

# **Rating Policy**

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# **1** Introduction

The Local Government Act requires Council to set the framework overarching Council's Annual Rating Policy. This policy does that.

### 2 Scope

This policy will be used to administer rates and charges for all properties within Bayside Council.

# 3 Rates & charges

The Local Government Amendment (Rates – Merged Council Areas) Act 2017 requires newly created Councils to maintain the rate path of the former Councils.

#### 3.1 Ordinary rates

The Local Government Act requires land to be categorised according to their dominant use as either residential, farmland, mining or business where the business category is the default category.

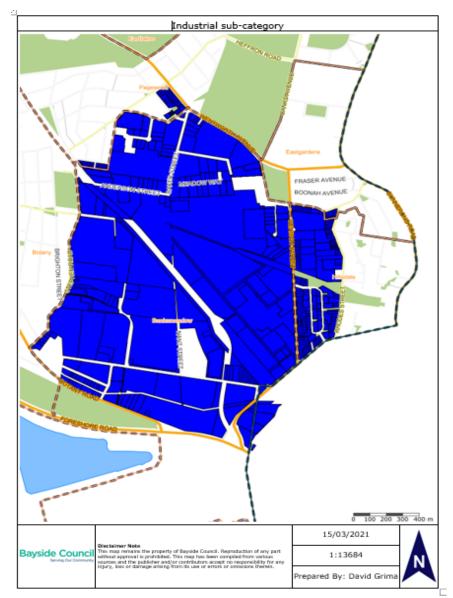
From 1 July 2021, the following rating categories and sub-categories are to be established as part of the harmonising of the rating structures of the former Rockdale City Council and City of Botany Bay:-

- Residential Ordinary
- Business Ordinary
- Business Industrial\*
- Business Port Botany
- Business Mall\*
- Farmland

#### **Ordinary Rate Mix**

In the harmonised rating structure, the total ordinary rates have been apportioned across the categories as follows – residential 74%, business 26% with a minimal amount being collected from properties (5 in total) categorised as Farmland. Where possible, Council should endeavour to continue with this apportionment, however, these percentages may be adjusted:-

- in order to comply with legislation,
- and so as to not disadvantage properties within a rate category where there has been significant development requiring a change of use (for example where commercial properties are redeveloped as residential flat buildings).



#### Diagram 1 - Industrial Sub-category boundary

#### Land with a dominant use of business in the area bounded by:-

- 1717 Botany Road to 1813 Botany Road Banksmeadow (odd side only),
- start to 48-50 Beauchamp Road Hillsdale
- Rhodes Street Hillsdale (odd side only),
- > 19 Smith Street Eastgardens to end Smith Street (odd side only)
- Corish Circle Banksmeadow (odd side only)
- 96 Wentworth Avenue to 132Wentworth Avenue Pagewood (even side only)
- 32-52 to 70 Page Street Pagewood (even side only)
- Collins Lane Pagewood
- > 2 to 26 Spring Street Pagewood (even side only)
- > 20 & 22 Ocean Street Pagewood
- Stephen Road Botany (odd side only)



Diagram 2 - Mall Sub-category boundary

# Land with a dominant use of business in the area bounded by:Wentworth Avenue Eastgardens

- Bunnerong Road Eastgardens
- Tingwell Boulevarde Eastgardens
- Banks Avenue Eastgardens

#### Port Botany Sub-category boundary

All rateable land with a dominant use of business on the southern side of Foreshore Road Botany & Banksmeadow

#### 3.2 Determining the rating category

The Local Government Act requires every assessment to be categorised for rating purposes within one of the Ordinary rate categories according to its dominant use.

Where a property has more than one use (i.e. a mix of residential and business uses) it may be deemed by the Valuer General to be eligible for a **M**ixed **D**evelopment **A**pportionment **F**actor (MDAF). These properties are then rated part residential and part business on the basis of that MDAF and not categorised according to the dominant use.

Those properties deemed <u>**not**</u> eligible for a MDAF by the Valuer General must be categorised according to its dominant use.

As the Act allows a ratepayer to object to the categorisation of their property and further appeal Council's decision to the Land & Environment Court, the Council's basis for categorising these properties must be consistent and logical.

Where a ratepayer lodges an objection to Council's determination, an independent Valuer is to be engaged to supply a report on the property including estimates of the floor area occupied by each use, the estimated rental of each use (where the actual rental has not or will not be supplied by the ratepayer) and an estimate of the MDAF that would be applicable were the property eligible.

The report supplied by the Valuer can be used along with the following considerations when determining the dominant use of a property:

- 1. if the use of a parcel of rateable land complies with the Dictionary definition of Home Occupation, as stated in the Rockdale Local Environmental Plan – the property is to be categorised for rating purposes as residential
- 2. the intensity of the different uses
- 3. the general appearance of the property (i.e. which use occupies the ground floor) and the use of other properties in the immediate vicinity in which it is located
- 4. if there has been Council approval to use the land for a purpose other than for residential
- 5. if there has been any subsequent DA's in relation to a purpose other than for residential
- 6. if there is signage located on the land advertising the activity
- 7. if the activity is advertised (for e.g. in the White or Yellow Pages) or has a website
- 8. consideration as to whether the activity would still exist if the residence was not there
- 9. whether the owner would endeavour to maintain that right or purpose in terms of existing use rights if the parcel of land was put on the market to be sold.

#### 3.3 Local area rates

**The former Rockdale City Council** has designated commercial districts where Local Area Rates are levied on business properties to fund works in those districts. These districts are listed below:

- 1. Arncliffe Local Area (refer to attachment A)
- 2. Banksia Local Area (refer to attachment B)
- 3. Bexley Local Area (refer to attachment C)
- 4. Brighton Le Sands Local Area (refer to attachment D)
- 5. Kingsgrove Local Area (refer to attachment E)
- 6. Ramsgate Local Area (refer to attachment F)
- 7. Ramsgate Beach Local Area (refer to attachment G)
- 8. Rockdale Local Area (refer to attachment H)
- 9. West Botany Street Local Area (refer to attachment I)

The above Local Area Rates will continue to be levied be calculated using an ad valorem amount except for the Ramsgate Beach Local Area Rate which is calculated using a base amount plus ad valorem amount.

The former City of Botany Bay has designated the Mascot commercial district where a Mainstreet Rate and a Mascot Local Parking Rate are to be levied on business properties to fund works and parking in those districts.

These levies will continue to be levied on all business properties within the district identified in attachment J.

#### 3.4 Special levies

**The former Rockdale City Council** has previously been granted special rate variations to fund specific works. These funds are calculated via the:

- 1. Community Safety Levy which is used to fund The Safer City Program
- 2. Infrastructure Levy which is used to fund The Asset Rehabilitation and Improvements Program.

These special levies will continue to be levied on all rateable properties in the former Rockdale City Council and calculated using a base amount plus ad valorem amount.

#### 3.5 Rating of newly registered subdivisions

Rates for each rating year will be levied on all properties registered on or before the 30<sup>th</sup> June. Where a subdivision is registered after rates have been levied:

- 1. rates will be levied on the newly registered properties from the commencement of the next quarter (i.e. 1 July, 1 October, 1 January and 1 April) following the date of registration of the new plan, and
- 2. rates levied on the historic property will be adjusted to the end of the quarter (i.e. 30 June, 30 September, 31 December, 31 March) in which the new plan is registered.

#### 3.6 Interest

Council will adopt the maximum rate as declared by the Minister.

#### 3.7 Pension rebates

The Local Government Act 1993 allows for a 50% mandatory rebate to be granted to eligible pensioners up to a maximum annual amount of \$250.00

As required by the Local Government Act, an eligible pensioner must:-

- 1. be the owner or joint owner of the property, and
- 2. occupy the property as their principal place of residence and
- 3. be in possession of a current pensioner concession card issued by Centrelink and/or the Department of Veteran Affairs (DVA), or a gold card issued by DVA with the letters EDI or TPI stamped on it.

Where the pensioner part owns the property with someone other than their spouse, the amount of the rebate will be reduced proportionately according to their share of the property.

However, where the other owner does not reside at the property, Council will agree to extend the rebate amount to cover the other owner's proportion of ownership upon the other owner providing a statutory declaration stating:

- 1. their full residential address, and
- 2. declaring that they do not live at the property nor make any contribution to the outgoings for the property.

Where an eligible pensioner has not previously applied for a pension rebate on their rate account although they may have been eligible, a rebate shall be granted for the current year plus a retrospective rebate granted for the immediately preceding year (or part thereof).

Pensioner reference numbers will be verified with the relevant authority at least once yearly, and any write back of pensioner rebate amounts will be made as required by the Local Government Act 1993.

#### 3.8 Aggregation (or Combining) of lots for rating purposes

Where separate rates are levied on lots that are used in conjunction with one another, section 548A of the Local Government Act 1993 allows for the aggregation of these lots for rating purposes. Any aggregation of lots will be limited to the lot occupied by the apartment or commercial activity and no more than two (2) other lots where they are occupied by a garage, car space or storage lot. These lots must be within the same building, strata plan or the immediately adjoining building or strata plans.

#### 3.9 Change of mailing address for the service of rate notices

Requests to change the mailing address for the service of rate notices can only be accepted from:

- 1. the owner, or
- 2. their managing agent, or
- 3. a third party who has the owner's power of attorney and who provides a copy of such documentation.

# 4 Document control

#### 4.1 Review

This policy should be reviewed when rating structures are to be harmonised and then every three (3) years in line with the general revaluation.

The Manager Governance & Risk may approve non-significant and/or any minor editorial amendment that does not change the policy substance.

#### 4.2 Related documents

This document should be read in conjunction with:

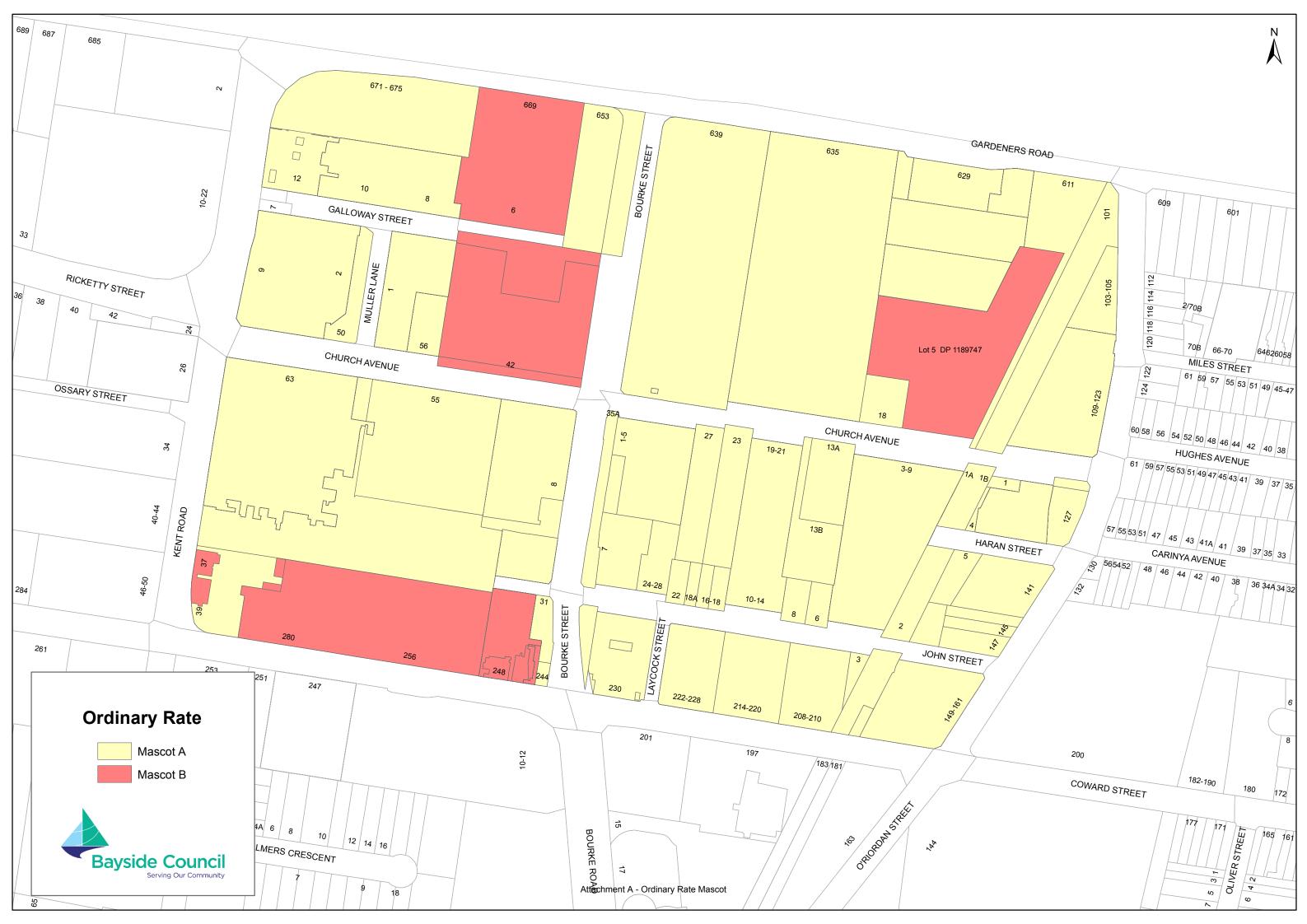
- 1. Local Government Act 1993
- 2. Council's Annual Rating Policy which forms part of the Operational Plan

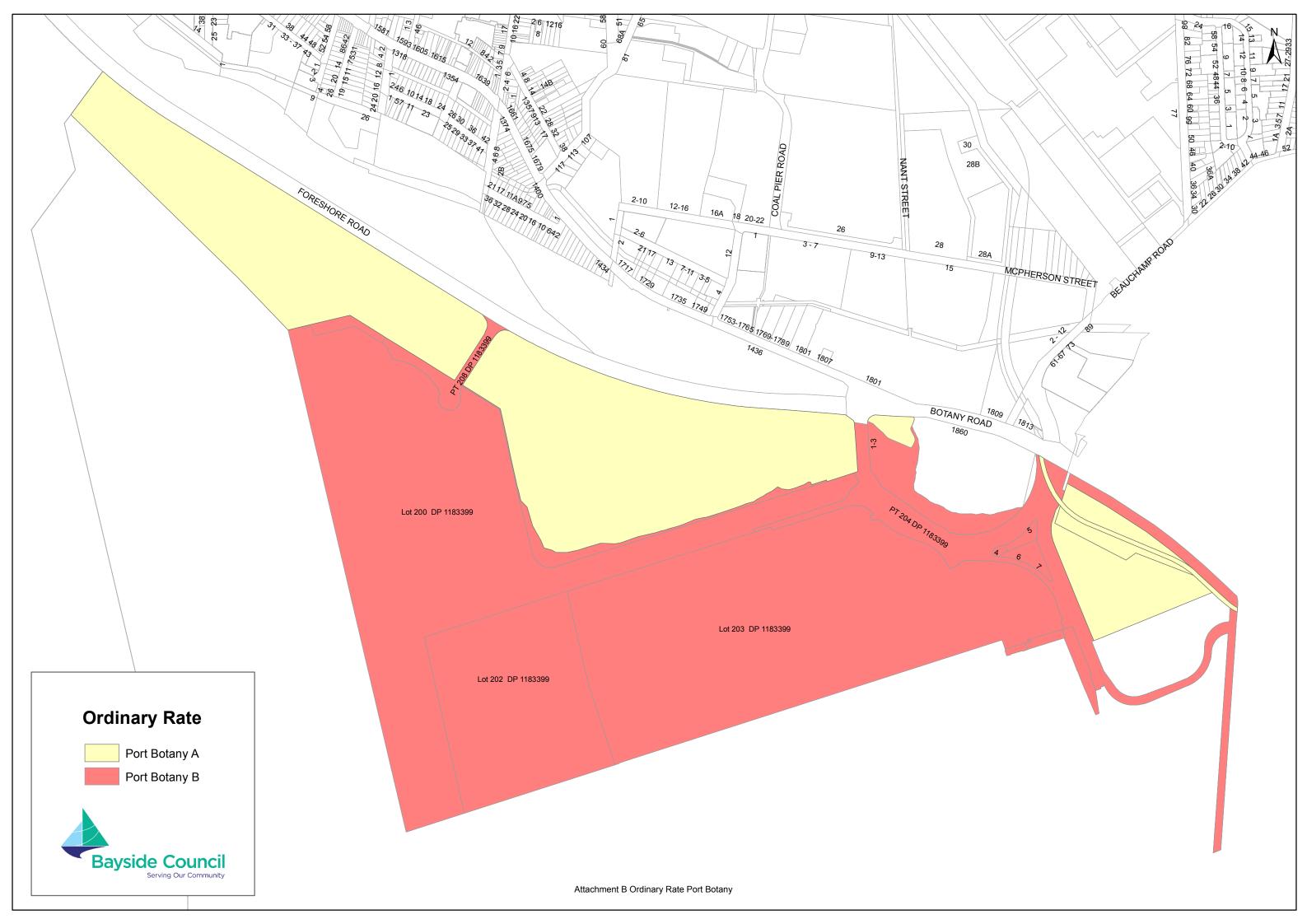
#### 4.3 Version history

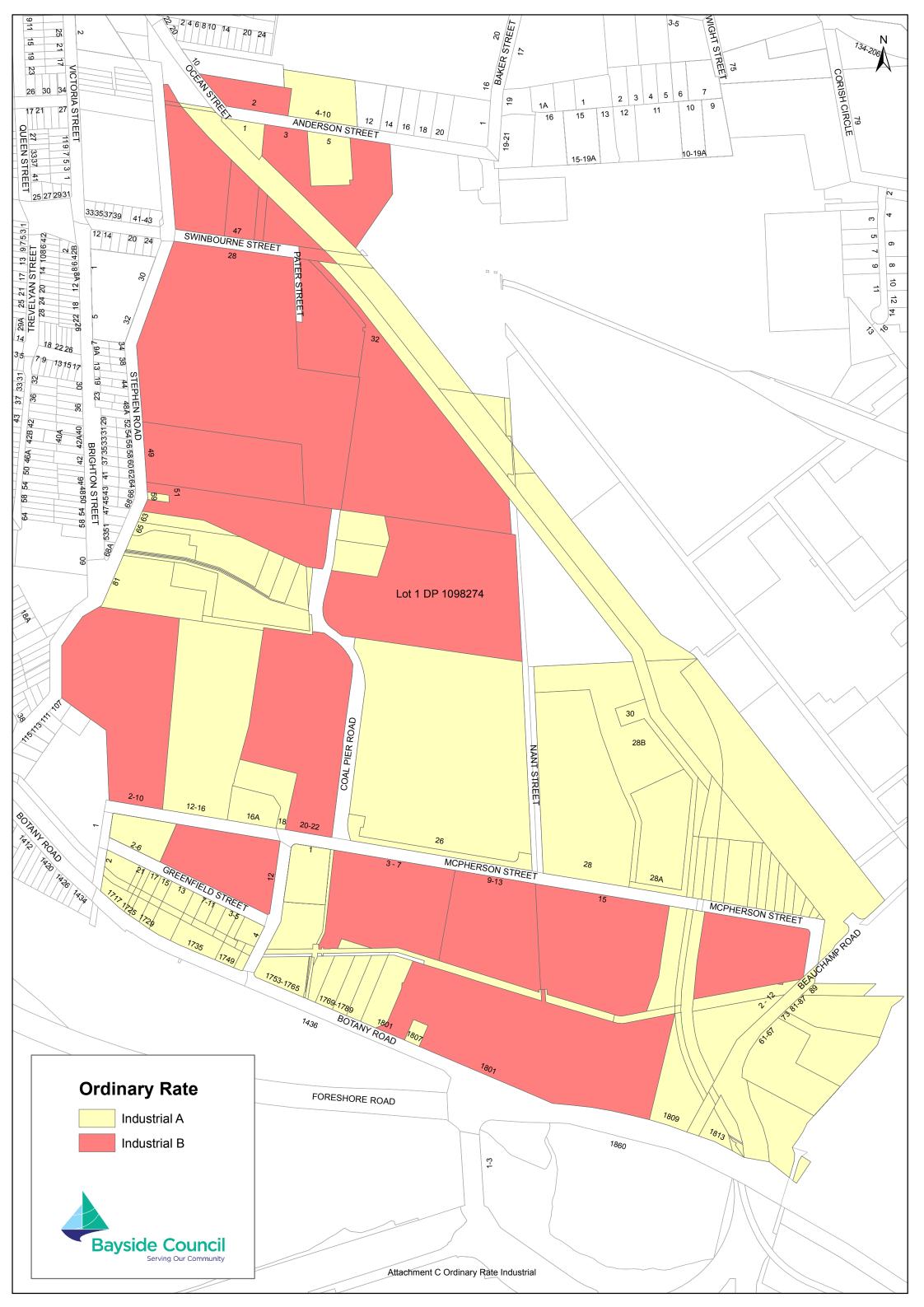
Version	Release Date	Author	Reason for Change
1.0	12/06/2019	Coordinator Rates &	Original, Harmonised document
		Revenue	from former Councils
2.0	09/06/2021	Team Leaders Rates	New policy adopted as part of the
		& Revenue	2021/2022 Operational Plan

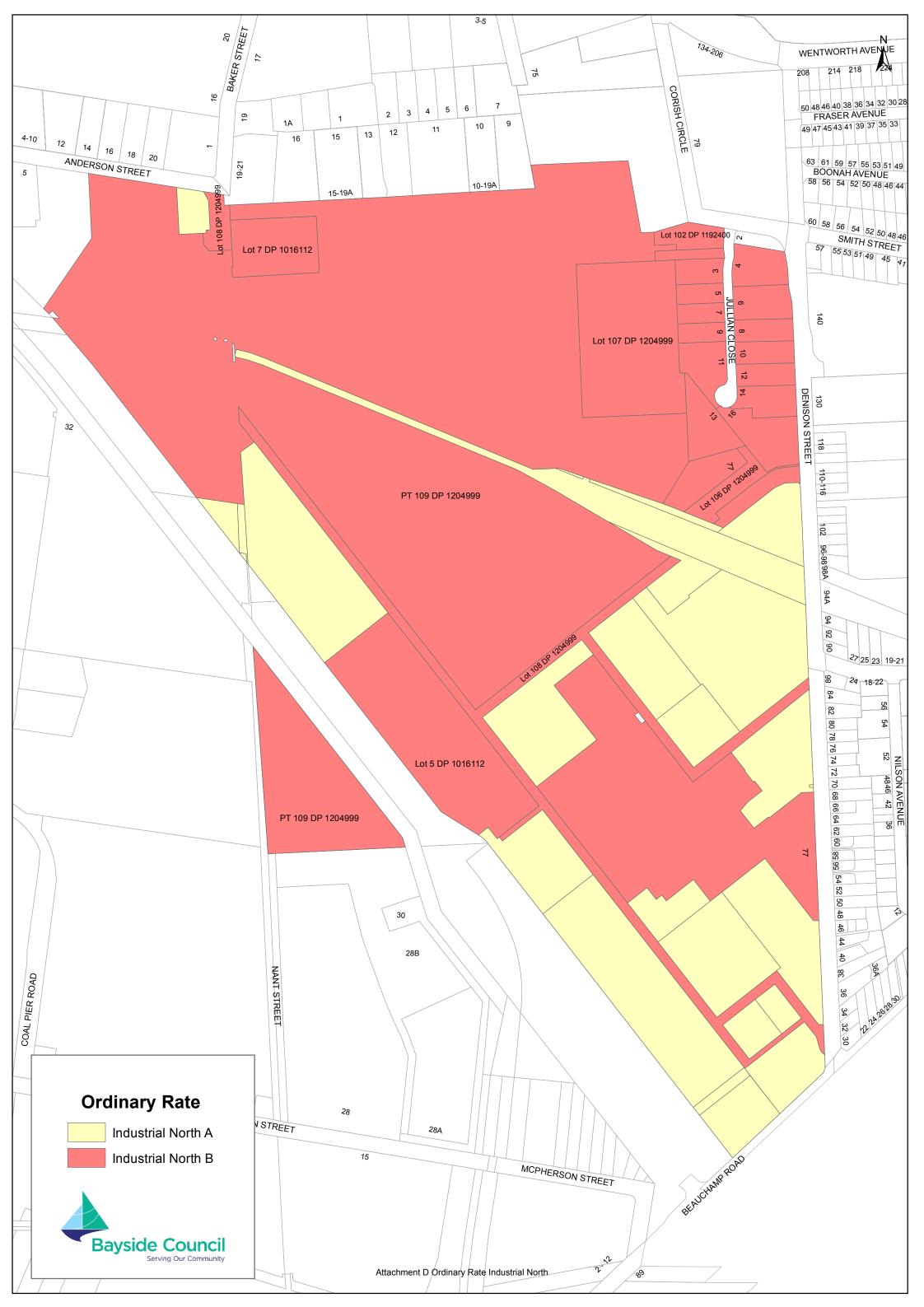
# **Appendices – Local Area Rating Maps**

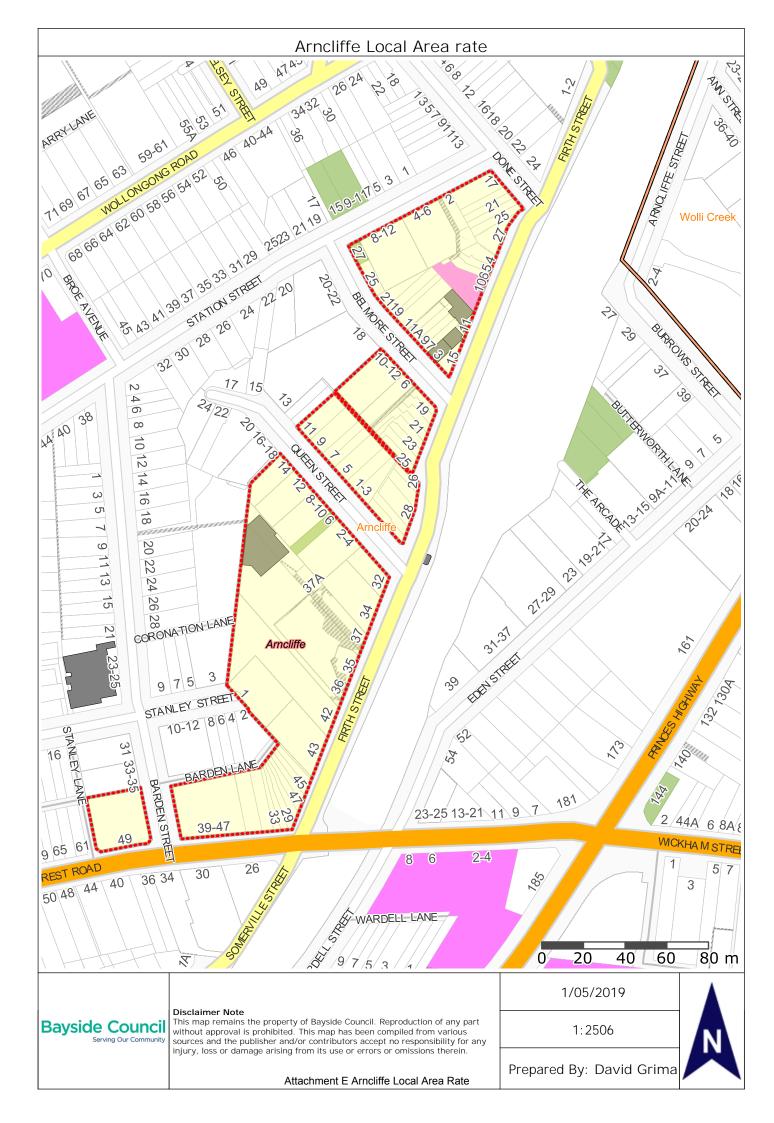
- Business Mascot Precinct
- Business Port Botany
- Business Industrial
- Business Industrial North
- Arncliffe Local Area
- Banksia Local Area
- Bexley Local Area
- Brighton Le Sands Local Area
- Kingsgrove Local Area
- Ramsgate Local Area
- Ramsgate Beach Local Area
- Rockdale Local Area
- West Botany Street Local Area
- Mascot Mainstreet & Local Parking Area

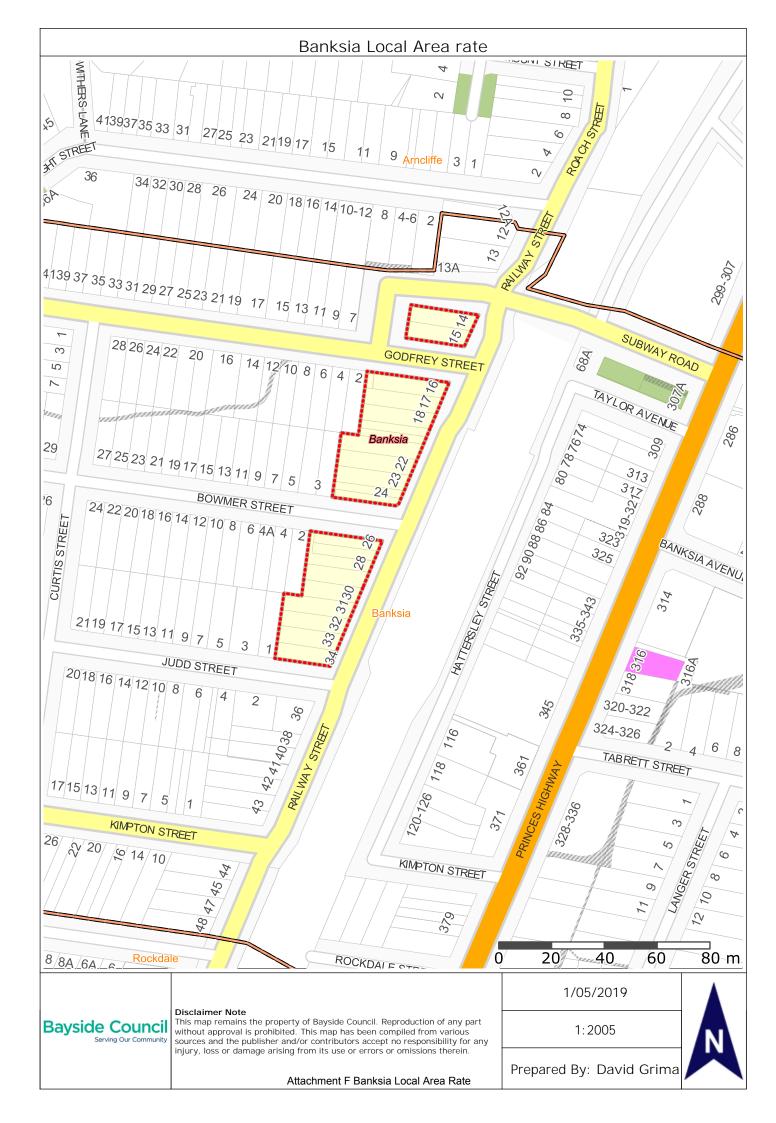




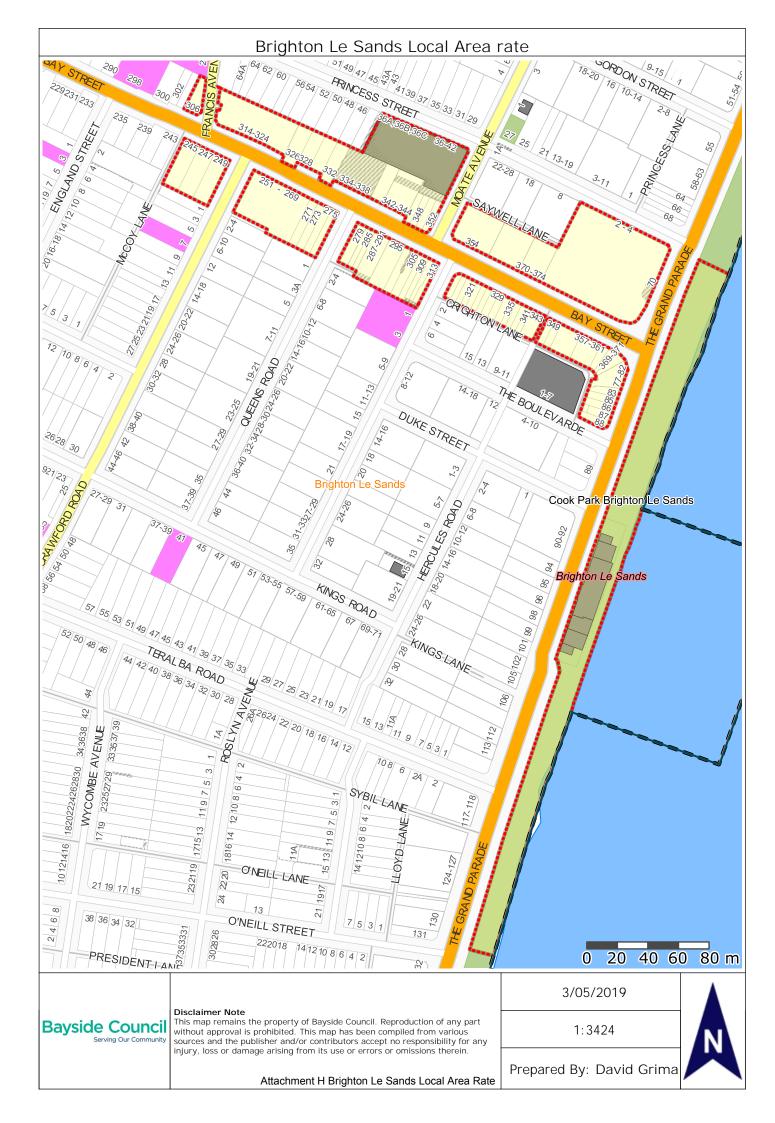


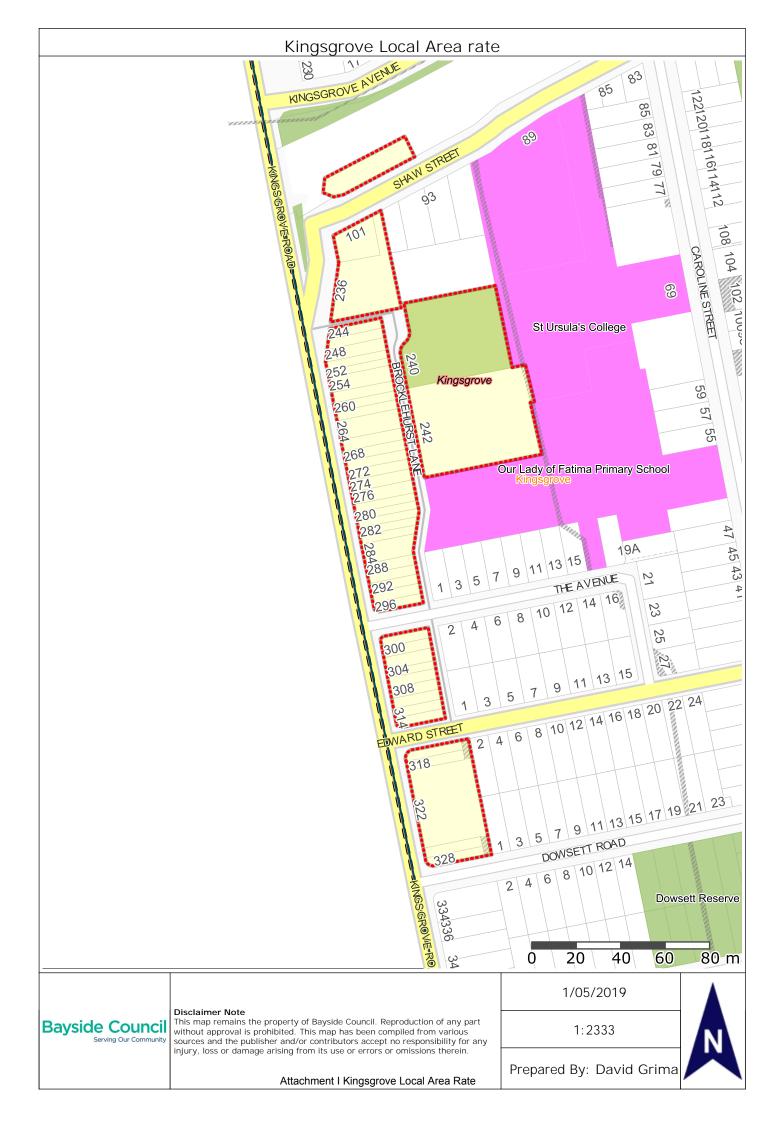


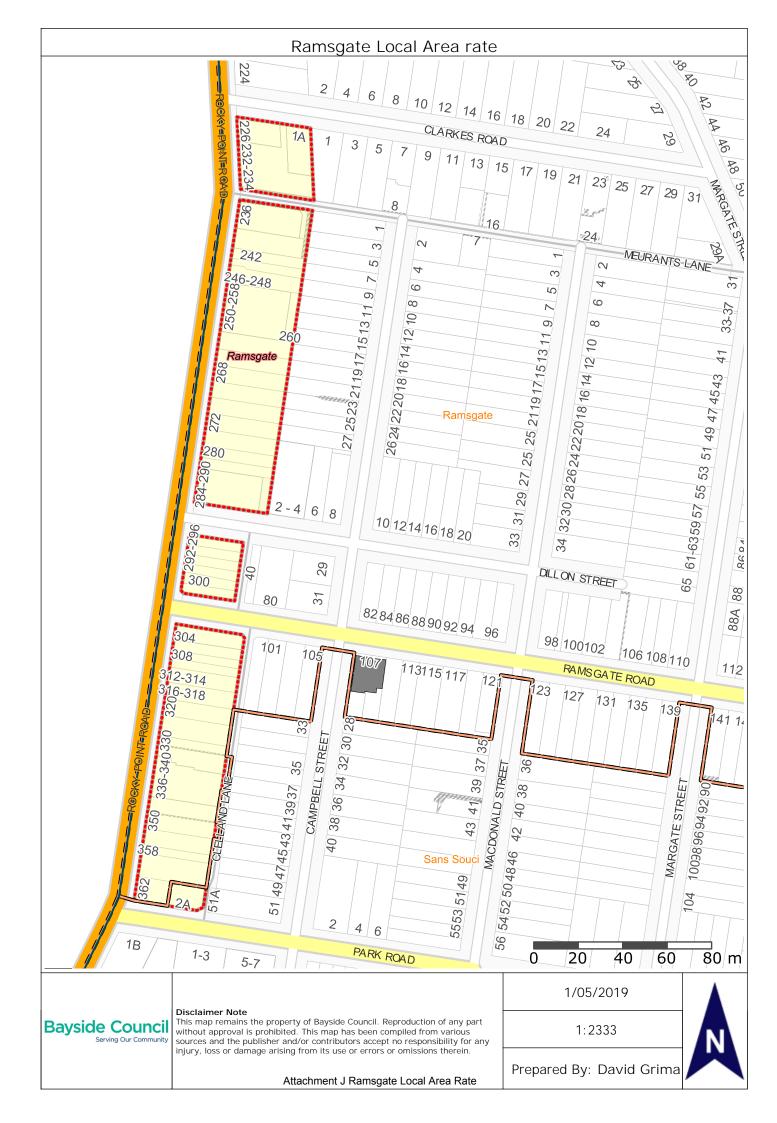






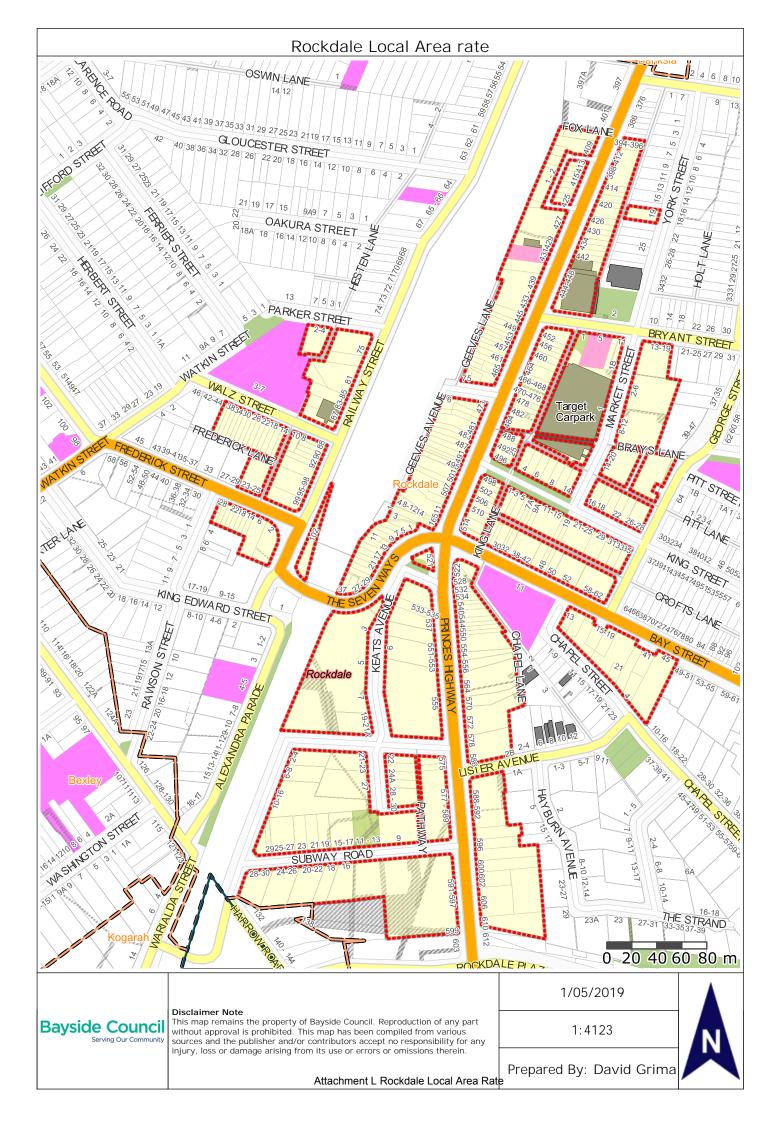


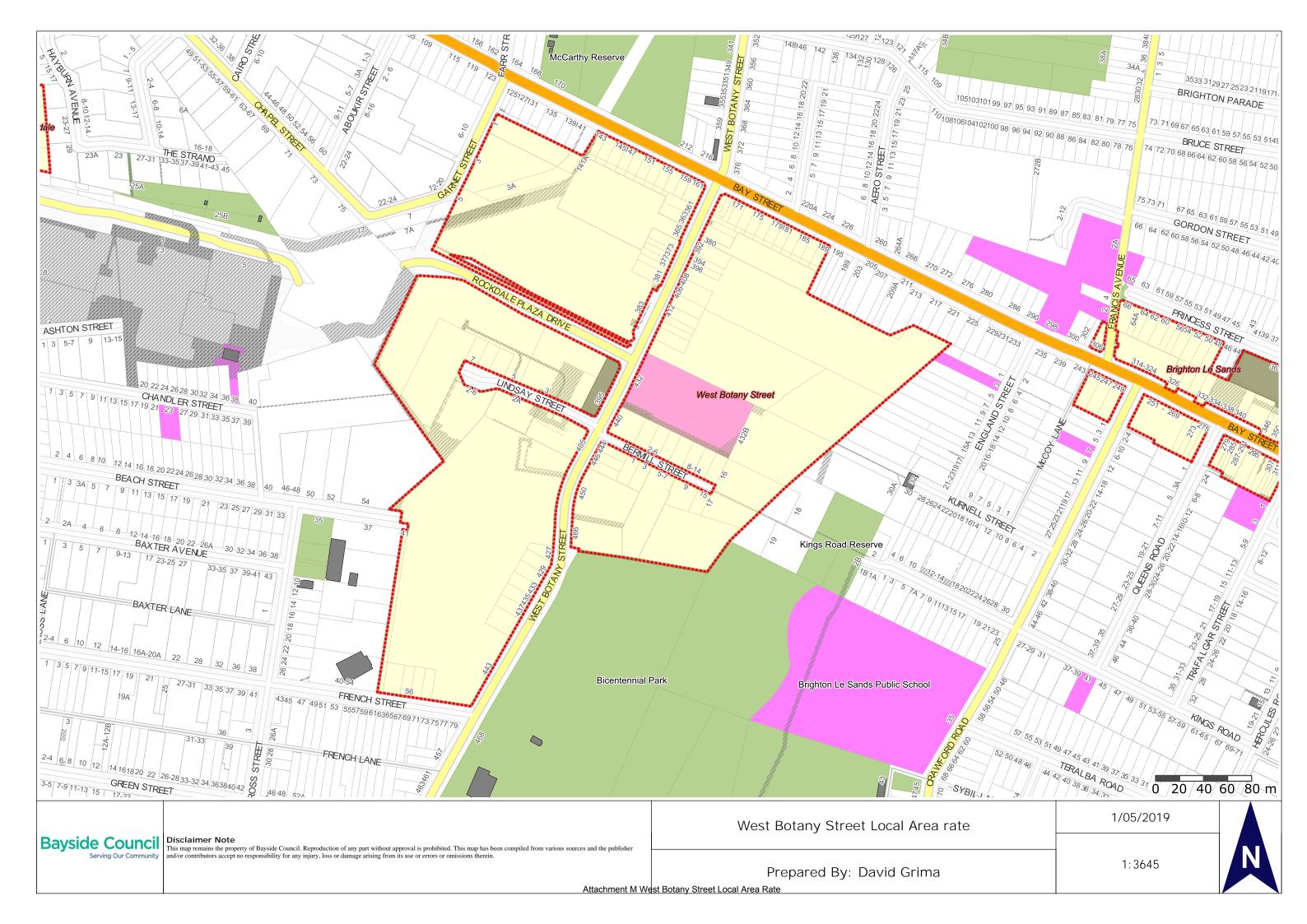


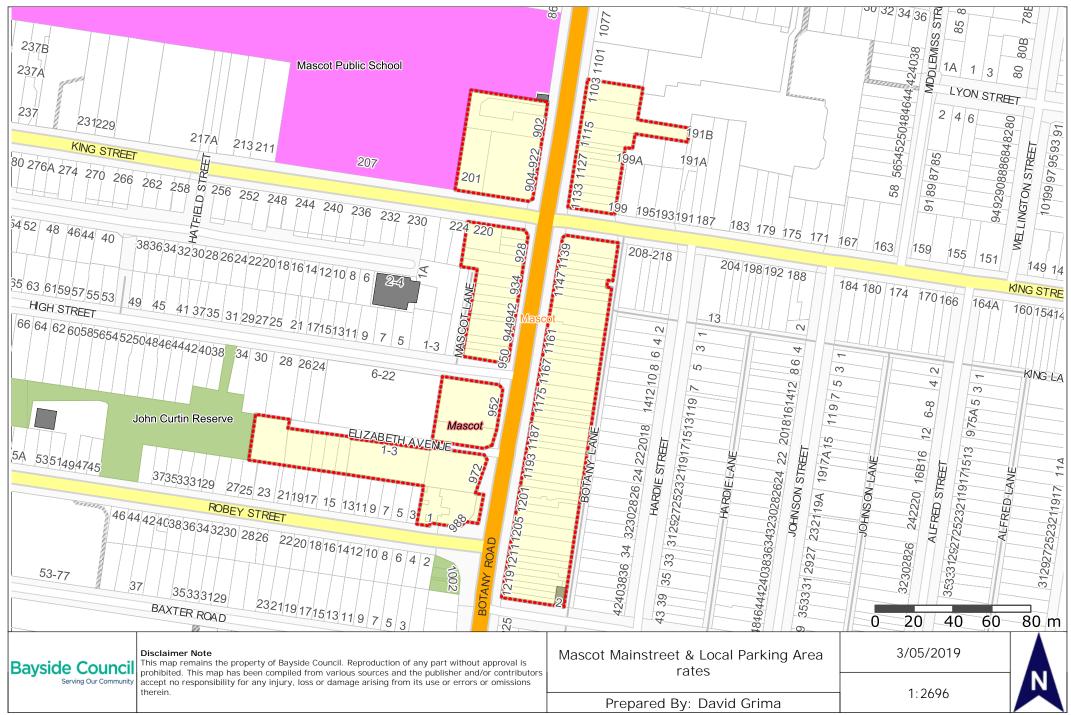




Attachment K Ramsgate Beach Local Area Rate







Attachment N Mascot Main Street and Local Parking Area Rates