



Options Report

New Separate Rate 2017 – 2018

Infrastructure and Economic Development

**Land C.T. VOL 6059 FOL. 235, 236, 237 & 243
WALLAROO**

lifestyle location of choice

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This site is seen as a ‘major project’ for the Copper Coast because of its location and the broader benefits for the whole community. It is also an investment opportunity to create funds for a comprehensive Copper Coast economic development and marketing strategy.

2. Definitions

‘Land’ - C.T. VOL 6059 FOL. 235, 236, 237 & 243

‘Road’ - means the construction of a physical road (earthworks, pavement, seal and line marking) and associated infrastructure such as concrete kerbs, drains and other structures for the drainage or pumping of wastewater, services (power, water, communication), street lighting, footpaths, signage and traffic control devices.

3. Timelines

The consultation period will be open for a minimum of 21 days starting in early 2017. The consultation period will include a public meeting, it will most likely be held in February 2017.

Council will then consider the written submissions received by the close of the consultation period. If Council is supportive of the proposal it will include the Separate Rate in the Draft Annual Business Plan 2017/18 that will be released for comment in around April 2017.

Council will then consider any further feedback before making a decision at the July Council meeting in 2017.

If the Separate Rate goes ahead it would be effective from the 1st July 2017.

4. Background / Proposal

The Land is a unique parcel formally an industrial site in the heart of Wallaroo. If developed appropriately in conjunction with a marketing campaign and targeted economic development strategy, its development can benefit the whole of the Copper Coast area.

This proposed rate is an opportunity for Council to safely support the development of the Land and to ensure that it is done in appropriate stages to guarantee that the development isn’t left partly completed for a long period of time. It is also an opportunity for Council to fund a Copper Coast economic development and marketing strategy that will include promotion of the whole Copper Coast as well as the subject site.

The attraction of new business and associated job creation.

The road construction will extend from Jetty Road to Heritage Drive as per the plan 1 above. It will include all associated infrastructure and the creation of up to 100 smaller allotments. The road will also enable, by supplying critical services, the tourism accommodation site, the new Sea Rescue facilities, future stages and the lifestyle village area.

The undergrounding of the power cabling will also be a key feature of the road construction as will the construction of the sewer and pumping stations.

The cost of connecting services to the existing infrastructure outside of the Land will also be covered by this proposed separate rate.

Other fees such as Council's CWMS augmentation fees, open space contributions, land division costs, stamp duty or direct costs involved with selling the Land will not be covered by this proposed separate rate.

The economic development and marketing strategy (at least a \$400,000 component of this proposal) will focus on the attraction of businesses to the Copper Coast, including the subject Land and introducing the Copper Coast as a destination to live and visit to a broad market.

The key aims are:

- The attraction of new business and associated job creation
- Improving the trading conditions for new and existing businesses
- Increase the competitiveness of the local area
- Generate increased visitation and visitor spend
- Creating / marketing / supporting events
- Marketing through a range of media such as print, internet, tv and radio.

Interest on the proposed Separate Rate will be charged as per Section 181 (8) (c) of the Local Government Act 1999. The prescribed percentage is calculated as follows:

$$P = \frac{CADR + 3\%}{12}$$

where—

P is the prescribed percentage

CADR is the cash advance debenture rate for that financial year.

The CADR rate is currently 3.75%

The interest charges would cover any financing costs that the Council would incur while funding the gap between the time the road is created and the new allotments are sold.

Section 181 (8) (b) of the Local Government Act 1999 enables the charging of fines against unpaid rates. As it is not envisaged that all the Land will sell in the first 12 months, the Council will waive its rights to impose fines on the outstanding rates balances.

Council will not utilise Section 184 of the Local Government Act 1999 in respect of this rate for a period of 6 years (normally 3 years) from the date the separate rates are raised.

This proposal has the potential to provide benefits to the whole Copper Coast and is a very safe and secure process due to the strength of the provisions in the Local Government Act 1999.

The alternative of Council not being involved in this crucial development is a lengthy staged development that is implemented in smaller pieces resulting in a patch work of roads and other infrastructure.

**The separate rate
can only be used
for the purpose it
was collected for.**

Council can provide the confidence to other investors to get behind additional sections of the broader project that this road enables, such as the tourist accommodation and the lifestyle village. Hundreds of new residents and visitors in the heart of Wallaroo will have a compounding benefit to the broader Copper Coast economy.

The consultation will culminate in a report to Council as part of the draft Annual Business Plan. Councillors will receive a summary of all submissions and make a decision in the best interest of the majority of ratepayers.

The rate would be imposed on the Land and be reassigned to any future parcels created from the Land and will be paid at the time the allotment is sold, unless paid earlier.

Council will hold a public forum during the consultation period. This is a great opportunity to ask questions or to have any points in this report clarified.

All administration costs for the proposed separate rate will be paid out of the separate rate income.

5. Rate Structure

The proposal is to apply an additional charge in the form of a Separate Rate based on the total amount collected divided into the four initial allotments on the following basis;

Initial allotment 235	- 10%
Initial allotment 236	- 40%
Initial allotment 237	- 35%
Initial allotment 243	- 15%

When these allotments are subsequently subdivided ready for sale, the initial separate rate will then be apportioned to the newly created allotments by one of the following two methods, whichever is deemed more suitable once the plan of division has been finalised.

Option 1 – Lineal metres of road frontage

The lineal metres that a new allotment adjoins the new road will form the basis for the Separate Rate being apportioned to the new allotments.

The Separate Rate will be divided by the total length of activated road frontage for all the new allotments from the single larger initial allotment.

Therefore the proposed rate per lineal metre of the new allotments created from the initial allotment 237 would be as follows;

The Total Cost would be multiplied by the percentage allocated when the rates are initially set, in this case 35%.

The Allotment Total / Total length of activated frontage = proposed rate per lineal metre.

In the above scenario (confirmed by detailed design) it would be;

$\$6,000,000 \times 0.35 = \$2,100,000$ (rate allocated to this initial allotment)

$\$2,100,000 / 360\text{m} = \$5,833.33$ per lineal metre.

Therefore, for an allotment with an 8m frontage the proposed Separate Rate would be \$46,666.64

Examples of average rate increases with the Separate Rate included are shown in the table below; Note that the new Separate Rate charges are for a single year.

Per CT Allotment (based on 16/17 rates policy)									
Property Value	Allotment Frontage (lineal metres)	Type	Fixed charge (Current)	Variable Rate (Current)	Total (Current)	New Infrastructure Rate (Proposed)	Fixed charge	Variable Rate	Total (Proposed)
\$125,000.00	7.00	VACANT LAND	\$528.00	\$528.38	\$1,056.38	\$40,833.33	\$528.00	\$528.38	\$41,889.71
\$205,000.00	7.00	VACANT LAND	\$528.00	\$866.54	\$1,394.54	\$40,833.33	\$528.00	\$866.54	\$42,227.87
\$265,000.00	7.00	VACANT LAND	\$528.00	\$1,120.16	\$1,648.16	\$40,833.33	\$528.00	\$1,120.16	\$42,481.49
\$325,000.00	7.00	VACANT LAND	\$528.00	\$1,373.78	\$1,901.78	\$40,833.33	\$528.00	\$1,373.78	\$42,735.11
\$125,000.00	8.50	VACANT LAND	\$528.00	\$528.38	\$1,056.38	\$49,583.33	\$528.00	\$528.38	\$50,639.71
\$205,000.00	8.50	VACANT LAND	\$528.00	\$866.54	\$1,394.54	\$49,583.33	\$528.00	\$866.54	\$50,977.87
\$265,000.00	8.50	VACANT LAND	\$528.00	\$1,120.16	\$1,648.16	\$49,583.33	\$528.00	\$1,120.16	\$51,231.49
\$325,000.00	8.50	VACANT LAND	\$528.00	\$1,373.78	\$1,901.78	\$49,583.33	\$528.00	\$1,373.78	\$51,485.11
\$125,000.00	10.00	VACANT LAND	\$528.00	\$528.38	\$1,056.38	\$58,333.33	\$528.00	\$528.38	\$59,389.71
\$205,000.00	10.00	VACANT LAND	\$528.00	\$866.54	\$1,394.54	\$58,333.33	\$528.00	\$866.54	\$59,727.87
\$265,000.00	10.00	VACANT LAND	\$528.00	\$1,120.16	\$1,648.16	\$58,333.33	\$528.00	\$1,120.16	\$59,981.49
\$325,000.00	10.00	VACANT LAND	\$528.00	\$1,373.78	\$1,901.78	\$58,333.33	\$528.00	\$1,373.78	\$60,235.11
Note: Example excludes NRM levy & CWMS									

Option 2 – Area of new allotments

The total area of the new allotments created from the initial allotment will form the basis for the Separate Rate being apportioned to the new allotments.

The Separate Rate will be divided by the total area of all the new allotments created from the single initial allotment that benefiting from the new road.

Therefore the proposed rate per square metre of the new allotments created from the initial allotment 237 would be as follows;

The Total Cost would be multiplied by the percentage allocated when the rates are initially set, in this case 35%.

The Allotment Total / Total area of new allotments = proposed rate per metre squared.

In the above scenario (confirmed by detailed design) it would be;

$\$6,000,000 \times 0.35 = \$2,100,000$ (rate allocated to this initial allotment)

$\$2,100,000 / 21,850\text{m}^2 = \96.11 per square metre.

Therefore, for an allotment with an area of 520m² the proposed Separate Rate would be \$49,977.20

Examples of average rate increases with the Separate Rate included are shown in the table below; Note that the new Separate Rate charges are for a single year.

Per CT Allotment (based on 16/17 rates policy)									
Property Value	Allotment Area (metres squared)	Type	Fixed charge (Current)	Variable Rate (Current)	Total (Current)	New Infrastructure Rate (Proposed)	Fixed charge	Variable Rate	Total (Proposed)
\$125,000.00	450.00	VACANT LAND	\$528.00	\$528.38	\$1,056.38	\$43,249.43	\$528.00	\$528.38	\$44,305.80
\$205,000.00	450.00	VACANT LAND	\$528.00	\$866.54	\$1,394.54	\$43,249.43	\$528.00	\$866.54	\$44,643.96
\$265,000.00	450.00	VACANT LAND	\$528.00	\$1,120.16	\$1,648.16	\$43,249.43	\$528.00	\$1,120.16	\$44,897.58
\$325,000.00	450.00	VACANT LAND	\$528.00	\$1,373.78	\$1,901.78	\$43,249.43	\$528.00	\$1,373.78	\$45,151.20
\$125,000.00	550.00	VACANT LAND	\$528.00	\$528.38	\$1,056.38	\$52,860.41	\$528.00	\$528.38	\$53,916.79
\$205,000.00	550.00	VACANT LAND	\$528.00	\$866.54	\$1,394.54	\$52,860.41	\$528.00	\$866.54	\$54,254.95
\$265,000.00	550.00	VACANT LAND	\$528.00	\$1,120.16	\$1,648.16	\$52,860.41	\$528.00	\$1,120.16	\$54,508.57
\$325,000.00	550.00	VACANT LAND	\$528.00	\$1,373.78	\$1,901.78	\$52,860.41	\$528.00	\$1,373.78	\$54,762.19
\$125,000.00	650.00	VACANT LAND	\$528.00	\$528.38	\$1,056.38	\$62,471.40	\$528.00	\$528.38	\$63,527.77
\$205,000.00	650.00	VACANT LAND	\$528.00	\$866.54	\$1,394.54	\$62,471.40	\$528.00	\$866.54	\$63,865.93
\$265,000.00	650.00	VACANT LAND	\$528.00	\$1,120.16	\$1,648.16	\$62,471.40	\$528.00	\$1,120.16	\$64,119.55
\$325,000.00	650.00	VACANT LAND	\$528.00	\$1,373.78	\$1,901.78	\$62,471.40	\$528.00	\$1,373.78	\$64,373.17
Note: Example excludes NRM levy & CWMS									

Staff will form a working party with the developer early in 2017 to ensure that the design provides the best return for the community and the infrastructure maintenance cost are appropriate. As Council will be the owner and maintainer of this infrastructure, this early involvement could have long term benefits to the broader community as it ensures a best whole of life scenario for the community.

The scope and budget may vary at this design stage and any changes will be included in the draft Annual Business Plan. The current estimated cost is \$6,000,000

Further information about separate rates is included in the policy under Section 8 of this report. Income collected via the implementation of this Separate Rate must be allocated for the purposes it is collected for.

6. Properties that Benefit from this Proposal

The proposed Separate Rate will apply to the Land known as C.T. VOL 6059 FOL. 235, 236, 237 & 243 highlighted in yellow on the aerial photo below.



7. Local Government Act 1999 – Separate Rate

The following extract is from the Local Government Act and describes a Separate Rate.

154—Separate rates

- (1) A council may declare a separate rate on rateable land within a part of the area of the council for the purpose of planning, carrying out, making available, supporting, maintaining or improving an activity that is, or is intended to be, of particular benefit to the land, or the occupiers of the land, within that part of the area, or to visitors to that part of the area.
- (2) A separate rate may be based on—
 - (a) the value of land subject to the rate; or
 - (b) a proportional measure or other proportional basis related to the relevant land or the area, or to the estimated benefit to the occupiers of the land in the part of the area subject to the rate; or
 - (c) a fixed charge.
- (4) A council may declare a separate rate in respect of a particular activity despite the fact that the activity is not to be directly undertaken or provided by the council.
- (5) A separate rate—
 - (a) may be declared for a specified period (eg the time taken to carry out a capital project);
 - (b) may be declared for a period exceeding one year.
- (6) Except where a separate rate is declared for more than one year, a separate rate must not be declared more than one month before the commencement of the financial year to which the rate relates.
- (7) A council may declare differential separate rates.
- (8) A council must, at the time that it declares a separate rate, identify the land to which the rate will relate.
- (9) If a council declares a separate rate, the council must, in each rate notice sent to each ratepayer who is liable to pay the separate rate, specify—
 - (a) the purpose or purposes for which the rate is declared; and
 - (b) the basis on which the rate is declared; and
 - (c) the amount payable for the particular financial year; and
 - (d) if relevant, the period for which the rate will apply (according to a determination of the council under subsection (5)).

- (10) If a separate rate is declared to raise funds for a particular purpose and—
- (a) the council resolves not to carry the purpose into effect; or
 - (b) there is an excess of funds over the amount required for that purpose,
the revenue raised by the rate or the excess (as the case may be) must, according to a determination of the council, be—
 - (c) credited against future liabilities for rates in respect of the land on which the separate rate was imposed; or
 - (d) refunded to the persons who paid the rate,
in proportion to the amounts paid by each person.

8. Rates Policy (taken from 16/17 Annual Business Plan)

WHAT IT MEANS FOR RATES

The Annual Business Plan for 2016/17 aims to strike a balance between the level of services for the community and the need to ensure the long-term financial sustainability of Council. Council has limited options to generate the income required to pay for services which it provides to the community. The primary source of income for Council is a property based tax – rates.

In setting its rates for the financial year the Council needs to give primary consideration to strategic directions, budget considerations, the current economic climate and the likely impacts on the community.

To prepare the draft Annual Budget, rate income was projected in line with the key assumptions within the Long Term Financial Plan and will be adjusted accordingly when information is received from the Valuer General's Office regarding the capital values within the Council area.

Council considers the service delivery needs and related expenditure. Rate levels are then determined only after consideration of expenditure priorities in relation to the strategic plan and community needs.

There will continue to be economic pressures applying to the Council in a number of ways, which will have an impact on the Council's budget and therefore put pressure on rates, for example:

- as other tiers of government re-assess their core business, it is likely that local government will be required to provide more services to fill gaps;
- there are fewer funds available to Council via grants from other tiers of government;
- recent natural disasters impacting of the level of funding available;
- as households have less income, the community will become increasingly reliant on local government for the provision of additional services;

- state and Federal Governments are increasingly promoting a philosophy of user-pays for service provision and delivery;
- cost increases which are unavoidable, for example, waste, fuel and water.

There is pressure on Council to minimise rate increases. Rates represent Councils major source of income. In order to respond to the increased service demands and additional costs detailed above, increases in rates will be unavoidable to maintain services.

When projecting and proposing a draft budget, Council have assessed the following key principles:

1. That rates, represent a general tax levied on the basis of the value of land.
2. There is a commitment to the broad principle of fairness and equity in the distribution of rates across all ratepayers.
3. Capital value is used as the basis for valuing land within the Council area, as determined by the Valuer-General each year.
4. A differential rate applying to residential, commercial, industrial, primary production, marina berths and other properties and a fixed charge will be applied as a means of raising taxation revenue within the community.
5. The Council will, as is required under the Natural Resources Management Act 2004, impose a separate rate to fund the operations of the Natural Resources Management Board.
6. The Council will provide concessions to eligible ratepayers.
7. The Council will continue to accept the payment of rates in full or by four instalments provided either choice is received in full on or before the due date shown on the front of the rate notice.
8. Pre-payment of rates may be made in instalment amounts. Payment can be made at any Council Office, by use of Bpay or the Internet.
9. The Council will impose late payment penalties strictly in accordance with the Local Government Act 1999.
10. The Council may enforce the sale of land for non-payment of rates after three years in accordance with the Local Government Act 1999.
11. The Council will consider any application from a ratepayer to partially or wholly remit rates or to postpone rates on the basis of hardship in accordance with Section 182 or Section 182A of the Local Government Act 1999.
12. The Council will apply mandatory rebates and may apply discretionary rebates in accordance with Chapter 10, Division 5 of the Local Government Act 1999.
13. The Council advises that a rate cannot be challenged on the basis of non-compliance with this policy and rates must be paid in accordance with the required payment provisions.

Council's Revenue Raising Powers

All land within a Council area, except for land specifically exempt (eg. Crown Land, Council occupied land and other land prescribed in the Local Government Act 1999), is rateable. The Local Government Act provides for a Council to raise revenue for the broad purposes of the Council through a general rate, which applies to all rateable properties or through differential general rates which, applies to the use of properties. 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.

Method Used to Value Land

The Council will continue to use *capital value* as the basis for valuing land within the council area. The Council considers that this method of valuing land provides the fairest method of distributing 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. Capital value, which closely approximates the market value of a property, provides the best indicator of overall property value.

Adoption of Valuations

Council will adopt the valuations made by the Valuer-General as provided to the Council effective July 6th, 2016.

If a person 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 notice of the valuation, explaining the basis for the objection - provided the person has 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. The Council has no role in this process. It is important to note that the lodgement of an objection does not change the due date for payment of rates.

The 60 day objection period may be extended by the Valuer-General where it can be shown there is reasonable cause.

Differential General Rates

The Council will continue to apply the differential general rates on properties within the council area. Land use is used as the factor to levy differential rates.

- For all rateable land within the area of the Council which has a land use designated as Category (a) - Residential, a rate of 0.2505 cents in the dollar. Anticipated revenue \$10.39M;
- For all rateable land within the area of the Council which has a land use designated as Category (b) - Commercial—Shop, Category (c) - Commercial—Office or Category (d) – Commercial-Other, a rate of 0.5489 cents in the dollar. Anticipated revenue \$1.45M;
- For all rateable land within the area of the Council which has a land use designated as Category (e) – Industry-Light, a rate of 0.5693 cents in the dollar. Anticipated revenue \$163k.
- For all rateable land within the area of the Council which has a land use designated as Category (g) - Primary Production, a rate of 0.2334 cents in the dollar. Anticipated revenue \$1.23M;
- For all rateable land within the area of the Council which has a land use designated as Category (h) - Vacant Land, a rate of 0.4227 cents in the dollar. Anticipated revenue \$1.915M; and

- For all rateable land within the area of the Council which has a land use designated as Category (i) - Other (any other land use not referred to in a previous category including marina berths), a rate of 0.2815 cents in the dollar. Anticipated revenue \$113k
- For all rateable land within the area of the Council which has a land use designated as Marina Berths, a rate of 0.5489 cents in the dollar. Anticipated revenue \$20k

Council believes that differential general rates are appropriate for reasons of equity and relative benefit between classes of ratepayers given the nature, mix and significant capital values in a coastal community like the Copper Coast.

Fixed Charge

The Council will impose a fixed charge system, rather than a minimum rate, which tends to distort the equity principals of taxation. Council will set a fixed charge of \$528 in the total of rates generated, (was \$503 in 2015/16).

The 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 (whether intercepted by a road or not) if the same owner occupies and owns them.

The reasons for imposing a fixed charge are:

- The Council considers it appropriate that all rateable properties make a contribution to the cost of administering the Council's activities and the creation and maintenance of the physical infrastructure that supports each property
- The fixed charge system has a lesser proportionate impact on lower income earners than a minimum rate system
- The fixed charge system is more readily understandable than a minimum rate system

Separate Rates

Pursuant to Section 154 of the Act, a council may declare a separate rate on rateable land within a part of the area of the council for the purpose of planning, carrying out, making available, supporting, maintaining or improving an activity that is, or is intended to be, of particular benefit to the land, or the occupiers of the land, within that part of the area, or to visitors to that part of the area.

The Council is undertaking the construction of a *Community Waste Management Scheme* which will provide benefits for the majority of residents in Moonta, Moonta Bay & Port Hughes. The Council will continue with a separate rate of \$484 for this project for 2016/17. The revenue raised from this rate can only be applied to this project.



The Council is working with the Kadina Business District to undertake a project to redevelop the Commercial precinct of Kadina. The Council will continue with a differential separate rate of 0.0275 cents in the dollar to partly fund this project this financial year and the expected revenue of \$20,000 raised from this rate can only be applied to this project. The area concerned is as per the diagram below.



The Council introduced in the 2013/14 financial year a new Separate Rate to partly fund the maintenance of the Port Hughes Golf Course (Dunes). This will replace the existing annual Development Levy that each land owner has agreed to pay to the developer of The Dunes Port Hughes.

The Separate Rate will be ongoing and remain as an annual charge on properties rates notices as long as the course is open and operational and is indexed by CPI each year.

Based on previous years the separate rate will be \$682 per property in 2016/17 (\$677 in 2015/16 subject to annual CPI increase which was 0.7%). The CPI index used for this

calculation will be the Consumer Price Index (All Groups) for Adelaide between the March Quarter to March Quarter of the year immediately preceding the financial year in which the Separate Rate is charged.



If the additional 9 holes are established the Separate Rate would increase by 100% to reflect the intention of the current encumbrance and the initial intention to have a fully operational 18 hole golf course when the land was originally developed and purchased.

The Council initially adopted in the 2014/15 financial year a Separate Rate of \$195 per lineal metre of shop front (commercial properties) within the Wallaroo Owen Terrace main street (see map) to be applied for five years to fund the replacement of the verandahs. With the progression of the redevelopment of Owen Terrace, the poor condition of the current verandahs was highlighted. As these are on a road reserve and can be a public risk, it is an appropriate time to ensure they all meet the required Australian Standards. The project is to replace all of the verandahs as a single project under one tender (Council organised and controlled) to the same design and standard.

The map outlines the properties that will benefit from the project and where Council is to charge the Separate Rate in 2016/17 which will be the third year of the application of the rate.



This area includes the properties from 3 to 45 Owen Terrace and 49 Owen Terrace, Wallaroo.

The Council was approached by the Riley Cove Community Corporation (20692) to assist with the maintenance of the internal roads owned by the Corporation for a period of one hundred (100) years to fund the replacement of the road seal, pavement and kerbing.

The proposal is to resurface the road every 10 years to minimise maintenance and protect the pavement and to allow for kerb replacement and maintenance over a 50 year cycle.

The Council has decided to implement a separate rate of \$265 to apply to each allotment per certificate of title for properties adjoining the Community Corporations internal roads. (see map). This means it includes all properties that benefit from the road, not just those that are part of the Community Corporation 20692.

Should the project be completed for less than the amount stated, revisited every 10 years, the charge will be reduced by this amount over the remaining years.



Service Charge

Pursuant to Section 155 of the Act, Community Wastewater Management Annual Service Charges based on the nature of the service and varying according to the CWMS Property Units Code in accordance with Regulation 12(4)(b) of the Local Government (General) Regulations 2013 be declared and imposed on all land to which the Council provides or makes available the prescribed service for the financial year ending 30th June 2017. This includes the areas covered by the Kadina Community Wastewater Management Systems and the Wallaroo Community Wastewater Management Systems. The annual service charge for the 2016-17 financial year is \$484 on each property unit for occupied allotment and \$484 on each vacant allotment.

NRM Levy

The Council area falls within the Northern and Yorke Natural Resources Management Board area and as such the Council is required pursuant to the Natural Resources Management Act 2004, to raise funds by way of a separate levy to assist in funding the operations of the Board. The levy is imposed as a differential separate rate upon all properties within the area of the Board.

The Council is required to collect this revenue and pay the amount collected to the Board. It does not retain this revenue or determine how the revenue is spent, nor does it determine the amount of the levy to be collected. The amount of the levy per property is set by the total amount of funds Council are required to raise for the Northern and Yorke Natural Resources Management Board. Council has been advised that the levy will increase by 25.9% to be \$584,883 for 2016/17. (2015/16 was \$464,440).

A separate rate of 0.0175 cents in the dollar will be proposed to declare in 2016/2017 on all rateable land within the Council area within the area of the Northern and Yorke Natural Resources Management Board.

Any queries regarding the NRM Levy should be raised with the Northern and Yorke Natural Resources Management Board.

Head Office

Unit 2/17 Lennon Street
Clare SA 5453
Phone: (08) 8841 3400

Website: <http://www.naturalresources.sa.gov.au/northernandyorke/home>

Pensioner Concessions

If you are an eligible pensioner you may be entitled to a rebate on your water/sewerage charges where applicable. An eligible pensioner must hold a Pension Card, State Concession Card or Department of Veterans' Affairs (DVA) Gold Card (TPI, EDA, WW). You must also be responsible for the payment of rates on the property for which you are claiming a concession.

The State Government administers applications. Payment should not be withheld pending assessment of an application by the State Government, as penalties apply to unpaid rates. A

refund of charges will be paid to an eligible pensioner if Council is advised that a concession applies and the charges have already been paid.

For further information, contact the Concessions Hotline on 1800 307 758.

Unemployed Persons Concessions

Department of Families and Communities (DFC) may assist with the payment of Council rates for your principal place of residence (remissions are not available on vacant land or rental premises). Ratepayers need to contact the Department for Families and Communities office for details.

For further information, contact the Concessions Hotline on 1800 307 758.

Self Funded Retirees Concessions

The State Government administers concessions. If a person is a self-funded retiree and currently holds a State Seniors Card they may be eligible for the cost of living concession.

For further information, contact the Concessions Hotline on 1800 307 758.

Remission and Postponement of Rates

Section 182 of the Local Government Act and the Essential Services Commission of South Australia permit the Council, on the application of the ratepayer, to partially or wholly remit rates or to postpone rates and to partially or wholly remit or to postpone the service charge for CWMS services, on the basis of hardship. Where a ratepayer is suffering hardship in paying rates he/she is invited to contact the Council office to discuss the matter. The Council treats such inquiries confidentially.

Postponement of Rates for Seniors

Ratepayers who hold a State Seniors Card are now able to apply to Council to postpone payment of Council rates on their principal place of residence.

To be eligible for postponement of rates the applicants need to satisfy the following criteria:

- a State Seniors Card holder (or have applied for the card); and
- the property is the principal place of residence (where you live most of the time); and
- no other person, other than the applicant's spouse, has an interest as an owner of the property.

A minimum amount of \$500 of the annual rates must be paid.

The interest rate which will apply to the amount of rates postponed is prescribed in the Local Government Act (SA) 1999, Section 182A(12). Interest will be charged and compounded monthly on the total amount postponed, until the debt is paid.

The accrued debt including interest is payable at the time of disposal or sale of the property. However, there is an option for the payment of all or any part of the debt at an earlier time.

Payment of Rates

Council rates will be payable by quarterly instalments falling due on 1 September 2016, 1 December 2016, 1 March 2017 and 1 June 2017. The total outstanding balance of rates may be paid in full at any time.

Council rates may be paid:

- In person at any Post Office
- In person at the principal office of Council in Kadina
- By telephone at the ratepayers participating bank, credit union or building society using B-Pay
- By Post Billpay service
- By mail (by cheque or by credit card details advised on the Rate Account remittance advice).

(Methods of payment details are outlined on the reverse of the rates notice)

In addition, regular pre payments of Council Rates are allowed at any time and can be made at the principal Council office, via Bpay and via Australia Post.

Any ratepayer who may, or is likely to, experience difficulty with meeting the standard arrangements should contact the Rates Officer on 8828 1200 to discuss alternative payment arrangements. Such enquiries are treated confidentially by the Council.

Late Payment of Rates

The Council has determined that penalties for late payments will be imposed in accordance with the provisions of Section 181(8) of the Local Government Act 1999 and relevant Council procedures.

Late payment fines are levied in accordance with the provisions of Section 181(8) of the Act. These provisions are the only provisions available to the Council to ensure that all ratepayers pay promptly.

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, and
- b) a fine of two (2) percent of the amount of the instalment is payable, and
- 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 but excluding interest from any previous month) accrues.”

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

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

When the Council receives a payment in respect of overdue rates, the 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).

Recovery of Rates

In accordance with sound financial management principles, the Rates Officer will apply prudent debt management practices to Rate Debtors. This includes an ongoing review of rates in arrears and following a systematic debt recovery approach.

Rates, which remain in arrears for a period exceeding 30 days, will be subject to recovery action in accordance with the Councils normal debt recovery procedures.

Sale of Land for Non-payment of Rates

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. The 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 (1) month. Except in extraordinary circumstances, the Council will enforce the sale of land for arrears of rates.