



Rating Policy

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Responsibility	Financial Sustainability
Version Number	3.0
Effective Date	May 2022
Last Revised Date	April 2026
Minute Book Reference	C2671
Next Review Date	May 2027
Applicable Legislation	Local Government Act 1999 (Sections 152, 158, 158(2)(bb), 159-166 & 182) Landscape South Australia Act 2019 Valuation of Land Act 1971
Related Policies / Procedures	Financial Hardship Policy General Ledger Information Policy Discretionary Rebates of Rates Procedure Rate Rebate Application Form
Related Strategic Documents	DCY Strategic Community Plan: VISION 2030
DCY Strategic Community Plan: VISION 2030	6. Our Leadership Priority 6a Our organisation operates effectively to meet the needs of the community, proactively reducing debt and ensure long-term financial sustainability. Initiative 6.6.3 Secure Council's long-term financial sustainability by managing Council operations effectively to maximise community value, seek new revenue opportunities and managing expenses responsibly to continue delivering high-quality services within the community's financial capacity.

1. Objective

- 1.1. This document sets out the policy of the District Council of Yankalilla for the determination of setting and collection of rates annually as well as Discretionary Rebates of Rates and Financial Hardship considerations.

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2. Scope

This policy applies to all rateable properties in the District Council of Yankalilla.

2.1. Strategic Focus

In determining a suitable Rating Policy, Council has taken into consideration:

- Strategic Community Plan: VISION 2030
- Council's Long Term Financial Plan
- Council's Annual Business Plan and Budget
- Council's Treasury Management Policy
- Required funding for future Asset Replacement (Infrastructure and Asset Management Plan)
- The current economic climate of our Council and its district
- The specific issues faced by our community
- The impact of general rate increases upon our community, either generally or for specific classes of the community
- The impact of rates on our community and the need to balance our community's capacity to pay with the needs and desires of the wider interests that form our community
- Local Government advice from Essential Services Commission of South Australia (ESCOSA)

There will continue to be economic pressures applying to the Council in several ways that will have an impact on the Council's budget and as a result will place pressure on rates.

3. Definition

3.1. For the purpose of this policy:

"Act" means Local Government Act 1999

"Council" means District Council of Yankalilla

"District" means District Council of Yankalilla

"Valuer General" means Office of the Valuer-General in South Australia

4. Policy Statement

4.1. Rates are a system of taxation on the community for local government to deliver goods and services needed by the community.

4.2. Council considers the following impacts of rates in the Council area in annual setting of rates:

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- The equity of the distribution of the rate burden.
- Council's policy on encouraging local economic development.
- Current economic conditions.
- Changes in the valuation for the year based on the general valuation assessment.

4.3. Council recognises that ratepayers may experience difficulty in paying their rates and this policy provides guidance on the Discretionary Rebates of Rates and Financial Hardship.

5. Policy

5.1. Method Used to Value Land

Council may adopt one of two valuation methodologies for properties in its area:

- Capital Value – the value of the land and all of the improvements on the land.
- Annual Value – a valuation based on the rental value of the property

5.2. District Council of Yankalilla uses Capital Value as the basis for rating land within the Council area. The Council considers that this method of valuing land provides the fairest distribution of the rate burden across all ratepayers, as property value is a reasonable indicator of both income and capital value. Capital value closely approximates market value and is therefore considered the most appropriate measure of overall property value.

5.3. Council uses the services of the South Australian Valuer-General to establish the value and category of land within the Council area for rating purposes.

5.4. Adoption of Valuations

- 5.4.1. District Council of Yankalilla adopts the most recent valuations made by The Office of the Valuer General – Section 167 of the *Local Government Act 1999 (the Act)* on an annual basis.
- 5.4.2. Where a property has successfully applied for notional value for rating purposes, the Valuer-General supplies that notional value to Council as the property's Capital Value.

5.5. Objection to Valuation

- 5.5.1. If a ratepayer is dissatisfied with the valuation made by the Valuer-General then they may object to the Valuer-General in writing, within 60 days after the date of service of this notice of the valuation, explaining the basis of the objection – but note:

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- a) if the ratepayer has previously received a notice of this valuation under the *Act* informing them of a 60-day objection period, the objection period is 60 days after service of the first such notice;
- b) this 60-day objection period may be extended by the Valuer-General where it can be shown there is reasonable cause;
- c) a ratepayer may not object to the valuation if the Valuer General has already considered an objection by you to that valuation.

5.5.2. The Valuer-General provides the ability to object in writing. Information on this process can be found on the Office of the Valuer-General website:
<https://www.valuergeneral.sa.gov.au>

Additional contact details for the Office of the Valuer-General are supplied below:

Office of the Valuer-General
GPO Box 1354
ADELAIDE SA 5001
Email: OVGobjections@sa.gov.au
Telephone: 1300 653 346

5.5.3. Please note that Council has no role in this process. It is important to be aware that the lodgement of an objection does not change the due date for payment of rates and charges.

5.6. Notional Values

- 5.6.1. The *Valuation of Land Act 1971* allows the Valuer-General to determine Notional Valuations for Capital Value in certain cases where the criteria for their determination has been met.
- 5.6.2. Notional Values are best described as concessional values that have regard to the actual use of the land, rather than the more valuable best potential use of the land that would otherwise be considered in determining the Capital Value.
- 5.6.3. Application by the ratepayer for a notional value must be made to the Office of the Valuer- General.

5.7. Council's Revenue Raising Powers

- 5.7.1. All land within a Council area, except for land specifically exempt, is rateable. The *Act* provides for a Council to raise revenue through a general rate, which applies to all rateable properties, or differential general rates, which apply to different classes of properties. Council can raise separate rates, for specific areas of the Council or service rates or charges for specific services.

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5.8. Differential General Rates

5.8.1. Council has declared differential general rates in the dollar according to the use of the land.

5.8.2. The categories of land use are defined by the Local Government (General) Regulations 1999:

1. Residential
2. Commercial – Shop
3. Commercial – Office
4. Commercial – Other
5. Industry – Light
6. Industry – Other
7. Primary Production
8. Vacant Land
9. Other

5.8.3. Council's rationale for differential rates is to provide consideration to:

- Ability to pay;
- Potential income taxation deductions;
- Materially heavier/lighter use of services by ratepayers/employees/customers/suppliers; and,
- Provide a disincentive to withholding land from development.

5.8.4. If a ratepayer believes the land use applied to the property is incorrect, an objection may be lodged in writing to Council outlining the grounds upon which the objection is based. Objections must be submitted to Council within 60 days of receiving the rates notice.

5.9. Minimum Rate

5.9.1. Council does not use the minimum rate provisions, instead Council uses the combination of fixed charge and valuation-based rating.

5.10. Fixed Charge

5.10.1. Section 152 of the Act provides for a fixed charge component of rates and establishes a limit of 50% of a council's rate revenue to be generated from a fixed charge.

5.10.2. To the extent that many (though not all) Council services are provided and available relatively uniformly to all ratepayers, and that property values vary because of a range of factors (not just the relative extent of Council services) the Council considers it is equitable, from the perspective of the benefit principle, to share the costs of services by way of a uniform fixed charge, set at an appropriate level.

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5.10.3. Accordingly, to appropriately balance both the benefit principle and the capacity to pay principle, the Council's policy is to limit the amount collected by a fixed charge to maintain an appropriate weighting between capacity to pay and benefits received, whilst recognising that not all properties contribute to a fixed charge due to legislative constraints (including properties which are adjoining, part of a single farm enterprise or a marina berth (where applicable)).

5.11. Contiguous Vacant Land

5.11.1. Where two or more adjoining properties have the same owner and occupier, only one fixed charge is payable by the ratepayer.

5.11.2. A fixed charge is not applicable to marina berth properties in accordance with the Act.

5.11.3. The amount of the fixed charge is indicated on the rates notice where applicable.

5.12. Single Farm Enterprise

5.12.1. A Single Farm Enterprise (SFE) is defined in Section 152 of the Act.

A reference to a single farm enterprise is a reference to two or more pieces of rateable land -

(i) which -

(A) are farm land; and

(B) are farmed as a single enterprise; and

(C) are occupied by the same person or persons, whether or not the pieces of land are contiguous; or

(ii) which -

(A) as to all the pieces except one, are farm land farmed as a single enterprise occupied by the same person or persons; and

(B) as to one piece contiguous with at least one of the other pieces, is the principal place of residence of that person or one of those persons.

5.12.2. Pursuant to Section 152(2)(d) of the Act only one fixed charge applies to a single farm enterprise.

5.12.3. The 'SFE' provisions in the Act apply only in respect to land within the area of a single council.

5.12.4. Property owners wishing to apply for SFE Status must lodge an application to Council, via the prescribed form available on Council's website prior to 30 June of the year preceding the issue of the rates notice. Status will not be applied retrospectively.

5.12.5. Existing SFE's that have applied to Council in preceding financial years will not need to reapply, unless requested to do so by Council.

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5.13. Landscape Levy

- 5.13.1. The Landscape levy is paid by all ratepayers across South Australia – recognising that all landowners are responsible for sustaining and managing our state's landscapes for the benefit of all community members.
- 5.13.2. Landscape levies are raised by the Hills and Fleurieu Landscape Board to fund projects and programs to enable landholders, industry and the community to be directly responsible for sustainably managing their region's landscapes with an emphasis on land and water management, biodiversity and pest animal and plant control.
- 5.13.3. Just like Council rates, in the Hills and Fleurieu Region, Landscape Levy contributions are calculated on the value of your land and are then charged annually through your Council rates. Council collects the levy in its area on behalf of your Landscape Levy Board as is required under the *Landscape South Australia Act 2019*, but only acts as a revenue collector and does not retain any levy income.
- 5.13.4. For further information about how your Landscape Levy is working for you and your local environment, visit <https://www.landscape.sa.gov.au/>

5.14. Separate Rates and Service Charges – Waste Charge

- 5.14.1. Section 155 of the *Act* allows a Council to impose a service charge within its area for a prescribed service.
- 5.14.2. In order to recover the cost to Council of establishing and maintaining a food organics green organics (FOGO), Municipal Solid Waste (MSW) and recycling service in its area, a service charge will apply to all households, businesses and occupancies that receive or are capable of receiving a service, with the exception of vacant land.
- 5.14.3. The Waste Service Charge is set to recover the cost of providing waste collection, processing and disposal services, and is applied in accordance with the principles of user-pays and cost recovery.
- 5.14.4. Council provides different levels of waste service depending on location. As such, the Waste Service Charge is structured as follows:
- **Two-stream service:** applies to properties receiving MSW and Recycling.
 - **Three-stream service:** applies to properties receiving MSW, Recycling, and FOGO.
- 5.14.5. The applicable charge for each service type is determined annually as part of Council's Annual Business Plan and Budget and reflects the differing costs associated with each level of service.
- 5.14.6. Where a service is not provided directly to a property and cannot be accessed from that property, Council cannot impose a charge unless permitted under legislation.

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5.14.7. In accordance with *Local Government (General) Regulations 2013* – Regulation 13(2), Council may apply a charge for waste services where the service is not provided at the property but is instead accessed via a Bin Bank facility. In these cases, the charge is reduced based on the distance from the property's access point to the nearest Bin Bank, as follows:

- Less than 500 metres: 100% of the charge applies
- 500 metres to less than 2 kilometres: 75% of the charge applies
- 2 kilometres to less than 5 kilometres: 50% of the charge applies
- Greater than 5 kilometres: No charge applies

5.14.8. A rate rebate will not be available for the waste service charge.

5.15. Rate Capping

5.15.1. Where a property experiences a significant increase in rates payable, Council may apply a capping rebate to limit the impact on general rates in accordance with Section 166(1)(l) of the *Act*.

5.15.2. The capping rebate may be applied on any of the land use categories:

1. Residential
2. Commercial – Shop
3. Commercial – Office
4. Commercial – Other
5. Industry – Light
6. Industry – Other
7. Primary Production
8. Vacant Land
9. Other

5.15.3. The level of rate capping, if applied, is determined annually by Council as part of the Annual Business Plan and Budget process when setting rates for the financial year.

5.15.4. The percentage (%) of rate capping set is generally dependant on the overall movement in property valuations in any given year and will be determined by resolution of Council.

5.15.5. This percentage will determine the maximum amount payable in the given financial year when compared to the previous general rates payable.

5.16. Primary Production Rebate

5.16.1. Council recognises the value of primary production to our region's economy and encourages the continuation of farming in this District.

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5.16.2. Council may offer a Primary Production Rebate set by resolution. Properties eligible to receive this rebate must:

- Have the Primary Production land use category
- Be greater than 35 hectares
- Not be owned by government bodies
- Not already be receiving discounted rates through the use of notional values

5.17. Rebates

5.17.1. Mandatory Rebates

5.17.1.1. Section 159-165 of the *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.

5.17.2. Discretionary Rebates

5.17.2.1. Discretionary rebates may be applied by the Council under Section 166 of the *Act*. It is the policy of the District Council of Yankalilla that a rebate of rates in respect of any rateable land in the Council area will be available only when the applicant satisfies the requirements under the *Act*.

5.17.2.2. Council has absolute discretion to grant a rebate of rates or services in line with the cases as outlined within Section 166 of the *Act*; and to determine the amount of any such rebate.

5.17.2.3. Should an applicant not specify a requested rebate amount, Council will use a discretionary amount of 75%.

5.17.2.4. For information on applying for a Discretionary Rebate, please refer to the Discretionary Rate Rebate Procedure available on Council's website.

5.17.3. Rebates are not applicable for the waste service charge.

5.17.4. All applications for mandatory or discretionary rebates must be submitted on the relevant prescribed form (available on Council's website) within 60 days of receipt of the Annual Rates Notice and be addressed to the Chief Executive Officer, District Council Yankalilla via email at council@yankalilla.sa.gov.au or post at PO Box 9, Yankalilla SA 5203

5.18. Remission and Postponement of Rates

5.18.1. Section 182 of the *Act* permits Council, on application of the ratepayer, to partially or wholly remit rates or to postpone rates on the basis of hardship.

5.18.2. Financial Hardship – Persons experiencing genuine financial hardship may seek assistance from Council where hardship can be substantiated by Certified Financial

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Counsellors. Enquiries can be directed to Council by phone 8558 0200 or email council@yankalilla.sa.gov.au. For information on applying for a remission or postponement based on Financial Hardship, please refer to the Council's Financial Hardship Policy available on Council's website.

5.18.3. All enquiries are treated confidentially.

5.19. Postponement of Rates - Seniors

5.19.1. Section 182A of the *Act* ensures ratepayers who hold a State Seniors card (or who are eligible to hold a State Seniors card and have applied for one) are able to apply to Council to postpone payment of a prescribed proportion of rates on their principal place of residence.

5.19.2. Prescribed interest will be charged and compounded monthly on the total amount postponed, until the debt is paid.

5.19.3. Postponed rates remain as a charge on the land and are not required to be repaid until the property is sold or disposed of.

5.19.4. All applications for Seniors Postponement must be submitted on the relevant prescribed form (available on Council's website), addressed to the Chief Executive Officer, District Council Yankalilla via email at council@yankalilla.sa.gov.au or post at PO Box 9, Yankalilla SA 5203

5.20. Concessions

5.20.1. Eligible Pensioners, Low Income Earners and Self-Funded Retirees may be entitled to a cost-of-living concession (COLS). The cost-of-living concession helps those on low or fixed incomes with their cost-of-living expenses, whether that be electricity, gas, water bills or council rates.

5.20.2. Eligibility is based on living arrangements as at 1 July each year. Applications for the each financial year can be submitted by contacting ConcessionsSA on the Concession Hotline on 1800 307 758 or concessions@sa.gov.au or go to www.sa.gov.au/topics/care-and-support/concessions/household-concessions/cost-of-living-concessions

5.20.3. Please note that Council has no role in this process and that applications are administered by the State Government. Payment of rates must not be withheld pending assessment of an application by the State Government as penalties apply to unpaid rates.

5.21. Payment of Rates

5.21.1. In accordance with the provisions of the *Act* Council provides the opportunity for all ratepayers to pay rates in quarterly instalments, due in the months of September, December, March and June of each year.

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- 5.21.2. The quarterly instalments are of equal or approximately equal value and Council will forward a rate notice at least 30 days prior to the instalment payment being due.
- 5.21.3. Council will accept payment of rates in full in advance.
- 5.21.4. Rates may be paid in a variety of ways determined annually by the Council. Payment methods are listed on rate notices.
- 5.21.5. Any ratepayer who may, or is likely to, experience difficulty with meeting the standard payment arrangements is invited to contact the Council Office by phoning 8558 0200, or by emailing council@yankalilla.sa.gov.au to discuss alternative payment arrangements. Such enquiries are treated confidentially by Council.

5.22. Overpayment of Rates

- 5.22.1. Council will not pay interest on any voluntary overpayment of rates and will not refund any amount unless requested in writing by the ratepayer.
- 5.22.2. Council may review the balance of rates on each property and if rates have been overpaid, a refund payment may be processed to the ratepayer. Any refunds will be paid by Electronic Funds Transfer. Please note where Council does not receive a request for a refund, the overpayment will be applied to future rates.

5.23. Late Payment of Rates

- 5.23.1. The *Act* provides that councils impose an initial penalty of 2% on any rate instalment not paid on or before the due date.
- 5.23.2. Upon the expiration of each month after the date the instalment first becomes due an additional interest charge of a prescribed amount will be calculated on the outstanding amount, including any interest that has previously been levied.
- 5.23.3. Council is prepared to consider remitting penalties for late payment of rates where ratepayers can demonstrate extenuating circumstances and apply in writing.
- 5.23.4. Should the rates remain unpaid for more than 21 days after the due date then Council may refer the debt to a debt collection agency for collection.
- 5.23.5. Council may recover all reasonable costs associated with the collection of outstanding rates, including legal costs and debt recovery agency fees. These costs may be recovered where awarded by a court, under a payment arrangement, or in accordance with Section 184 of the *Act*.
- 5.23.6. When Council receives a payment in respect of overdue rates Council applies the money received, in accordance with the *Act* as follows:

First - to satisfy any costs awarded to, or recoverable by, the Council in proceedings to recover rates.

Second - to satisfy any interest costs

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Third - in payment of any fines imposed

Fourth - in payment of rates in chronological order (starting with the oldest account first)

5.24. Payment Arrangements

5.24.1. While Council rates are automatically divided and payable in quarterly instalments, Council understands that some ratepayers may prefer or need to pay their council rates in smaller and more regular payments throughout the year.

5.24.2. Payment arrangements and due date extensions can be negotiated with ratepayers who may be experiencing financial difficulties or need to set up weekly/fortnightly/monthly payments. Fines and interest exemptions may be applicable where the request is received prior to the due date.

5.24.3. Any ratepayer who is experiencing difficulties in paying rates is encouraged to Council on 08 8558 0200 or email at council@yankalilla.sa.gov.au to discuss a short-term arrangement.

5.25. Non-Payment of Rates

5.25.1. The Act provides that a council may sell land where rates have been in arrears for three years or more. The council must give written notice to the principal ratepayer and the owner (if different), setting out the outstanding amounts and advising of its intention to sell the land if payment is not received within one month (or such longer period as the council may allow).

5.26. Changes to Assessment Records

5.26.1. All changes to the postal address of ratepayer/owner, changes of ownership of a property and changes to ratepayer/owner name must be notified promptly to Council in writing.

6. Further Information

This policy will be available for inspection at the Council office listed below during ordinary business hours and provided to interested parties as per Council's Fees and Charges Register. Copies are available to be downloaded, free of charge, from Council's website: www.yankalilla.sa.gov.au/policies

District Council of Yankalilla
1 Charles Street
Yankalilla 5203

Phone: (08) 8558 0200

Email: council@yankalilla.sa.gov.au

Office hours: Monday to Friday, 9.00am to 5.00pm (except public holidays)

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7. Grievances

Any grievances in relation to this policy or its application should be forwarded in writing addressed to the Chief Executive Officer of Council.

8. Review Cycle

This document is subject to review annually in line with the Annual Business Plan and Budget and legislative requirements.

9. Document History

Date	Version	Council Resolution No.	Description of changes
21/06/2022	1.0	C22113	Adoption of Policy – New Policy, replaced previous Strategic Rating Policy
April 2024	2.0	C24105	Review of Policy. Amendments to sections 5.15 & 5.16 Additional applicable legislation noted. Updated related documents
April 2026	3.0	A2640 C2671	Review of Policy Updated to include references to Fixed Charge and Waste Charge. Removal of Wirrina Water Supply Charge Additional comments regarding postponement applications & SFE applications Updated Valuer-General Information relating to Value Objections Amended review cycle to Annually in line with legislation Updated template in line with policy suite and including Strategic Plan References

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