

Prior to the commencement of the meeting, the Mayor will make the following declaration:

“I acknowledge the Tasmanian Aboriginal Community as the traditional custodians of the land on which we meet today, and pay respect to elders, past and present”.

The Mayor also to advise the Meeting and members of the public that Council Meetings, not including Closed Meeting, are audio-visually recorded and published to Council’s website.

SPECIAL COUNCIL MEETING**MONDAY 27 JUNE 2016****TABLE OF CONTENTS**

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BUSINESS TO BE CONDUCTED AT THIS MEETING IS TO BE CONDUCTED IN THE ORDER IN WHICH IT IS SET OUT IN THIS AGENDA UNLESS THE COUNCIL BY ABSOLUTE MAJORITY DETERMINES OTHERWISE

1. APOLOGIES

Nil.

2. RATES AND CHARGES POLICY

(File No 23-01-00)

EXECUTIVE SUMMARY**PURPOSE**

To review Council's Rates and Charges Policy in accordance with the Local Government Act 1993.

RELATION TO EXISTING POLICY/PLANS

Consistent with existing rating policy, however, providing further detail in relation to a number of remissions.

LEGISLATIVE REQUIREMENTS

Council is required to review its Rates and Charges Policy prior to, or at the same time as, introducing new or changed elements to its rating decisions. It may undertake a review at any other time.

CONSULTATION

No issues to be addressed.

FINANCIAL IMPLICATIONS

No direct financial implications.

RECOMMENDATION:

That the draft (amended) Rates and Charges Policy at Attachment 1 be adopted with highlighted changes contained being approved.

ASSOCIATED REPORT**1. BACKGROUND**

- 1.1.** Section 86B of the Act requires adoption of a rates and charges policy. Council adopted its original rating policy on 14 May 2012 and has amended the policy in subsequent years.

- 1.2.** The Act also requires a Council to review this policy at least every 4 years or at the same time or before making any (substantial) changes to the manner in which it sets its rates. Such changes include, for example, changes to rate types, application, or variation of rates.

2. REPORT IN DETAIL

- 2.1.** The proposed draft Rates and Charges Policy (provided at Attachment 1) contains a range of proposed changes, in each case relating to the provision of rate remissions (as provided under Section 129 of the Local Government Act 1993) in certain circumstances. In each case, the remission is an element of Council's rating policy that is currently in place and it is only the mechanism by which the Council determines the remission which is proposed to change.
- 2.2.** In past years, a range of remissions have been embedded within Council's rating resolution. This has been valid and has allowed the remissions to be provided. However, recent legal advice points to the level of subjectivity of some remissions and is firm that Council is better including them in its rating policy (with appropriate delegation for approval) rather than its rating resolution. This essentially relates to remissions which require an element of judgement rather than those that are a matter of fact.
- 2.3.** Based on this advice, the affected remissions have been removed from the draft rating resolution included in this agenda, and added to the attached draft rating policy; generally with very consistent wording.
- 2.4.** The affected remissions include:
- commercial properties not requiring waste management services;
 - residential "shacks" in the South Arm/Opossum Bay area not requiring waste management services;
 - properties where the provision of waste management services is not practical;
 - provision of larger mobile bins to residences with many occupants;
 - rates paid in advance by Housing Tasmania;

- properties subject to a conservation covenant;
- private unused cemeteries.

2.5. To give the same effect as current arrangements it is proposed that Council provide formal delegation to the General Manager to implement its remissions policies. This is provided in the draft policy for each remission. Council is able to provide such delegations under Section 22 of the Act provided Council has “determined appropriate policies and procedures”. The draft Rates and Charges Policy contains such matters.

2.6. The draft policy is provided in “marked up” format for convenience to highlight proposed changes.

3. CONSULTATION

3.1. Community Consultation

No issues to be addressed.

3.2. State/Local Government Protocol

No issues to be addressed.

3.3. Other

No issues to be addressed.

4. STRATEGIC PLAN/POLICY IMPLICATIONS

The draft revised policy is consistent with existing rating decisions.

5. EXTERNAL IMPACTS

No issues to be addressed.

6. RISK AND LEGAL IMPLICATIONS

Council is required to review its Rates and Charges Policy prior to, or at the same time as, introducing new or changed elements to its rating decisions. It may also undertake a review at any other time.

7. FINANCIAL IMPLICATIONS

No direct financial implications.

8. ANY OTHER UNIQUE ISSUES

No issues to be addressed.

9. CONCLUSION

Council is required to review its Rates and Charges Policy prior to, or at the same time as, introducing new or changed elements to its rating decisions. A draft revised policy is provided for Council's consideration.

Attachments: 1. Draft Revised Rates and Charges Policy (6)

Andrew Paul
GENERAL MANAGER

Clarence City Council
Rates and Charges Policy

June 201~~5~~6

1. POLICY STATEMENT

Clarence City Council is committed to levying property rates and charges in an equitable manner, taking into account the varying nature of property characteristics, relative capacity to pay within the community, and Council's obligations under the law.

2. PURPOSE

- 2.1. To provide a clear rationale to guide Council's decision making process.
- 2.2. To inform the community.
- 2.3. To meet Council's obligations under S86B of the Local Government Act 1993 (the Act).

3. SCOPE

This policy provides a high level framework within which Council will set rates and charges to be levied on properties within its municipal area. It is intended to inform the decision making process, however does not represent the making of specific decisions with respect to property rating. Such decisions will be made annually, or as required, in accordance with relevant legislative requirements.

4. SPECIFIC LEGISLATIVE REQUIREMENTS

The Act requires Council's policy to take account of the following matters:

- 4.1. That rates constitute taxation for the purposes of local government, rather than a fee for a service;
- 4.2. The value of rateable land is an indicator of the capacity of the ratepayer in respect of that land to pay rates.

5. POLICY DETAILS

In response to its own Policy Statement as above and legislative requirements under which it is bound, Council determines the following policy detail:

- 5.1. Rates will be levied on all rateable properties (unless otherwise determined by legislation, this policy or related Council policies), regardless of the

extent to which Council functions and services are used by or apply to the owners or residents of those properties. This is consistent with the principle of rates being a form of taxation (as determined by S86A(1) of the Act).

5.2. The primary basis for determining the level of general rates (and, where determined appropriate, other rates) levied on individual properties will be the capital value (CV) of each parcel of land. This is consistent with the value of land being an indicator of capacity to pay (as determined by S86A(1) of the Act).

5.3. Council will levy a general rate on all rateable property (unless otherwise determined by legislation, this policy or related Council policies). This rate will recover the cost of Council functions and services for which specific users cannot readily be identified, or for which a regime of full cost recovery through user charges has not been established by Council. The general rate will be made up of two components:

5.3.1. A fixed charge in recognition that each rateable property should bear a reasonable portion of the total rate burden; and

5.3.2. A rate in the dollar consistent with the principle of rates being a form of taxation (as above).

5.4. While Council has, in the past, provided a general rate exemption under S87 of the Act to properties owned by charitable organisations but used for residential purposes, it has now determined that such properties do not qualify for the exemption under S87.

5.4.1. Where such properties are leased for residential purposes but are provided for economically disadvantaged members of the community, Council may remit the general rate. In such cases the following tests shall apply:

- rentals are at a demonstrable discount to market rates, typically at a rate similar to that applied by Housing Tasmania in respect of its own residential properties; and
- there has been no up-front payment made by the occupier to secure the right to occupy the property; and
- no body corporate fees or similar are payable by the occupier; and
- the occupier does not have lifetime tenancy or a lease period which effectively provides for lifetime tenancy.

5.4.1.1 No remission shall apply to a property owned by or subject to a lease or management agreement with the State Government.

5.4.2. All rebates within this section are to be subject to written application to the General Manager. The General Manager is hereby provided with delegation to make determination with respect to such applications.

~~5.4.2. To assist those property owners who otherwise will have the S87 exemption removed under this clause, Council will remit the general rate payable for the 2015/2016 financial year (only).~~

- 5.5. Council will levy one or more service rates for fire protection, with associated minimums. These will be levied in accordance with notifications provided by the State Fire Commission under relevant legislation.
- 5.6. Council will levy a service charge in respect of waste management. This will be based on a fixed sum per property where the service is available.
- 5.7. Council will levy a service charge in respect of night soil removal. This will be based on a fixed sum per property where the service is provided.
- 5.8. Council will levy a stormwater removal rate on properties with substantial access to a stormwater removal service.
- 5.9. A minimum amount will be levied in respect of the stormwater removal rate in recognition that each rateable property should bear a reasonable portion of the total rate burden relating to stormwater removal.
- 5.10. Variations to rates will be applied (or, where provided, additional rates set), in accordance with the Act, in circumstances where Council determines there is a reasonable basis for charging differentiation to occur. In particular, variations to rates will be applied:
 - 5.10.1. To properties other than commercial, industrial, public purposes, or quarrying and mining in respect of the general rate and stormwater rate. This is in recognition that at times the market value of the property class so identified may broadly move in a different market cycle to that of commercial, industrial, public purpose and quarrying and mining properties.
 - 5.10.2. In respect of the waste management charge in recognition of variations in the level of service provided including bin size and/or frequency of service. The variation in service level will include the provision of larger bins and/or multiple bins at property owners' request.
 - 5.10.3. In respect of fire protection in accordance with statutory notice provided to Council by the State Fire Commission.
- 5.11. Rebates will be applied to general rates otherwise payable in respect to specific properties and/or classes of ratepayers where Council determines there is social, economic, or equity benefit to the community in providing such rebates. Specific rebates will be applied:
 - 5.11.1. In respect of pensioners eligible for a rate remission under the Local Government (Rates and Charges Remissions) Act 1991 in recognition that this group represents a significant section of the community which, as a whole, has a limited capacity to pay a taxation burden.
 - 5.11.2. In respect of owners of large rural properties in recognition of the unique characteristics of those properties, the limited services provided by Council, and the role the rural sector plays in the community.

5.11.3. In respect of new commercial development, as a temporary measure only, to assist in stimulating the ongoing economic development of the City. Rebates will apply in accordance with Appendix A.

5.11.4. In respect of properties which would otherwise experience unreasonable rate increases resulting from rapid shifts in statutory valuations relative to the average of other properties in the City.

5.12. Rebates will be applied to waste management charges otherwise payable in respect to specific properties and/or classes of ratepayers where Council determines there is social, economic, or equity benefit to the community in providing such rebates. Specific rebates will be applied as follows:

5.12.1. A full rebate of waste management charges in respect of commercial, industrial, public purpose, primary industry and quarrying and mining properties where the waste management service is not used and alternative arrangements are made for a waste management service to the satisfaction of the General Manager. This is in recognition that Council's waste management service may not meet the specific needs of all such operations.

5.12.2. A full rebate of waste management charges in respect of residential properties located in the South Arm Peninsula area south of the Lauderdale Canal in certain coastal communities which are demonstrably used as holiday residences not the primary residence of the ratepayer, where no waste management service is required by the ratepayer, and where alternative arrangements are made for a waste management service to the satisfaction of the General Manager.— This is in recognition that the service is unlikely to be utilised by such property owners.

5.12.3. A full rebate of waste management charges in respect of residential properties where it can be demonstrated to the satisfaction of the General Manager that, due to exceptional circumstances, a waste management service is not practical or able to be used and that alternative refuse disposal arrangements are in place.

5.12.4. Where a ratepayer has been issued with a 120 litre mobile garbage bin and demonstrates that they actively participate in the recycling and greenwaste services provided by Council and that the immediate family unit residing at the property consists of 6 or more people. The rebate will be the difference between the charge for a 120 litre bin and a 80 litre bin.

~~5.12.3.~~ 5.12.5. All rebates within this section are to be subject to written application to the General Manager. The General Manager is hereby provided with delegation to make determination with respect to such applications.

5.13. Rebates will be provided in respect of the following additional matters, subject to approval by the General Manager:

5.13.1. A remission in respect of all rates and charges payable by Housing Tasmania where the total amount due for a year is paid on or before the due date of the first rates instalment for that year, determined by the General Manager to be no greater than the additional interest earnings gained by Council from the prepayment of such rates instalments.

5.13.2. Where land is subject to conservation protection arrangements a remission of the General Rate of \$5 per hectare applies to the land that is subject to the conservation protection arrangements, with a minimum remission of \$50 applying and a maximum remission of \$500 applying.

5.13.3. Where private land is used exclusively as a cemetery and where the owner of the land does not receive financial consideration for the operation of the cemetery the General Rate is remitted.

5.13.4. All rebates within this section are to be subject to written application to the General Manager. The General Manager is hereby provided with delegation to make determination with respect to such applications.

~~5.13.~~5.14. The general rate will not be charged in respect of a not for profit sporting organisation except where subject to agreement between the Council and the organisation or where otherwise the organisation operates a commercial venture to support its own operation. (In this context a “commercial venture to support its own operation” will not include an activity which can reasonably be construed to be ancillary [as opposed to additional] to the normal operations of the club).

~~5.14.~~5.15. While Council will provide rate rebates through this policy to various classes of ratepayers from time to time, it is committed to the principle that social welfare responsibilities lie with State and Federal Governments and the mechanisms established by those levels of government to administer social welfare.

~~5.15.~~5.16. Where determined appropriate, and in accordance with the Act, Council will cap the increase in rates otherwise experienced by certain ratepayers. This will generally be in response to significant shifts in the rating burden arising from changes in valuations or Council’s rating policy and will be an annual determination made by Council.

~~5.16.~~5.17. Where rates remain unpaid after the due date, Council will apply interest in accordance with S128 of the Act.

Appendix A

Rates Incentives – Commercial Developments

1. A remission of rates may apply to all new private sector non-residential developments within the City which increase the total floor area available for rating.
2. The remission is for the increase in rates arising from the amended capital value issued in relation to a development, but does not include that portion of rates relating to State Government charges and levies.
3. The remission applies for 12 months from the date from which the revaluation takes effect for rating purposes.
4. The remission applies to building applications received after the date of Council's policy decision, and shall only apply where a building permit has been issued by Council.
5. Applications for a remission must be received prior to or within the same financial year as the date from which the revaluation takes effect for rating purposes.
6. Where relevant, developers must apply in writing to the General Manager each financial year to gain approval for the remission.
7. Delegated authority is provided to the General Manager to approve such applications within Council's policy.

3. RATES AND CHARGES 2016/2017

(File No 23-02-00)

EXECUTIVE SUMMARY**PURPOSE**

To consider the Rates and Charges to apply in 2016/2017, variations to those rates and charges to apply in 2016/2017 and to consider fixing maximum percentage increases and the remission of Rates and Charges for 2016/2017.

RELATION TO EXISTING POLICY/PLANS

The striking of rates and charges is consistent with the adopted 2016/2017 Estimates and the amended draft Rates and Charges Policy accompanying this agenda.

LEGISLATIVE REQUIREMENTS

The Local Government Act, 1993 requires a specific decision of Council to adopt rates and charges for a financial year. The Act also allows for Council to vary these rates, cap rates on individual properties, and to provide remissions under certain circumstances.

CONSULTATION

No issues to be addressed.

FINANCIAL IMPLICATIONS

The level of rates and charges proposed reflects the revenue requirements of Council's adopted 2016/2017 Estimates and allows for a variety of remissions. This report also considers the variation of Rates and the provision of Remissions.

RECOMMENDATION:

- A. That the Clarence City Council makes the following General Rate, Service Rates and Service Charges under the *Local Government Act, 1993* and the *Fire Service Act, 1979* for the financial year 1 July 2016 to 30 June 2017 in respect to land in the municipal area which is separately valued under the Valuation of Land Act, 2001.

Definitions and Interpretation

- 1 Unless the context otherwise requires, in the following resolutions, words and expressions defined in the *Local Government Act, 1993* have the same meanings as they have in that Act.

Unless the context otherwise requires, in the following resolutions, the following words and expressions have the meanings set out below.

“Act” means the *Local Government Act, 1993*;

“conservation protection arrangements” means formal arrangements the owner of land in the municipal area has entered into for the preservation of flora or fauna or other recognised conservation values or purposes under the *Nature Conservation Act, 2002* or by formal arrangement with Council regarding that land;

“CPR” means a plan registered at the register at the Central Plan Office, Hobart for the lodgement and registration of plans, and included in the Central Plan Register;

“domestic refuse” means any domestic refuse and other rubbish collected by Council’s normal refuse collection service from land in the municipal area and expressly excludes biohazardous waste, controlled waste, noxious refuse and trade waste;

“land used for commercial purposes” means land used or predominantly used for commercial purposes and includes all land coded “C” in the valuation list;

“land used for industrial purposes” means all land used or predominantly used for industrial purposes and includes all land coded “I” in the valuation list;

“land used for primary production” means all land used or predominantly used for primary production and includes all land coded “L” in the valuation list;

“land used for public purposes” means all land used or predominantly used for public purposes and includes all land coded “P” in the valuation list;

“land used for quarrying or mining” means all land used or predominately used for quarrying or mining and includes all land coded “Q” in the valuation list;

“land used for residential purposes” means all land used or predominantly used for residential purposes and includes all land coded “R” in the valuation list;

“land used for sporting or recreation facilities” means all land used or predominantly used for sporting or recreation facilities and includes all land coded “S” in the valuation list;

“locality areas” means areas defined by those locality boundaries as published in the Locality and Postcode Areas Dataset as contained in the Tasmanian Spatial Data Directory on the Tasmanian Government LIST website;

“municipal area” means the municipal area of Clarence;

“non-used land” means all land coded “V” in the valuation list;

“refuse” means any domestic refuse, biohazardous waste, controlled waste, noxious refuse, trade waste and other rubbish, debris, litter, recyclable materials or any other similar materials, articles or things;

“the map” means the map attached to these resolutions and marked as schedule 1;

“valuation list” means, in respect of the financial year, the valuation list, supplementary valuation list or particulars of adjustment factors last provided to the Council by the Valuer-General under Section 45 of the *Valuation of Land Act 2001*; and

“waste management services” means refuse, recycling and/or green organics collection services provided by Council to land in the municipal area.

2. General Rate

- 2.1 Pursuant to Sections 90 and 91 of the Act Council makes the following General rate on all rateable land (excluding land which is exempt pursuant to the provisions of Section 87) within the municipal area of Clarence for the period commencing 1 July 2016 and ending 30 June 2017 which consists of 2 components as follows:
- (a) a rate of 0.59162 cents in the dollar on the capital value of the land; and
 - (b) a fixed charge of \$280.00.
- 2.2 That pursuant to Section 107 of the Act, by reason of the use or non-use of land, Council declares, by absolute majority, that component (a) of the General rate is varied for the financial year as follows:
- (a) for land used for primary production, the rate is varied by decreasing it by 0.36127 cents in the dollar to 0.23035 cents in the dollar;
 - (b) for land used for residential purposes, the rate is varied by decreasing it by 0.36127 cents in the dollar to 0.23035 cents in the dollar;
 - (c) for land used for sporting or recreation facilities, the rate is varied by decreasing it by 0.36127 cents in the dollar to 0.23035 cents in the dollar; and
 - (d) for land which is non-used land, the rate is varied by decreasing it by 0.36127 cents in the dollar to 0.23035 cents in the dollar.

3. Services Rates and Charges

Pursuant to Sections 93, 93A, 94 and 95 of the Act Council makes the following service rates and service charges on all rateable land within the municipal area of Clarence (including land which is otherwise exempt from rates pursuant to Section 87 but excluding land owned by the Crown to which Council does not supply any of the following services) for the period commencing 1 July 2016 and ending 30 June 2017 as follows.

- 3.1 A service rate for stormwater removal on all lands which drain into Council's drain, or where the nearest boundary of the land is within 30m of Council's drain, of 0.0381 cents in the dollar on the capital value of the land. Pursuant to Section 93(3) Council sets a minimum amount payable in respect of this rate in the sum of \$89.50.
- 3.2 A service charge for waste management in respect of all land for the making available by Council of waste management services of \$184.70 per service provided.

- 3.3 That pursuant to Section 107 of the Act, Council, by absolute majority, varies the Stormwater Removal Service Rate (but not the minimum amount, if applicable) for the financial year in relation to the following land within the municipal area according to the locality of the land and/or the use of the land as follows:
- (a) the Rate is varied by decreasing it by 0.0381 cents to 0.00 cents in the dollar of the capital value of the land if:
 - i. the land is not located within an area coloured red on the map; or
 - ii. the land is not within a sewerage district, defined as at 30 June 2009, being the Clarence Limited Sewerage District, the Richmond Limited Sewerage District (together with land outside that District and which is within the locality areas described as Richmond, Dulcott and Grasstree Hill but excluding properties 353 and 391 Grasstree Hill Road) and the Cambridge Industrial Limited Sewerage District.
 - (b) for land which is used:
 - i. for primary production;
 - ii. for residential purposes;
 - iii. for private aged care purposes;
 - iv. for sporting or recreational facilities; or
 - v. which is non-used landand which is not the subject of the variation at clause 3.3(a) the Rate is varied by decreasing it by 0.024 cents to 0.0141 cents in the dollar of the capital value of the land.
- 3.4 That pursuant to Section 94 of the Act, Council, by absolute majority, varies the Waste Management Service Charge for the financial year within the municipal area according to the use of land and/or according to the level of service provided to the land as follows:
- (a) in respect of land used for primary production, land used for residential purposes, non-used land or land used for sporting or recreational facilities, where a 120 litre mobile bin has been provided by Council for the domestic refuse component of the waste management services, the Waste Management Service Charge is varied to \$222.40;
 - (b) in respect of land used for primary production, land used for residential purposes, non-used land or land used for sporting or recreational facilities, where a 240 litre mobile bin has been provided by Council for the domestic refuse component of the waste management services, the Waste Management Service Charge is varied to \$369.40;

- (c) in respect of land used for primary production, land used for residential purposes, non-used land or land used for sporting or recreational facilities, where no 240 litre mobile greenwaste bin has been provided by Council, the Waste Management Service Charge is varied by decreasing the charge otherwise applicable by \$44.90, this variation being in addition to any other variation which may apply to the land;
- (d) in respect of land used for primary production, land used for residential purposes, non-used land or land used for sporting or recreational facilities, where an additional 240 litre mobile greenwaste bin has been provided by Council, the Waste Management Service Charge is varied by increasing the charge otherwise applicable by \$44.90 in respect of each greenwaste bin provided, this variation being in addition to any other variation which may apply to the land; and
- (e) in respect of land used for primary production, land used for residential purposes, non-used land or land used for sporting or recreational facilities, where a 240 litre mobile bin has been provided by Council for the domestic recycling component of the waste management services, the Waste Management Service Charge is varied by increasing the charge otherwise applicable by \$28.30, this variation being in addition to any other variation which may apply to the land;
- (f) in respect of land used for commercial purposes, land used for industrial purposes, land used for public purposes or land used for quarrying or mining, where a 240 litre mobile bin has been provided by Council for the domestic refuse component of the waste management services (or such other uses requiring a bin of this size approved by the General Manager), the Waste Management Service Charge is varied to \$369.40.

4. Fire Service Rate

Pursuant to Section 93A of the Act, Council makes the following service rates in respect of the Fire Service contributions it must collect under the Fire Service Act 1979 for the rateable parcels of land within the municipal area as follows:

- 4.1 An Urban Fire Service Rate of 0.06181 cents in the dollar on the capital value of all lands within the Hobart Urban Fire District (ES) shown on CPR 3332. Pursuant to Section 93(3) Council sets a minimum amount payable in respect of this rate of \$38.00.

- 4.2 A District Fire Service Rate of 0.0166 cents in the dollar on the capital value of all lands within the Cambridge, Seven Mile Beach, Lauderdale, Richmond and South Arm Fire Districts shown on CPRs 3307, 3361, 3339, 3356 and 3366 respectively. Pursuant to Section 93(3) Council sets a minimum amount payable in respect of this rate of \$38.00.
- 4.3 A Rural Fire Service Rate of 0.01585 cents in the dollar on the capital value of all lands which are not within the Hobart Urban Fire District (E.S.) shown on CPR 3332 or the Cambridge, Seven Mile Beach, Lauderdale, Richmond, or South Arm Fire Districts shown on CPRs 3307, 3361, 3339, 3356 and 3366 respectively. Pursuant to Section 93(3) Council sets a minimum amount payable in respect of this rate of \$38.00.

5. Maximum Percentage Increase

- 5.1 Pursuant to Section 88A of the Act, the Council, by absolute majority, sets a maximum percentage increase for all rates payable on any rateable land within the municipal area of 50% above the amount payable in respect of that rateable land in the 2015/2016 financial year.
- 5.2 Pursuant to Section 88A(1)(b) Council declares, by absolute majority, that the maximum percentage increase varies within the municipal area according to the following factors:
- (a) for all rateable land used, or predominantly used, by ratepayers and is occupied as a principal dwelling by persons who are eligible pensioners within the meaning of the Local Government (Rates and Charges Remissions) Act 1991, the maximum percentage increase is varied to 10%;
 - (b) for all rateable land used or predominantly used for residential purposes and where the variation at sub-paragraph (a) does not apply, the maximum percentage increase is varied to 20%;
 - (c) for all rateable land which is used or predominantly used for primary production purposes and where sub-paragraph (a) does not apply, the maximum percentage increase is varied to 20%;
 - (d) for all rateable land which is used or predominantly used for commercial purposes, industrial purposes, public purposes, mining and quarrying purposes, or sporting or recreation facilities and where sub-paragraph (a) does not apply, the maximum percentage increase is varied to 30%;

- (e) subparagraphs (a) to (d) do not apply to:
 - i. any increase in the value of rateable land the subject of a supplementary valuation pursuant to Section 92 of the Act made after 1 July 2014 if any increase in the value of the land is attributable to the undertaking of capital improvements or the subdivision of land; or
 - ii. where the general rate was not applied in the 2015/2016 financial year for any reason, including the exercise of any discretion or the grant of any remission.

6. Remissions

6.1 Pursuant to Section 129 of the Act Council, by absolute majority, grants a remission of all or part of any rates paid or payable by the following classes of ratepayers:

- (a) for the class of ratepayers liable to pay the General Rate who lease land from the Crown and upon which there is constructed a boat shed or jetty used for private purposes, Council grants a Remission of \$170.00;
- (b) in respect of the class of ratepayers where the rateable land is 20 hectares or greater in area and is wholly or partially zoned pursuant to the Clarence Interim Planning Scheme 2015 as Significant Agricultural, Rural Living, Environmental Living or Rural Resource, Council grants the following Remissions in respect of component (a) of the General Rate, (as per clause 2.1):

Area of Land	Proportional Remission of the General Rate
Not less than 20 hectares and not greater than 50 hectares	20% of the general rate
Not less than 50 hectares and not greater than 80 hectares	30% of the general rate
Greater than 80 hectares	40% of the general rate

6.2 In respect of each class of ratepayers and in respect of rateable land which is used or predominantly used:

- (a) for commercial purposes;
 - (b) for industrial purposes;
 - (c) for mining and quarrying purposes;
 - (d) for primary production purposes; or
 - (e) for public purposes
- and where such rateable land is liable to pay the Waste Management Service Charge, such charge is remitted to nil where;

- (i) the Waste Management Service Charge is not used in relation to the rateable land; and
- (ii) the ratepayer demonstrates to the satisfaction of the General Manager that there is in place an alternative Waste Disposal Service for the rateable land.

6.3 For all rateable land used or predominantly used by ratepayers who are eligible pensioners within the meaning of the Local Government (Rates and Charges Remissions) Act 1991 and where the rateable land is occupied as a principal dwelling by such ratepayers, a remission of 1.8% applies to all rates excluding any fire service rate.

6.4 The amount of the minimum stormwater service rate (if applicable) is remitted in respect of all properties to which Paragraph 3.3(a) above applies.

7. Separate Land

For the purposes of these resolutions the rates and charges shall apply to each parcel of land which is shown as being separately valued in the Valuation List prepared under the Valuation of Land Act 2001.

8. Adjusted Values

For the purposes of each of these resolutions any reference to the capital value of land includes a reference to that value as adjusted pursuant to Sections 89 and 89A of the Act, except where these resolutions otherwise provide.

9. Instalments

Pursuant to Section 124 of the Act Council decides:

- 9.1 Where rates are not paid by instalments, the date of payment is the 31st day after the issue of the rates notice;
- 9.2 All rates may be paid by all rate payers by 4 instalments, which must be of approximately equal amounts;
- 9.3 The dates by which instalments are to be paid shall be as follows:
 - (i) the first instalment on or before the 31st day after the issue of the rates notice;
 - (ii) the second instalment on or before the 61st day after the due date of the first instalment;
 - (iii) the third instalment on or before the 31st day of January 2017; and
 - (iv) the fourth instalment on or before the 31st day of March 2017.

- 9.4 If a rate payer fails to pay any instalment within 21 days of the due date, Council may determine that the entire balance of the rates payable becomes due.

10. Late Payments

That in accordance with Section 128 of the Act Council decides as follows.

- 10.1 If any rate or instalment is not paid by the due date daily interest applies to the unpaid amount for the period during which it is unpaid from and including the day after it fell due.
- 10.2 Interest shall not apply to any rate or instalment that is not paid by the due date where a ratepayer makes regular payments through Council's direct debits system, Centrepay, or other formal system of regular payments, is not in arrears and does not default on such payments.
- 10.3 The amount of the interest is the maximum prescribed percentage under Section 128 of the Act, being 8.4% per annum.

NB: A Decision on this Item requires an Absolute Majority of Council.

ASSOCIATED REPORT

1. BACKGROUND

The purpose of this report is to consider Rates and Charges for 2016/2017, variations to rates and charges for 2016/2017 and the fixing of maximum percentage increases and the remission of rates and charges for 2016/2017.

2. REPORT IN DETAIL

- 2.1.** The recommendations associated with this report give effect to the rating implications of the Estimates adopted by Council at its Meeting of 6 June 2016. They are consistent with the draft amended Rates and Charges Policy which accompanies this agenda.
- 2.2.** Reflecting the adopted Estimates, after growth and allowing for the effect of State Government charges, the total rate requirement increased by 1.9%. Council's Fire Service Contribution, which is a State Government charge payable directly to the Tasmania Fire Service, has increased by 5.3% in nominal terms.

- 2.3.** The recommendations contain no significant changes from rating policies adopted by Council in respect of 2015/2016. This includes the recognition of independent living units associated with aged care facilities as being fully rateable. Council has further considered this matter in recent times through a motion on notice and arising from receipt of letters seeking a further 12 month exemption from the general rate. Based on the outcome of the motion on notice and workshop discussions the recommendation provides for Council's existing policy position, ie to fully rate such properties commencing 1 July 2016.
- 2.4.** There remains some on-going adjustment to rates on a very small number of properties across the City arising from the full revaluation of property values effective 1 July 2013 and Council's decision to rate on the basis of capital values commencing in the 2013/2014 year.
- 2.5.** Based on recent rating decisions and consistent with the draft revised rating policy considered earlier in this agenda, the recommendation proposes continuation of a range of rate caps to various property classes. The mechanism is that a single cap must be set and may then be varied.
- 2.6.** The redistribution effect of these caps for 2016/2017 will be very minor, being less than \$10,000. This compares with some \$1.6 million in 2013/2014, \$395,000 in 2014/2015 and \$55,000 in 2015/2016.
- 2.7.** Due to the continued "unwinding" of rate caps properties not subject to a cap in 2015/2016 will typically experience a favourable effect of some 0.1%. This is due to those properties previously being subject to a cap paying an increased share of the rate burden, allowing other properties to revert to their true underlying level of rates.

- 2.8.** Proposed rate variations are consistent with past policy and include variations to both the General Rate and the Stormwater Rate. The waste charge is again varied on a “component” basis under which properties are charged at a more granular level according to the level of service provided. This was introduced in 2014/2015 in line with the implementation of the greenwaste bin service and provision of the opportunity for property owners to request multiple bins.
- 2.9.** The valuation base remains unchanged from 2015/2016, with no general revaluation and no adjustment factors issued by the Valuer General.
- 2.10.** Council’s own Pensioner Remission Policy is consistent with the past year.
- 2.11.** Other remissions are also consistent with past policy. However, as raised with Aldermen, a number of remissions are proposed to take effect through an amended Rating Policy (accompanying this agenda) rather than through the rating resolutions. This is mechanical only and does not alter the practical implementation of the remissions.

3. CONSULTATION

3.1. Community Consultation

No issues to be addressed.

3.2. State/Local Government Protocol

No issues to be addressed.

3.3. Other

No issues to be addressed.

4. STRATEGIC PLAN/POLICY IMPLICATIONS

Consistent with the revised draft Rates and Charges Policy accompanying this agenda, and the adopted Estimates for 2016/2017.

5. EXTERNAL IMPACTS

No issues to be addressed.

6. RISK AND LEGAL IMPLICATIONS

Draft resolutions are consistent with relevant legislation.

7. FINANCIAL IMPLICATIONS

No direct implications, however, the draft resolutions give effect to the rating requirements inherent in Council's adopted Estimates for 2016/2017 and are therefore critical to the on-going operations of Council.

8. ANY OTHER UNIQUE ISSUES

No issues to be addressed.

9. CONCLUSION

The recommendations give effect to Council's rating requirement for 2016/2017 and associated rating policies including Variation of Rates and Rate Remissions.

Attachments: 1. The Map - Schedule 1 (1)

Andrew Paul
GENERAL MANAGER

SCHEDULE 1
Clarence City Council
Rates and Charges 2016/2017

