



2022/2023

DRAFT ANNUAL BUSINESS PLAN



DISTRICT COUNCIL OF TUMBY BAY

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DISTRICT COUNCIL of TUMBY BAY

District Council of Tumby Bay

Draft Annual Business Plan 2022/2023

Introduction

The Annual Business Plan sets out the Council's proposed services, programs and projects for 2022/2023. It aims to maintain efficient services for the community and continue progress towards the longer-term objectives of the Council. After taking into account feedback from community groups and various requests throughout the past year along with Council's Long-Term Financial Plan and Asset Management Plans, Council prepared an Annual Business Plan and 2022/2023 Budget for public consultation.

The Plan aims to maintain efficient and appropriate services and facilities for the community, without imposing an unrealistic rate burden on ratepayers. The provision of services by Council is a reflection of both meeting Council's obligations under legislation and making policy choices on behalf of the community to achieve Council's longer-term goals.

Profile

The District Council of Tumby Bay is located 45km north of Port Lincoln, and 630km from Adelaide, and covers an area of 266,907 hectares with an estimated population of 2,756. *Tumby Bay* is the major centre of the district, *Port Neill* a small coastal town 40km north east of Tumby Bay, *Ungarra* a small agricultural based town located 28km north west of Tumby Bay and *Lipson* a small historic farming town located 12km north west of Tumby Bay.

It is an agricultural district farming cereal, oil seed and pulse crops along with sheep and cattle, some fishing activity and tourism industries. There are also two private companies currently exploring opportunities for the establishment of future port facilities along the coast north of Tumby Bay, with one proponent having recently announced a proposed commencement date for construction..

Council is committed to strong and sustainable economic growth to ensure that the opportunities afforded by the twenty first century are fully realised and that its district and the Eyre Peninsula is enhanced as an attractive destination for productive long-term investment.

The advent of mining on Eyre Peninsula and the recent port facilities announcement along with renewable energy enterprises have the potential for significant long-term economic impacts, particularly on Tumby Bay and Port Neill as well as for the region in general. Residential and industrial land development will play a critical role once port facilities are developed, particularly in catering for the land and housing needs.

Infrastructure will become critical with further development (e.g. industrial land, transport systems, port infrastructure, housing and related businesses, recreation and soft infrastructure like children's services – childcare and education and health facilities).

Council has undertaken a Master Planning exercise to assist it to plan for the future and minimise risks associated with increased population. The Master Plan is an overarching spatial and built form framework which sets out the broad land use, infrastructure and development intent for the study area over a set period of time. Its intention is to provide clear design and planning outcomes that can form the basis for future Development Plan Amendments. The Master Plan will guide the planning and delivery of services and infrastructure, such as transport, health, schools and community facilities, while ensuring the protection of productive agricultural and environmentally significant land. With reference to the objectives of the Region Plan, the purpose of the Master Plan is to create vibrant places that are competitive, liveable and sustainable.

Our Future

Strategic Plan

The District Council of Tumby Bay 2020-2030 Strategic Plan was adopted in September 2019.

Our Vision

We are a district of vibrant, engaged communities. Our residents, businesses and visitors enjoy a relaxed lifestyle that our seaside and rural location affords, a pristine natural environment and a regional centre that is not compromised in character or services.

Our Values

Balanced

We recognise the need to retain the qualities that define our district, while providing opportunities for our communities to grow, excel and thrive in an inclusive environment.

Responsive

We are responsive and adaptable to new, emerging and changing needs.

Responsible

We are financially responsible and transparent in our decision making to ensure the sustainability of our Council and services.

Excellence

We continuously explore ways to improve how we deliver services and infrastructure efficiently and sustainably.

Our Strategic Themes

Theme 1 - A Harmonious Balance between Lifestyle & Growth

Theme 2 - Connected, Vibrant & Empowered Communities

Theme 3 - A Strong & Diverse Local Economy

Theme 4 - Quality Services & Infrastructure

Each theme includes a number of strategic advantages and strategies; details of which are available on Council's website www.tumbybay.sa.gov.au or the Council office.

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Significant Influences and Priorities

A number of significant factors have influenced the preparation of the Council's 2022/2023 Annual Business Plan. These include:

- Results of Strategic Planning surveys completed in 2019.
- All Groups Consumer Price Index increases on goods and services for Adelaide of 4.7% for the past twelve months ended March 2022.
- Enterprise Bargaining Agreements and employment contracts.
- Asset Management Plans for all Council assets, aimed at maintaining and providing the essential asset services required by the community.
- Long Term Financial Plan aimed at ensuring the long-term sustainability of the Council.
- Provision of an extensive range of services and facilities in line with ratepayer expectations.
- Responsibility to meet the requirements of the Work Health and Safety Act & Regulations.

In response to these factors, the Annual Business Plan has been prepared within the following guidelines:

- The Annual Business Plan will result in the total revenue raised through general rates increasing by an amount of 8.7%, excluding revenue from new rates.
- Several services will be provided on a user pays system.
- Prudent use of Government Grant funding for the provision and maintenance of Council's extensive infrastructure network.
- Commitment to pursue additional grant funding for both capital and operational programs, wherever possible.
- Continued investigations and implementation of resource sharing activities with the City of Port Lincoln and District Council of Lower Eyre Peninsula.

Continuing Services

All Councils have basic responsibilities under the *Local Government Act 1999* and other relevant legislation. These include:

- Regulatory activities e.g. maintaining the voters roll and supporting the elected Council.
- Setting rates, preparing an annual budget and determining longer-term strategic management plans for the area.
- Management of infrastructure and other assets including roads, footpaths, parks, public open space, street lighting and stormwater drainage;
- Street cleaning and rubbish collection.
- Development planning and control, including building safety assessment, and various environmental health services.
- Risk management.

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In response to community needs the Council also provides further services and programs including:

- Community Library
- Youth support
- Economic development
- Environmental programs
- Community development
- On-street parking management to maximise use of kerbside space
- Sealed airstrip
- Boat ramps and jetties
- Community Wastewater Management Systems
- Cemeteries
- Citzenships
- Dog and cat management
- Event management
- Fire prevention
- Mosquito control
- Public conveniences

In all services the Council seeks to be responsive to changing needs. The Council also operates a number of facilities on a fee for service basis. These provide important community benefits while also generating revenue for services and projects of benefit to the district.

- Community Wastewater Management Systems
- Township Waste Management – Collection, Treatment and Disposal
- Boat Ramps
- Campgrounds

The business units (e.g. CWMS and Waste) which have separate service charges must have their surplus funds quarantined for future capital and/or operational expenditure. These surplus/reserve funds **cannot** be used for general expenditure (i.e. this is a legislative requirement).

Work Health and Safety

The District Council of Tumby Bay aims to provide and promote a healthy and safe working environment to minimise the risk of injury or illness for all staff while at work.

Council has a broad risk profile associated with its work in the community and within the organisation and is committed to providing a workplace that:

- Is safe and healthy for all employees, volunteers, contractors and visitors.
- Minimises, manages and controls risks within the work environment.
- Minimises the risk of injury and ill health at work.
- Complies with the Work Health & Safety Act 2012 and the Performance Standards for Self-insured Employers.

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Project Priorities for the Year

In order for Council to meet the many objectives outlined in its Strategic Plan provision has been made for the delivery of services and facilities within the following areas:

Governance	\$615,800	Council Members, reporting, policies, legislative requirements, LG election
Administration	\$983,000	Operations, policy & legislative commitments, procedural matters, internal controls, records management, training, compliance, payroll, accounts payable, accounts receivable
Public Order & Safety	\$144,600	General inspection, fire prevention, dog control
Health	\$67,300	Inspectorial duties, immunisations, mosquito control, AED servicing
Social Security & Welfare	\$83,700	Rate rebates, youth welfare
Housing & Community Affairs	\$1,976,000	Planning, urban stormwater, public conveniences, Landscape South Australia levy, street lighting, waste management, CWMS, cemeteries
Recreation & Culture	\$1,784,400	Hall, Excell Museum, regional development, community events, libraries, parks, playgrounds, recreational jetties, sporting facilities
Agricultural Services	\$2,000	Pest control, agricultural land
Mining, Manufacture & Const	\$106,400	Building inspection
Transport & Communication	\$2,716,400	Airstrip, boat ramps, private works, parking, roads, footpaths, traffic control, community bus
Economic Affairs	\$144,700	Tourism, community development, economic development
Other Purposes	\$779,800	Operations, plant maintenance, Ritz Café, loan interest

Council has also planned several capital works projects including:

Plant Replacements	\$190,400	1 wagon & 3 utilities
Tumby Bay CWMS	\$30,000	Trailer mounted generator
Council Office Renewal	\$80,100	Replacement of roof
Marina Footpaths	\$16,400	Paving adjacent completed dwellings
New Footpath Program	\$47,600	Continuation of paved footpath program
Car Park Reseals	\$59,400	Carparks at T/Bay & Pt/Neill boat ramps
Road Sealing Program	\$221,800	Re-sealing in accordance with IAMP
Unsealed Road Construction	\$982,400	Re-sheeting in accordance with IAMP

Measuring Performance - Objectives for the Year

The Annual Business Plan has been prepared to deliver the following Council objectives for the year:

A Harmonious Balance between Lifestyle & Growth

Strategy - Demonstrate strong and proactive community leadership on opportunities and issues for the district.

Actively pursue economic stimulus opportunities with both Federal and State Government to assist our local and regional economy to recover from the effects of the current pandemic.

Strategy – Encourage and promote community pride.

Hosting of Australia Day Breakfast including presentation of Australia Day Awards.

Strategy – Partner with State Government in securing the long-term retention of, as well as improvements to, recreational jetties in Tumby Bay and Port Neill.

Council officers are working with an LGA Working Group and DIT to develop and implement a state-wide Jetties Strategy to determine management and financial arrangements for jetty maintenance.

Council officers are also working with DIT to develop various options for the potential replacement/refurbishment of the Tumby Bay jetty.

Council have committed to spend their LRCIP Phase Three grant funds (\$697K) on essential maintenance to the Tumby Bay and Port Neill jetties.

Continue to make annual contributions to the Jetties Reserve Fund to undertake essential works and to assist with leveraging grant opportunities for jetty upgrades.

Connected, Vibrant & Empowered Communities

Strategy – Maintain, develop and enhance productive relationships with Progress Associations across the district.

Council delegates nominated for local Progress Associations with executive staff attendance at meetings as necessary.

Staging of 2023 Colour Tumby Festival in association with the Tumby Bay Progress Association.

Strategy – Deliver and continuously improve our mechanisms for communication and engagement with community.

Hosting of a monthly Council meeting in Ungarra and Port Neill throughout the year.

Strategy - Support Council and community events that cater to the diverse needs of our community.

Continue to support, promote and host a variety of community events throughout the district including the Colour Tumby Festival and Port Neill under the Pines.

Strategy – Encourage and promote new and interesting community events

Position the district as a regional festival hub, including attracting new festival opportunities such as the Adelaide Fringe, Adelaide Guitar Festival and Illuminate.

Strategy – Recognise, protect and promote local heritage and history.

Provide ongoing support funding for Excell Museum and provision of rate rebates for local museums.

Strategy – Provide and maintain open space and recreation facilities that cater to the diverse needs of our community

Continue to maintain Council's extensive parks, gardens and coastal locations to a standard that encourages community participation in outdoor activities.

Strategy - Encourage the provision of childcare services to support families working in the district.

Working with the EPLGA to understand the current and future needs for childcare on the Lower Eyre Peninsula.

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A Strong & Diverse Local Economy

Strategy – Actively engage with local industry and business to encourage and support economic development and job opportunities.

Continue to work with the Tumby Bay Business Group and other industry groups to facilitate information sharing and identify needs and opportunities for economic development.

Strategy – Enhance Council's relationship with the RDAEP in pursuit of economic development opportunities for the region.

Continue with financial support of Regional Development Australia Eyre Peninsula to achieve local government focussed outcomes.

Strategy – Leverage Council's ownership of local land to encourage and facilitate economic development.

Investigate options for the provision of additional commercial/industrial land in Tumby Bay township.

Strategy – Represent the best interest of the community in considering major economic development.

Continue to work closely with the proponents of both Port Spencer and Cape Hardy developments to ensure the interests of Council and community are represented throughout the processes.

Strategy – Partner with SA Tourism and other State and regional agencies to promote tourism across the district.

Continue engagement with the EPLGA Tourism Advisory Committee to maximise tourism opportunities across the local district and region.

Quality Services & Infrastructure

Strategy – Review current footpath strategy against community expectations.

Continuation of footpath paving program stemming from Strategic Plan survey.

Strategy – Continue to develop and review asset management plans and the long-term financial plan to ensure effective management of assets over the short and long term.

Asset management plans and long-term financial plan to be reviewed prior to commencement of 2023/2024 budget process.

Strategy – Explore opportunities for the further development of multi-use trails

Investigate requirements for the Tumby Bay Progress Association's western wetlands walking/cycling trail concept.

Strategy – Continue to deliver and improve upon high standards of customer service.

Continuation of footpath paving program stemming from Strategic Plan survey.

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Impact on Council's Financial Position

Council's current loan situation is as below: -

Council Loans

As at 1/7/22

<u>Loans repaid by Council</u>	<u>Start Date</u>	<u>End Date</u>	<u>Principal</u>	<u>Annual Cost</u>
Tumby Bay CWMS	15/01/2016	15/01/2026	\$472,914	\$129,672
Port Neill CWMS	15/06/2016	15/06/2036	\$816,940	\$78,276
TB Stormwater Project Land	15/12/2017	15/12/2027	\$165,410	\$34,043
TB Stormwater Project Const	15/10/2018	15/10/2028	\$1,074,507	\$191,559
Graham Smelt Causeway	15/11/2021	15/11/2036	\$1,280,771	\$111,854
Graham Smelt Causeway – C/A	30/06/2022	30/06/2027	\$68,000	\$15,200
			\$3,878,542	\$560,604
<u>Loans repaid by Clubs</u>				
Port Neill Bowling Club	17/08/2015	17/08/2025	\$59,888	\$18,614
Port Neill Community Sports Club	15/10/2021	15/10/2026	\$72,369	\$16,934
			\$132,257	\$35,548
TOTAL LOANS			\$4,010,799	\$596,152

All loans are through the Local Government Finance Authority.

The current loan situation is (as at 30 June 2022): - \$4,010,799 outstanding loan principal with an annual cost in 2022/2023 of \$596,152 (Principal and interest repayments).

Funding the Business Plan

An operating loss of \$1,257,800 including \$2.69 million in depreciation is forecast for the 2022/2023 financial year; this is significantly offset by \$603,100 in advance grant payments received prior to 30 June 2022. The Council's long-term financial sustainability is dependent on ensuring that, on average over time, its operating expenses are met by its operating revenue. Council has considered this in adopting its 2022 review of the 2020-2030 Long-Term Financial Plan and is aiming to reach an operating position of break even or better by the 2025/2026 financial year.

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Councils proposed Income Statement for the 2022/2023 financial year is as follows:

2022/2023 Income Statement

	2022	2023
	PROJECTED	BUDGET
REVENUE	\$	\$
Rates	5,478,100	5,921,100
Statutory charges	91,800	77,000
User charges	347,600	259,600
Other Grants, Subsidies & Contributions	1,672,600	1,250,500
Investment Income	21,800	20,100
Reimbursements	12,000	8,700
Other Revenues	61,000	4,900
TOTAL REVENUES	7,684,900	7,541,900
EXPENSES		
Employee Costs	2,042,100	2,092,000
Materials, contracts & other services	3,046,100	3,868,200
Finance Costs	144,700	151,800
Depreciation, Amortisation & Impairment	2,415,100	2,687,700
TOTAL EXPENSES	7,648,000	8,799,700
OPERATING SURPLUS/(DEFICIT)	36,900	(1,257,800)
Asset Disposals & Fair Value Adjustments	582,600	111,300
Amounts Specifically for New or Upgraded Assets	1,986,100	-
TOTAL COMPREHENSIVE INCOME	2,605,600	(1,146,500)

The Council's estimated operating revenue in 2022/2023 includes an estimate of \$5,921,100 to be raised from all rates; with a general rates component of \$4,522,400.

Other sources of revenue for the Council are:

- User pay charges set by Council.
- Fees and charges for Council services.
- Statutory charges set by other levels of Government: - These are fees and charges set by regulation and collected by the Council for regulatory functions such as assessment of development applications. This revenue generally helps off-set the cost of the service delivered.

Capital Expenditure

Capital expenditure on infrastructure and assets in 2022/2023 totals \$1,658,900 of which \$1,534,100 is specifically for asset renewals. The amount of budgeted asset renewals is approximately \$210,100 more than Council's targeted asset renewal program.

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Council's Reserves situation is as follows:

<u>Reserve Funds</u>			
	30/6/21 Actual	30/6/22 Estimates	30/6/23 Estimates
Tumby Bay Marina	\$111,100	\$117,900	\$136,400
Jetty Maintenance	\$281,834	\$306,034	\$342,034
Future Projects	\$785,100	\$556,700	\$582,400
CWMS	\$72,386	\$51,486	\$204,986
Township Garbage Collection	(\$1,829)	(\$11,729)	(\$11,729)
Tumby Bay Youth Advisory Committee	\$1,903	\$1,903	\$1,903
Tumby Bay Library	\$5,299	\$5,299	\$5,299
Open Space Contributions	\$8,547	\$8,547	\$8,547
Uncompleted Activities	(\$159,100)	\$142,200	\$0
Grants in Advance	\$615,731	\$603,100	\$0
Colour Tumby	\$0	\$18,800	\$0
Total	\$1,720,971	\$1,800,240	\$1,269,840

What it means for Rates

In setting its rates for the 2022/2023 financial year the Council has considered the following:

- Strategic Plan and other plans.
- Infrastructure Asset Management Plans.
- Long Term Financial Plan and financial sustainability.
- the current economic climate including:
 - compliance costs.
 - continued impact of legislative compliance issues (risk management, records management, WHS, Local Government reform, internal controls, waste levy etc).
- the specific issues faced by our community including:
 - seasonal conditions that may be affecting the area.
 - local economic development.
 - age and condition of major infrastructure (i.e. roads & related infrastructure, CWMS, town jetties).
 - social issues.
- the impact of rates on the community including:
 - different levels of service and infrastructure required by the townships of Tumby Bay, Port Neill, Lipson and Ungarra ratepayer base.
 - the ability to pay by ratepayers.
 - equity in rating.
 - possible rate deferrals for landowners.
- consideration of the issue of equity in imposing differential rates for different categories of ratepayers.
- consideration of community feedback achieved through strategic plan survey, policies and programs such as public consultation, customer service standards, media relations (print and radio), and general community interaction with elected members and executive staff.

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Business Impact Statement

The Council has considered the impact of rates on all businesses in the Council area, including primary production. In considering the impact, Council assessed the following matters:

- The equity of the distribution of the rate burden between classes of ratepayers including the levels of service and infrastructure provided in different areas of the district such as the individual townships and rural areas.
- The change in site value across the four differential categories used by Council.
- Any new rates (growth in rateable properties) created during 2021/2022 and not rated in that year are excluded from the calculations of the rate increase for 2022/2023.
- Specific Council projects for the coming year including:
 - continuation of infrastructure renewal in line with Infrastructure Asset Management Plans.
 - continuation of new footpath paving program.
 - implementation of various requirements around Local Government reform.
 - improving Council's overall compliance with various legislation.

Measurement of Council's performance will be assessed through the following:

- Performance Evaluation Reviews of Chief Executive Officer and staff.
- Reviewing the Strategic Plan and other operational plans for meeting of timelines.
- Strategic Plan objectives achieved.
- Timely compliance with various governance requirements.
- WHS & Risk management audits.
- Internal control audits.
- External financial audits.
- Additional grants received.
- Budget performance (i.e. actual compared against budget);

The Annual Report will address these performance measures.

Council's Revenue Raising Powers

All land within a Council area, except for land specifically exempt (e.g. crown land, Council occupied land and other land prescribed in the Local Government Act – refer Section 147 of the Act), is rateable. The Local Government Act provides for a Council to raise revenue for the broad purposes of the Council through a general rate, which applies to all rateable properties, or through differential general rates, which apply to classes of properties. In addition, Council can raise separate rates, for specific areas of the Council or service rates or charges for specific services. The Council also raises revenue through fees and charges, which are set considering the cost of the service provided and any equity issues.

The list of applicable fees and charges is available at:

The Council Administration Centre,
Mortlock Street, Tumby Bay

Or at the Council website: - www.tumbybay.sa.gov.au

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Differential General Rates

Council will have 4 differential general rates for the 2022/2023 financial year with the rates to be applied:

- (a) according to the use of the land; or
- (b) according to the locality of the land.

The four differential categories will be:

- (1) rateable land within all the Townships in the Council's area excluding any such land with a land use Commercial-Shop, Commercial-Office, Commercial-Other, Industry-Light and Industry-Other.
- (2) all rateable land with a land use Commercial-Shop, Commercial-Office, Commercial-Other, Industry-Light and Industry-Other.
- (3) all rateable land within the Employment (Bulk Handling) Zone under the Planning and Design Code (the code).
- (4) all other rateable land.

Council believes the provision of the four differential rating categories provides the flexibility within the rating system to ensure an equitable spread of annual rates imposed.

In considering how to collect the additional 8.7% in general rate revenue (ie fixed charge and differential rate income), Council have drafted an Annual Business plan that will result in an 8.7% increase that is applied equally across the four differential rating categories.

In reaching this decision the following items were taken onto consideration: -

- Change in site valuations across the district.
- Legislative requirement for Council to move from Site Value to Capital Value for the basis of rating, by no later than the 2024/2025 financial year.
- Council's plans to conduct a full review into its rating methodologies over the 2022/2023 financial year, a process that will include a robust public consultation process with a view to moving to Capital Value as the basis for rating in the 2023/204 financial year.

Site Valuations

Site Valuations	
<u>2021/2022</u>	
Category 1	\$ 143,562,700
Category 2	\$ 13,699,500
Category 3	\$ 817,000
Category 4	\$ 898,774,700
Total	\$ 1,056,853,900
<u>2022/2023</u>	
Category 1	\$ 159,604,300
Category 2	\$ 15,249,200
Category 3	\$ 877,000
Category 4	\$ 1,138,470,400
Total	\$ 1,314,200,900

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Expected Rates Revenue				
	2021/22 (as adopted)	2022/23 (estimated)	Change	Comments
General Rates Revenue				
General Rates (existing properties)		\$4,511,234 (a)		For 2022/23 an expected General Rate rise of around 8.7% is projected plus estimated growth (refer l) of 0.3% from new properties that have been created over the last year.
General Rates (new properties)		\$11,198 (b)		
General Rates (GROSS)	\$4,150,184	\$4,522,432 (c)		
Less: Mandatory Rebates	(\$21,038)	(\$22,859) (d)		
General Rates (NET)	\$4,129,146	\$4,499,573 (e)	9.0%	
		(e)=(c)+(d)		
Other Rates (inc. service charges)				
Regional Landscape Levy	\$189,757	\$196,055 (f)		The Regional Landscape Levy is a State tax, it is not retained by council.
Waste collection	\$347,387	\$388,352 (g)		\$256 for each 140 litre bin.
CWMS	\$763,892	\$798,060 (h)		\$566 for each property unit.
Separate and Special Rates	\$7,300	\$7,900 (i)		All rateable land in the Port Neill Township and the Hundred of Dixson for Port Neill Soldiers Memorial Hall.
	\$5,437,482	\$5,889,940		
Less: Discretionary Rebates	(\$19,927)	(\$21,416) (j)		
Expected Total Rates Revenue	\$5,227,798	\$5,672,469 (k)	8.5%	Excluding the Regional Landscape Levy and minus Mandatory & Discretionary Rebates.
		(k)=(e)+(g)+(h)+(i)+(j)		
Estimated growth in number of rateable properties				
Number of rateable properties:	2,384	2,393	(l)	0.4%
	<i>Actual</i>	<i>Estimate</i>		
'Growth' is defined in the regulations as where new properties have been created which has added rateable properties to council's ratepayer base. Growth can also increase the need and expenditure related to infrastructure, services and programs which support these properties and				
				Growth is expected to account for around 0.3 per cent of the estimated increase in General Rates to be collected.
Estimated average General Rates per rateable property				
Average per rateable property:	\$1,741	\$1,890	(m)	8.6%
		(m)=(c)/(l)		
Councils use property valuations to calculate each rateable property's contribution to the required rate revenue total. Councils do not automatically receive more money because property values increase but this may alter how rates are apportioned (or divided) across each ratepayer (ie. some people may pay more or less rates, this is dependent on the change in value of their property relative to the overall valuation changes across the council area). The total General Rates paid by all rateable properties will equal the amount adopted in the				
Notes				
(d) Councils are required under the Local Government Act to provide a rebate to qualifying properties under a number of categories: Health Services - 100 per cent Religious purposes - 100 per cent Royal Zoological Society of SA - 100 per cent Community Services - 75 per cent Public Cemeteries - 100 per cent Educational purposes - 75 per cent The rates which are foregone via Mandatory Rebates are redistributed across the ratepayer base (ie. all other ratepayers are subsidising the rates contribution for those properties who receive the rebate).				
(e) Presented as required by the <i>Local Government (Financial Management) Regulations 2011</i> reg 6(1)(ea) Please Note: The percentage figure in (e) relates to the change in the total amount of General Rates revenue to be collected from <u>all</u> rateable properties, not from <u>individual</u> rateable properties (ie. individual rates will not necessarily change by this figure).				
(f) Councils are required under the <i>Landscape South Australia Act 2019</i> to collect the levy on all rateable properties on behalf of the State Government. The levy helps to fund the operations of regional landscape boards who have responsibility for the management of the State's				
(h) Community Wastewater Management Systems				
(j) A council may grant a rebate of rates or service charges in a number of circumstances. The rates which are foregone via Discretionary Rebates are redistributed across the ratepayer base (ie. all other ratepayers are subsidising the rates contribution for those properties who				
(k) Expected Total Rates Revenue excludes other charges such as penalties for late payment and legal and other costs recovered.				
(l) 'Growth' as defined in the <i>Local Government (Financial Management) Regulations 2011</i> reg 6(2)				

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Statement on Expected Rate Revenue

Please note: These figures represent a considered estimate of Expected Rate Revenue based on the most current information available at the time of going out to consultation on the DRAFT Annual Business Plan and Budget (ABP&B). This information is updated regularly and therefore these figures may be subject to confirmation at the time of actual adoption of the ABP&B.

Expected Rates Revenue

	Total expected revenue			No. of rateable properties		Average per rateable property			Cents in the \$
	2021/22	2022/23	Change	2021/22	2022/23	2021/22	2022/23	Change	2022/23
Differential Rate Categories (General Rates - GROSS)									
Category 1	\$1,702,576	\$1,851,847	9%	1386	1386	\$1,228	\$1,336 (n)	\$108	0.0052596
Category 2	\$123,640	\$136,364	10%	104	107	\$1,189	\$1,274 (n)	\$86	0.0044250
Category 3	\$67,324	\$73,183	9%	4	4	\$16,831	\$18,296 (n)	\$1,465	0.0808000
Category 4	\$2,256,644	\$2,461,038	9%	890	896	\$2,536	\$2,747 (n)	\$211	0.0018007
GRAND TOTAL (GROSS)	\$4,150,184	\$4,522,432	9.0%	2,384	2,393	\$1,741	\$1,890 (n)	\$149	

Council uses a differential rating system, using a combination of Land Use Codes, Locality and Zoning as the factors to apply such differential rates - (See details of each Differential Rating Category below).

In applying differential general rates, council has considered and is satisfied that the rating system addresses the issue of consistency and comparability across all council areas, particularly as it relates to the various sectors of the business and wider community.

Category 1 - Rateable land within all the townships in the council's area excluding any such land with a land use Commercial-Shop, Commercial-Office, Commercial-Other, Industry-Light, and Industry-Other.

Category 2 - All rateable land with a land use Commercial-Shop, Commercial-Office, Commercial-Other, Industry-Light, Industry-Other.

Category 3 - All rateable land within the Employment (Bulk Handling) Zone under the Planning and Design Code (the code).

Category 4 - All other rateable land.

Fixed Charge

	Total expected revenue			Charge		
	2021/22	2022/23	Change	2021/22	2022/23	Change
Fixed Charge	\$1,364,192	\$1,494,594	10%	\$712	\$774 (o)	\$62

A Fixed Charge ensures all rateable properties pay a base rate amount to the cost of administering council activities and maintaining the services and infrastructure that support each property. Rates based on values are then applied in addition to the fixed charge. Council is limited to the amount that can be raised by the fixed charge in that it cannot raise more than 50% of its general rate revenue from the fixed charge component. In 2022/23 council proposes to raise approximately 33% of its general rate revenue by way of the fixed charge. This revenue amount is **included** in the General Rates GROSS figure at (c).

Adopted valuation method

Site Value

Council has the option of adopting one of three valuation methodologies to assess the properties in its area for rating purposes:

Capital Value – the value of the land and all improvements on the land;

Site Value – the value of the land and any improvements which predominantly affect the amenity of use of the land, such as drainage works, but excluding the value of buildings and other improvements (Note: Site Value will cease to be an option from 1 Sept 2023); or

Annual Value – a valuation of the rental potential of the property.

The council has decided to use site value as the basis for valuing land within the council area. Whilst no valuation method is considered perfect the site value method is considered the most equitable because it accords with the taxation principles, that people should contribute to the community's social and physical infrastructure, in accord with their assumed capacity to pay, as measured by property wealth.

Notes

(n) Average per rateable property calculated as General Rates for category, including any fixed charge or minimum rate (if applicable) but excluding any separate rates, *divided* by number of rateable properties within that category in the relevant financial year.

(o) A fixed charge can be levied against the whole of an allotment (including land under a separate lease or licence) and only one fixed charge can be levied against two or more pieces of adjoining land (whether intercepted by a road or not) if they are owned by the same owner and occupied by the same occupier. Also if two or more pieces of rateable land within the area of the council constitute a single farm enterprise, only one fixed charge may be imposed against the whole of the land.

Pensioner Concessions & Self-Funded Retirees

Pensioner Concessions on Council rates are no longer administered by Local Government.

Payment of Rates

Payment of rates will be available to ratepayers by way of four approximately equal instalments on 14 September 2022, 14 December 2022, 15 March 2023 and 14 June 2023.

Cash, cheque, money order, credit card, BPay and EFTPOS may be used to pay rates. In-person payments at the Council offices can be made at the Council Administration Centre, Mortlock Street, Tumby Bay, with the opening hours being 8.30am - 4.30pm Monday to Friday.

Ratepayers can register to receive their rate notices through the EzyBill service at tumbybay.ezybill.com.au.

Late Payment of Rates

The Local Government Act provides that Council's impose a penalty of 2% on any payment for rates, whether instalment or otherwise, that is received late. A payment that continues to be late is then charged an interest rate; set each year according to a formula in the Local Government Act 1999, for each month it continues to be late. The purpose of this penalty is to act as a genuine deterrent to ratepayers who might otherwise fail to pay their rates on time, to allow Council's to recover the administrative cost of following up unpaid rates and to cover any interest cost the Council may meet because it has not received the rates on time.

When the Council receives a payment in respect to overdue rates, the Council applies the money received as follows:

- First – to satisfy any costs awarded in connection with court proceedings.
- Second – to satisfy any interest costs.
- Third – in payment of any fines imposed.
- Fourth – in payment of rates, in date order of their imposition (starting with the oldest account first).

Remission & Postponement of Rates

Section 182 of the Local Government Act permits a Council, on the application of the ratepayer, to partially or wholly remit rates or to postpone rates, on the basis of hardship. Where a ratepayer is suffering hardship in paying rates, they are encouraged in the first instance to obtain a copy of "Policy 5.28 – Rates Customer Hardship", available on Council's website and complete the relevant application form. All applications are strictly confidential and will be assessed in a timely manner. Should you require assistance in completing the necessary application form, please contact Council's Finance Officer for assistance on (08) 86882101.

Policy 5.28 – Rates Customer Hardship

- Application for Hardship Assistance
- Application for Hardship Assistance – Pandemic

