Barunga West Council

ANNUAL BUSINESS PLAN
2026-2027

TICKERA

ACKNOWLEDGMENT OF COUNTRY

We acknowledge the traditional custodians of the land of the Nharangga people, and pay respect to elder's, past, present and emerging.

ACKNOWLEDGMENT OF NATION

We express our gratitude for the privilege of living in a country which respects its diversity of culture, heritage and beliefs, both ancient and new.

MAYOR'S MESSAGE

I am pleased to present the Barunga West Council's Annual Business Plan and Budget for 2026/27, which reflects Council's ongoing commitment to financial sustainability, infrastructure renewal, community wellbeing, and responsible growth across the district.

Like many regional councils, Barunga West continues to face increasing costs associated with service delivery, infrastructure maintenance, construction works, utilities, insurance, and contractor services. In response to these pressures, Council remains focused on balancing affordability for ratepayers with the need to maintain Council services, renew critical infrastructure, and plan responsibly for the future.

The 2026/27 Annual Business Plan and Budget has been developed in alignment with Council's Long-Term Financial Plan and Strategic Community Plan. Council continues to strengthen its financial position through improved financial reporting, operational efficiencies, asset management planning, and ongoing implementation of recommendations arising from the Essential Services Commission of South Australia's inquiry into local government financial sustainability. Importantly, Council remains committed to transparent decision-making and ongoing community consultation regarding future planning and rating considerations.

Continued investment in asset renewal and infrastructure management remains a key priority for 2026/27. Council is responsible for maintaining an extensive network of roads, buildings, wastewater infrastructure, stormwater systems, community facilities, plant, and equipment. Significant funding has been allocated towards the renewal of sealed and unsealed roads across the district, supporting safety, connectivity, and long-term asset sustainability.

Council also continues to support housing growth and economic development through strategic land development projects. Key initiatives include ongoing civil works associated with the Arbon Road residential development in Bute and the Port Broughton Employment Zone on Hornby Road, which will help facilitate future residential, industrial, and business growth opportunities within the region.

Additional projects across the district include upgrades to the Bayside Caravan Park electrical infrastructure, irrigation improvements at the Port Broughton Golf Club using recycled water infrastructure, footpath upgrades, fleet and plant replacement, reserve improvements, and enhancements to public open spaces and community amenities.

Council remains committed to responsible financial management while continuing to advocate for external grant funding opportunities that help deliver important infrastructure and community projects. Thank you for your continued support as we work together to build a sustainable, connected, and vibrant future for the Barunga West community

Leonie Kerley
Mayor
Barunga West Council

COUNCILLORS

The Barunga West Council is composed of nine dedicated members, including the Mayor and Deputy Mayor, responsible for shaping policies and making decisions that significantly affect the district, our community, businesses, and the environment.

Our Councillors are committed to the roles and responsibilities outlined in the Local Government Act 1999, which include:

- Engaging in council deliberations and civic activities.
- Reviewing and refining policies and procedures.
- Assessing the council's allocation of resources, expenditures, and operational activities.
- Advocating for the interests of residents and ratepayers.

Councillors actively engage across all communities within the Council area while maintaining strong connections with individual townships and local priorities.

Councillors value your input and encourage you to reach out with your feedback. Contact details for all elected members are available on Council's website at *www.barungawest.sa.gov.au/council/elected-members*

Mayor
Leonie Kerley

Deputy Mayor
Peter Button

Councillor
Dave Eason

Councillor
Kevin Beinke

Councillor
Brian Lockyer

Councillor
Margaret McDonald

Councillor
Grant Rowlands

Councillor
Sophie Tod

Councillor
Jo-Anne Eason

PROFILE OF THE BARUNGA WEST COUNCIL AREA

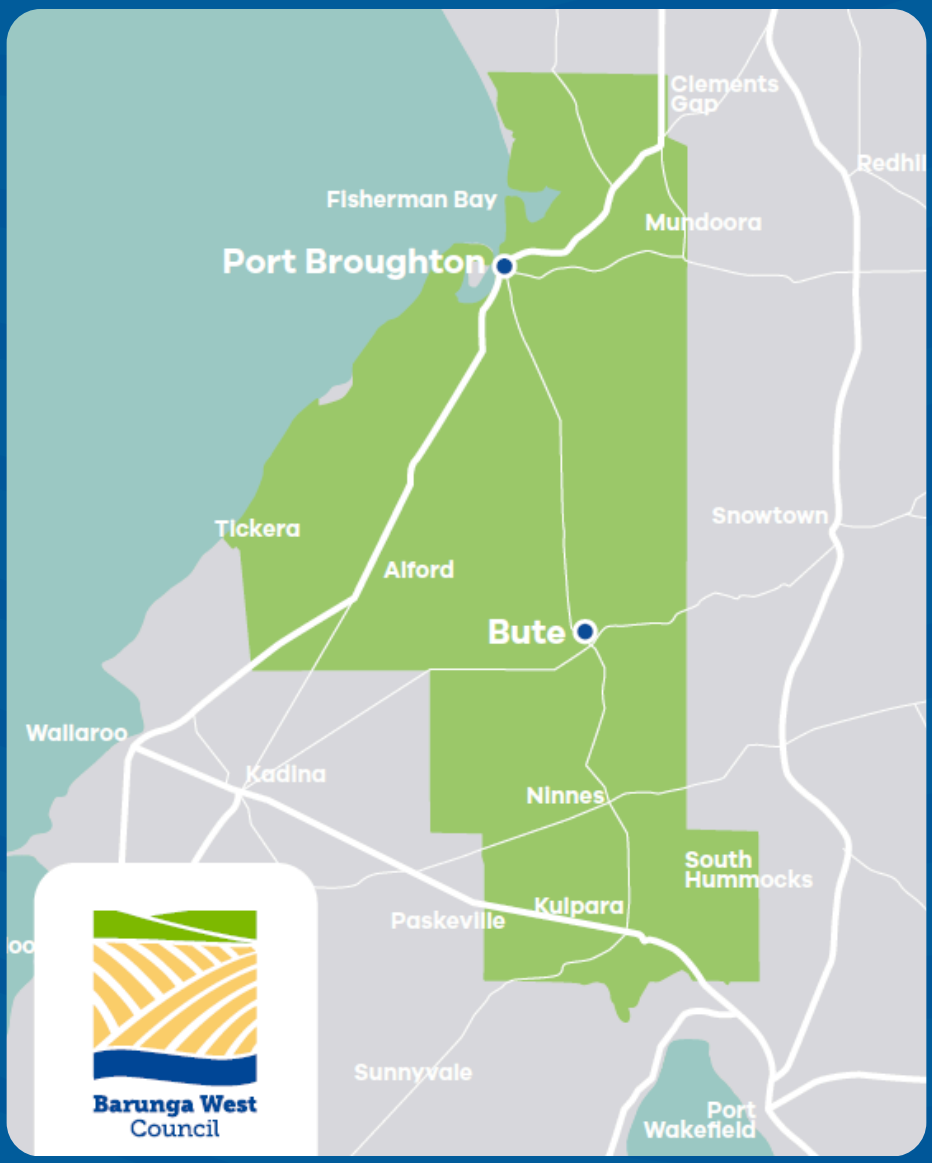
Located on the 'Top of the Yorke' near the Mid North region of South Australia and governing an area of approximately 1,528 square kilometres, Barunga West Council (Council) enjoys a strategic position with its southern boundary commencing 110 kilometres north of Adelaide and extends a further 70 kilometres north. This Council includes the townships of Alford, Bute, Fisherman Bay, Kulpara, Melton, Mundoora, Port Broughton, and Tickera.

The Council shares borders with Copper Coast Council, Yorke Peninsula Council, Port Pirie Regional Council, and Wakefield Regional Council, and maintains an extensive network of 931 kilometres of roads. The principal economic activities in the region include agriculture (broad acre farming), aged care services, recreational and commercial fishing, tourism, engineering, construction, and mining-related activities.

Ongoing residential growth, housing demand, tourism activity and land development continue to influence the local economy and future infrastructure planning requirements across the district. The area is home to several expanding retirement facilities, bolstered by the amenities and central location of the Port Broughton Hospital and its associated medical services. This makes it an attractive location for retirees.

Census information is collected every five years by the Australian Bureau of Statistics (ABS), with the next Census scheduled for August 2026.

According to the 2021 ABS Census, the Barunga West Council area had a population of 2,619 people.



The median age of residents is 57 years, significantly higher than the South Australian median age of 41 years and the national median age of 38 years, reflecting the district's strong retirement and ageing population profile.

Residents aged 65 years and above represented approximately 36% of the population.

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1. PURPOSE OF THE ANNUAL BUSINESS PLAN

The 2026/27 Annual Business Plan serves as the principal document for operational and financial planning for the Barunga West Council. This plan outlines the budget for the upcoming financial year and details the initiatives, projects, and services that the Council aims to provide to the community.

Key components of this plan include:

- An overview of the Council's long-term vision and strategic objectives.
- A breakdown of the budget dedicated to the maintenance and enhancement of existing assets, ensuring the delivery of Council services to ratepayers.
- A description of the Council's priority initiatives and projects for the year.
- An outline of the proposed operating and capital expenditures, along with the anticipated sources of revenue.
- Details on the structure and policies regarding rates, fees, and charges.

This Annual Business Plan is guided by the goals and objectives set forth in the Strategic Community Plan 2024-28, ensuring alignment with the Council's long-term aspirations.

HORNBY RD EMPLOYMENT ZONE

2. LINK TO THE STRATEGIC COMMUNITY PLAN (2024-2028)

During 2024, Council reviewed and updated its Strategic Community Plan 2024-2028, including Council's vision, mission, values and strategic goals. The Plan was informed by community engagement and feedback received from residents, business and stakeholders.
The following has been defined by Councillors:

Vision

Barunga West Council is a thriving and progressive community, where the stunning coastal beauty harmoniously coexists with vibrant inland towns and bountiful, productive farming lands, inviting all to experience its way of life.

Mission

The Barunga West Council's mission is to be a strong and reliable council that steadfastly serves and represents its community. We focus on sustainable growth, community support, and safeguarding Council services while remaining environmentally and financially responsible, always ready to address challenges and opportunities that benefit our ratepayers.

3. SIGNIFICANT BUSINESS PLAN AND BUDGET INFLUENCES

The preparation of the 2026/27 Annual Business Plan and Budget is in accordance with Section 123 of the Local Government Act 1999 that requires a council must have, for each financial year an annual business plan and a budget. These plans have also been prepared following the requirements of Regulation 6 of the Financial Management Regulations that outline the information that must be included in the Annual Business Plan.

The preparation of the 2026/27 Annual Business Plan and Budget has been influenced by a range of strategic, financial and operational factors impacting local government and the Barunga West Community. Key influences include:

1. Inflationary and Cost Pressures.

Council continues to experience increased costs associated with the delivery of services, infrastructure maintenance, construction works, utilities, materials, insurance and contractor services. These ongoing cost pressures continue to impact Council's operational and capital expenditure requirements.

2. Financial Sustainability

The Annual Business Plan and Budget has been prepared in alignment with Council's Long-Term Financial Plan and ongoing objectives to strengthen long-term financial sustainability. Council continues to focus on balancing affordability for ratepayers with maintaining appropriate service levels, asset renewal and infrastructure investment.

3. Asset Renewal and Infrastructure Management

Council is responsible for maintaining a significant portfolio of infrastructure assets, including roads, buildings, stormwater infrastructure, community facilities, CWMS infrastructure, plant and equipment.

Continued investment in asset renewal and replacement remains a major focus area to ensure assets remain safe, functional and financially sustainable over the long term.

4. Growth and Land Development

Residential and industrial land development projects within the district continue to support population growth, housing availability and economic activity. These developments also create increased demand for infrastructure, services and long-term asset management planning.

5. Essential Services Commission of South Australia (ESCOSA) Advice and Financial Sustainability

Council continues to consider and implement recommendations arising from ESCOSA's work on Local Government financial sustainability, including the importance of aligning annual budgets with Long Term Financial Plans, maintaining sustainable revenue levels and adequately funding asset renewal and replacement.

Council has also considered guidance from the Local Government Finance Authority regarding the need for councils to achieve and maintain a positive Operating Surplus Ratio.

The 2026/27 Budget and Long Term Financial Plan have been developed to support Council's return to an Operating Surplus Ratio above 0% by 2028 while maintaining service levels and infrastructure investment.

6. Benchmarking and Regional Comparisons

Council continues to monitor benchmarking information against comparable Rural Agricultural Medium (RAM) councils to assist in evaluating financial performance, rating structures, expenditure levels and service delivery outcomes.

7.Grant Funding and Economic Conditions

Like many regional councils, Barunga West Council remains reliant on external grant funding to assist in delivering infrastructure renewal and community projects. Broader economic conditions, funding availability and interest rate movements continue to influence long-term financial planning.

4. RECOMMENDATIONS FROM THE ESSENTIAL SERVICES COMMISSION

In February 2023, the Essential Services Commission of South Australia (ESCOSA) reported:

"It finds the Barunga West Council's current financial position at risk of being unsustainable, with continued operating deficits resulting from its revenue base, including rates revenue, being stretched to meet the service level requirements of its growing infrastructure base.
The Barunga West Council has underspent on the renewal and rehabilitation needs of its asset stock over the past 10 years and has accumulated a 'backlog' of renewals as a result.

The Barunga West Council's projected improvement to its financial performance is reliant on a period of service consolidation, at a minimum, and continued rate increases above inflation. Acknowledging this outlook, ESCOSA considers that it would be appropriate for the Barunga West Council to undertake the following steps to ensure that it budgets transparently, manages its cost base efficiently, renews its asset base to meet sustainable service levels, and constrains the extent of further rate increases:

- Provide greater transparency in its long-term financial plan (and as necessary, its annual business plan and budget) by clearly identifying the annual inflation and other relevant assumptions as inputs to its projected revenue (including rates) and spending.
- Focus on controlling cost growth more generally in its operating expense budgeting.
- Report its actual and projected cost savings in its annual budget, to provide evidence of controlling cost growth and achieving efficiency across its operations and service delivery.
- Adhere to the principles underpinning its current long-term financial plan projections to provide more funding to the renewal of its assets, rather than prioritising initiatives which involve new or upgraded infrastructure.
- Review the assumptions underpinning its asset management plans to ensure those plans incorporate a more accurate picture of required asset expenditure and better align with the allocations in its long-term financial plan, including:

1. The estimates of asset lives and valuations feeding into its forecast rate of asset consumption (and depreciation expenses).
2. The estimated desired service levels for different assets by the community.
3. Review and consider limiting future average rate increases above inflation, in consultation with its community, particularly on rate categories which have lower capacity to pay.

Following on from the key actions taken in 2025/26, Council has reviewed and developed a new LTFP with a clear roadmap to sustainability and has been implementing this plan through:

- Continued partnership with UHY Haines Norton Adelaide for financial management and reporting.
- Transparent financial reporting on assumptions used to develop the Long-Term Financial Plan.
- Review of Operational cost controls including staffing budgets and professional services to achieve cost reductions.
- Reporting on savings to control cost associated with growth and operational efficiencies.
- Maturation of Asset Management Plans through review of asset conditions and community requirements of the services provided by the assets. This includes the commitment in the budget to achieve a 90 to 100% asset renewal ratio.
- Reviewing the wastewater infrastructure whole of life cost modelling to ensure adequate provisions for expenses associated with depreciation, maintenance and operation plus provision for anticipated population growth over the next 5-10 years.
- Including comparative rate analysis review for differential rates compared to the LG Grants commission Regional Agricultural Medium (RAM) councils with the goal of bringing Barunga West Council into line with the average for the related councils.

The Council is dedicated to addressing the financial sustainability concerns raised by ESCOSA and is committed to ensuring transparent, efficient, and effective financial management practices moving forward.

5. BUDGET AT A GLANCE

It is projected that by June 30, 2027, the Council's total assets will amount to $84.92M, consisting of $84.01M in infrastructure, property, plant, and equipment, and $0.20M in cash reserves. The Council's infrastructure, property, plant, and equipment is forecasted to increase by $3.30M mainly due to asset revaluation.

Council liabilities are expected to decrease to $6.04M, down from $6.90M. For the fiscal year 2026/27, the Council anticipates an operating deficit of $0.25M, with expected operating income of $9.86M against forecast operating expenses of $10.11M.

Capital expenditures for the year are estimated at $3.81M, which will be financed through operating income, capital income from grants, and borrowings.

Notable capital projects include civil infrastructure works at the following locations: the residential development on Arbon Road in Bute, and the industrial precinct on Hornby Road in Port Broughton.

Numbers at a glance	Forecast for 2025/2026 '000	Forecast for 2026/2027 '000
Budget Operating Income	$9,754	$9,858
Budget operating expenditure	$10,913	$10,111
Budget operating surplus / (deficit)	-$1,159	-$253
Budget grant income	$1,177	$966
Budget capital expenditure – renewal	$2,206	$1,991
Budget capital expenditure – new	$233	$540
Budget capital expenditure – Land Development	$139	$1,281
Loans	$4,919	$4,205
Cash & cash equivalents as at 30 June	$200	$200

6. CONTINUING ASSET MANAGEMENT AND SERVICES

Councils have responsibilities under the Local Government Act (1999) and other relevant legislation.

These responsibilities include:

- Preparing an Annual Budget, Annual Business Plan, Long Term Financial Plan, Asset Management Plans and determining strategic management plans for the Council
- Setting rates
- Street cleaning
- Rubbish collection and waste management
- Management of infrastructure including roads, footpaths, parks, public open space, street lighting and storm-water drainage
- Development planning and control, including building safety assessment
- Various environmental health services
- Dog and Cat Management
- Pest control
- Community wastewater management systems
- Cemeteries
- Safety of food premises
- Native Vegetation and Roadside Vegetation Management
- Regulatory activities
- Supporting the Elected Members and business of Council
- Assessing Landscape Levy on all ratepayers and collecting this levy on behalf of State Government.

Council is responsible for managing significant infrastructure, property, plant and equipment assets that totals approximately $84.92M on behalf of the community.

Council also provides the following discretionary services and programs:

- RV and Caravan parks at Alford, Bute and Port Broughton on a fee for service basis
- Transport services for the elderly through the Care in Motion - Community Transport Scheme
- Library services through the Port Broughton Area School
- Assistance for progress associations and community groups, including cash contributions, grant application support and in-kind support
- Assistance with maintenance of ovals and other sporting facilities
- Support for the Visitor Information Centre
- Rural Transaction Centre in Port Broughton, principally Centrelink services
- Licensed Post Office in Bute
- Foreshore control and protection

These functions make up a significant amount of Council staff's administrative effort.

In addition to Council's ongoing service delivery responsibilities, the 2026–27 financial year includes provision for the Local Government Elections to be held in November 2026. As a statutory responsibility occurring every four years, the election process requires additional expenditure and staff resources to support electoral administration, governance compliance, public information and engagement activities, candidate management, and the conduct of the election itself.

These election-related costs have been incorporated into Council's budget for 2026–27 and are a contributing factor to the overall operating expenditure for the year.

7. REVENUE

Council's primary revenue source is general rates revenue, supplemented by user charges, grants, statutory charges and reimbursement. Total revenue is forecasted at $9.86M. This consists of the following key elements.

Rates Income

Rates income for 2026/27 will provide $7.92M. Council is making every effort to distribute the need for additional revenue fairly across the rate base to counteract the rising costs of delivering core services.

This effort includes a general rate increase of 8.4%, comprising the Adelaide Consumer Price Index (CPI) increase of 4.9% for the year ending March 2026 and an additional 2.9%, together with the 0.6% increase in the number of rateable properties in 2025/26. This increase is consistent with the assumptions contained within Council's Long Term Financial Plan (LTFP).

To assist in managing the impact of valuation movements on individual ratepayers, Council has also applied a 14% cap on increases in general rates for existing assessments. This measure helps moderate significant year-on-year rate increases that may otherwise arise from changes in property valuations, while maintaining the overall revenue required to deliver services and infrastructure to the community.

Rates income also includes $820,734 of annual Community Waste Management System (CWMS) charges. Rates income also includes $106,502 for the Plumbing Connections Separate Rate, both of which relate to Fisherman Bay.

Statutory Charges

Statutory Charges are set by the State Government; fees and charges set by regulation and collected by the Council for regulatory functions such as assessment of development applications. This revenue generally offsets the cost of the service. The principal components are town planning, development applications totalling $93,488 and dog registration fees of $31,747 in 2026/27.

User Charges

User Pays charges are set by Council and cover a range of items including cemetery fees, caravan parks and CWMS. These charges are adopted annually in Council's schedule of fees and charges. User charges will total $533,866 in 2026/27.

Grants

Grant income will provide $0.97M for 2026/27 consisting of money from governments' annual programs such as the Financial Assistance Grants and Roads to Recovery Program.

Reimbursements

Council has also budgeted for $275,230 of reimbursements, down from $ 529,621 forecasted for 2025/26, mainly due to a reduction in income protection insurance reimbursement for the employees that are on extended leave. This reimbursement is fully offset by additional employee expenses related to the filled in positions. It also includes private works and rebates on its insurance through the Local Government Risk Services.

Investment Income

Council maintains investment accounts for funds not immediately required for liquidity purposes. Council invests these funds in 24- hour at call accounts with the Local Government Finance Authority and the ANZ Bank. A total of $15,459 income is forecast to be received from these investment accounts in 2026/27.

8. EXPENDITURE

Council's operating expenditure is forecast to be $10.11M, representing 102% of its total operating income of $9.86M for the year. This consists of the following key elements:

Salaries and Wages

Salaries and wages are forecast to cost $3.50M in 2026/27, which is essentially the same level as 2025/26. The salaries and wages budget amount includes Enterprise Bargaining increases, which will be fully offset by a reduction on the number of back filled position due to senior executive staff coming out of extended sick leave.

Materials, Contractors and Other Expenses

The budget for materials, contractors, and other expenses for the fiscal year 2026/27 is $3.48M, down from $4.39M. The reduction is mainly due to reduction on contractors' costs and a one-off settlement related to the completion of the Fisherman Bay projects.

The Council continues to conduct open competitive procurement processes to obtain goods and services at the best value in accordance with its policies.

Depreciation

Depreciation expenses are projected to be $2.90M for the fiscal year 2026/27, representing an increase of $141,312 from 2025/26. This rise is primarily due to the asset revaluation impacts.

Finance Costs

Council's finance costs are forecasted to decrease as Council has completed the Grace Harwar Drive development in 2025/26. Completion of the Bute Residential Land Development and the Port Broughton Employment Zone will further decrease the finance costs in the coming years. For 2026/27 total finance costs forecast is $227,704.

PORT BROUGHTON DOG PARK

9. PRIORITY INITIATIVES AND PROJECTS

Below is a summary of the key capital expenditure projects:

Port Broughton Employment Zone – $1,121,182

The Council will carry out civil works to install power and roads at Hornby Road, facilitating the sale of large industrial blocks to interested parties.

Bute Residential Land Development – $227,794

The Council will execute civil works to provide power, water and driveways to eight allotments along Arbon Road in Bute. This project will also allow the settlement of two pre-sold blocks.

Unsealed Roads – $1,000,000

The Council will renew unsealed roads across the district in line with Council's Transport Infrastructure Asset Management Plan.

Sealed Roads - $400,000

The Council will renew sealed roads across the district in line with Councils Transport Infrastructure Asset Management Plan.

Fleet & Plant Replacement - $509,000

The Council will replace components of the existing Fleet and Plant Equipment. This project will allow continued operation across all areas and is in line with Council's Fleet and Plant Infrastructure Asset Management Plan.

Bayside Caravan Park Electrical Upgrade– $137,940

The Council will install upgraded electrical power to Bayside Caravan Park through $321,860 of grant funding and Council contribution of $137,940. The total budget for this project is $459,800.

Port Broughton Golf Club Irrigation Upgrade (CWMS) – $301,864

The Council will install upgraded recycled water irrigation infrastructure to the Port Broughton Golf Club watering of the front 9 holes.

Port Broughton Mildren Avenue Reserve Upgrade – $40,000

The Council will upgrade the Mildren Avenue reserve in Port Broughton. The project will clear untidy trees and stumps, reprofile the ground levels to provide drainage and planting of new trees and grass.

Footpath Upgrades – $90,000

The Council will upgrade the Edmund Street footpath in Port Broughton and the Footpath in front of the Bute Hotel.

Dog Park Shelter – $10,000

The Council will install a new shelter and shady trees at the Dog Park. The project will provide additional seating and shading for users of the facility.

10. FINANCE SUMMARY

Barunga West Council Proposed Budget 2026/27 UNIFORM PRESENTATION OF FINANCES	BR3 2025/26 $	Proposed Budget 2026/27 $	Variance $
Total Income	9,754,097	9,857,779	103,682
Total Expenses	10,913,293	10,110,820	(802,473)
Operating Surplus / (Deficit)	(1,159,196)	(253,041)	906,155
Timing adjustment for grant revenue	-	-	-
Less: Grants, subsidies and contributions – Capital	(315,238)	(315,238)	-
Adjusted Operating Surplus / (Deficit)	(1,474,434)	(568,279)	906,155
Net Outlays on Existing Assets			
Capital Expenditure on Renewal and Replacement of Existing Assets	(2,205,716)	(1,990,783)	214,933
Finance Lease payments for Right of Use Assets	-	-	-
add back Depreciation, Amortisation and Impairment	2,759,025	2,900,337	141,312
add back Grants, subsidies and contributions – Capital Renewal	315,238	315,238	-
add back Proceeds from Sale of Replaced Assets	267,750	153,750	(114,000)
Total Net Outlays on Existing Assets	1,136,297	1,378,542	242,245
Net Outlays on New and Upgraded Assets			
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	(372,593)	(1,821,756)	(1,449,163)
Finance lease payments for Right of Use Assets	-	-	-
add back Grants, subsidies and contributions – Capital New/Upgraded	-	-	-
add back Amounts Received Specifically for New and Upgraded Asset	70,014	2,677	(67,337)
add back Proceeds from Sale of Surplus Assets (including Investment Property, Real Estate Developments & non-current assets held for sale)	379,000	1,825,910	1,446,910
Total Net Outlays on New and Upgraded Assets	76,421	6,831	(69,590)
Annual Net Impact to Financing Activities (surplus / (deficit))	(261,716)	817,094	1,078,810

11. DEBT

According to the Council's Long-Term Financial Plan, all debt will be paid off by the 2031/32 financial year.

Council current loan portfolio as at 30 June 2026:	Type	Maturity	Balance
Capital works program	Council	15/06/2032	329,003.11
Capital works program	Council	15/06/2032	500,000.00
Capital works program	Council	15/03/2028	1,000,000.00
Capital works program	Council	17/04/2028	431,320.02
Fisherman Bay Plumbing Connections Separate Rate	Council	15/04/2028	288,890.94
Capital works program	Council	16/05/2032	1,000,000.00
Capital works program	Council	15/02/2033	1,369,622.89
Total			4,918,836.96

12. RATE STRUCTURE AND POLICIES

Overview

To fund the Council's work and functions, an increase in the general rates revenue of 8.4% after mandatory and discretionary rebates is required, this is in accordance with the current LTFP.

This increase in rate revenue can be broken down to three components:

- General rate increase of 2.9%
- CPI increase of 4.9%
- A 0.6% increase in the number of rateable properties resulting from subdivisions (growth) from 2025/26 to 2026/27.

The general rate increases for existing ratepayers will affect all classes of ratepayers, but due to varying property value growths and other factors, the impact will differ for each class.

According to the Valuer-General, property values across the Council area have increased by approximately 4.2% for 2026/27, compared to 10.3% 2026/25 and 28.6% 2024/25. Below summarises the percentage changes based on land categories:

Residential – 15.2%

Commercial – 7.0%

Industrial – 8.0%

Vacant land – 7.2%

Primary Production – 1.2%

Rate Increases

For 2026/27, the average rates increase is as follows:

- Residential ratepayers: average increase of 7.3%
- Primary Production ratepayers: average increase of 6.4%
- Commercial ratepayers: average decrease of 4.1%
- Industry ratepayers: average decrease of 2.3%
- Vacant land ratepayers: average decrease of 20.1%

The rate increases for individual ratepayers will always vary due to changes in the capital values of each property as set by the Valuer-General.

As a general guide, the average ratepayer can expect the following annual increase/decrease:

- Residential properties: an increase of $106.28 ($2.04/week)
- Primary Production properties: an increase of $304.07 ($5.85/week)
- Commercial properties: a decrease of $53.61 ($1.03/week)
- Industry properties: a decrease of $38.04 ($0.73/week)
- Vacant Land properties: a decrease of $220.53 ($4.24/week)

Due to significant reductions in Financial Assistance Grants, driven largely by the increasing value of Primary Production land, a rate increase is essential for the Council's financial sustainability.

Council rates for vacant land are high to discourage land-banking and incentivise landowners to develop or release this land. In Barunga West Council, holding vacant land is prevalent in areas zoned for residential and industrial purposes.

Structure

The general rates per property consist of two components:

1. The fixed charge applied to all properties.
2. The differential rate in the dollar applied to the capital valuation of each property.

These two amounts are combined to form the general rates per property. Unlike adjacent Councils, the Barunga West Council does not charge a separate levy for waste collections; the costs associated with waste collection are covered by the general rates. As a result, Barunga West Council's general rates structure is recognized as one of the lowest in the Mid North and Yorke Peninsula region. The Council's rating policy outlines the rates structure and policies for the financial year.

Differential General Rates in the Dollar

The Council employs a differential rate in the dollar model to determine annual general rates, ensuring that the rate increases are distributed fairly across all rate categories. The capital valuation of each property within the Council district is established by the Office of the Valuer General, which bases its assessments on the property's land use, recent sales, and other factors.

The district has experienced an average increase in capital values of approximately 10.3% for 2025/26, following consecutive average increases of 28.6% for 2024/25, 12.5% in 2023/24, 23.3% in 2022/23, 11.4% in 2021/22, 10.0% in 2020/21, and 5.9% in 2019/20. These increases impact rate revenue and have been considered in the budgeting process.

Using the residential rate in the dollar as the base rate, the Council has determined the following changes in the differential rate values from 2025/26 to 2026/27:

	Rate Values 2025-2026		Rate Values 2026-2027	
Residential Rate	100	0.24007	100	0.23431
Commercial - shop	110	0.26408	110	0.25774
Commercial - Office	110	0.26408	110	0.25774
Commercial - Other	110	0.26408	110	0.25774
Industry - Light	110	0.26408	110	0.25774
Industry - Other	132	0.31690	132	0.30929
Primary Production	58	0.13924	63	0.14762
Vacant Land	249	0.59814	250	0.58578

Fixed Charge

A Council may impose a fixed charge on each assessed property. If two or more adjoining properties have the same owner and are occupied by the same person, only one fixed charge is payable by the ratepayer. The purpose of a fixed charge is to ensure that all residents and property owners contribute to the provision of basic services at a reasonable level. The remainder of the general rates for each property is determined by its capital valuation. For the 2026/27 period, the Council will apply a fixed charge of $435 per property. This fee remains at the 2025/26 value, unchanged for the 2026/27 budget.

CWMS Service Charges

The Council provides septic effluent disposal, treatment, and reuse systems in the townships of Fisherman Bay, Port Broughton and Bute. These systems include a wastewater treatment plant and storage lagoons in Port Broughton and an evaporation pond in Bute. Significant upgrades have been completed for both systems, incorporating advanced technology and infrastructure to reuse treated water for irrigation purposes.

When a service subject to a service charge is available to non-rateable land, the service charge is levied against that land. For the 2026/27 period, the service charge for each separate allotment in Port Broughton and Bute, receiving or able to receive the service, will increase by $19 for residential properties, from $564 to $583, and by $9 for vacant properties, from $279 to $288.

The Fisherman Bay system had an annual service charge of $645 in 2025/26; this will increase by $21 to $666 for residential properties. Fisherman Bay vacant properties will increase by $9, from $279 to $288 in 2026/27.

Pensioner Concessions and Self-Funded Retirees

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

Payment of Rates

Ratepayers can pay their rates in four approximately equal instalments on 02/09/2026, 02/12/2026, 03/03/2027, and 02/06/2027. Payment methods include cash, cheque, money order, credit card, BPay, and EFTPOS. In-person payments can be made at Council offices in Bay St, Port Broughton, or Railway Terrace, Bute. BPay View is now available, allowing ratepayers to register and receive online bills using the unique BPay View Registration Number on their rates notices. Council staff are available to assist with registration.

Late Payment of Rates

The Local Government Act 1999 allows Councils to impose a penalty on any late payment of rates, including instalments. An interest rate, set annually according to a formula in the Act, is charged for each month a payment remains late. This penalty serves as a deterrent to late payments, helps Council recover administrative costs of follow-ups, and covers any interest costs incurred due to delayed payments. Council imposes late payment penalties strictly in accordance with the Local Government Act 1999. Remission of penalties, in whole or part, is considered by Council on a case-by-case basis based on provided information.

Remission and Postponement of Rates

Under Section 182 of the Local Government Act 1999, a postponement of rates may be granted if Council is satisfied that paying the rates would cause financial hardship. Upon application, Council may request substantiation of hardship and additional information related to the property. This information helps Council consider approving the postponement of payment, provided the ratepayer agrees to pay interest on the postponed amount at the Cash Advance Debenture rate. Successful applicants must pay the full outstanding rates by the end of the postponement period or at the property transfer settlement date, whichever occurs first.

Sale of Land for Non-Payment of Rates

Under Section 184 of the Local Government Act, the Council has the authority to sell any property where rates have been in arrears for three years or more. The Council must inform the principal ratepayer and the property owner (if different) of the outstanding amounts and notify them of its intention to sell the land if the payment is not received within one month. The sale of land for non-payment of rates is enforced by the Council in strict accordance with the provisions of the Act.

ATTACHMENT 1 - ANNUAL FINANCIAL STATEMENTS

Barunga West Council
Proposed Budget 2026/27
STATEMENT OF COMPREHENSIVE INCOME

	BR3 2025/26 $	Proposed Budget 2026/27 $	Variance $
Income			
Rates	7,367,359	7,919,618	552,259
Statutory Charges	125,235	125,235	-
User Charges	596,867	533,866	(63,000)
Grants, Subsidies and Contributions - operating	862,168	650,982	(211,186)
Grants, Subsidies and Contributions - capital	315,238	315,238	-
Investment Income	15,459	15,459	-
Reimbursements	(57,849)	22,151	80,000
Other Income	529,621	275,230	(254,390)
Net gain - equity accounted Council businesses	-	-	-
Total Income	**9,754,097**	**9,857,779**	**103,682**
Expenses			
Employee Costs	3,502,536	3,504,745	2,208
Materials, Contracts & Other Expenses	4,388,909	3,478,035	(910,874)
Depreciation, Amortisation & Impairment	2,759,025	2,900,337	141,312
Finance Costs	262,823	227,704	(35,119)
Net loss - Equity Accounted Council Businesses	-	-	-
Total Expenses	**10,913,293**	**10,110,820**	**(802,473)**
Operating Surplus / (Deficit)	**(1,159,196)**	**(253,041)**	**906,155**
Asset Disposal & Fair Value Adjustments	-	404,299	404,299
Amounts Received Specifically for New or Upgraded Assets	71,203	-	(71,203)
Physical Resources Received Free of Charge	-	-	-
Net Surplus / (Deficit)	**(1,087,993)**	**151,257**	**1,239,251**
Other Comprehensive Income			
Amounts which will not be reclassified subsequently to operating result			
Changes in Revaluation Surplus - I,PP&E	3,275,454	3,859,307	3,859,307
Total Other Comprehensive Income	**3,275,454**	**3,859,307**	**583,853**
Total Comprehensive Income	**2,187,461**	**4,010,565**	**1,823,104**

ATTACHMENT 1 - ANNUAL FINANCIAL STATEMENTS

Barunga West Council
Proposed Budget 2026/27
STATEMENT OF FINANCIAL POSITION

	BR3 2025/26 $	Proposed Budget 2026/27 $	Variance $
ASSETS			
Current Assets			
Cash & Cash Equivalents	200,000	200,000	-
Trade & Other Receivables	421,462	423,542	2,080
Inventories	213,993	169,581	(44,412)
Total Current Assets	835,454	793,123	(42,332)
Non-Current Assets			
Financial Assets	117,000	117,000	-
Infrastructure, Property, Plant & Equipment	80,674,329	84,010,136	3,335,807
Total Non-Current Assets	80,930,988	84,127,136	3,196,148
TOTAL ASSETS	**81,766,443**	**84,920,259**	**3,153,816**
LIABILITIES			
Current Liabilities			
Cash Advance Debenture	-	-	-
Trade & Other Payables	1,197,145	1,054,575	(142,570)
Borrowings	399,161	1,420,081	1,020,920
Provisions	717,911	717,911	-
Total Current Liabilities	2,314,217	3,192,568	878,350
Non-Current Liabilities			
Cash Advance Debenture	2,369,683	2,054,665	(315,018)
Trade & Other Payables	-	-	-
Borrowings	2,149,993	729,912	(1,420,081)
Provisions	62,089	62,089	-
Total Non-Current Liabilities	4,581,765	2,846,666	(1,735,099)
TOTAL LIABILITIES	**6,895,982**	**6,039,234**	**(856,748)**
Net Assets	**74,870,461**	**78,881,025**	**4,010,565**
EQUITY			
Accumulated Surplus	12,841,007	12,992,264	151,257
Asset Revaluation Reserves	61,291,454	65,150,761	3,859,307
Other Reserves	738,000	738,000	-
Total Equity	**74,870,461**	**78,881,025**	**4,010,565**

ATTACHMENT 1 - ANNUAL FINANCIAL STATEMENTS

Barunga West Council
Proposed Budget 2026/27
STATEMENT OF CASH FLOWS

	BR3 2025/26 $	Proposed Budget 2026/27 $	Variance $
Cash Flows from Operating Activities			
Receipts:			
Rates Receipts	7,480,321	7,918,641	438,320
Statutory Charges	129,304	125,235	(4,070)
User Charges	625,078	536,374	(88,704)
Grants, Subsidies and Contributions (operating purpose)	890,709	658,922	(231,787)
Investment Receipts	15,849	15,459	(390)
Reimbursements	(52,703)	21,201	73,904
Other	539,982	285,356	(254,626)
Payments:			
Payments to Employees	(3,498,229)	(3,502,381)	(4,153)
Payments for Materials, Contracts & Other Expenses	(3,931,189)	(3,595,237)	335,952
Finance Payments	(306,897)	(234,426)	72,471
Net Cash provided (or used in) Operating Activities	1,892,225	2,229,142	336,917
Cash Flows from Investing Activities			
Receipts:			
Amounts Received Specifically for New/Upgraded Assets	70,014	2,677	(67,337)
Grants utilised for capital purposes	336,483	315,238	(21,245)
Sale of Replaced Assets	267,750	153,750	(114,000)
Sale of Investment Property	-	1,825,910	1,825,910
Payments:			
Expenditure on Renewal/Replacement of Assets	(2,205,716)	(1,990,783)	214,933
Expenditure on New/Upgraded Assets	(232,933)	(539,804)	(306,870)
Purchase of Investment Property	(139,659)	(1,281,952)	(1,142,293)
Net Cash provided (or used in) Investing Activities	(1,525,062)	(1,514,964)	10,098
Cash Flows from Financing Activities			
Receipts:			
Proceeds from CAD	19,683	-	(19,683)
Payments:			
Repayments of CAD	-	(315,018)	(315,018)
Repayments of Borrowings	(395,846)	(399,161)	(3,315)
Net Cash Flow provided (used in) Financing Activities	(376,163)	(714,179)	(338,016)
Net Increase/(Decrease) in Cash & Cash Equivalents	(9,000)	-	9,000
plus: Cash & Cash Equivalents - beginning of year	209,000	200,000	(9,000)
Cash & Cash Equivalents - end of the year	**200,000**	**200,000**	**-**

ATTACHMENT 1 - ANNUAL FINANCIAL STATEMENTS

Barunga West Council
Proposed Budget 2026/27
STATEMENT OF CHANGES IN EQUITY

	BR3 2025/26 $	Proposed Budget 2026/27 $	Variance $
Opening Balance	72,683,000	74,870,461	2,187,461
Net Surplus / (Deficit) for Year	(1,087,993)	151,257	1,239,251
Other Comprehensive Income			
- Gain (Loss) on Revaluation of I,PP&E	3,275,454	3,859,307	583,853
- Available for Sale Financial Instruments: change in fair value	-	-	-
- Impairment (loss) reversal relating to I,PP&E	-	-	-
- Transfer to Accumulated Surplus on Sale of I,PP&E	-	-	-
- Transfer to Acc. Surplus on Sale of AFS Financial Instruments	-	-	-
- Share of OCI - Equity Accounted Council Businesses	-	-	-
- Other Equity Adjustments - Equity Accounted Council Businesses	-	-	-
- Other Movements	-	-	-
Other Comprehensive Income	3,275,454	3,859,307	583,853
Total Comprehensive Income	2,187,461	4,010,565	1,823,104
Transfers between Equity	-	-	-
Equity - Balance at end of the reporting period	**74,870,461**	**78,881,025**	**4,010,565**

ATTACHMENT 1 - ANNUAL FINANCIAL STATEMENTS

Barunga West Council
Proposed Budget 2026/27
UNIFORM PRESENTATION OF FINANCES

	BR3 2025/26 $	Proposed Budget 2026/27 $	Variance $
Income			
Rates	7,367,359	7,919,618	552,259
Statutory Charges	125,235	125,235	-
User Charges	596,867	533,866	(63,000)
Grants, Subsidies and Contributions - operating	862,168	650,982	(211,186)
Grants, Subsidies and Contributions - capital	315,238	315,238	-
Investment Income	15,459	15,459	-
Reimbursements	(57,849)	22,151	80,000
Other Income	529,621	275,230	(254,390)
Net gain - equity accounted Council businesses	-	-	-
Total Income	**9,754,097**	**9,857,779**	**103,682**
Expenses			
Employee Costs	3,502,536	3,504,745	2,208
Materials, Contracts & Other Expenses	4,388,909	3,478,035	(910,874)
Depreciation, Amortisation & Impairment	2,759,025	2,900,337	141,312
Finance Costs	262,823	227,704	(35,119)
Net loss - Equity Accounted Council Businesses	-	-	-
Total Expenses	**10,913,293**	**10,110,820**	**(802,473)**
Operating Surplus / (Deficit)	**(1,159,196)**	**(253,041)**	**906,155**
Timing adjustment for grant revenue	-	-	-
Less: Grants, subsidies and contributions – Capital	(315,238)	(315,238)	-
Adjusted Operating Surplus / (Deficit)	**(1,474,434)**	**(568,279)**	**906,155**
Net Outlays on Existing Assets			
Capital Expenditure on Renewal and Replacement of Existing Assets	(2,205,716)	(1,990,783)	214,933
Finance Lease payments for Right of Use Assets	-	-	-
add back Depreciation, Amortisation and Impairment	2,759,025	2,900,337	141,312
add back Grants, subsidies and contributions – Capital Renewal	315,238	315,238	-
add back Proceeds from Sale of Replaced Assets	267,750	153,750	(114,000)
Total Net Outlays on Existing Assets	**1,136,297**	**1,378,542**	**242,245**
Net Outlays on New and Upgraded Assets			
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	(372,593)	(1,821,756)	(1,449,163)
Finance lease payments for Right of Use Assets	-	-	-
add back Grants, subsidies and contributions – Capital New/Upgraded	-	-	-
add back Amounts Received Specifically for New and Upgraded Assets	70,014	2,677	(67,337)
add back Proceeds from Sale of Surplus Assets (including Investment Property, Real Estate Developments & non-current assets held for sale)	379,000	1,825,910	1,446,910
Total Net Outlays on New and Upgraded Assets	**76,421**	**6,831**	**(69,590)**
Annual Net Impact to Financing Activities (surplus / (deficit))	**(261,716)**	**817,094**	**1,078,810**

ATTACHMENT 1 - ANNUAL FINANCIAL STATEMENTS

Proposed Budget 2026/27
FINANCIAL PERFORMANCE INDICATORS

	BR3 2025/26	Proposed Budget 2026/27
Operating Surplus Ratio	-11.88%	-2.57%
Operating Surplus / Total Operating Revenue		
This ratio expresses the operating surplus as a percentage of total operating revenue. "A positive ratio indicates the percentage of operating income available to help fund proposed capital expenditure. If the relevant amount is not required for this purpose in a particular year, it can be held for future capital expenditure needs by either increasing financial assets or preferably, where possible, reducing debt in the meantime. A negative ratio indicates the percentage increase in operating income or the approximate decrease in operating expenses required to achieve a break-even operating result."		
Net Financial Liabilities Ratio	63.13%	53.75%
Net Financial Liabilities / Total Operating Revenue		
Net Financial Liabilities are defined as total liabilities less financial assets. These are expressed as a percentage of total operating revenue.		
Asset Renewal Funding Ratio	95.15%	119.54%
Net Asset Renewals / Infrastructure & Asset Management Plan required expenditure		
Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets. This ratio indicates the extent to which existing non-financial assets are being renewed and replaced, compared with the asset renewal and replacement expenditure identified as warranted in a Council's infrastructure and asset management plan. It is calculated by measuring capital expenditure on renewal or replacement of assets, relative to the optimal level of such expenditure proposed in a Council's infrastructure and asset management plan.		

ATTACHMENT 2 - STATEMENT ON EXPECTED RATE REVENUE

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	2025/26 (actuals)	2026/27 (estimated)		Change	Comments
General Rates Revenue					
General Rates (existing properties)	$6,311,238	$6,838,377	*(a)*		
General Rates (new properties)			*(b)*		
General Rates (GROSS)	**$6,311,238**	**$6,838,377**	*(c)*		
Less: Mandatory Rebates	($23,034)	($23,665)	*(d)*		
General Rates (NET)	**$6,288,204**	**$6,814,712**	*(e)*	**8.4%**	
	(e)=(c)+(d)				
Other Rates (inc. service charges)					
Regional Landscape Levy	$289,238	$295,609	*(f)*		The Regional Landscape Levy is a State tax, it is **not retained** by council. Net of $3,240.01 rabates.
CWMS	$796,024	$820,734	*(i)*		
Separate and Special Rates	$128,358	$106,502	*(j)*		$106,502 Fisherman Bay Plumbing Connection (Yr 3 of 4)
	$7,501,824	$8,037,557			
Less: Discretionary Rebates	($162,347)	($124,947)	*(l)*		
Expected Total Rates Revenue	**$7,050,240**	**$7,617,000**	*(m)*	**8.0%**	Excluding the Regional Landscape Levy and minus Mandatory & Discretionary Rebates.
	(m)=(e)+(g)+(h)+(i)+(j)+(k)+(l)				
Estimated growth in number of rateable properties					
Number of rateable properties	**2,847**	**2,863**	*(n)*	**0.6%**	
	Actual	*Estimate*			
'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 residents.					
Estimated average General Rates per rateable property					
Average per rateable property	**$2,152**	**$2,337**	*(o)*	**8.6%**	
		(o)=[(e)+(l)]/(n)			
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 budget.					Rates income after mandatory and discretionary rebates divided by the number of rateable properties

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 *Local Government (Financial Management) Regulations 2011* 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 all rateable properties, not from individual rateable properties (ie. individual rates will not necessarily change by this figure).

(f) Councils are required under the *Landscape South Australia Act 2019* 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 natural resources.

(i) Community Wastewater Management Systems

(l) 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 receive the rebate).

(m) Expected Total Rates Revenue excludes other charges such as penalties for late payment and legal and other costs recovered.

(n) 'Growth' as defined in the *Local Government (Financial Management) Regulations 2011* reg 6(2)

ATTACHMENT 2 - STATEMENT ON EXPECTED RATE REVENUE

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 (net of rebates)			No. of rateable properties		Average per rateable property				Cents in the $
	2025/26	2026/27	Change	2025/26	2026/27	2025/26	2026/27		Change	2026/27
Land Use (General Rates - Net of Rebates)										
Residential	$2,204,194	**$2,369,820**	8%	1611	**1610**	$1,368	$1,472	*(p)*	**$104**	**0.23431**
Commercial - Shop	$20,534	**$21,037**	2%	20	**19**	$1,027	$1,107	*(p)*	**$80**	**0.25774**
Commercial - Office	$6,835	**$7,093**	4%	8	**8**	$854	$887	*(p)*	**$32**	**0.25774**
Commercial - Other	$45,748	**$47,153**	3%	44	**44**	$1,040	$1,072	*(p)*	**$32**	**0.25774**
Industry - Light	$3,953	**$4,075**	3%	4	**4**	$988	$1,019	*(p)*	**$30**	**0.25774**
Industry - Other	$28,957	**$29,406**	2%	11	**11**	$2,632	$2,673	*(p)*	**$41**	**0.30929**
Primary Production	$3,544,370	**$3,827,446**	8%	920	**927**	$3,853	$4,129	*(p)*	**$276**	**0.14762**
Vacant Land	$273,622	**$336,916**	23%	229	**240**	$1,195	$1,404	*(p)*	**$209**	**0.58578**
Total Land Use	**$6,128,213**	**$6,642,945**	**8.4%**	**2,847**	**2,863**	**$2,153**	**$2,320**	*(p)*	**$168**	

Fixed Charge

	Total expected revenue			Charge			
	2025/26	2026/27	Change	2025/26	2026/27		Change
Fixed Charge	$1,099,354	**$1,078,358**	-2%	$435	**$435**	*(q)*	**$0**

This revenue amount is **included** in the General Rates

Adopted valuation method

Council has the option of adopting one of two 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;
Annual Value – a valuation of the rental potential of the property.

Council adopts Capital Valuation as its valuation method

Notes

(p) 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.

(q) 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.

(r) Where two or more adjoining properties have the same owner and are occupied by the same occupier, only one minimum rate is payable by the ratepayer.

ATTACHMENT 3 - RATING POLICY

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Rating Policy
Issued: 10 June 2014
Review Date: June 2027
Version: 15

Barunga West Council

1. Purpose of this policy

This document sets out the policy of the Barunga West Council for setting and collecting rates from its community.

2. Scope of this policy

This Policy applies to all ratepayers who are liable to pay Council rates.

3. Policy Intent

An integral part of an Annual Budget, required to be adopted by Council and pursuant to Section 123 of the *Local Government Act 1999* and Regulation 6 of the *Local Government (Financial Management) Regulations 2011*, is the ability to raise rates to fund Council services and projects.

4. Strategic Community Plan Objectives

In setting its rates for the 2026/27 financial year Council has considered the following:

- Strategic Community Plan 2024-2028:
  - Goal 5: Leadership
  - Key Objective 3: Demonstrating responsible investment in current and future infrastructure and services
  - Key Objective 4: Operating as a forward thinking, fiscally sustainable council
- The Draft Long Term Financial Plan 2026 – 2036.
- The Draft Annual Business Plan and Budget for 2026/27.
- The relationship between Council's Business Plan objectives and this rating policy.
- The current economic climate.
- The specific issues faced by our community.
- The impact of rates on the community & businesses.
- Council's debt strategy.
- Required funding for future asset replacement.
- The impact of differential changes in property valuations across the district.

Copies of Council's Strategic Community Plan 2024-2028 and Annual Business Plan and Budget 2026/27 will be available for inspection and purchase at the Council offices and at Council's website www.barungawest.sa.gov.au

5. Definitions

'CPI' means Consumer Price Index

'CWMS' means Community Wastewater Management Scheme

'DVA' means Department of Veterans' Affairs

'EFTPOS' means Electronic Funds Transfer at Point Of Sale

'LGA' means the Local Government Association of SA

'Policy' means this Rating Policy
'RL Levy' means Regional Landscape Levy
'Notional valuation' means a nominal or face value amount assigned to a financial instrument for calculation purposes
'SFE' means Single Farm Enterprise
'the Act' means the *Local Government Act 1999*

6. Policy

6.1 Method Used to Value Land

Councils may adopt one of three valuation methodologies to value the properties in their areas. They are:

- Capital Value – the value of the land and all the improvements on the land.
- Site Value – the value of the land and any improvements which permanently affect the amenity of use of the land, such as drainage works, but excluding the value of buildings and other improvements.
- Annual Value – a valuation of the rental potential of the property.

The Barunga West Council has decided to continue to use Capital Value as the basis for valuing land within the Council area.

Council considers that this method of valuing land provides the fairest method of distributing the rate burden across all ratepayers because property value is considered a reasonable indicator of income and capital value, which closely approximates the market value of a property and provides the best indicator of overall property value.

6.2 Adoption of Valuations

A Council may employ or engage a valuer to value the land in the area or it may use the valuations provided by the Valuer-General, or it may use a combination of both subject to certain restrictions. The Valuer-General is a statutory officer appointed by the Governor of South Australia.

The Barunga West Council has adopted the most recent valuations made by the Valuer- General. If a ratepayer is dissatisfied with the valuation made by the Valuer-General then the ratepayer may object to the Valuer-General in writing, within 60 days after the date of service of the notice of the valuation to which the objection relates, explaining the basis for the objection.

6.3 Objection to Valuation

A person may object to a valuation of the Valuer-General by notice in writing, setting out the reasons for the objections, and the Valuer General must consider the objection.

An objection to a valuation must be made within 60 days after the date of service of the notice of the valuation to which the objection relates. If the person then remains dissatisfied with the valuation, they have a right to a review.

Applications must be made within 21 days of receipt of the notice of the decision (in relation to the objection) from the Valuer-General. A payment of the prescribed fee for the review to be undertaken, together with the review application must be lodged in the Office of the Valuer-General, who will then refer the matter to an independent Valuer. If the person remains dissatisfied with the valuation then they have a right of appeal to the Land and Valuation Court.

The address of the Office of the Valuer-General is: Postal:
Office of the Valuer-General
GPO Box 1354
Adelaide SA 5001

Telephone: 1300 653 346
Email: OVGObjections@sa.gov.au
https://valuergeneral.sa.gov.au/valuation/objecting-to-a-valuation

Note: Council has no role in the process of considering an objection to a valuation. It is also important to note that the lodgement of an objection does not change the due date for the payment of rates.

6.4 Notional Values

Certain properties may be eligible for a notional value under the *Valuation of Land Act 1971*. This relates to some primary production land or where there is State heritage recognition. Any owner that believes that they are entitled to a 'notional value' must apply in writing to the Office of the Valuer-General.

6.5 Business Impact Statement

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

- Those elements of Council's strategic management plans relating to business development.
- The current and forecast economic climate.
- Operating and capital projects for the coming year that will principally benefit industry and business development in the district.
- Movement in the Consumer Price Index (Adelaide Capital City index) and other relevant indices. The CPI represents the movement in prices associated with the goods and services consumed by the average metropolitan household.
- Valuation changes in commercial and industrial properties across the district as compared with valuation changes in residential properties across the district.

6.6 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 1999* – refer Section 147 of the Act), is ratable. 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 ratable 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. Council also raises revenue through fees and charges, which are set giving consideration to the cost of the service provided and any equity issues. The list of applicable fees and charges is available for inspection or purchase at the Barunga West Council offices and free of charge from Council's website www.barungawest.sa.gov.au

A Goods and Services Tax at a rate determined under the *Goods and Services Act 1999* will be charged on those fees not given exemption under the Act.

6.7 Differential General Rates

A Council may opt for differential general rates based on the use of the land, the locality of the land, or a combination of the locality and the use of the land (section 156). An alternative basis of differentiation may be used in certain circumstances to allow rating relativities to be gradually altered or realigned (s156 (1)(d) & (2)).

The Barunga West Council uses differential rating as it believes it is the fairest method of allocating rates. Council's differential rating system is based on land use.
Residential is the base rate, all other rates are a percentage of residential rates.

Council has determined the following differential rate values for 2026/27:

Residential Rate & Other	100%
Commercial – Shop	110%
Commercial – Office	110%
Commercial – Other	110%
Industry – Light	110%
Industry – Other	132%
Primary Production	63%
Vacant land Rate	250%
Non-Ratable	0.00%

If a ratepayer believes that a particular property has been wrongly classified by Council as to its land use, then the ratepayer may object to that land use (to Council) within 60 days of being notified. The objection must set out the basis for the objection and details of the land use that, in the opinion of the ratepayer, should be attributed to that property. Council may then decide the objection as it sees fit and notify the ratepayer. A ratepayer also has the right to appeal against Council's decision to the Land and Valuation Court.

A ratepayer may raise the matter with Council's Rates Officer via email at:
barunga@barungawest.sa.gov.au or by telephone on 08 8635 2107.

On request Council will provide a copy of Section 156 of the *Local Government Act 1999* which sets out the rights and obligations of ratepayers in respect of objections to a land use.

Note: Lodgement of an objection does not change the due date for the payment of rates.

6.8 Fixed Charge

A Council may impose a fixed charge on each assessed property. Where two or more adjoining properties have the same owner and are occupied by the same occupier, only one fixed charge is payable by the ratepayer. Council will apply a fixed charge per property of $435 in 2026/27.

The reason for a fixed charge is to ensure that all residents/owners contribute towards the provision of basic services at a reasonable level. The balance of the general rates per assessment is determined by the capital valuation of the property.

6.9 Separate Charge

A Council pursuant to Section 154 of the Act, may declare a separate rate on rateable land within a part of the area of Council for the purpose of planning, carry 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 area, or to visitors to that part of the area.

Fisherman Bay Plumbing – Separate Rate

Following consultation with ratepayers, Council approved at the ordinary meeting held on 9 April 2024 the introduction of a Separate Rate for those ratable Fisherman Bay properties where the owners of the land have entered into an Agreement with Council to facilitate connection of their residential sewerage systems to the Fisherman Bay Community Wastewater Management System.

Council has declared this separate rate for the period of 4 financial years commencing in the financial year 2024/2025 and concluding in the financial year 2027/2028. This separate rate will apply to the assessments listed in attachment 2, item 10.9 of the Council agenda 9 April 2024, excluding the land identified as assessment number A14528 which has withdrawn from the Agreement.

The cost of the Fisherman Bay plumbing activity (including application, approval, and finance costs) was $559,762.60 which will be recovered by this separate rate. The separate rates for each property will be charged in 16 installments concluding in financial year 2027/28.

6.10 Service Charge – Community Wastewater Management Scheme (CWMS)

Council provides a community wastewater management scheme to most properties within the townships of Port Broughton, Bute and Fisherman Bay.

Council must cover the full cost of operating and maintaining the service and this includes interest payments on loans raised to upgrade the CWMS schemes. Council must also allow for the future capital replacement of the system. Council has committed to sustainable charging for CWMS in the District which has been determined by the LGA and other external sources.

Council will recover this cost through the imposition of a sustainable service charge per property unit as follows:

Occupied land	**per property unit**
Port Broughton	$583
Bute	$583
Fisherman Bay	$666

Vacant land	**per property unit**
Port Broughton	$288
Bute	$288
Fisherman Bay	$288

Property unit is determined by the "Code for Establishing and Applying Property Units as a Factor of the Imposition of Annual Service Charges for Community Wastewater Management Systems" published by the Local Government Association of South Australia, April 2006.

6.11 Tenanted property

Council has determined that tenants of premises where there are multiple occupants in occupation of what would otherwise be considered to be contiguous properties, or a single property having multiple occupants who lease the property from a common owner, will be charged rates in accordance with the Valuer-General's land use determination and will be levied the relevant waste management charges as determined under Council's Waste Management Policy.
In addition, where CWMS is available, a separate CWMS charge will be levied on each assessment.

6.12 Single Farm Enterprise (SFE)

Council has determined that where an application has been made in 2025/26 or preceding financial years for the relief of the fixed charge or service charges in respect of a SFE and the applicant still complies in 2026/27 with Council's requirements as to the operation of the enterprise as a single entity, then only one fixed charge, will be charged.

Existing SFE's that have applied to Council in 2025/26, or preceding financial years will not need to re-apply, however new SFE applications will need to be applied for by 20 June 2026 for consideration of fee remission for 2026/27 financial year.

6.13 Regional Landscape Levy

Council is obliged to include on its rates notices and to collect a levy in respect of the operations of the Northern and Yorke Landscape Board. The levy is determined by the Board each financial year. This charge will be distributed evenly throughout the Council area by the imposition of an amount on each separate assessment of ratable land in the Council area.

6.14 Pensioner Concessions

To check eligibility for State Government concessions visit:
www.sa.gov.au/concessions or contact the concessions SA hotline on 1800 307 758.

6.15 Rates Hardship

Council's preference in relation to rates arrears is to develop a payment plan with the ratepayer to settle the debt as quickly as possible. The alternative is referring the debt to a Debt Collection Agency, which increases the total outstanding debt, as some of the Agency fees are added to the outstanding debt.

In the event of genuine financial hardship (including the impact of COVID 19), Council will suspend the application of fines and interest on the outstanding debt for an agreed period of time.

Council will consider, inter alia, the following:

- The employment status of the ratepayer;
- If not employed, the ratepayers source of income;
- Eligibility for Pensioner concession Card, Centrelink Low Income Health Care Card or any other government concession;
- The ratepayer's payment history, including any other previous payment plans;
- Referral by an accredited financial counsellor or welfare agency.

If the CEO is satisfied that this is a case of genuine hardship, the following options may apply:

- A tailored payment plan recognising the nature of the hardship, that is, short term or long term;
- Temporary suspension of agency fees, interest charges and/or fees and fines;
- Establishment of a Centrelink Centrepay service;
- Establishment of an ongoing BPay payment plan, with either weekly, fortnightly or monthly payment options.

Failure to maintain the payment arrangements will result in Council re-establishing the normal debt collection channels and associated fees.

6.16 Postponement of Rates

A postponement of rates may be granted if Council is satisfied that the payment of rates would cause financial hardship. Upon application, Council may request that the ratepayer substantiates the hardship and request additional information pertaining to the relevant property to consider granting a postponement of payment of rates, on the condition that the ratepayer agrees to pay interest on the amount affected by the postponement at the Cash Advance Debenture rate.

All successful applications will require the full outstanding rates to be paid upon the completion of the postponement period or at the transfer of ownership settlement date, whichever occurs the earliest.

6.17 Postponement of Rates – Seniors

Eligible senior ratepayers (i.e. persons eligible to hold a senior's card) have the option to apply to Council for a postponement of the payment of the prescribed proportion of rates for the current or a future financial year. The postponement is only available in relation to the prescribed proportion of rates being any amount in excess of $500 per ratable year and applies to the principal place of residence of the eligible senior ratepayer.

Additional information pertaining to the property may be requested by Council to help in the decision making of the application, for example, mortgage documents. Please contact the Council Office by email barunga@barungawest.sa.gov.au or phone 08 8635 2107 for the application conditions.

If a postponement of the payment of rates occurs, interest will accrue at the rate specified in the *Local Government Act 1999* on the amount affected by the postponement, until the amount is paid in full.

During the postponement period, Council may complete regular reviews of the outstanding balance. The reviews will be to ensure there is adequate property value available to repay the postponement amount, plus any interest held against the property upon the sale of the property. Council may request additional information be provided to complete the review.

6.18 Deferred Payments

Under special circumstances, Council's CEO or delegate may authorise a deferred payment option to ratepayers. Authorised deferred payment options will not incur fines &/or interest during the period specified.

The deferred payment option is intended to provide financial relief for a group of property assessments who have/are experiencing the same circumstance, as a once off relief. It is not the intention of this relief to be provided on property assessments/ratepayers singularly or on an ongoing/regular basis.

6.19 Centrelink Recipients and Low-Income Earners

Services Australia may assist Centrelink recipients and low-income earners with the payment of Council rates for their principal place of residence. (Remissions are not available on vacant land or rental premises).

Please contact Services Australia for details:
Telephone: 132 307
Website: servicesaustralia.gov.au

6.20 Payment of Rates

As required by Section 181 of the *Local Government Act 1999*, Council offers ratepayers the opportunity to pay their rates in four equal or approximately equal instalments, due in the months of September, December, March and June each year.

Ratepayers may set up a regular electronic payment plan at weekly or fortnightly or monthly intervals. The BPay number is specific to the property & does not change. Provided that the quarterly amount due is paid by the due date, any payment plan is accepted.

In cases where the initial account requiring payment of rates is not sent at least 30 days prior to this date, or an amended account is required to be sent, the Chief Executive Officer has the authority to fix the date by which rates must be paid for these assessments.

The Chief Executive Officer also has the authority to enter into agreements with principal ratepayers relating to the payment of rates in any case where they consider it necessary or desirable to do so.

Rates may be paid by BPay, cheque, money order, cash or EFTPOS. Credit cards (with the exception Diners Card and American Express) can be utilised to a maximum of $2,500.

The following payment options are available in relation to Council rates:

B-Pay:	Using the information contained on your rates notice
Credit card:	08 8635 2107
Mail:	Addressed to PO Box 3, Port Broughton SA 5522

Payments can also be made in person at the following Council Service Centre's at:
11 Bay Street, Port Broughton or 15 Railway Terrace, Bute.

Any ratepayer who may, or is likely to, experience difficulty with meeting the standard payment arrangements is invited to contact the Council Office on 08 8635 2107, to discuss alternative payment arrangements. Such enquiries are treated confidentially by Council.

Note: Late payment fines and interest may still apply.

6.21 Late Payment of Rates / Debt Recovery

The *Local Government Act* provides that Councils may impose a penalty 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 Act, 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 Councils to recover the administrative cost of following up unpaid rates and to cover any interest cost a Council may incur because it has not received the rates on time.

The Barunga West Council imposes late payment penalties strictly in accordance with the *Local Government Act 1999*. The ability to remit penalties in whole or part is a power vested in Council. At Council, each case will be considered on its merits based on the information provided.

6.22 Debt Recovery

All ratepayers have until the date on which the instalment of rates is due. After that the following recovery procedure will come into effect:

1. Fines and interest as provided by the Act will be added.
2. An overdue notice will be forwarded within 28 days of the imposition of late payment penalty.

3. The debt will be placed in the hands of a debt collector if payment or arrangement for payment is not made within the overdue notice pay by date (21 days from date on overdue notice) and a notice of intention to issue a claim will be forwarded by the debt collector.
4. Court proceedings will be instigated if the payment is still overdue after 21 days.

Some fees and all court costs will be recovered from the ratepayer.

When Council receives a payment in respect of overdue rates, Council applies the money received in the following order:

1. To satisfy any costs awarded in connection with court proceedings;
2. To satisfy any interest costs;
3. In payment of any fines imposed;
4. In payment of rates, in date order of their imposition (starting with the oldest account first).

6.23 Sale of Land for Non-Payment of Rates

Section 184 of the *Local Government Act 1999* provides that a Council may sell any property where the rates have been in arrears for three years or more. The Council is required to provide the principal ratepayer and the owner (if not the same person) with details of the outstanding amounts and advise the owner of its intention to sell the land if payment of the outstanding amount is not received within one month. The Council enforces the sale of land for non- payment of rates after 3 years or more in accordance with the provisions of the Act.

6.24 Overpayment of Rates

Council will not pay interest on any voluntary overpayment of rates, and will not refund any amount less than $100 due to costs involved in processing refunds. Any credit balance will be applied against the next instalment of rates.

Council regularly reviews the balance of rates on each property and if rates have been overpaid by $100 or more, if requested, a refund payment may be processed to the principal ratepayer. Council will require notice in writing if a ratepayer requests any rate refunds or overpaid rates to be paid towards future rate payments.

6.25 Rebate of Rates Policy Statement

It is the policy of the Barunga West Council that a rebate of rates in respect of any ratable land in the Council area will be available only when the applicant satisfies the requirements under the *Local Government Act 1999* and, where appropriate, the requirements of this Policy.

Introduction

The *Local Government Act 1999* ("the Act") sets out at Chapter 10, Division 5 (Sections 159 to166) those provisions applicable to the Council granting a rebate of rates to persons or bodies.

Council has decided to adopt a Policy to assist it in its decision making functions relative to the operation of the rate rebate provisions contained in the Act.

This Policy is intended to provide guidance to the community as to the grounds upon which a person or body is, or may be entitled to receive a rebate of rates and the matters that Council will take into account in deciding an application for a rebate.

In accordance with the rebate provisions contained in the Act, this Policy sets out the type of use in respect of land which Council must grant a rebate of rates and the amount that rebate must be, and those types of land use where Council has discretion to grant a rebate of rates.

Local Government Act 1999

Section 159(3) of the Act provides that Council may grant a rebate of rates under the Act if it is satisfied that it is appropriate to do so.

The Act provides for a mandatory rebate of rates in specified cases and the amount of that mandatory rebate (see Mandatory Rebates Clause below).

The Act also provides that where Council must grant a rebate of rates under the Act, and the amount of that rebate if fixed by the Act at less than 100%, Council **may** increase the amount of the rebate.

The Act provides, at Section 166 for Council to provide a discretionary rebate of rates in the cases set out in that Section.

Mandatory Rebates

Council must grant a rebate in the amount specified in respect of those land uses which the Act provides will be granted a rebate.

Rates on the following land will be rebated at **100%**:

- Health Services - Land being predominantly used for service delivery or administration by a hospital or health center incorporated under the Health Care Act 2008;
- Religious Purposes - Land containing a church or other building used for public worship (and any grounds), or land solely used for religious purposes;
- Public Cemeteries - Land being used for the purposes of a public cemetery;
- Royal Zoological Society of SA - Land (other than land used as domestic premises) owned by, or under the care, control and management of, the Royal Zoological Society of South Australia Incorporated.

Rates on the following land will be rebated at **75%**:

Community Services

Land being predominantly used for service delivery and administration by a community services organisation.
A "*community services organisation*" is defined in the Act as a body that –

- is incorporated on a not-for-profit basis for the benefit of the public; and
- provides community services without charge or for a charge that is below the cost to the body of providing the services; and
- does not restrict its services to persons who are members of the body.

It is necessary for a community services organisation to satisfy all the above criteria to be entitled to the mandatory 75% rebate.

The Act further provides that eligibility for a rebate by a community services organisation is subject to it providing one or more of the following community services –

- emergency accommodation
- food or clothing for disadvantaged persons (i.e., persons who are disadvantaged by reason of poverty, illness, frailty, or mental, intellectual or physical disability);
- supported accommodation (i.e., residential care facilities in receipt of Commonwealth funding or accommodation for persons with mental health, intellectual, physical or other difficulties who require support in order to live an independent life);
- essential services, or employment support, for persons with mental health disabilities, or with intellectual or physical disabilities;
- legal services for disadvantaged persons;
- drug or alcohol rehabilitation services; or
- the conduct of research into, or the provision of community education about, diseases or illnesses, or the provision of palliative care to persons who suffer from diseases or illnesses.

Educational Purposes

- Land occupied by a government school under a lease or license and being used for educational purposes.
- Land occupied by a non-government school registered under the Education and Early Childhood Services (Registration and Standards) Act 2011 and being used for educational purposes.
- Land being used by a University or University College to provide accommodation and other forms of support for students on a not for profit basis.
- Where Council is satisfied from its own records or from other sources that a person or body meets the necessary criteria for a mandatory 100% or 75% rebate, Council will grant the rebate of its own initiative. Where Council is not so satisfied it will require the person or body to apply for the rebate in accordance with the Applications Clause of this Policy.
- Where a person or body is entitled to a rebate of **75%** Council may, pursuant to Section 159(4) of the Act, increase the rebate up to a further **25%**. Council may grant the further **25%** rebate upon application or on its own initiative. In either case Council **will** take into account those matters set out within the Applications Clause of this Policy and **may** take into account any or all of those matters set out within that Clause.
- Where an application is made to Council for a rebate of up to a further **25%** the application will be made in accordance with the Applications Clause of this Policy and Council will provide written notice to the applicant of its determination of that application.

Discretionary Rebates

Council may in its absolute discretion grant a rebate of rates or service charges in any of the following cases pursuant to Section 166 of the Act:

a. Where it is desirable for the purpose of securing the proper development of the area (or a part of the area);
b. Where it is desirable for the purpose of assisting or supporting a business in its area;
c. Where it will be conducive to the preservation of buildings or places of historic significance;
d. Where the land is being used for educational purposes;
e. Where the land is being used for agricultural, horticultural or floricultural exhibitions;

f. Where the land is being used for a hospital or health center;
g. Where the land is being used to provide facilities or services for children or young persons;
h. Where the land is being used to provide accommodation for the aged or disabled;
i. Where the land is being used for a residential aged care facility that is approved for Commonwealth funding under the *Aged Care Act 1997 (Commonwealth)* or a day therapy center;
j. Where the land is being used by an organisation which, in the opinion of the Council, provides a benefit or service to the local community;
k. Where the rebate relates to common property or land vested in a community corporation under the *Community Titles Act 1996* over which the public has a free and unrestricted right of access and enjoyment; and
l. Where the rebate is considered by the Council to be appropriate to provide relief against what would otherwise amount to a substantial change in rates payable due to a change in the basis of valuation used for the purposes of rating, rapid changes in valuations, or anomalies in valuations.
m. Where the rebate is considered by the Council to be appropriate to provide relief in order to avoid what would otherwise constitute a liability to pay a rate or charge that is inconsistent with the liabilities anticipated by the Council in its annual business plan or a liability that is unfair or unreasonable.
n. Where the rebate is to give effect to a review of a decision of the Council under the Local Government Act Chapter 13 Part 2.
o. Where the rebate is contemplated under another provision of the Local Government Act.

Council may grant a rebate of rates up to and including 100% of the relevant rates or service charges. Council may grant a rebate for a period exceeding one year, but not exceeding 10 years in respect of (a), (b) or (k) and not exceeding 3 years in respect of (l).

Council has an absolute discretion:

- To grant a rebate of rates or service charges in the above cases; and
- To determine the amount of any such rebate.

Persons who, or bodies which seek a discretionary rebate, will be required to submit an application form to Council and provide to Council such information as stipulated on the application form and any other information that Council may reasonably require.

Council maintains a 'Register of Discretionary Rebates'.

Applications

Persons or bodies who seek a rebate of rates (and/or service charges) either:

- Pursuant to Section 159(4) of the Act and Mandatory Clause of this Policy; or
- Pursuant to Section 166 of the Act and Discretionary Clause of this Policy,
- Must make written application to Council pursuant to Section 159(1) of the Act in the manner
- and form determined by Council and supplying such information as Council may reasonably require.

Application forms may be obtained from the Council offices located at 11 Bay Street, Port Broughton SA 5522 or Railway Terrace, Bute SA 5560.

Council will take into account, in accordance with Section 166(1a) of the Act in relation to (d):
(j) inclusive in the Discretionary Rebates Clause above, the following matters –

- the nature and extent of Council services provided in respect of the land for which the rebate
- is sought in comparison to similar services provided elsewhere in the Council's area;
- the community need that is being met by activities carried out on the land for which the
- rebate is sought; and
- the extent to which activities carried out on the land for which the rebate is sought provides assistance or relief to disadvantaged persons.

Council may take into account other matters considered relevant by the Council including, but not limited to, the following –

- why there is a need for financial assistance through a rebate;
- the level of rebate (percentage and dollar amount) being sought and why it is appropriate;
- the extent of financial assistance, if any, being provided to the applicant and/or in respect of the land by Commonwealth or State agencies;
- whether the applicant has made/intends to make applications to another Council;
- whether, and if so to what extent, the applicant is or will be providing a service within the Council area;
- whether the applicant is a public sector body, a private not for profit body or a private or profit body;
- whether there are any relevant historical considerations that may be relevant for all or any part of the current Council term;
- the desirability of granting a rebate for more than one year in those circumstances identified within Discretionary Clause of this policy;
- consideration of the full financial consequences of the rebate for Council;
- the time the application is received;
- the availability of any community grant to the person or body making the application;
- whether the applicant is in receipt of a community grant; and
- any other matters and policies of Council, which Council considers relevant.

All persons who or bodies which wish to apply to Council for a rebate of rates must do so on or before **31 May in a given year for a rebate to be considered for the next financial year**.

Council reserves the right to refuse to consider applications received after that date. However, applicants which satisfy the criteria for a mandatory **100%** or **75%** rebate will be granted the rebate at any time.

The Act provides that Council may grant a rebate of rates or charges on such conditions as Council thinks fit. Council may, for proper cause, determine that an entitlement to a rebate of rates under the Act no longer applies.

Where an entitlement to a rebate of rates ceases or no longer applies during the course of a financial year, Council is entitled to recover rates, or rates at the increased level (as the case may be), proportionate to the remaining part of the financial year.

It is an offence for a person or body to make a false or misleading statement or representation in an application or to provide false or misleading information or evidence in support of an application made (or purporting to be made) under the Act. The maximum penalty for this offence is $5,000.

If a person or body has the benefit of a rebate of rates and the grounds on which the rebate has been granted cease to exist, the person or body must immediately inform Council of that fact and (whether or not Council is so informed) the entitlement to a rebate ceases. If a person or body fails to do so that person or body is guilty of an offence. The maximum penalty for this offence is

$5,000.

Council will, in writing, advise an applicant for a rebate of its determination of that application within 40 business days of receiving the application or of receiving all information requested by Council. The advice will state –

- if the application has been granted, the amount of the rebate; or
- if the application has not been granted, the reasons why.

Delegation

Council has delegated its power, pursuant to Section 44 of the Act, to grant applications for mandatory rebates, which meet the requirements of the Act.

All discretionary rebates shall be determined by Council.

Review

A person who or a body which is aggrieved by a determination of Council in respect of an application for a rebate may seek a review of that decision in accordance with Council's Internal Review of Council Decisions Policy within 30 days of the date of the notice of determination which is given pursuant to Applications Clause of this Policy.

Community Grants

If an application for a rebate is unsuccessful, Council has an absolute discretion to then treat the application as one for a community grant and to determine it in accordance with Council policy.

Rate Capping

Council has, pursuant to Section 153(3) of the Act, determined that no maximum increase will apply in the general rate to be charged on any ratable land within its area that constitutes the principal place of residence of a principal ratepayer**.**

Council has, pursuant to Section 166(l)(ii) of the Act, determined that a maximum increase of 14% will apply in the general rate to be charged on any ratable land within its area in 2026/27, with land use being Residential or Primary Production.

The maximum increase will be applied automatically and will be calculated by comparing the rate payable in the prior year, excluding any rebates given, against the rates payable in 2026/27. The maximum increase will not apply if any of the conditions below have been met:

- The increase is due to a valuation increase which has occurred as a direct result of capital improvement (excluding capital improvements $30,000 or less) or development of the land;
- The ownership of the property has changed since 01 July of the preceding financial year and the new owner(s) have purchased the property at the current market value; or
- A boundary realignment, subdivision or amalgamation has occurred, therefore the property is a difference property to the previous financial year for valuation purposes (with the exception of subdivisions to facilitate land acquired by any government entity e.g., for the purpose of drain construction or alteration.

Common portion of Community titled land

Where a community title exists over an individual portion of land then any common portion of land held under that community title will be considered to be non-ratable and will not be subject to the imposition of fixed charges or service charges.

6.26 **Applications**

All applications for rebates, remissions or postponements must be in writing, addressed to the Chief Executive Officer, Barunga West Council via email at barunga@barungawest.sa.gov.au or post at PO Box 3, Port Broughton SA 5522 and include sufficient details to identify the relevant property and any supporting documentation in support of the application.

6.27 **Changes to Assessment Records**

All changes to postal address of ratepayer/owner, changes of ownership of a property and changes to ratepayer/owner name must be notified promptly to Council in writing or via Council's website at www.barungawest.sa.gov.au

6.28 **Disclaimer**

A rate cannot be challenged on the basis of non-compliance with this policy and must be paid in accordance with the required payment provisions.

Where a ratepayer believes that Council has failed to properly apply this policy it should raise the matter with Council. In the first instance contact should be directed to the Council Office by email at barunga@barungawest.sa.gov.au or by telephone 08 8635 2107.
If after this initial contact a ratepayer is still dissatisfied, they should then write to the Chief Executive Officer, Barunga West Council via email at barunga@barungawest.sa.gov.au or by post at PO Box 3, Port Broughton SA 5522 explaining the nature of their concern.

7. Legislative Requirements

Aged Care Act 1997 (Commonwealth) Community Titles Act 1996
Education and Early Childhood Services (Registration and Standards) Act 2011
Goods and Services Act 1999
Local Government Act 1999
Local Government (General) Regulations 2011
Health Care Act 2008
Valuation of Land Act 1971

8. Availability & Grievances

This policy may be made available at the Council office at 11 Bay Street, Port Broughton during ordinary business hours &/or on Council's Website.

Any grievances in relation to this policy or its application should be forwarded in writing addressed to the Chief Executive Officer, Barunga West Council, PO Box 3, Port Broughton SA 5522.

9. Approval and Review

This Policy will be reviewed annually by the Barunga West Council.

Responsible Work Area	Chief Executive Officer
Responsible Officer	Manager Corporate Services
Date/s Adopted by Council	10/06/2014_v1 09/06/2015_v2 14/06/2016_v3 13/06/2017_v4 14/06/2018_v5 11/06/2019_v6 14/09/2021_v8 14/06/2022_v9 09/08/2022_v10 11/07/2023_v11 08/08/2023_v12 30/05/2024_v13 06/05/2025_v14 14/07/2026_v15
Date of next review	June 2027