

Policy Name	Valuation and Rating
Policy Number	CS08
Responsible Section	Finance
Responsible Department	Corporate Services
Date Last Adopted	11 April 2023
Date of Next Review	April 2026
Applicable Legislation	Local Government Act 1999 Local Government (General) Regulations 2013
Related Governance Documents	Rate Rebates Guide
City Plan Theme	Community Economy Leadership

PURPOSE/OBJECTIVE

The purpose of this policy is to:

- Ensure Council is fair, equitable and transparent in its application of its valuation and rating policy;
- Provide guidance to the community as to how valuations are sourced, how rates are applied, and when rates are due for payment;
- Assist staff with delegated authority to determine rebates, remissions and postponement pursuant to both the Local Government Act 1999 ("the Act") and the requirements of this policy; and
- Outline criteria in which the Chief Executive Officer will enact Section 184 of the Local Government Act 1999 where Council may seek to sell a property, or land where the rates have been in arrears for three (3) years or more.

SCOPE

This policy applies to all rateable properties in the Council area. It specifies the valuation methodology, the basis of rating and options that are available to:

- Ratepayers who are seeking financial relief in the form of a rate rebate, hardship, postponement and/or rate remission.

OR

- Council who may be seeking to recover unpaid rates through the sale of a property, for land where rates are in arrears for three (3) years or more.

The policy does not apply to the exemption from the payment of Council rates that may be conferred upon land through the application of the Australian Constitution or any applicable legislation.

POLICY

1 Valuation Methodology and Adoption

- 1.1 Council uses Capital Value as the basis for valuing land within the Council area. Capital Value is the value of the land and all of the improvements on the land. The Council will adopt the capital valuations distributed by the Valuer-General for all properties. Valuations are adopted as at 1st of January in the rating year.

2 Differential General Rates

- 2.1 All land within the council area, except for land specifically exempt under Section 147 (2) of the Act is rateable. The Act provides for a council to raise revenue through a general rate, which applies to all rateable land, or through differential general rates, which differentially apply to classes of rateable land. Council uses a differential rating system to raise revenue based upon Land Use to ensure a fair and equitable distribution of rates within the City of Port Adelaide Enfield. In applying this approach Council will take into consideration all prevailing economic conditions and changes and adjust its differential rates accordingly, to ensure an appropriate and fair equalisation of rates across all land use categories.
- 2.2 The differential general rate Land Use categories are as follows:

- Category 1 - Residential
- Category 2 - Commercial – Office
- Category 3 - Commercial – Shop
- Category 4 - Commercial – Other
- Category 5 - Industry – Light
- Category 6 - Industry – Other
- Category 7 - Primary Production
- Category 8 - Vacant
- Category 9 - Other
- Category 10 - Marina Berths

These differential rates will be used to determine the rates in the dollar for all properties within the City of Port Adelaide Enfield area for the financial year. These rates will be specified in Council's rate declaration for each financial year.

3 Minimum Rate

- 3.1 A minimum amount payable by way of general rates is determined to apply to the whole of an allotment (including land under a separate lease or licence) and only one minimum amount is payable in respect of two or more pieces of adjoining land (whether intercepted by a road or not) if they are owned by the same owner and occupied by the same occupier. The Minimum Rate to apply to properties within the City of Port Adelaide Enfield will be detailed in Council's rate declaration for each financial year.



4 Regional Landscape Levy

- 4.1 The Council, under the Landscape South Australia Act 2019, is required to collect this levy. It does so by imposing a separate rate for all rateable properties within the Council area. For each financial year, the levy for each property will be determined by using the calculation below:

- Total Capital Value divided by the Total Amount Required (set for the financial year by the Green Adelaide Board). This determines an appropriate rate in the dollar, and this rate in the dollar will then be applied to each property.

The Council does not retain any of the revenue raised by way of the separate rate or determine how the Board spends the funds.

5 Payment of Rates

- 5.1 The due date for payment of rates will be detailed in Council's rate declaration for each financial year. Typically, these will be by four instalments, due on 1 September, 1 December, 1 March and 1 June. However, the total amount of rates may be paid in full at any time.

- 5.2 Council has determined that rates may be paid by the following methods:

- Internet - Councils home page www.cityofpae.sa.gov.au
- BPAY - Telephone or internet payments
- Centrepay - Deductions directly from Centrelink payments
- Direct Debit - Direct from either a Cheque or Savings account
- In person - At Council Offices
- Australia Post - Post Office, Telephone, or Internet
- Telephone - 8405 6600
- By Mail - City of Port Adelaide Enfield, PO Box 110, Port Adelaide 5015

6 Late Payment of Rates

- 6.1 Council imposes an initial penalty (a fine) of 2% as prescribed under the Act on any instalment that is received after the due date. A further interest charge (at the prescribed interest rate) will be applied at the end of each month thereafter on any balance (including fines and interest) that remains unpaid.

- 6.2 When the Council receives a payment in respect of overdue rates the Council applies the money received in the order set out below in accordance with Section 183 of the Act:

- 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 debt first).

7 Mandatory Rebates

- 7.1 Council will grant mandatory rate rebates at the prescribed rate in accordance with Sections 160 to 165 of the Act:
- S160 – Health Services 100% Rebate
 - S161 – Community Services (Including Housing Associations) 75% Rebate
 - S162 – Religious Purposes 100% Rebate
 - S163 – Public Cemeteries 100% Rebate
 - S164 – Royal Zoological Society of SA 100% Rebate
 - S165 – Educational Purposes 75% Rebate
- 7.2 Where the Council is satisfied from its own records, or from other sources, that a person or body meets the necessary criteria for a mandatory rate rebate, the Council will grant the rebate accordingly. Where the Council is not satisfied based upon the information in its possession or otherwise does not hold relevant information it will require the person or body to provide evidence to confirm their eligibility for a rate rebate.
- 7.3 Where a person or body is entitled to a mandatory rebate of 75 percent, the Council may, pursuant to Section 159 (4) of the Act, and at Council's absolute discretion, increase the rebate to greater than 75 percent. The Council may grant a higher rebate upon application, or on its own merit. In either case, the Council will take into account those matters set out in this policy and other matters considered relevant to the application.

8 Discretionary Rebates

- 8.1 A discretionary rate rebate may be granted by the Council at its absolute discretion up to and including 100 percent relief pursuant to Section 166 of the Act.
- 8.2 Any person or body seeking a discretionary rebate will be required to submit an application form to the Council and provide to the Council such information as stipulated on the application form and any additional information the Council may reasonably require. First time applicants can request a form via email or on Council's website.
- 8.3 The Council will advise an applicant for a rebate of its determination of that application in due course, after receiving the application and receiving all information requested by Council. The advice will state:
- If the application has been granted, the amount of the rebate; or
 - If the application has not been granted, the reasons why.
- 8.4 Consideration of discretionary rebates will examine matters relevant including, but not limited to:
- Whether the applicant is public sector body, a private not-for-profit body, or a private for-profit body;
 - The specific sub-section of the Act under which an application is made;
 - Why there is a need for financial assistance in the form of a rates rebate;
 - The level of rebate being sought and why it is appropriate;
 - Whether the applicant is in receipt of or is eligible for a community grant;
 - Consideration of the full financial consequences of the rebate for Council;
 - The community need that is being met by activities carried out on the land;
 - The extent to which activities provide assistance to the relief of disadvantaged persons;
 - The range of community services the applicant is providing within the Council area;

- Services and/or facilities provided by groups being open for broad community use and not restricted to individuals or small groups;
- The ratepayer's ability to pay and fairness of rates distribution that ensures an equitable approach is taken with the community;
- The financial position of the applicant;
- The extent of financial assistance, if any, being provided to the applicant and in respect of the land by Commonwealth or State agencies;
- Any other matters and policies of the Council, which the Council considers relevant.

8.5 All persons or bodies wishing to apply to the Council for a discretionary rebate of rates must do so on or before 1 May in the financial year for which the rebate is sought.

8.6 The Council may grant a rebate of rates on such conditions as the Council thinks fit.

9 Lapse of Entitlement for Rebates

9.1 The Council may, for proper cause, determine that an entitlement to a rebate of rates under the Act no longer applies.

9.2 Where an entitlement to a rebate of rates ceases or no longer applies during the course of a financial year, the Council will recover rates at a proportionate amount relating to the remaining part of the financial year as entitled under the Act and provide the applicant with a revised Rates Notice and letter advising of action taken.

10 Eligibility Review

10.1 Council will periodically issue a questionnaire survey to rebate recipients to confirm the applicant still meets the eligibility criteria. Should the questionnaire not be returned, the rebate for the following year may no longer be provided, at Council's discretion.

11 Rate Remission or Postponement (Hardship)

11.1 Council may postpone or remit rates in whole or part under Section 182 (1) of the Act if satisfied on the application of a ratepayer that payment would cause hardship.

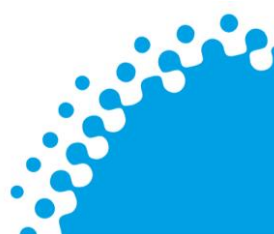
11.2 The Council has an absolute discretion to:

- Allow or decline postponement, remission of rates, service charges or a payment arrangement; and
- Determine the amount of any such postponement, remission of rates, service charges or a payment arrangement.

11.3 A ratepayer experiencing financial hardship may submit an application in writing to the Council's Team Leader Property & Rating, with sufficient information to enable an objective assessment of the individual circumstances. The supporting information will need to substantiate the ratepayer is currently experiencing financial hardship. The Council treats any such information confidentially.

11.4 The amount of any rate remission granted will not be greater than the difference between the minimum rate and the amount of rates raised. The Regional Landscape Levy is payable in full.

12 Rate Postponement (Seniors)



- 12.1 An application may be made to Council by ratepayers who meet the criteria required for qualification for postponement of rates under Section 182A of the Act. The following criteria applies:
- the person is a prescribed ratepayer, or is the domestic partner of a prescribed ratepayer; and
 - the rates are payable on land that is the principal place of residence of the prescribed ratepayer; and
 - the land is owned by:
 - the prescribed ratepayer; or
 - the prescribed ratepayer and his or her domestic partner (and no other person has an interest, as owner, in the land); and
 - the application must be made in the prescribed form and be accompanied by such information as the Council may reasonably require; and
 - the account must be current (i.e. there are no arrears).
- 12.2 Where a postponement of rates is granted, the postponement will only apply to the value of annual rates more than \$500. The first \$500 of annual rates must be paid in accordance with Section 182A of the Act.
- 12.3 Interest will still accrue on postponed amounts at the prescribed interest rate. However, fines will not be imposed, if the terms of the arrangement are honoured by the ratepayer.

13 Deceased Estates

- 13.1 Council will remit fines and interest for a period of twelve (12) months from the 'date of death' recorded on the death certificate, except in the circumstances where a property is held jointly with a person(s) or body.
- 13.2 Council are unable to obtain the death certificate on behalf of a ratepayer. On this basis, the death certificate must be provided to Council by the Executor of the Estate before the remission can take place. Extensions over the initial 12 month period may be granted upon receipt of a written request from the Executor, and will be considered on its merits.

14 Sale of Land for Non-Payment of Rates

- 14.1 Section 184 of the Act provides that a Council may sell any property where the rates have been in arrears for three (3) years or more and a payment plan is not in place or is not being adhered to. Where Council has followed its debt treatment plan and determines, as a last resort, to pursue the sale of a property due to non-payment of rates, Council will notify the land owner of its intentions if payment of the outstanding amount is not received within one month.
- 14.2 Council recognises that there are circumstances where property owners are unable to make rate payments. This may include but not be limited to:
- Health or social issues;
 - Financial hardship;
 - The owner is awaiting sale or settlement of the property.
- 14.3 Where Council is satisfied there are legitimate circumstances for the non-payment of rates, action to sell a property in accordance with Section 184 of the Act may be paused or discontinued at the absolute discretion of Council.

15 Elected Member Communication

- 15.1 Elected Members will be provided appropriate notification when Section 184 is enacted by the Chief Executive Officer, to ensure transparency in the recovery process.

16 Definitions

Ratepayer - a person who is responsible for amounts of rates levies, fees, or other charges due and payable to the Council and appears in the assessment record as the owner or occupier of a rateable property.

Prescribed Ratepayer - a ratepayer who is the holder of a current State Seniors Card or a person eligible to hold such a card who has applied but is yet to be issued with a card.

Hardship - refers to a person or body experiencing a lack of financial means that may be temporary or ongoing that has been substantiated by provision of relevant supporting evidence. A situation where a person chooses not to meet a liability for an unpaid debt is not considered to be hardship.

Remission - a reduction of the rates amount to be paid or the return of part or all of an amount of rates pursuant of Section 182 of the Act.

Mandatory rebate - a rebate which has been applied under Sections 160 to 165 of the Act.

Discretionary rebate - a rebate which has been applied under Sections 166 of the Act.

Not-for-Profit organisation - an organisation that does not operate for the profit, personal gain or other benefit of particular people (for example, its members and the people who run it, or their friends or relatives).