



2018/19 RATING POLICY

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INTRODUCTION

This document sets out the policy of the City of Holdfast Bay for setting and collecting rates from its community. This policy is available for inspection through Council's website www.holdfast.sa.gov.au or at our Council Offices.

CONTACT DETAILS FOR FURTHER INFORMATION

Rates Administrator on 8229 9999, fax 8298 4561,
e-mail: rates@holdfast.sa.gov.au

Brighton Civic Centre
24 Jetty Road (PO Box 19)
Brighton SA 5048

Glenelg Customer Service Centre and Library
2 Colley Terrace
Glenelg SA 5045

APPLICATION OF THE POLICY

If you believe that Council has failed to properly apply this policy you should contact the Rates Administrator on 8229 9999 to discuss the matter. If, after this you are still dissatisfied then please write to Chief Executive Officer, City of Holdfast Bay, PO Box 19, Brighton, 5048.

METHOD USED TO VALUE LAND

Council may adopt one of three valuation methodologies to value the properties in its area. They are:

- *Capital Value* – the value of the land and all of the improvements on the land.
- *Site Value* – the value of the land and any improvements which permanently affect the amenity of use of the land, such as drainage works, but excluding the value of buildings and other improvements.
- *Annual Value* – a valuation of the rental potential of the property.

Council has decided to continue to use capital value as the basis for valuing land within the council area. Council considers that this method provides the fairest way to distribute the rate burden across all ratepayers on the following basis:

- 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 capital value, which closely approximates the market value of a property and provides the best indicator of overall property value.

ADOPTION OF VALUATIONS

Council has adopted the valuations made by the State Valuation Office as provided to the Council on 26 June 2018. If you are dissatisfied with the valuation made by the State Valuation Office then you may object to the State Valuation Office in writing, within 60 days of receiving the notice of the valuation, explaining the basis for the objection, provided you have not: (a) previously received a notice of this valuation under the Local Government Act 1999, in which case the objection period is 60 days from the receipt of the first notice; (b) this 60 day objection period may be extended by the Valuer-General where it can be shown there is reasonable cause; or (c) previously had an objection to the valuation considered by the Valuer-General. A written objection to valuation must set out the grounds for objection. Objections can also be submitted via an online form at www.landservices.sa.gov.au and enter "Objecting to a Valuation" in the search field. Differential rates (and or charges) imposed by rates (and or charges) are still due and payable by the due date even if an objection has been lodged.

The address of the Office of the Valuer-General is:

State Valuation Office
GPO Box 1354
ADELAIDE SA 5001

e-mail: LSGObjections@sa.gov.au
Phone: 1300 653 345
Fax: 08 8226 1428

Please note that Council has no role in this process.

NOTIONAL VALUES

Certain properties may be eligible for a notional value under the Valuation of Land Act 1971 where the property is your principal place of residence. This can relate to certain primary production land or where there is State heritage recognition. A notional value is generally less than the capital value and this will result in reduced rates, unless the minimum rate already applies. Application for a notional value must be made to the State Valuation Office.

COUNCIL'S REVENUE RAISING POWERS

All land within a Council area, except for land specifically exempt (e.g. Crown Land, Council occupied land and other land prescribed in the Local Government Act 1999 – refer Section 147 of the Act), is rateable. The Local Government Act provides for Council to raise revenue for the broad purposes of Council through a general rate, which applies to all rateable properties, or through differential general rates, which apply to classes of properties. In addition, Council can raise separate rates, for specific areas of the Council or service rates or charges for specific services. 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 contact locations listed on Page 3.

RATE REVENUE

At its meeting of 26 June 2018, Council decided to raise net differential general rate revenue of \$34,697,700 (plus provisions for rate capping, rebates and successful valuation objections) in a total operating revenue budget of \$66,300,566. As a result of this decision Council has set the differential general rate of 0.24474 cents in the dollar, with an additional 60 per cent in the rate in the dollar, equating to 0.39055 cents, to be applied to all Commercial, Industrial and Vacant Land properties, to raise the required revenue.

DIFFERENTIAL GENERAL RATES WITH 60 PER CENT ADDITIONAL TO THE RATE IN THE DOLLAR TO APPLY FOR COMMERCIAL INDUSTRIAL AND VACANT LAND

The Local Government Act 1999 allows councils to differentiate rates based on land use and the City of Holdfast Bay has decided to levy a higher differential rate for commercial, industrial and vacant land properties.

Council reviews annually the additional percentage to apply for Commercial, Industrial and Vacant Land properties. The assessment is based on the level of services that need to be provided to the business community to ensure the continued economic growth and employment in the City. For 2018/19 the rate has increased to 60% compared with 57% for 2017/18.

MINIMUM RATE

Council may impose a minimum amount payable by way of rates over all or a part of its area, provided that it has not imposed a fixed charge. 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. Where Council imposes a minimum rate it must not apply to more than 35 per cent of properties in the Council area.

Council has decided to impose a minimum rate of \$976 in respect of that part of the Council area which is not within the Patawalonga Basin bounded by the high water mark which will affect 5,264 (25.48 per cent) rateable properties. The reasons for imposing a minimum rate are:

- Council considers it appropriate that all rateable properties make a base level contribution to the cost of administering Council's activities; and for
- the cost of creating and maintaining the physical infrastructure that supports each property.

JETTY ROAD GLENELG MAINSTREET SEPARATE RATE

Council levies a separate rate to raise funds for the Jetty Road Mainstreet Management Committee to promote and enhance business viability, profitability and trade commerce and industry, which provides benefits to the Jetty Road, Glenelg District Centre Zone. The separate rate is imposed on all rateable land within the geographical area as described below:

- with a frontage to Jetty Road or Moseley Square; and
- within the side streets that intersect with Jetty Road between High Street and Augusta Street; and
- the entire site referred to as the Holdfast Shores 2B Entertainment Centre; and
- with a land use category 2 (Commercial - Shop), 3 (Commercial – Office), and 4 (Commercial – Other).

Council has endorsed the Jetty Road Glenelg Management Committee's recommendation to raise \$564,539 to undertake this project this financial year. Council has declared a separate rate of 0.12773 cents in the dollar.

PATAWALONGA MARINA SEPARATE RATE

A separate rate is levied to provide funding for the ongoing maintenance of the lock in the Patawalonga. The separate rate is applied only to those properties that are within the Patawalonga basin bounded by the high water mark and comprises marina berths.

Council has declared a separate rate of 0.92383 cents in the dollar, which will raise \$70,000. There is an upper limit on the Patawalonga Marina Separate Rate of \$772 which equates to a capital value of \$83,565.

NATURAL RESOURCES MANAGEMENT LEVY

The City of Holdfast Bay is in the Adelaide and Mount Lofty Ranges Natural Resources Management Board and is required under the Natural Water Resources Act 2004 to make a specified contribution to the Natural Resources Management Board. It does so by imposing a separate rate against all rateable properties in the City of .0097196 cents in the dollar against the 20,656 properties that are in resources board area. This separate rate adds another \$60 to the average rate notice and provides a sum of \$1,233,808 to the Board.

The Natural Resources Management Levy is a State Tax. Councils are required to collect it under the NRM Act. Enquiries should be directed to Adelaide and Mount Lofty Ranges Natural Resources Management Board on 8273 9100 or www.amlrnrm.sa.gov.au.

PAYMENT OF RATES

Council has decided that the rates will fall due in quarterly instalments, due on 3 September 2018, 3 December 2018, 1 March 2019 and 3 June 2019. The total outstanding balance of rates may be paid in full at any time.

Rates can be paid over the counter at any branch of Australia Post, through BPay, Direct Debit, in person at a Council Office or via the mail. Council has telephone and internet options for paying your rates. The reverse side of the payment slip of the rate notice provides further information.

Any ratepayer who may, or is likely to, experience difficulty with meeting the standard payment arrangements may contact the Rates Administrator to discuss alternative payment arrangements. Such inquiries are treated confidentially by the Council.

Rates Administrator contact details:

Telephone 8229 9999, fax 8298 4561,
e-mail: rates@holdfast.sa.gov.au

or call in or write to the Rates Administrator at:
Brighton Civic Centre
24 Jetty Road (PO Box 19)
Brighton SA 5048

LATE PAYMENT OF RATES

The Local Government Act provides that Council impose a penalty of a 2 per cent fine on any late payment for rates, whether instalment or otherwise.

A payment that continues to be late is then charged an interest rate, set each year in accordance with S181(8)(c) of the Act, for each month it continues to be in arrears, including the amount of any previous unpaid fine and including interest from any previous month. The purpose of this penalty is to act as a genuine deterrent to ratepayers who might otherwise fail to pay their rates on time, to allow Council to recover the administrative cost of following up unpaid rates and to cover any interest cost Council may meet because it has not received the rates on time.

Council will consider applications for remission of fines in certain extenuating circumstances. A request for waiver of fines must be in writing, setting out detailed reasons why a fine remission has been requested.

Council issues a fines notice for payment of rates when rates are overdue ie. unpaid by the due date. Should rates remain unpaid debt collection will be commenced in accordance with the debt collection policy. The debt collection agency charges collection fees that are recoverable from the ratepayer.

When Council receives a payment in respect of overdue rates Council applies the money received 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).

SALE OF LAND FOR NON-PAYMENT OF RATES

The Local Government Act provides that Council may sell any property where the rates have been in arrears for three years or more. Council is required to notify the owner of the land of its intention to sell the land, provide the owner with details of the outstanding amounts, and advise the owner of its intention to sell the land if payment of the outstanding amount is not received within one month.

RATES RELIEF

The City of Holdfast Bay Council encourages ratepayers who may be experiencing difficulty to contact Council's Administration to discuss possible support to alleviate hardship. Each application is considered on its individual merits with total confidentiality. Assistance may include the acceptance of periodic payments in lieu of the standard quarterly payment system, and requires the willingness of each applicant to complete a financial statement and statutory declaration. Initial inquiries can be addressed to the Rates Administrator by: -

Telephone 8229 9999, fax 8298 4561,

e-mail: rates@holdfast.sa.gov.au

or call in at:

Brighton Civic Centre

24 Jetty Road

Brighton SA 5048

or write to

Rates Administrator

City of Holdfast Bay

PO Box 19

Brighton SA 5048

RATE CONCESSIONS

State Government Concessions - The State Government provides a "Cost of Living Concession". This payment may be used for any purpose, including offsetting Council rates. To check eligibility contact the ConcessionsSA either via website www.sa.gov.au/concessions or Hotline 1800 307 758.

Should you be eligible for a state government funded concession this will be paid directly to you by the Department of Human Services and is not provided via your rates notice.

RESIDENTIAL RATE CAPPING

To alleviate significant increases in rates from one year to the next, Council sets a residential rate cap. For 2018/19 the rate cap is 6%.

If your general residential rates have increased by more than 6% from 2017/18 and you have not undertaken any property improvements then you may be eligible for rate capping.

Residential ratepayers will need to apply for Rates Capping Relief by lodging the appropriate form, which can be obtained from Council by-

Telephone 8229 9999, fax 8298 4561,
e-mail: rates@holdfast.sa.gov.au
or call in at:
Brighton Civic Centre
24 Jetty Road
Brighton SA 5048

or write to
Rates Administrator
City of Holdfast Bay
PO Box 19
Brighton SA 5048

UNEMPLOYED PERSONS CONCESSIONS

Department of Human Services may assist with the payment of Council rates for the principal place of residence (remissions are not available on vacant land or rental premises). Please contact Department of Human Services via website www.sa.gov.au/concessions or Hotline 1800 307 758.

REMISSION (PARTIALLY OR WHOLLY) OF RATES

Section 182 of the Local Government Act permits Council, on the application of a ratepayer, to partially or wholly remit rates on the basis of hardship. Where a ratepayer is suffering hardship in paying rates they are invited to contact the Rates Administrator (see contact details below) to discuss the matter. Such inquiries are treated confidentially by the Council.

Telephone 8229 9999, fax 8298 4561,
e-mail: rates@holdfast.sa.gov.au

or write to
Rates Administrator
City of Holdfast Bay
PO Box 19
Brighton SA 5048

POSTPONEMENT OF RATES-SENIORS

Section 182A of the Local Government Act provides the option for State Seniors Card holders to apply to postpone on a long-term basis part of their Council rates. The deferred amount is subject to a monthly interest charge, with the accrued debt being payable on the disposal or sale of the property. However, the debt may be paid at any earlier time at the ratepayer's discretion.

Applications must be lodged in writing, must provide evidence of eligibility plus other evidence as required.

Application form and information on Postponement of Rates is available on Council's website www.holdfast.sa.gov.au

Please contact Councils Rate Administrator on telephone **8229 9999** to arrange a convenient time and place to discuss your application and lodge your application form. This will provide an opportunity for you to obtain more information about the Postponement of Rates scheme and the conditions that will apply, and for any questions or concerns you might have to be discussed.

REBATE OF RATES

The Local Government Act requires Councils to rebate the rates payable on some land. Specific provisions are made for land used for health services, community services, religious purposes, public cemeteries, the Royal Zoological Society and educational institutions. Discretionary rebates may be applied by the Council under Section 166 of the Act.

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.