$..... per rateable assessment on land with a land use of Commercial Shop, Commercial Office, and Commercial Other with addresses along Fullarton Road that are situated between Cross Road and Fisher Street, for use by the Fullarton Road South Traders Association Incorporated;
  - 6.6.2.2. Goodwood Road Separate Rate: A rate of ..... cents in the dollar on land with a land use of Commercial Shop, Commercial Office and Commercial Other, with addresses along Goodwood Road, that are situated between Leader Street and Parsons Street to the north, and Mitchell Street and Arundel Avenue to the south, for use by the Goodwood Road Business Association;
  - 6.6.2.3. King William Road Separate Rate: A rate of ..... cents in the dollar on land with a land use of Commercial Shop with addresses along King William Road, that are situated between Greenhill Road and Commercial Road, for use by the King William Road Traders Association Incorporated;
  - 6.6.2.4. Unley Road Separate Rate: A rate of ..... cents in the dollar on land with a land use of Commercial Shop, Commercial Office and Commercial Other, with addresses along the entirety of Unley Road, for use by the Unley Road Association Incorporated.
- 6.6.3. To avoid a liability that is unfair or unreasonable, Council has declared that a discretionary rebate of any amount that exceeds a separate rate liability of \$2,000 in respect of a single assessment will apply to each rateable assessment along Goodwood, King William and Unley Roads.

## **6.7. Mandatory Rebates**

- 6.7.1. Under the Act, Council is required to rebate rates payable on some land. Council has determined that rebates of rates will be granted when the application satisfies the requirements for mandatory rebates under Sections 159 to 165 of the Act.
- 6.7.2. Council's *Rate Rebate Policy (Community)* provides additional information with respect to mandatory rebates.

## **6.8. Discretionary Rebates**

- 6.8.1. Council may grant a discretionary rebate of rates under Section 166 of the Act.
- 6.8.2. To ensure that all ratepayers contribute an amount towards basic service provision, Council has determined that the maximum discretionary rebate is 75%.
- 6.8.3. Council's *Rate Rebate Policy (Community)* provides additional information with respect to the provision of discretionary rebates.

## **6.9. Payment of Rates**

- 6.9.1. Council allows for rates to be paid in four approximately equal instalments, due on the first Monday of the months of September, December, March, and June of each financial year.
- 6.9.2. Rate Notices will detail the exact amount due and payment due dates.
- 6.9.3. The total outstanding balance of rates can be paid at any time.

## **6.10. Payment Methods**

- 6.10.1. Council has determined that rates may be paid by the following methods (as detailed on the back of the rate notice), noting that all payments must reach Council by the due date:
  - Bpay
  - Direct Debit
  - Council's website (Visa or Mastercard only)
  - Phone (Visa or Mastercard only)
  - Australia Post
  - In person at Council Offices located at 181 Unley Road, Unley SA
  - Other payment methods are generally not permitted but may be authorised by the Manager Finance and Procurement in extenuating circumstances.

## **6.11. Late Payment of Rates**

- 6.11.1. The Act provides that Councils impose a penalty of 2% on any late payment received for rates, whether by instalment or otherwise.
- 6.11.2. A payment that continues to be late is then charged an interest rate for each month it continues to be late.
- 6.11.3. Interest charged on late payments is charged on both the amount of the rate arrears and any interest that has previously been applied.
- 6.11.4. The purpose of these penalties is to:
  - Act as a genuine deterrent to ratepayers who might otherwise fail to pay their rates on time;
  - Allow Council to recover the administrative cost of following up unpaid rates; and
  - Cover any interest expense the Council may incur because it has not received the rates on time.



- 6.11.5. Council imposes late payment penalties strictly in accordance with the Act. Any remission of an amount comprising a penalty for late payment of rates in whole or in part is at Council's absolute discretion.
- 6.11.6. Ratepayers who are unable to make payments on time should contact Council to discuss available options.

#### **6.12. Postponement of Rates – Hardship**

- 6.12.1. Ratepayers experiencing undue or unavoidable hardship may have rates and charges, or part thereof, postponed.
- 6.12.2. An application form (available on Council's website) must be completed and submitted by the ratepayer or the ratepayer's representative to Council's Rates Department, including evidence from an approved financial counsellor of the undue or unavoidable hardship.
- 6.12.3. Rates and charges will continue to be levied whilst postponed, and interest will accrue on the amount postponed at the prescribed rate per month, until the amount is paid.
- 6.12.4. Ratepayers experiencing hardship are encouraged to contact Council as soon as they are aware that they may be unable to pay their rates as they fall due.

#### **6.13. Postponement of Rates – Seniors**

- 6.13.1. Under Section 182A of the Act, application in the prescribed form may be made to Council for postponement of the payment of any amount of rates in excess of \$500 for the current or a future financial year by a prescribed ratepayer, or the spouse of a prescribed ratepayer, subject to the following criteria:
- The rates are payable on the principal place of residence; and
  - The land is owned by the prescribed ratepayer; and
  - The prescribed ratepayer and their spouse, and no other person has an interest, as owner, in the land.
- 6.13.2. Any rates which are postponed will be come due and payable when:
- The title to the land is transferred to another person (i.e. disposal or sale of the property); or
  - Failure to comply with a condition of postponement.
- 6.13.3. The ratepayer has discretion to pay a portion of, or the full postponed amount at any time.
- 6.13.4. Interest will accrue on the amount postponed at the prescribed rate per month, until the amount is paid.
- 6.13.5. Council requires an application for postponement of rates to be submitted on the required form, which is available on Council's website. Council encourages prospective applicants to contact Council's Rates Department to discuss eligibility and requirements before submitting an application.
- 6.13.6. Applications do not need to be resubmitted on an annual basis for postponement to continue, but Council must be notified if circumstances that originally gave rise to the entitlement, change.

#### **6.14. Sale of Land for Non-Payment of Rates**

- 6.14.1. Where rates have been in arrears for three (3) or more years, and Council has unsuccessfully pursued all reasonable attempts to secure payment, then Council has the option under Section 184 of the *Local Government Act 1999* to sell the land.

- 6.14.2. Sale of land will not apply to rate arrears resulting from an approved postponement of rates, unless the postponement ceases to have effect.
- 6.14.3. Council is aware of the impact that such an action can have on the property owner, but also acknowledges that the community should not be required to bear the financial burden of any long-term rate debts. As such, the following process will occur:
- 6.14.4. If a property has been in rates arrears for over two (2) but less than (3) years, Council will provide a written notice to the ratepayer stating that if rates remain in arrears for three (3) years, Council intends to rely on Section 184 of the Act to recover rates via the sale of the ratepayer's land. The notice will also request the ratepayer's cooperation by contacting Council to arrange to pay the outstanding debt.
- 6.14.5. When a property has been in rates arrears for three (3) years or more, a notice will be sent to the ratepayer advising that Council intends to sell the land.
- 6.14.6. If the ratepayer does not contact Council or make appropriate arrangements to clear the outstanding debt within the required timeframe, a Section 184 Notice will be issued to the ratepayer, including the details of any appeal rights. A copy of the notice will also be forwarded to the mortgagee of the land as shown on the Certificate of Title.
- 6.14.7. Once the Notice has been issued, all legal costs involved with the Section 184 process and all arrears on the property must be paid in full to prevent the sale from occurring.
- 6.14.8. The Elected Members will be regularly updated as to all properties to which the Section 184 process applies to (e.g. commencement, sale).
- 6.14.9. Should reasonable attempts to sell the land fail, Section 184 of the Act allows Council to apply to the Minister responsible for the administration of the *Crown Lands Act 1929* for an order that the land be transferred to Council.

#### **6.15. Confidentiality**

- 6.15.1. Any communication or enquiries by ratepayers regarding an inability to pay rates or applications for postponement or hardship arrangements are treated confidentially by Council.
- 6.15.2. Any information provided to Council that is accessible publicly, regarding the sale of land for non-payment of rates, will not contain any information that would identify the property owner or the property address.

### **7. LEGISLATION**

- *Landscape South Australia Act 2019*
- *Local Government Act 1999*
- *Local Government Regulations 2013*
- *Local Government (Financial Management) Regulations 2011*

### **8. AVAILABILITY OF POLICY**

- 8.1. The Policy is available for public inspection during normal office hours at:  
The Civic Centre,  
181 Unley Road, Unley SA 5061.  
A copy may be purchased for a fee as determined annually by Council.



It is also available for viewing, download and printing free of charge from the Council's website [www.unley.sa.gov.au](http://www.unley.sa.gov.au).

## 9. DOCUMENT HISTORY

Date	Version No.	Comment