



**DISTRICT COUNCIL OF COOPER PEDY**

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## **Rating Policy**

**2005/2006**

**Adopted: 4 July 2005**

# District Council of Coober Pedy

## 2005/2006 Rating Policy

### INTRODUCTION

This document sets out the policy of the District Council of Coober Pedy for setting and collecting rates from its community. The policy covers:

- annual adoption of rating policy
- method used to value land
- adoption of valuations
- notional values
- business impact statement
- Council's revenue raising powers
- general rates
- separate rate
- service charges
- rate concessions
- state seniors card ratepayer (self funded retiree)
- pensioner concessions
- unemployed persons concessions
- payment of rates (quarterly instalments)
- late payment of rates
- remission and postponement of rates
- rebate of rates
- sale of land for non-payment of rates
- application of the policy
- disclaimer

### CONTACT DETAILS FOR FURTHER INFORMATION

Maria Daniell, Rates & Property Officer, Ph: 08 86 725 298, Fax 08 86 725 699, email: [mdaniell@cpcouncil.sa.gov.au](mailto:mdaniell@cpcouncil.sa.gov.au)

District Council of Coober Pedy  
Hutchison Street (PO Box 425)  
Coober Pedy SA 5723

### STRATEGIC FOCUS

In setting its rates for the 2005/2006 financial year the Council has considered the following:

- the content included in its current strategic plan, *The District Council of Coober Pedy Strategic Management Plans*, which was adopted on 17<sup>th</sup> June 2002. The strategic plan was developed following an extensive community consultation program;

- the Budget for the 2005/2006 financial year;
- the current economic climate and relevant factors such as inflation and interest rates, continued depressed employment prospects, the fluctuating nature of the opal mining and tourism industries;
- the specific issues faced by our community, which are:
  - ❑ the ongoing challenge of funding maintenance and renewal of Council's infrastructure assets, in particular the water pipeline;
  - ❑ Council's determination of the long-term electricity supply generation and distribution issues and subsequent financial implications;
  - ❑ some significant financial issues that Council will be seeking to address in determining their 2005/2006 budgets, including the unexpected recent Commonwealth cuts to the Roads to Recovery Program, anticipated increases in public liability insurance costs, and consolidation of Council's financial position following the significant unexpected expenditure associated with the electricity supply
  - ❑ the ongoing improvement of access to information technology and library facilities;
- the impact of rates on the community, including householders and businesses and the need to balance the community's capacity to pay with the needs and desires of the wider interests that form our community;
- for the 2005/2006 financial year the Council has decided to increase rates but limit the increase of the rate in the dollar to movements in the Consumer Price Index (2.4% - National), because this will provide the Council with sufficient additional revenue to meet cost increases and its desire to consolidate.

Some of the major initiatives in the 2005/2006 Budget and Financial Year include:

Initiative	Budget Allocation (\$)
Sealed Roads Expenditure – Halliday Place	41,000
Footpaths/Paving Expenditure – Hutchison Street	15,000
New Public Toilets	90,000
Sewerage Mains Extension	26,863
Roads to Recovery Expenditure	35,000
Purchase of Rubbish Compactor, Street Sweeper and Water Truck	208,000
Coober Pedy Miners Association Drilling Program	15,000
Tourism Marketing Expenses	15,000
Funding for 2006 Opal Festival	25,000
Contracted services of Environmental Health Officer	8,000
Completing construction of Dog Pound	5,000
Contribution towards OTPDO (Northern Regional Development Board)	15,000
Contribution towards employment of an Economic Development Officer	44,000
Sealed Road Resealing	26,000
Contribution to School/Community Library	18,570
School/Community Swimming Pool	92,000

The District Council of Coober Pedy Strategic Management Plans and the 2005/2006 Council Budget are available for inspection at:

District Council of Coober Pedy  
Council Offices  
Hutchison Street  
Coober Pedy SA 5723

The Council regularly conducts public consultation on a broad range of issues relating to the future directions of the area. These opportunities are always advertised in local papers. Ratepayers and other interested parties are welcome to attend. The Council also encourages feedback at anytime and such comments may be sent to:

Mr Trevor McLeod  
Chief Executive Officer  
District Council of Coober Pedy  
PO Box 425  
Coober Pedy SA 5723  
Email: [mcleodt@cpccouncil.sa.gov.au](mailto:mcleodt@cpccouncil.sa.gov.au)

## **ANNUAL ADOPTION OF THE RATING POLICY**

Section 171 of the Local Government Act 1999 requires a Council to prepare and adopt each year, in conjunction with setting the rates, a rates policy. The policy must be available at the principal office of the Council and a summary version must be distributed with the rates notice.

This policy is available for inspection at the location listed on Page 3.

## **METHOD USED TO VALUE LAND**

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

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

The Council has decided to 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 and capital value, which closely approximates the market value of a property and provides the best indicator of overall property value;
- the distribution of property values throughout the Council area is such that few residential ratepayers will pay significantly more than the average rate per property.

## **ADOPTION OF VALUATIONS**

The Council has adopted the valuations made by the Valuer-General for the 2005/2006 financial year. If a ratepayer is dissatisfied with the valuation made by the Valuer-General then the ratepayer may object to the Valuer-General in writing, within 60 days of receiving the Council's rate notice referencing the valuation, explaining the basis for the objection, provided they have not: (a) previously received a notice of this same valuation under the Local Government Act 1999, 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 address of the Office of the Valuer-General is:

Office of the Valuer-General  
 GPO Box 1354  
 ADELAIDE SA 5001  
 Email: [objections@saugov.sa.gov.au](mailto:objections@saugov.sa.gov.au)

and the telephone number is 1300 653 345. Please note that the Council has no role in this process. It is also important to note that the lodgement of an objection does not change the due date for the payment of rates.

## **NOTIONAL VALUES**

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

## **BUSINESS IMPACT STATEMENT**

The Council has considered the impact of rates on all businesses in the Council area. In considering the impact, Council assessed the following matters:

- Council's policy on facilitating local and regional economic development;
- Current local, state and national economic conditions and expected changes during the next financial year. The general economic climate is stable and appears likely to continue to be stable over the next twelve months. The major concern is the continued limited employment prospects for school leavers and other persons currently unemployed. The proposed mining development at Prominent Hill poses significant employment opportunities for both the skilled and unskilled labour markets. This should be a lot clearer in the next 18 months or so. The prospect is good for a continuation of a low rate of inflation and low interest rates;

- Changes in the valuation of commercial properties from the previous financial year. Generally, property values are relatively stable, with only a small increase in valuation in most cases;
- Specific Council projects for the coming year that will solely or principally benefit the business and mining industries – Council will be committed to providing funds to the Coober Pedy Miners Association for assistance with the drilling program, funding tourism marketing, providing funding towards the employment of an Outback Tourism Product Development Officer by the Northern Regional Development Board and the role of the Far North Economic Development Officer will incorporate strategies for enhancing the opal mining industry;
- Specific infrastructure maintenance and other relevant issues that will solely or principally benefit businesses in the Hutchison Street area.

## **COUNCIL’S REVENUE RAISING POWERS**

All land within a Council area, except for land specifically exempt (e.g. crown land, Council owned/occupied land and other land prescribed in the Local Government Act 1999 – refer Section 147 of the Act), is rateable. The Local Government Act provides for 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 apply to classes of properties. In addition, Council can raise separate rates, for specific areas of the Council or service rates or charges for specific services. 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. The list of applicable fees and charges is available at the location listed on Page 3.

## **GENERAL RATES**

The Council has decided to impose general rates on properties within its area for the financial year ending 30<sup>th</sup> June 2006 and that the rates will vary according to the use of the land. The land uses which have been used are as defined in Regulation 10 (2) of the Local Government (General) Regulations 1999 and are as follows, including the rate in the dollar for that particular land use:

Land Use 1	Residential	0.2861 cents in the dollar
Land Use 2	Commercial – shop	0.9850 cents in the dollar
Land Use 3	Commercial – office	0.9850 cents in the dollar
Land Use 4	Commercial – other	0.9850 cents in the dollar
Land Use 5	Industry – light	0.9850 cents in the dollar
Land Use 6	Industry – other	0.9850 cents in the dollar
Land Use 7	Primary Production	0.9850 cents in the dollar
Land Use 8	Vacant Land	0.1397 cents in the dollar

and Council, pursuant to Section 152 of the Local Government Act 1999, also declares that a fixed charge of \$ 280.00 will apply to all rateable properties.

At its meeting of 4<sup>th</sup> July 2005, the Council adopted the above rate model, raising rate revenue of \$784,319.95 in a total revenue budget of \$10,720,594.

## **SEPARATE RATE**

Pursuant to Section 154 of the Local Government Act 1999, Council has declared a separate rate in that part of the District Council of Coober Pedy within the “Defined Area” (as adopted in the Budget for 2005/2006) for the purposes of the Coober Pedy Sewerage Scheme. That rate shall be 0.4161 cents in the dollar of the capital value of the rateable land, with the exception of those properties that cannot be connected to the system.

## **SERVICE CHARGES**

Pursuant to Section 155 of the Local Government Act 1999, Council has declared a water service charge in the form of an access charge be set for the 2005/2006 financial year and that the access charge is to be included on the rate notice.

Access Charges have been determined as follows:

- |  |          |
|--|----------|
| • Vacant Land  | \$105.00 |
| • Residential  | \$130.00 |
| • Business with usage last year less than 300 kilolitres | \$260.00 |
| • Commercial with usage last year over 300 kilolitres    | \$520.00 |
| • Pensioner Concession (residential)                     | \$105.00 |

Furthermore Council has resolved that water usage charges will be as follows:

- |                                   |           |
|-----------------------------------|-----------|
| • Up to 50 kilolitres             | \$3.17/kl |
| • 50 kilolitres to 300 kilolitres | \$3.94/kl |
| • 300 kilolitres and over         | \$4.81/kl |

## **RATE CONCESSIONS**

The State Government, in providing equity across SA in this area, funds a range of concessions on Council rates. The concessions are administered by various State Agencies who determine eligibility and pay the concession directly to Council on behalf of the ratepayer. Concessions are available only on the principal place of residence.

Ratepayers who believe they are entitled to a concession should not withhold payment of rates pending assessment of an application by the State Government as penalties apply to overdue rates. A refund will be paid to an eligible person if Council is advised that a concession applies and the rates have already been paid.

## **STATE SENIORS CARD RATEPAYER (SELF FUNDED RETIREE)**

This new concession was introduced from 1<sup>st</sup> July 2001 and is administered by RevenueSA. If you are a self-funded retiree and currently hold a State Seniors Card you may be eligible for a concession toward Council rates. In the case of couples, both must qualify, or if only one holds a State Seniors Card, the other must not be in paid employment for more than 20 hours per week. If you have not received a concession on your rates notice or would like further information, please contact RevenueSA Call Centre on 1300 366 150 or email: [revsa@saugov.sa.gov.au](mailto:revsa@saugov.sa.gov.au) or [www.revenuesa.sa.gov.au](http://www.revenuesa.sa.gov.au)

## **PENSIONER CONCESSIONS**

An eligible pensioner may be entitled to a rebate on Council rates and water usage, where applicable. Application forms, which include information on the concessions, are available from the Council at the contact locations listed on the second page. They are also available from the SA Water Corporation and its District Offices or the Department of Human Services (Family & Youth Services). An eligible pensioner must hold a Pension Card, State Concession Card or be a T.P.I. Pensioner.

They must also be responsible for the payment of rates on the property for which they are claiming a concession. Concessions are available only on the principal place of residence.

Applications are administered by the State Government. Payment of rates should not be withheld pending assessment of an application by the State Government as penalties apply to unpaid rates. A refund of rates will be paid to an eligible pensioner if Council is advised that a concession applies and the rates have already been paid.

## **UNEMPLOYED PERSONS CONCESSIONS**

The Department of Human Services may assist with the payment of Council rates for your principal place of residence (remissions are not available on vacant land or rental premises). Please contact your nearest Department of Human Services (Family and Youth Services) office for details.

## **PAYMENT OF RATES**

Payment of rates will now be by way of four (4) equal (or approximately equal) instalments per year notwithstanding that any rate account can still be paid in full following the issue of the first instalment account.

Rate accounts (30 day accounts) will be issued in respect of the four payments with the due dates for each payment to be as follows:

1 <sup>st</sup> Payment	Friday 9 <sup>th</sup> September 20045
2 <sup>nd</sup> Payment	Friday 9 <sup>th</sup> December 2005
3 <sup>rd</sup> Payment	Friday 10 <sup>th</sup> March 2006
4 <sup>th</sup> Payment	Friday 9 <sup>th</sup> June 2006

Rates may be paid:

- In person, at the Council Offices during the hours of 8.30am to 5.00pm, Monday to Friday. EFTPOS facilities are available for payments.
- By post, to District Council of Coober Pedy, PO Box 425, Coober Pedy SA 5723
- By internet at <http://www.cooberpedy.sa.gov.au>

Any ratepayer who may, or is likely to, experience difficulty with meeting the standard payment arrangements is invited to contact Maria Daniell, Rates & Property Officer, on Ph: 08 86 725 298 to discuss alternative payment arrangements. Such inquiries are treated confidentially by the Council.

The Council has adopted a policy that where the payment of rates will cause a ratepayer demonstrable hardship, the Council is prepared to make available extended payment arrangements.

### **LATE PAYMENT OF RATES**

The Local Government Act provides that Councils impose a penalty of a 2% fine on any payment for rates, whether instalment or otherwise, that is received late. A payment that continues to be late is then charged an interest rate, set each year according to a formula in the Act, for each month it continues to be late. The purpose of this penalty is to act as a genuine deterrent to ratepayers who might otherwise fail to pay their rates on time, to allow Councils to recover the administrative cost of following up unpaid rates and to cover any interest cost. The prescribed interest rate is not yet available and when advised the 2005/2006 Rating Policy will be re-presented to Council for adoption with the appropriate amendment. In the interim Council will continue to use the 2004/2005 prescribed interest rate of 9.25% per annum or 0.7708% per month.

The Council issues a final notice for payment of rates when rates are overdue i.e. unpaid by the due date. Should rates remain unpaid more than 21 days after the issue of the final notice then the Council refers the debt to a debt collection agency for collection. The debt collection agency charges collection fees that are recoverable from the ratepayer.

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).

### **REMISSION AND POSTPONEMENT OF RATES**

Section 182 of the Local Government Act permits the Council, on the application of a ratepayer, to partially or wholly remit rates or to postpone rates, on the basis of hardship. Where a ratepayer is suffering hardship in paying rates he/she is invited to contact Maria Daniell, Rates & Property Officer, on Ph: 08 86 725 298 to discuss the matter. Such inquiries are treated confidentially by the Council.

### **REBATE OF RATES**

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

Council (by Policy) has agreed to grant other specific rate rebates pursuant to the said Act.

Council's Rate Rebate Policy for the 2005/2006 financial year is available for inspection at the Council Offices during normal business hours.

## **SALE OF LAND FOR NON-PAYMENT OF RATES**

The Local Government Act provides that a Council may sell any property where the rates have been in arrears for three 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 month.

## **APPLICATION OF THE POLICY**

Where a ratepayer believes that the Council has failed to properly apply this policy it should raise the matter with the Council. In the first instance contact Maria Daniell, Rates & Property Officer on Ph: 08 86 725 298 to discuss the matter. If, after this initial contact, a ratepayer is still dissatisfied they should write to Mr Trevor McLeod, Chief Executive Officer, District Council of Coober Pedy, PO Box 425, Coober Pedy SA 5723, or email [mcleodt@cpcouncil.sa.gov.au](mailto:mcleodt@cpcouncil.sa.gov.au)

## **DISCLAIMER**

A rate cannot be challenged on the basis of non-compliance with this policy and must be paid in accordance with the required payment provisions.