



Rate Review – Summary

This summary provides an overview of the reasons for and impact of the changes that will likely occur from the proposed changes under the rating review. For more information, please refer to the full Paper, 'A Review of the Basis of Rating Consultation Paper', on the City of Port Lincoln's Council website.

How do Councils calculate Rates?

Where a council has a fixed charge, the fixed charge is levied against properties first, which results in an amount of rates. This amount is deducted from the total rates the Council needs for their budget. The remaining rates needed is divided by the total valuations of all the rateable properties in the Council area. This results in a Rate in the Dollar (RID).

Properties are charged the Fixed Charge plus the (RID x by the properties valuation).

What is changing?

Council previously used the Site Value of your property to calculate rates. The Site Value is the value of the land only.

Local Government legislation in South Australia has changed, which means that the Council will be required to calculate your rates using Capital Value instead of Site Value. Capital Value is the value of the land plus the value of all improvements, such as buildings.

The council is also considering some additional changes:

- Move from Site to Capital Value (note this is legally required)
- Create an additional Rating Category based on the Zone – Employment Bulk Handling
- Set the differentials for each rating category, taking into consideration taxation principles and easing some of the effects of the change.
 - Taxation principles are included in section 7.2 of the Consultation Paper.
 - Detail on Differentials is included in section 17 of the Consultation Paper.

The council has analysed the effect of the change to Capital Value on properties and, to minimise the impact is proposing to increase the Fixed Charge to \$650 and provide a Capping Rebate.

What will be the effect of these changes?

The effect of these changes is a redistribution of rates across properties in the district. Many properties will have lower rates than in the past, but many will have higher rates.

The table below shows the proposed Differential (comparison of a rating category to the Residential rate), indicative RID, the number of properties where the rates are likely to decrease and the number where the rates are likely to increase.

The RID is indicative only as this could change during the setting of the Council's 2024/25 Annual Business Plan and total rating requirements. The Valuer General will also update property valuations before the Council sets its rates for 2024/25, and changes in final valuations will change the RID.

| Rating Category | RID compared to Residential | RID (Indicative) | Number of Properties that Decrease | Number of Properties that Increase | Ave. Change \$ |
|--------------------------|-----------------------------|------------------|------------------------------------|------------------------------------|----------------|
| Residential | 100% | 0.002725765 | 1587 | 5344 | 94 |
| Commercial Shop | 130% | 0.003543494 | 88 | 129 | 107 |
| Commercial Office | 130% | 0.003543494 | 39 | 85 | 41 |
| Commercial Other | 130% | 0.003543494 | 103 | 283 | 30 |
| Industrial Light | 130% | 0.003543494 | 32 | 75 | -45 |
| Industrial Other | 130% | 0.003543494 | 22 | 44 | 60 |
| Primary Production | 130% | 0.003543494 | 24 | 6 | -700 |
| Vacant Land | 300% | 0.008177294 | 107 | 335 | 93 |
| Other | 100% | 0.002725765 | 29 | 10 | -384 |
| Marina Berths | 100% | 0.002725765 | 111 | 48 | -77 |
| Employment Bulk Handling | 400% | 0.010903058 | 0 | 12 | 21,181 |

How will I know what is happening to my rates?

The full Consultation Paper is on the Council's website. Ratepayers can attend the public meetings to hear about the changes and speak to a Council staff member at that time to see the likely changes to their rates. Ratepayers can also contact the Council and speak to the Senior Rates Officer.

How do I tell the Council my thoughts?

You can make a submission to the Council in writing by **5 pm on Wednesday, 12th June 2024**, via the Council's online Engagement Hub platform and dedicated 'Your Say' website:

<http://yoursay.portlincoln.sa.gov.au>

Or by email to: yoursay@plcc.sa.gov.au

Or in writing to:

Chief Executive Officer
City of Port Lincoln
PO Box 1787
PORT LINCOLN SA 5606

Public Meetings: There will be two public meetings where ratepayers can make written or verbal submissions. The public meetings will be held at the Media Room at the Nautilus Arts Centre, entry via Washington Street. The meetings will be on **Tuesday, 11th June 2024**, at:

- **2 pm and 6 pm**

What if I find it hard to pay?

Council has a number of ways that ratepayers can be supported if they find it difficult to pay their rates. Please contact the Council to discuss these options.