

FS.10APPENDIX 11 - RATES AND CHARGES
RATES AND CHARGES - GENERAL

Division:	corporate services	Date Adopted:	
Section:	finance	Date Last Changed:	
File Ref:	7698.02	Last Review Date:	June 1997

POLICY STATEMENT

To ensure that all properties in the local government area are rated correctly and in accordance with the Local Government Act 1993 and the Local Government (Rates and Charges) Regulation 1993 and that equitable and objective consideration is given to individual ratepayers' circumstances.

RELATED LEGISLATION, POLICIES AND PROCEDURES

Local Government Act 1993
 Local Government (Rates and Charges) Regulation 1993
 Debt Recovery Policy (FS.5)
 Rates and Charges – Pensioners Policy (FS.11)
 Marrickville Council Mayoral and Staff Delegations

POLICY STATEMENT

1. Categorisation of Land

NOTE:	The initial categorisation of land was declared in association with the issue of the 1994 Rate Notice.
--------------	--

1.1. Council will categorise land according to dominant use and centre of activity in the following categories and sub-categories:

Residential
 Business – General
 Business – Industrial, Marrickville
 Business – Industrial, St Peters South
 Business – Industrial, St Peters North
 Business – Industrial, Camperdown

1.2. Council will only review declarations of categories under section 523 of the Act when:

- It has reason to believe that a parcel of land should be differently categorised; or
- A person who is rateable in respect of a parcel of land applies for a review of the declaration of that parcel of land in accordance with section 525 of the Act in the form prescribed in Clause 6 of the Regulation.

1.3. A review of the categorisation will only be determined after a site inspection.

- 1.4. If it is determined that the categorisation should change, the new categorisation is to be declared from the earlier of the date of the site inspection or the date the application under section 525 of the Act is received, with the following exception:
 - If the rateable person has failed to notify Council of a change in category as required under section 524 of the Act, the new category will be declared from the latter of the date of the change in use or the beginning of the rating year in which the declaration is made.
- 1.5. If a different category is declared, the Rates payable on the subject property will be adjusted on a pro-rata basis from the date of declaration.
2. Aggregation of parcels of land or land values of parcels of land
 - 2.1. Council will not aggregate parcels of land under the provisions of section 531B of the Act.
 - 2.2. Council will not aggregate land values of parcels of land under the provisions of section 548A of the Act.
3. Levying of Rates

Council will levy its rates as soon as practicable after 1 July each year.
4. Exemption from Rates

Council will determine applications for exemption from rates in accordance with sections 555 and 556 of the Act and, if an exemption applies, it is to be applied on a pro-rata basis from the date of the application.
5. Discount for prompt payment in full

Council will not discount the amount of a rate for prompt payment in full.
6. Accrual of Interest on outstanding Rates and Charges

Council will charge interest in accordance with section 566 of the Act, calculated daily on a simple basis applying the maximum rate specified by the Minister from time to time.
7. Writing off of accrued interest
 - 7.1. Council will not write off or reduce interest under the provisions of section 564 of the Act except as provided for in its Rates and Charges - Pensioners Policy (FS.11)
 - 7.2. Council will only consider writing off accrued interest under the provisions of section 567 of the Act upon receipt of written application from the ratepayer and provision of sufficient documentation to allow the application to be determined.
 - 7.3. In relation to applications based on hardship, the documentation required is a full statement of financial position including all assets, liabilities, income and expenditure.

7.4. For the purposes of this Policy it will not be deemed to have been “beyond a person’s control” if:

- a. the person could have effected payment at any time between the service of the notice and its due date;
- b. the person could have made arrangements for another person to pay the account on their behalf; or
- c. the person has failed to give notice of a change of address or ownership prior to the service of the notice.

7.5. Irrespective of circumstances, accrued interest will not be written off under section 567 of the Act if:

- a. the person owns or has a beneficial interest in more than one property;
- b. the property is not the person’s sole or principal place of residence;
- c. the property has been temporarily let; or
- d. the person refuses to make written application and provide sufficient documentation to allow the application to be determined.

7.6. Any amounts so written off will be dealt with in accordance with the authority delegated to the General Manager.

8. Transfer of land in payment of Rates or Charges

Any application under the provisions of section 570 of the Act for the transfer of land in full satisfaction of rates, charges and interest accrued in respect of that land will be considered by Council upon recommendation from the Corporate Services Committee.

9. Hardship resulting from certain valuation changes

- 9.1 Council will only consider relief under the provisions of section 601 of the Act upon receipt of written application from the ratepayer and provision of sufficient documentation to allow the application to be determined.
- 9.2 The documentation required is a full statement of financial position including all assets, liabilities, income and expenditure.
- 9.3 The relief granted will be in the form of a deferral of the payment of the whole or part of the increase in the amount of the rate payable in accordance with Council’s Debt Recovery Policy (FS.5).

APPENDIX 13 - RATES VERSUS LAND VALUES TABLE

Residential Rates

Land Value	Annual 2014/15 rate	Annual 2015/16 rate with a 2.4 % IPART approved increase	IPART Approved Annual Increase @ 2.4%	IPART Approved Weekly Increase @ 2.4%	Proposed 5.4% rates	Proposed Annual Increase 5.4%	Proposed Weekly Increase@ 5.4%
up to \$287,900 (minimum)	\$604.89	\$619.41	\$14.52	\$0.28	\$637.55	\$32.66	\$0.63
\$300,000	\$630.31	\$645.44	\$15.13	\$0.29	\$664.35	\$34.04	\$0.65
\$400,000	\$840.42	\$860.59	\$20.17	\$0.39	\$885.80	\$45.38	\$0.87
\$500,000	\$1,050.52	\$1,075.73	\$25.21	\$0.48	\$1,107.25	\$56.73	\$1.09
\$750,000	\$1,575.78	\$1,613.60	\$37.82	\$0.73	\$1,660.87	\$85.09	\$1.64
\$1,000,000	\$2,101.04	\$2,151.46	\$50.42	\$0.97	\$2,214.50	\$113.46	\$2.18
\$2,000,000	\$4,202.08	\$4,302.93	\$100.85	\$1.94	\$4,428.99	\$226.91	\$4.36
\$5,000,000	\$10,505.20	\$10,757.32	\$252.12	\$4.85	\$11,072.48	\$567.28	\$10.91
\$10,000,000	\$21,010.40	\$21,514.65	\$504.25	\$9.70	\$22,144.96	\$1,134.56	\$21.82

Business General Rates

Land Value	Annual 2014/15 rate	Annual 2015/16 rate with a 2.4 % IPART approved increase	IPART Approved Annual Increase @ 2.4%	IPART Approved Weekly Increase @ 2.4%	Proposed 5.4% rates	Proposed Annual Increase 5.4%	Proposed Weekly Increase@ 5.4%
\$100,000	\$781.46	\$800.21	\$18.75	\$0.36	\$823.65	\$42.20	\$0.81
\$200,000	\$1,562.91	\$1,600.42	\$37.51	\$0.72	\$1,647.31	\$84.40	\$1.62
\$500,000	\$3,907.28	\$4,001.05	\$93.77	\$1.80	\$4,118.27	\$210.99	\$4.06
\$1,000,000	\$7,814.55	\$8,002.10	\$187.55	\$3.61	\$8,236.54	\$421.99	\$8.12
\$2,000,000	\$15,629.10	\$16,004.20	\$375.10	\$7.21	\$16,473.07	\$843.97	\$16.23
\$5,000,000	\$39,072.75	\$40,010.50	\$937.75	\$18.03	\$41,182.68	\$2,109.93	\$40.58
\$10,000,000	\$78,145.50	\$80,020.99	\$1,875.49	\$36.07	\$82,365.36	\$4,219.86	\$81.15
\$20,000,000	\$156,291.00	\$160,041.98	\$3,750.98	\$72.13	\$164,730.71	\$8,439.71	\$162.30
\$50,000,000	\$390,727.50	\$400,104.96	\$9,377.46	\$180.34	\$411,826.79	\$21,099.29	\$405.76

APPENDIX 14 -AVERAGE RATES COMPARISON TABLE

AVERAGE RATES COMPARISON - 3% SRV (Permanent)

	2014/15		2015/16		2016/17		2017/18		2018/19		2019/20		2020/21	
	Residential	Business	Residential	Business	Residential	Business	Residential	Business	Residential	Business	Residential	Business	Residential	Business
Leichhardt	\$1,196	\$7,081	\$1,232	\$7,294	\$1,269	\$7,512	\$1,307	\$7,738	\$1,346	\$7,970	\$1,386	\$8,209	\$1,428	\$8,455
Burwood	\$1,102	\$5,759	\$1,174	\$6,134	\$1,256	\$6,563	\$1,351	\$7,055	\$1,391	\$7,267	\$1,433	\$7,485	\$1,476	\$7,709
Ashfield	\$1,063	\$4,751	\$1,095	\$4,893	\$1,128	\$5,040	\$1,161	\$5,191	\$1,196	\$5,347	\$1,232	\$5,507	\$1,269	\$5,673
Canterbury	\$1,026	\$4,502	\$1,102	\$4,840	\$1,185	\$5,203	\$1,221	\$5,359	\$1,257	\$5,520	\$1,295	\$5,685	\$1,334	\$5,856
Strathfield	\$873	\$4,855	\$899	\$5,001	\$926	\$5,151	\$954	\$5,305	\$982	\$5,465	\$1,012	\$5,628	\$1,042	\$5,797
Marrickville	\$857	\$5,605	\$904	\$5,908	\$931	\$6,085	\$959	\$6,267	\$987	\$6,455	\$1,017	\$6,649	\$1,012	\$6,617

Notes:
In 2020/21 Marrickville Council's 3.5% Aquatic Facilities Levy ceases.
Assumed IPART increase of 3.0% from 2016/17 onwards.

FS.5

APPENDIX 16 - DEBT RECOVERY POLICY

DEBT RECOVERY

Division:	corporate services	Date Adopted:	
Section:	finance	Date Last Changed:	
File Ref:	7680.02	Last Review Date:	June 1996

POLICY STATEMENT

The objective of this policy is to ensure that money owed to Council is received as soon as possible through efficient and effective debt recovery procedures.

RELATED LEGISLATION, POLICIES AND PROCEDURES

Local Government Act 1993.
Civil Claims Act.
Pensioner Policy.
Debt Recovery Procedures.

POLICY STATEMENT

1. Amounts owing to Council are to be collected in a timely manner and in accordance with statutory provisions.
2. Any application from a debtor to pay a debt by instalments will be considered under delegated authority, using the following criteria:-
 - a) The debtor is able to show cause as to why the debt cannot be paid in full.
 - b) The maximum period for re-payment of the debt by instalments is to be within twelve (12) months.
3. Arrangements with payment of the debt beyond twelve (12) months can only be entered into in exceptional circumstances and approved by the Director, Corporate Services.
4. Where a debtor who has made an arrangement to pay the outstanding debt by instalments is having difficulty meeting the repayments and requests Council to be more lenient in respect of the instalment amount possible, and the Director, Corporate Services is of the view that the lower repayment amount is insufficient, the matter is to be reported to Council.
5. Legal action is to be commenced in accordance with debt recovery procedures following the expiration of fourteen (14) days notice of intent to commence such action by Council if the debt is not paid or suitable arrangements to pay the debt are not made.
6. A report providing a list of debtors is to be presented to Council at the end of each quarter in respect of those debtors with outstanding amounts owing over \$15,000.00 and those debts which have been outstanding for greater than five (5) years. The report is also to contain details of the action which has been taken by Council to recover those debts.
7. The General Manager is authorised to write off debts up to and including \$10,000. Amounts above this are to be submitted to Council.

APPENDIX 17 - PENSIONER POLICY

FS.11**RATES AND CHARGES - PENSIONERS**

Division:	corporate services	Date Adopted:	
Section:	finance	Date Last Changed:	
File Ref:	7700.02	Last Review Date:	June 1997

POLICY STATEMENT

To ensure that pensioners receive appropriate entitlements under the Local Government Act and are treated with sensitivity, respect and dignity when recovery action is being taken.

RELATED LEGISLATION, POLICIES AND PROCEDURES

Local Government Act 1993
 Local Government (Rates and Charges) Regulation 1993
 Debt Recovery Policy (FS.5)
 Rates and Charges – General Policy (FS.10)
 Marrickville Council Mayoral and Staff Delegations

POLICY STATEMENT**1. Reductions in rates or charges for eligible pensioners**

- 1.1 Council will reduce the rate or charge for which an eligible pensioner is liable in accordance with section 575(1) of the Local Government Act.
- 1.2 The amount of the reduction is to be to the full extent provided for under the provisions of section 575 of the Act up to the amount prescribed by the Regulations from time to time.
- 1.3 An eligible pensioner who is a life tenant is entitled to a rebate in accordance with this Policy subject to submission of proof of life tenancy and liability to pay the Rates and Charges in respect of the property.

2. Extension of concession to avoid hardship

- 2.1 Council will issue an order in the circumstances provided by section 577 of the Act if it is considered proper to do so to avoid hardship.
- 2.2 Application is to be made in writing on the form prescribed by the Department of Local Government from time to time, together with sufficient documentation to allow the application to be determined.
- 2.3 Irrespective of circumstances, extension of concessions will not be granted under section 577 if:
 - a. the person owns or has a beneficial interest in more than one property;
 - b. the property is not the person's sole or principal place of residence;
 - c. the property has been temporarily let; or
 - d. the person refuses to make written application on the prescribed form and to provide sufficient documentation to allow the application to be determined.

FS.11**RATES AND CHARGES - PENSIONERS**

Division:	corporate services	Date Adopted:	
Section:	finance	Date Last Changed:	
File Ref:	7700.02	Last Review Date:	June 1997

- 2.4 An order under section 577 of the Act will take effect during the financial year in which the application is made from the date the other jointly liable person became entitled to a reduction under section 575 of the Act.
- 2.5 An order under section 577 is to be reviewed annually.
- 2.6 Applications for an extension of concession are to be made within the time prescribed by the regulations or, in the absence of such a regulation, at any time of year subject to the effect of any order arising out of the application being determined in accordance with paragraph 2.4 of this Policy.
- 2.7 Council will only grant concessions up to the amount prescribed by the Regulations from time to time.

3. Social Security Act 1991

Council will not waive or reduce rates, charges and interest due by any person who is in receipt of a pension, benefit or allowance under the Social Security Act 1991 of the Commonwealth.

4. Debt Recovery

- 4.1 Council will accept an agreement for the periodical payment of rates and charges due by persons in receipt of an Age Pension or a Disability Pension under the provisions of section 564 of the Act and Council's Debt Recovery Policy (FS.5) and, provided it is adhered to and full settlement of outstanding rates and charges is effected, accrued interest will be written off.
- 4.2 Upon application, Council will allow rates and charges due by persons in receipt of an Age Pension or a Disability Pension to accrue and become a charge against the property and payable by the Estate upon the decease of the pensioner or upon the sale of the property, as the case may be.
- 4.3 To ensure that beneficiaries of an Estate do not gain a benefit under the provisions of paragraph 5.2 of this Policy at the expense of other ratepayers, Council will continue to calculate interest on the outstanding rates and charges in accordance with paragraph 6 of Council's Rates and Charges – General Policy.
- 4.4 Council will not proceed to summons any eligible pensioner part of the debt recovery process but will pursue all other avenues of collection and actively seek applications under paragraphs 4.1 and 4.2 of this Policy.