

Mannum Waters Separate Rate Policy

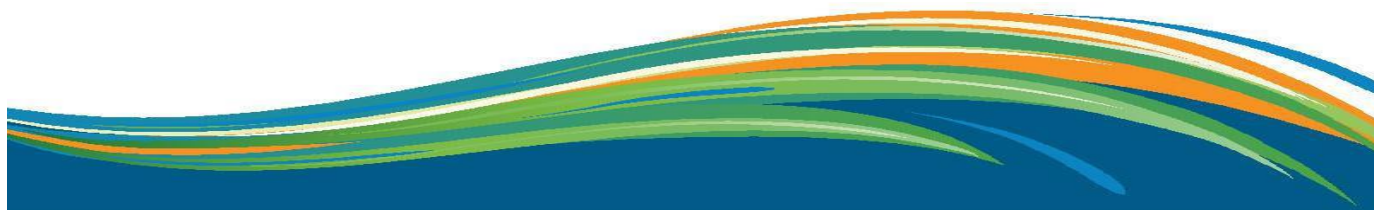
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Responsible Officer	Director – Corporate and Financial Services
Adopted	12 July 2022
Last reviewed at Council Meeting	
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1. Purpose

- 1.1 This document sets out Council's policy for the setting, collection, rebate and payment of the Mannum Waters Separate Rate (**Policy**).
- 1.2 The objectives of this Policy are to:
 - 1.2.1 detail how the Separate Rate for Mannum Waters ratepayers will be set;
 - 1.2.2 provide Mannum Waters ratepayers with assistance and options to pay the Separate Rate in a timely and acceptable manner;
 - 1.2.3 provide guidance to Mannum Waters ratepayers as to the circumstances in which the payment of the Separate Rate will be due;
 - 1.2.4 ensure equitable treatment to all ratepayers within Mannum Waters; and
 - 1.2.5 ensure that Council is legislatively compliant.

2. Background

- 2.1 Council is required under the *Landscape South Australia Act 2019* to cover the evaporation loss of 187ML within the Mannum Waters Marina.
- 2.2 Council has determined that it will purchase a permanent water entitlement of 187ML to cover its obligations for the annual evaporation loss.
- 2.3 Section 154 of the *Local Government Act 1999* enables Council to declare a Separate Rate on rateable land within a part of its area for the purpose of planning, carrying out, making available, supporting, maintaining or improving an activity that is, or is intended to be, of particular benefit to the land, or the occupiers of the land, within that part of the area, or to visitors to that part of the area.



3. Policy

3.1 Policy Principles

3.1.1 Council's Rating Principles are underpinned by:

- Accountability and professional ethics;
- Community consultation;
- Transparency and simplicity;
- Efficiency;
- Equitable distribution of the rate burden;
- Consistency with the strategic directions of Council
- Compliance with relevant legislation

3.1.2 In setting the Separate Rate, Council will consider;

- The cost for the purchase of the permanent water entitlement and corresponding loan finance costs.

3.2 Payment

3.2.1 The Separate Rate will be due and payable in accordance with the rates notice issued under section 181 of the Act.

3.2.2 In circumstances where the Separate Rate is due and payable, it is a liability for the principal ratepayer of the land.

3.3 Basis and Calculation of the Separate Rate

3.3.1 Council will contribute funds towards the cost of the permanent water entitlement as follows:

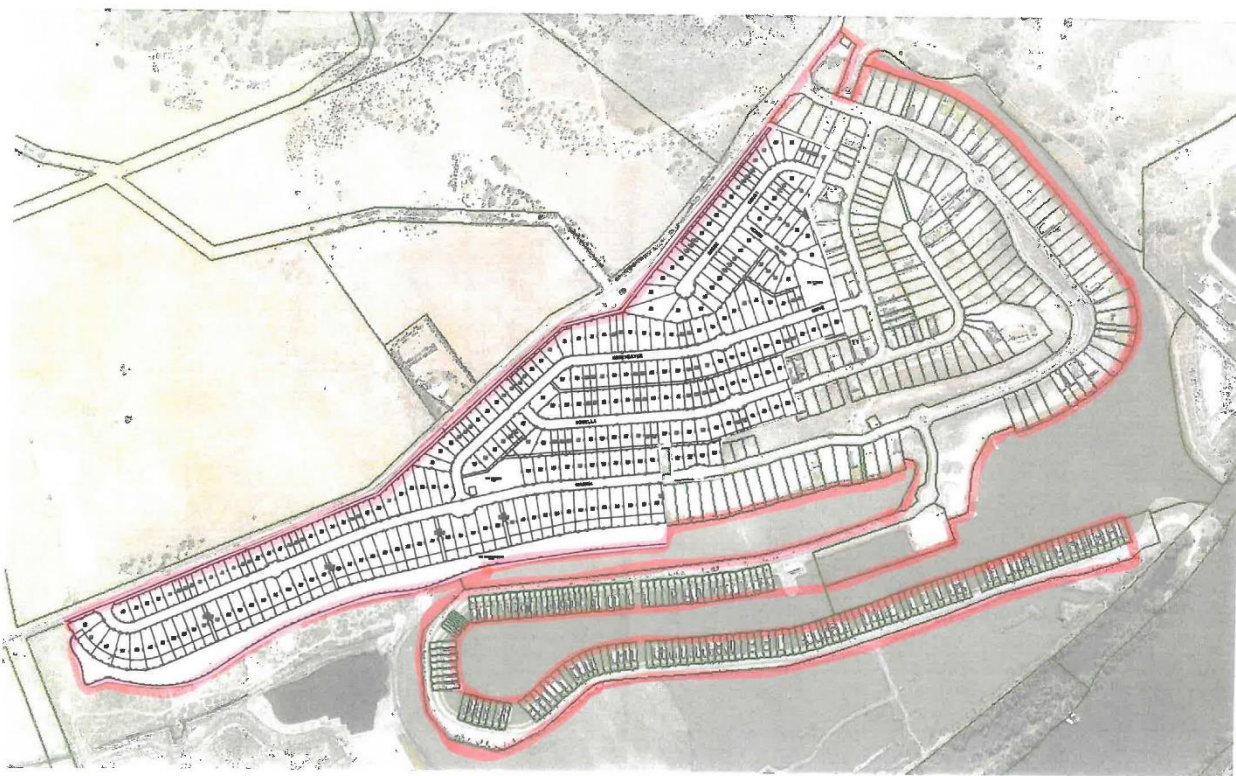
- Initial contribution \$122,000 (8.9% of the total cost) proposed in the Mannum Waters Separate Rate Consultation Paper – April 2022, plus in acknowledgement of the reserve and boat ramp areas that are available for use by the general public Council will now pay a further \$206,000 of the costs, increasing its contribution to \$328,000 (or 21% of the total cost).

3.3.2 The amount to recover by way of the Separate Rate is:

• Cost of permanent water allocation	\$1,534,000
• Less Council's contribution	<u>-\$328,000</u>
Total cost to finance	\$1,206,000
Plus finance costs	<u>\$244,000</u>
Total amount to recover	<u>\$1,450,000</u>

3.3.3 The Separate Rate will be recovered on a proportional basis according to the measurement of ownership of each title issued or, until a title is issued, the rating assessment which encompasses the land, including Marina berths and Development Plans approved by Council within Mannum Waters. The area that is subject to the Separate Rate is shown in the map below:





Mannum Waters Separate Rate Area Map 1 (actual allotments 30/06/2022 and approved Development)

4. Rebate for Non-Waterfront Properties

- 4.1.1 Council acknowledges that within Mannum Waters there are non-waterfront properties which do not receive the same benefit from the Marina and water areas, when compared to the Marina berths and waterfront properties.
- 4.1.2 Accordingly, in recognition of this difference, Council has determined that non-waterfront properties will benefit from the application of a rebate that results in the amount of the Separate Rate liability that is payable, being 65% less than that imposed upon Marina berth and waterfront properties.
- 4.1.3 This rebate (granted under section 166(1)(m)(ii) of the *Local Government Act 1999*) will be automatically applied (without the need for application) by the Council against the non-waterfront properties Separate Rate liability and set out on the rates notice.

4.2 Payment Options

Council is aware that the declaration of the Separate Rate will be a significant financial impact on the ratepayers at Mannum Waters. To assist these ratepayers, Council is allowing affected ratepayers to select one of the following payment options:

- 4.2.1 to pay their total contribution over a 15-year period by way of the annual declaration of the Separate Rate; or
- 4.2.2 upon election by a ratepayer, their total Separate Rate contribution can be paid in one year, being 2022/23, rather than over the 15 year period of the Separate Rate. The form of election (which will be supplied with the rate notice) must be received by Council by 31 August 2022, being 30 days from the delivery of the rate notice). If the ratepayer makes this election, the loan finance costs for the purchase of the permanent water entitlement will be remitted from the total amount of the Separate Rate.

4.3 Penalties for Non-Payment of the Separate Rate

- 4.3.1 If the Separate Rate is unpaid when due, any outstanding amount will be charged interest monthly in accordance with the Local Government Act 1999 as further detailed in Council's Rating Policy; and
- 4.3.2 Whilst Separate Rate outstanding amounts will also incur fines, Council has determined to remit these fines.
- 4.3.3 Section 184 of the Act provides that Council can sell a property if rates (which includes the Separate Rate) remain outstanding for at least a period of three (3) years. Council has determined that it will not exercise this power in respect of arrears of the Separate Rate unless there are arrears thereof for at least a period of six (6) years.

4.4 Communication

All relevant staff will be notified of this Policy and associated Procedures and kept informed of any updates and/or changes. Relevant staff will be trained in the application of this Policy and associated Procedures.

5. Policy Responsibility

- 5.1 Council shall provide relevant policies.
- 5.2 Director – Corporate and Financial Services shall initiate the Separate Rate.
- 5.3 Rates Officer shall raise the Separate Rate.

6. Availability/Accessibility

- 6.1 This Policy is available to be downloaded free of charge from Council's website: www.mid-murray.sa.gov.au
- 6.2 This Policy is available for inspection at Council's principal office during ordinary business hours. Hard copies, for a fee in accordance with Council's schedule of Fees and Charges, can be provided upon request.

7. Legislative Framework / Other References

- 7.1 *Local Government Act 1999*
- 7.2 Rating Policy
- 7.3 Rates Hardship Policy

8. Document History

This Policy shall be reviewed at least every year.

Version	Adopted	Minute	Description of Change
1	12 July 2022	21343/3	Adopted

