



CONFIDENTIAL ORDINARY COUNCIL MEETING

Not retained in confidence

CONFIDENTIAL MATTERS**COMMITTEE REPORTS****Strategy and Services Committee***Matters which cannot be delegated to a Committee or Staff*

17.1 2024/25 Rate Rebates (Attachments) 5

Not retained in confidence

COMMITTEE REPORTS

STRATEGY AND SERVICES COMMITTEE

***Confidential Matters which
cannot be delegated to a
Committee or Staff***

Contact Person: Luke Culhane

Why is this matter confidential?

Subject to an order pursuant to Section 90(3)(b) of the *Local Government Act 1999*, this matter is confidential because Rate rebates are financial information regarding specific community groups and organisations.

A. COMMITTEE TO MOVE MOTION TO GO INTO CONFIDENCE

No action – this motion passed in the open section.

B. THE BUSINESS MATTER

17.1 2024/25 RATE REBATES

Responsible Executive Manager : Luke Culhane

Report Author : Trisca Price

Delegated Authority : Matters which cannot be delegated to a Committee or Staff

Attachments :

- 1. Attachment 1 - 2024/25 Discretionary Rebates - Confidential
- 2. Attachment 2 - Rural Residential Area
- 3. Attachment 3 - Discretionary Rebates Received after 30 June 2023
- 4. Attachment 4 - Proposed Rate Rebate Policy
- 5. Attachment 5 - Proposed Rate Rebate Procedure

PURPOSE

The purpose of this report is to seek endorsement from Council for discretionary rate rebates to apply in 2024/25.

STAFF RECOMMENDATION

1. Pursuant to Section 159(3) and 166(1) of the *Local Government Act 1999*, Council grants a discretionary rebate of general rates to those ratepayers listed in the Discretionary Rebates Schedule 2024/25 (the Rebates Schedule), (set out at Attachment 1) in respect of the rateable land for the percentages specified.
2. Pursuant to Sections 159(3) and 166(1)(m)(ii) of the *Local Government Act 1999*, Council grants a discretionary rebate of 10% of general rates in respect of rateable land located within the area identified in green on the map titled Rural Residential Rebate Map (set out at Attachment 2) and which has a land use attribution of category 1 (residential) or category 7 (primary production) and is not receiving a notional value from the Valuer General or had a fixed charge removed due to being a contiguous or single farming enterprise.

COMMITTEE RECOMMENDATION**5863**

1. Pursuant to Section 159(3) and 166(1) of the *Local Government Act 1999*, Council grants a discretionary rebate of general rates to those ratepayers listed in the Discretionary Rebates Schedule 2024/25 (the Rebates Schedule), (set out at Attachment 1) in respect of the rateable land for the percentages specified, with the following changes:
 - include 10% discretionary Rural Rate Rebate for properties with a notional value
 - include 10% discretionary Rural Rate Rebate for properties with contiguous or single farming enterprise.
2. Pursuant to Sections 159(3) and 166(1)(m)(ii) of the *Local Government Act 1999*, Council grants a discretionary rebate of 10% of general rates in respect of rateable land located within the area identified in green on the map titled Rural Residential Rebate Map (set out at Attachment 2) and which has a land use attribution of category 1 (residential) or category 7 (primary production).

EXECUTIVE SUMMARY

The 2024/25 Discretionary Rebates Schedule requiring Council approval is provided at Attachment 1.

1. BACKGROUND

- 1.1 Under Section 159 of the *Local Government Act 1999* (the Act), Council applies rebates to certain ratepayers.
- 1.2 The Rate Rebate Policy (Attachment 4) and Rate Rebate Procedure (Attachment 5) outline Council's approach to administering rebates. The Rate Rebate Policy and Rate Rebate Procedures are reviewed and updated annually and were endorsed by Council in April 2024 for public consultation as part of the Draft 2024/25 Annual Business Plan.
- 1.3 Mandatory rate rebates are provided to certain segments of the community under Section 160 to Section 165 of the Act. For example, health services, community housing and educational institutions. These rate rebates do not require Council approval. The estimated value of mandatory rate rebates is in the order of \$4.6 million (subject to final property valuations and checking for ongoing eligibility).
- 1.4 Where a mandatory rate rebate of 75% applies, Council has discretion to increase to a higher percentage.
- 1.5 Discretionary rate rebates can also be granted to applicants pursuant to Section 166 of the Act. Eligibility is considered against agreed principles to ensure a fair and equitable outcome.
- 1.6 Discretionary rebates over 50%, or in excess of one year, require Council approval. The Chief Executive Officer has delegation to approve annual discretionary rebates below 50%. These are approved by the Chief Executive Officer as and when applications are received.

2. RELEVANCE TO STRATEGIC PLAN

Community Theme 5: Using money wisely

The Rate Rebate Policy and Procedure ensures legislative requirements are met and that Council delivers on its Finance Strategy to achieve long term financial sustainability while still delivering planned services, responsibly managing debt and promoting/managing the growth of our city.

3. PUBLIC CONSULTATION

Public consultation on the Rate Rebate Policy and Procedure is occurring as part of the 2024/25 Annual Business Planning public consultation process.

4. DISCUSSION

- 4.1 The 2024/25 discretionary rebates which require Council approval are listed in Attachment 1 with further detail provided below. The number of organisations eligible and the value of the rate rebate are estimates only which can only be finalised once final valuation data is received from the Valuer-General (VG) and final rates modelling has been completed. Further detail of the rate rebates is detailed below.
- 4.2 Council owned, leased and licenced rate rebates of 100% have been offered to community-based organisations who lease a Council owned facility. This rate rebate is provided under Section 166(1)(j) of the Act, is consistent with past practice and helps to alleviate costs for these community groups. Ongoing eligibility for individual ratepayers is assessed each year.
- 4.3 In June 2021 Council endorsed removal of an historic Rural Rebate and introduced a 10% Rural Residential Rebate which recognises areas without ready access to some Council services and infrastructure. This rate rebate is provided under Section 166(1)(m)(ii) of the Act and only properties within the identified Rural Residential Rebate area and with a land use attribution of category 1 (rural residential) or category 7 (primary production) receive this rebate.
- 4.4 Rural Residential Properties or Primary Production Properties where they already receive a reduction of rates due to notional capital values from the VG, and/or removal of fixed charge due to contiguous or single farming enterprise, will no longer receive the rural residential rebate of 10%.
- 4.5 The Rural Residential Rebate area and associated criteria are reviewed each year to accurately represent the changes in new urban growth within the City of Playford to ensure ongoing equity across the council area. Attachment 2 provides the 2023/24 Rural Residential Rebate Map. It is estimated that 20 properties (located in the highlighted red area on the map) will no longer be eligible to receive the 10% rebate in 2024/25. The final assessment of eligibility can only be made once the full property data set for 2024/25 is received from the VG.

The criteria utilised to review the appropriateness of the Rural Residential Rebate includes:

- Land within our growth areas (including Riverlea Park) still used primarily for farming and upon which a land division has not been approved
- Land located within the Strategic Employment Zone used primarily for farming purposes

- Land located within the Employment Zone in Angle Vale & Virginia
- Land located within the Recreation Zone in Virginia, Buckland Park, Penfield and Penfield Gardens
- Land located within the Strategic Activity Centre Zone in Riverlea Park not used for commercial or residential purposes
- Land located within rural type zones (including also the Deferred Urban Zone, Open Space Zone and Residential Park Zone) with the exception of:
 - (a) Allotments under 3,000m² in area located within 200m of the Township Mainstreet Zone; and
 - (b) Allotments with direct or adjacent access to a footpath and not used for farming purposes.

4.6 The properties highlighted in red within Attachment 2 are properties within growth areas to which a land division has been approved since the consideration of the rural rebate for 2023/24. Such an approval demonstrates an intent by the owner to no longer continue using the land for rural purposes. As our growth areas continue to develop, the number of properties to which the Rural Residential Rebate is applied will continue to decrease.

5. OPTIONS

Recommendation

1. Pursuant to Section 159(3) and 166(1) of the *Local Government Act 1999*, Council grants a discretionary rebate of general rates to those ratepayers listed in the Discretionary Rebates Schedule 2024/25 (the Rebates Schedule), (set out at Attachment 1) in respect of the rateable land for the percentages specified.
2. Pursuant to Sections 159(3) and 166(1)(m)(ii) of the *Local Government Act 1999*, Council grants a discretionary rebate of 10% of general rates in respect of rateable land located within the area identified in green on the map titled Rural Residential Rebate Map (set out at Attachment 2) and which has a land use attribution of category 1 (residential) or category 7 (primary production) and is not receiving a notional value

from the Valuer General or had a fixed charge removed due to being a contiguous or single farming enterprise.

Option 2

1. Pursuant to Section 159(3) and 166(1) of the *Local Government Act 1999*, Council grants a discretionary rebate of general rates to those ratepayers listed in the Discretionary Rebates Schedule 2024/25 (the Rebates Schedule), (set out at Attachment 1) in respect of the rateable land for the percentages specified. Except for the amendments listed below.

- _____
- _____
- _____

2. Pursuant to Sections 159(3) and 166(1)(m)(ii) of the *Local Government Act 1999*, Council grants a discretionary rebate of 10% of general rates in respect of rateable land located within the area identified in green on the map titled Rural Residential Rebate Map (set out at Attachment 2) and which has a land use attribution of category 1 (residential) or category 7 (primary production).

6. ANALYSIS OF OPTIONS

6.1 Recommendation Analysis

6.1.1 Analysis & Implications of the Recommendation

Discretionary rebates provide rates relief to community groups who provide important services to the Playford community. Without rate relief these community groups would be required to find the additional funds elsewhere, to continue to provide their services to our community.

Discretionary rebates also ensure we manage and incentivise the development of our growing city.

The Rural Residential Rebate was implemented in June 2021. The rebate aims to recognise that these ratepayers do not have the same ready access to some Council services and infrastructure. The objective of Council's rating structure is to ensure fairness and equity in the distribution of rates. The Rural Residential Rebate provides a suitable mechanism for delivering on this objective with regards to the identified Rural Residential ratepayers.

Risk Appetite

Regulatory Compliance

Council has a zero tolerance for non-compliance with applicable legislation including but not limited to: Local Government Act (LGA) 1999; Independent Commissioner Against Corruption (ICAC) Act 2012; Work Health & Safety (WHS) Act 2012; Environment Protection Act (EPA) 1993; Development Act 1993; Equal Employment Opportunity legislation; and Public Consultation legislation.

This decision will ensure compliance with relevant legislation.

Financial Sustainability

Council has a low appetite for short-term financial risk that adversely impacts on the delivery of the long-term financial plan and the Council's overall stability and sustainability.

This decision will contribute to fairness and equity and minimises further financial implications.

6.1.2 Financial Implications

The approval of rebates does not generally create a further financial implication as rebates are already anticipated/known and taken into account when setting rates and managing the Council budget.

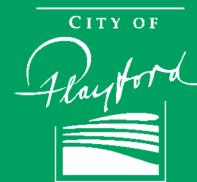
6.2 Option 2 Analysis

6.2.1 Analysis & Implications of Option 2

Should Council amend rebates this would need to be communicated to the relevant community organisations and impacted ratepayers. Any amendments should consider principles of equity in application to these ratepayers.

6.2.2 Financial Implications

Any amendment to rebates has the potential to change overall rate revenue and the Council's operating position.



Rate Rebate Policy

Policy Author	General Manager Corporate Services
Date of next review	June2025

1. Statement of Intent

The objective of this Policy is to ensure that all applications for rate rebates are considered in an equal and fair manner in line with the provisions set out under the *Local Government Act 1999* (the Act) and this Policy.

Rates are a form of taxation and provide the main revenue stream for Council to deliver services to the community. Rates are levied under the Act on the basis of land value and use, which is widely accepted as a reasonable indicator of capacity to pay. Recognising that there may be circumstances where this may not always be the case, the Act makes provision for Council to consider applications for rate rebates. This supports the provision of equitable services and facilities to meet the needs of the whole community.

This Policy is intended to provide guidance as to the grounds upon which relief of rates payable is available to a person, body or organisation, in the form of rebates. Council will consider each application to ensure the requirements under the Act have been met.

When assessing requests for rebates, Council may take into account, but is not limited to, the following:

- the availability of rebates under the Act
- the applicant's need for financial assistance
- whether, and to what extent, the applicant provides a benefit or service to the local community
- whether the applicant is a public sector, not-for-profit or commercial entity
- whether the rebate will assist in securing new development in the City of Playford
- if the applicant has been subject to a substantial change in rating or valuation
- the impact of adverse environmental impacts on existing business
- the extent of other financial assistance, if any, available to the applicant from other sources (e.g. Commonwealth or State government)
- whether there are any relevant historical considerations that may be relevant
- the level of rates that would be applied by neighbouring councils
- the financial consequences of the rebate for the Council
- any other matters, and policies of the Council, which the Council considers relevant.

When considering rate rebates, Council gives consideration to the following five principles that apply to the imposition of taxes on communities:

- equity
- benefit
- ability-to-pay
- efficiency
- simplicity

Council Rebates will be annually assessed to determine if the circumstances justify the continued endorsement of the application of the rebate.

2. Scope

Mandatory rebates must be applied where ratepayers meet eligibility, as prescribed in Sections 160-165 of the Act.

Discretionary rebates may be applied, at Council's discretion, where ratepayers make an application, and they meet the eligibility criteria, as prescribed in Section 166 under the Act.

3. Legislation and References

This Policy should be read in conjunction with the Rate Rebate Procedure.

Related documents include:

- *Local Government Act 1999* – Sections 159–166
- City of Playford Global Glossary

This Policy should not be considered as the only document that may relate to rate rebates; other tiers of government, agencies or organisations may have legislation or policies that also apply.

4. Application

Council	Approval of discretionary rebates greater than 50%, or for a commitment of greater than one year.
CEO, General Manager Corporate Services or Senior Manager Financial Services	Approval of discretionary rebates less than 50% for a period of less than one year.
Manager Rates	To oversee the consistent application of the Rate Rebate Policy.
Rates Officers	To apply consistent delivery of the Rate Rebate Policy to ratepayers.

5. Relevance to Risk Appetite Statement

Regulatory Compliance

The City of Playford has **ZERO TOLERANCE** for non-compliance with applicable legislation. Maintaining the Policy and Procedure ensures compliance is maintained.

Service Delivery

The City of Playford has a **MODERATE** appetite for service delivery requirements. Maintaining the Policy and Procedure ensures service delivery within required timeframes.

6. Feedback

Your feedback on this Policy is invited and can be directed to the Manager Governance via email to governance@playford.sa.gov.au or by calling the Customer Contact Team on 8256 0333.

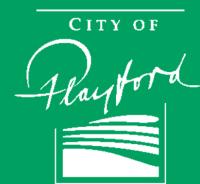
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ECM document set no.	3978634
Version no.	9
Policy link	Rate Rebate Policy
Policy author	General Manager Corporate Services
Endorsed by	Council
Resolution no.	
Legal requirement	Sections 159-166 <i>Local Government Act 1999</i>
Review schedule	Annual
Date of current version	June 2024
Date of next review	June 2025

Version history

Version no.	Approval date	Approval by	Change
1	April 2007	Council	Adopted by Council
2	August 2012	Council	Reviewed
3	30/06/2018	Council	Annual review
4	30/06/2019	Council	Annual review
5	30/06/2020	Council	Annual review
6	22/06/2021	Council	Annual review
7	28/06/2022	Council	Annual review
8	27/06/2023	Council	Annual review
9	xxx	Council	Annual review, Author title change

Rate Rebate Procedure



Procedure Author	General Manager Corporate Services
Date of next review	June 2025

1. Purpose

This Procedure provides guidance as to the grounds upon which a person or body/organisation is entitled to receive a rebate of rates. Council will consider each application to ensure the requirements under the *Local Government Act 1999* (the Act) have been met.

This Procedure includes both mandatory and discretionary rebates and supports the provision of equitable services and facilities to meet the needs of the whole community.

2. References and Supporting Documentation

This Procedure should be read in conjunction with the Rate Rebate Policy.

Related documents include:

- Complaints Handling Policy
- Complaints Handling Procedure

3. Application

Council	Approval of discretionary rebates greater than 50%, or for a commitment of greater than one year.
CEO, General Manager Corporate Services and Senior Manager Financial Services	Approval of discretionary rebates less than 50%, for a period of less than one year.
Manager Rates	To oversee the consistent application of the Rebate Policy
Rates Officers	To apply consistent delivery of the Rebate Policy to ratepayers

4. Procedures

Division 5 – Rebates of Rates

Sections 159–166 of the Act outline the provision of rates rebates through mandatory and discretionary rebates.

4.1 Preliminary grounds and penalties

Section 159 of the Act provides guidance regarding the grounds for rebates and penalties that may apply. These include:

- Section 159(1): If grounds exist for a person or body to receive a rebate of rates in pursuance of this Division, the person or body may apply to the council in a manner and form determined by the council (supplying such information as the council may reasonably require).
- Section 159(2): A person or body must not:
 - make a false or misleading statement or representation in an application made (or purporting to be made) under this Division
or
 - provide false or misleading information or evidence in support of an application made (or purporting to be made) under this Division.

Maximum penalty: \$5,000.

- Section 159(7): If a person or body has the benefit of a rebate of rates under this Division and the grounds on which the rebate has been granted cease to exist, the person or body must immediately inform the council of that fact and (whether or not the council is so informed) the entitlement to a rebate ceases.
- Section 159(8): If a person or body fails to comply with subsection (7), the person or body is guilty of an offence. Maximum penalty: \$5,000.
- Section 159(10): A council may, for proper cause, determine that an entitlement to a rebate of rates in pursuance of this Division no longer applies.
- Section 159(11): If an entitlement to a rebate of rates ceases or no longer applies during the course of a financial year, the council is entitled to recover rates, or rates at the increased level (as the case may be), proportionate to the remaining part of the financial year.

4.2 Mandatory Rebates

Ratepayers entitled to a mandatory rebate may make an application in the form determined by council (refer to 4.6 below). Ratepayers are required to include evidence, where requested, and meet the requirements of Section 159 of the Act.

Where a council is aware that a mandatory rebate applies to land, the council must apply the rebate regardless of whether or not an application has been made. This approach has equal application in respect of a property that becomes eligible for a mandatory rebate part way through a financial year when the rebate will be applied on a pro-rata basis.

Otherwise, the Act does not impose any obligation on a council to seek out persons who may be eligible for a mandatory rebate if they have not made an application.

Where an application is made, or if a council becomes aware that an entitlement to a mandatory rebate exists during the course of the financial year, the council must apply the mandatory rebate for the whole of the financial year. The only exception is where the land becomes rateable during the course of a financial year where the rebate will be applied pro rata for the period of rateability.

Refunds for previous financial years are not required, unless the council was made aware or knew that an entitlement existed in that previous year or years.

Mandatory rebate eligibility is prescribed in the Act under the following sections:

- s160—100% Rebate of rates—health services
- s161—75% Rebate of rates—community services
- s162—100% Rebate of rates—religious purposes
- s163—100% Rebate of rates—public cemeteries
- s164—100% Rebate of rates—Royal Zoological Society of SA
- s165—75% Rebate of rates—educational purposes

4.3 Discretionary Rebates

Discretionary rebate eligibility is listed under Section 166 of the Act.

Ratepayers may make an application for a discretionary rebate by completing the application form on Council's website www.playford.sa.gov.au or by contacting Council on (08) 8256 0333.

The discretion to grant a rebate must be exercised consistently and in the interests of the community. In this regard, council must consider its community, not the wider community of the State. This is because decisions regarding rate rebates impact directly on the ratepayers and residents of individual council areas.

4.4 Council-Endorsed Multi-Year Rebates

The Senior Manager Financial Services and the Rates Manager will review multi-year rate rebates as per the conditions set out in the Council-endorsed application or agreement for ongoing eligibility.

4.5 Granting of Rebates

Under Section 166 – Discretionary rebate of rates:

- A rebate of rates or charges under subsection (1) may be granted on such conditions as the council thinks fit.
- A rebate of rates or charges under subsection (1)(a), (b) or (k) may be granted for a period exceeding one year, but not exceeding 10 years.
- A rebate of rates or charges under subsection (1)(l) may be granted for a period exceeding one year, but not exceeding three years.
- A council should give reasonable consideration to the granting of rebates under this section and should not adopt a policy that excludes the consideration of applications for rebates on their merits.
- A council may grant a rebate under this Section that is up to (and including) 100 per cent of the relevant rates or service charge.

4.6 Application and approval process

Applications for rate rebates are to be made on Council's application form and accompanied by the appropriate supporting documentation. The Rate Rebate Policy, and application form are available on Council's website www.playford.sa.gov.au or by contacting Council on (08) 8256 0333.

In accordance with Section 159(1) of the Act, council may request any information from an applicant that it reasonably requires in order to make a decision in respect of a rebate application.

Where an application for a discretionary rebate is made after the date on which rates are declared, the council may choose not to consider the application for that financial year. However, the council will need to consider the application for a rebate applicable in the next financial year.

Retrospective discretionary rebates may, but need not, be given by the council.

Assessment of discretionary rebates are to be undertaken in a fair and consistent manner, using the assessment eligibility weighting matrix based on reasons for application, which assists with recommendation for approval and calculating % and value of rebate.

Approval of rebates must be made in line with delegation levels.

The applicant should be advised of the council's decision and rights of review should the applicant not be satisfied with the decision.

5. Complaints and Appeals

Complaints and appeals will be considered in accordance with Council's complaints and grievance procedures and Sections 270 and 271 of the Act. A copy of the Complaints Handling Policy can be found at www.playford.sa.gov.au.

Customers not satisfied with the outcome of their complaint should be directed to contact the Ombudsman SA on 08 8226 8699 or Ombudsman@ombudsman.sa.gov.au.

6. Feedback

Your feedback on this Policy is invited and can be directed to the Manager Governance via email to governance@playford.sa.gov.au or by calling the Customer Contact Team on 8256 0333.

Administration use only

ECM document set no.	3978636
Version no.	5
Policy link	Rate Rebate Policy
Procedure author	General Manager Corporate Services
Endorsed by	Council
Resolution no.	
Legal requirement	Sections 159–166 – <i>Local Government Act 1999</i>
Review schedule	Annually
Date of current version	June 2024

Date of next review June 2025

Version history

Version no.	Approval date	Approval by	Change
1	June 2018	Senior Manager Finance	New
2	22/06/2021	Ordinary Council	Annual Review
3	28/06/2022	Council	Annual Review
4	27/06/2023	Council	Annual Review
5	xx	Council	Annual Review

C. COMMITTEE TO DECIDE HOW LONG ITEM 17.1 IS TO BE KEPT IN CONFIDENCE**PURPOSE**

To resolve how long agenda item 17.1 is to be kept confidential.

STAFF RECOMMENDATION

Pursuant to Section 91(7) of the *Local Government Act 1999*, the Council orders that the following aspects of Item 17.1 be kept confidential in accordance with Committee's reasons to deal with this item in confidence pursuant to Section 90(3)(b) of the *Local Government Act 1999*:

- Report for Item 17.1
- Attachments 1, 2 & 3 for Item 17.1
- Minutes for Item 17.1

This order shall operate until the next scheduled annual review of confidential items by Council at which time this order will be reviewed and determined in accordance with Section 91(9)(a) of the *Local Government Act 1999*.

COMMITTEE RESOLUTION

5864

Pursuant to Section 91(7) of the *Local Government Act 1999*, the Committee orders that the following aspects of Item 8.1 be kept confidential in accordance with Committee's reasons to deal with this item in confidence pursuant to Section 90(3)(b) of the *Local Government Act 1999*:

- Report for Item 8.1
- Attachments 1, 2 & 3 for Item 8.1
- Presentation for Item 8.1

This order shall operate until the next scheduled annual review of confidential items by Council at which time this order will be reviewed and determined in accordance with Section 91(9)(a) of the *Local Government Act 1999*.