



CITY OF HOBART

ATTACHMENT UNDER SEPARATE COVER

FINANCE AND GOVERNANCE COMMITTEE MEETING

OPEN PORTION OF THE MEETING

TUESDAY, 21 JUNE 2022

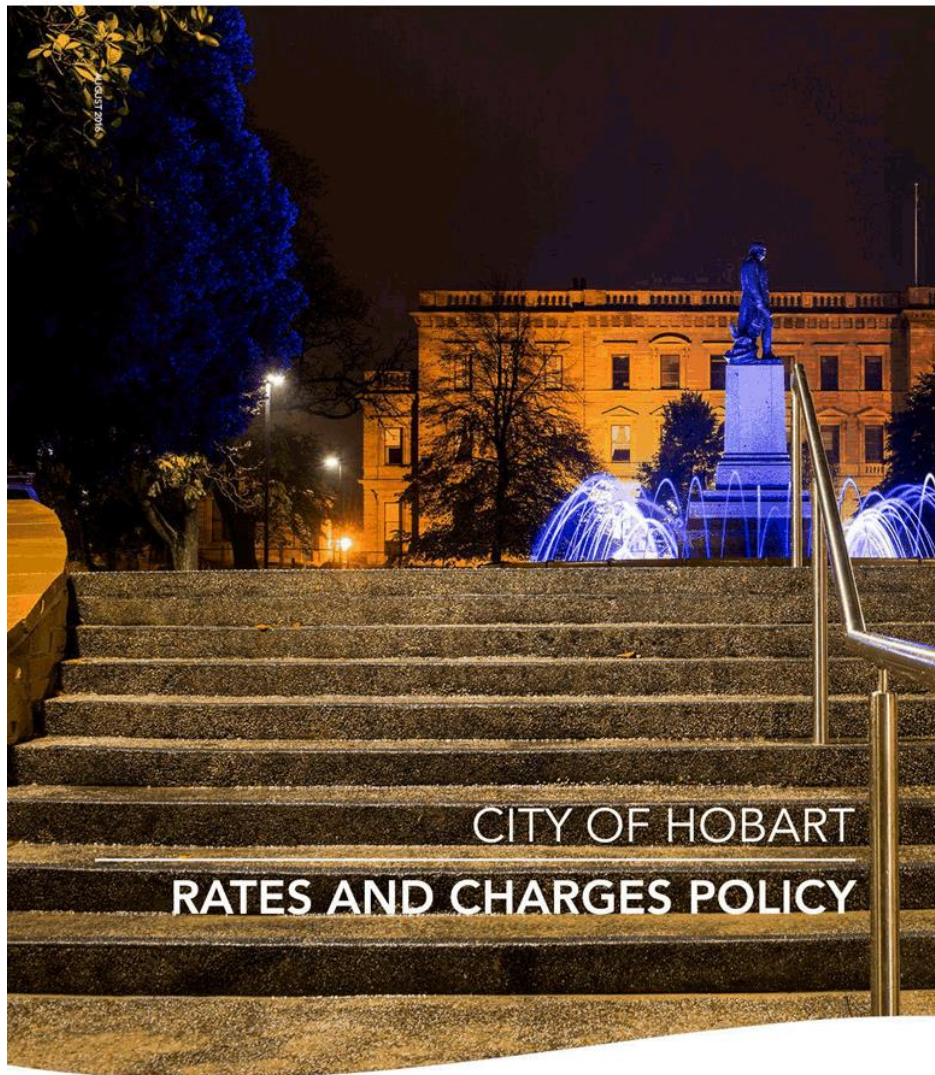
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VENUE: COUNCIL CHAMBER, TOWN HALL

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City of Hobart Rates and Charges Policy

Document Control

Policy Name	City of Hobart Rates and Charges Policy
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Department responsible for policy development	City Enablers
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City of Hobart Rates and Charges Policy

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City of Hobart Rates and Charges Policy

1. Introduction

Rates and charges are an important revenue source for local government, comprising approximately 65% of the City of Hobart's (Council's) annual income. In setting its rates and charges Council has the challenge of balancing the need to fund existing services, the continual demand for increased services, the need to maintain and renew essential infrastructure required of a Capital City and the desire to keep increases to rates and charges to a minimum.

Council uses the revenue collected from rates and charges to fund the provision of more than 300 programs and services to the community and provide the infrastructure required and expected of a modern, well serviced and growing Capital City.

This documents sets out the City of Hobart policy for setting and collecting rates from its community and meeting the requirements of Part 9 of the *Local Government Act 1993* (the Act).

This Rates and Charges policy will explain:

- The relationship between Council's Strategic Plan, budget and rates;
- Council's goal in setting its rates and charges;
- The principles Council uses when setting its rates and charges;
- How Council sets its rates and charges for the year;
- What rates and charges are levied in the Hobart municipal area;
- The services that rates and charges fund for the benefit of the community;
- Rates rebates and remissions;
- How and when to pay rates and the consequences of late payments; and
- Ratepayer objection rights.

The City of Hobart Rates and Charges Policy will be reviewed at least every 4 years by 31 August unless a change occurs that requires Council to amend its Rates and Charges Policy under section 86B(4) of the Act.

2. Relationship between Council's Strategic Plan, Budget and Rates

The Rates and Charges Policy has been prepared within the context of Council's strategic planning and reporting framework, which is intended to ensure the best possible results by considering issues and pressures that may affect the community and the level of resources available to achieve the priorities and aspirations. In setting its rates Council gives primary consideration to the long-term vision for the city, strategic directions, financial sustainability and the likely impacts on the community.

The City's Community Vision was developed for Council by residents in 2017-18. In 2019 the Council endorsed a new 10 year Capital City Strategic Plan, 2019-2029, for the City of Hobart. All Councils are required to have a 10 year plan which is reviewed every four years. The new Plan replaced the previous 10 year Capital City Strategic Plan, 2015-2025. The Plan is built around eight pillars from the community vision and will guide the City's work over the next 10 years. Each pillar has outcomes that detail what we are trying to achieve and the strategies and actions we will use to get there.

City of Hobart Rates and Charges Policy

Performance in achieving the major actions and initiatives outlined in the Annual Plan are reported to the community through Council's Annual Report.

2.1 Pillars

Pillar 1 – Sense of place

- Hobart keeps a strong sense of place and identity, even as the city changes.
- Hobart's cityscape reflects the heritage, culture and natural environment that make it special.
- In City decision-making, we consider how different aspects of Hobart life connect and contribute to sense of place.

Pillar 2 – Community inclusion, participation and belonging

- Hobart is a place that recognises and celebrates Tasmanian Aboriginal people, history and culture, working together towards shared goals.
- Hobart is a place where diversity is celebrated and everyone can belong, and where people have opportunities to learn about one another and participate in city life.
- Hobart communities are active, healthy and engaged in lifelong learning.
- Hobart communities are safe and resilient, ensuring people can support one another and flourish in times of hardship.

Pillar 3 – Creativity and culture

- Hobart is a creative and cultural capital where creativity is a way of life.
- Creativity serves as a platform for raising awareness and promoting understanding of diverse cultures and issues
- Everyone in Hobart can participate in a diverse and thriving creative community, as professionals and hobbyists.
- Civic and heritage spaces support creativity, resulting in a vibrant public realm.

Pillar 4 – City economies

- Hobart's economy reflects its unique environment, culture and identity.
- People have a range of opportunities to participate in the economic life of the city.
- Diverse connections help Hobart's economy, businesses and workers thrive.
- Hobart is a place where entrepreneurs and businesses can grow and flourish.
- Hobart's economy is strong, diverse and resilient.

Pillar 5 – Movement and connectivity

- An accessible and connected city environment helps maintain Hobart's pace of life.
- Hobart has effective and environmentally sustainable transport systems.
- Technology serves Hobart communities and visitors and enhances quality of life.
- Data informs decision-making.

Pillar 6 – Natural environment

City of Hobart Rates and Charges Policy

- The natural environment is part of the city and biodiversity is preserved, secure and flourishing.
- Education, participation, leadership and partnerships all contribute to Hobart's strong environmental performance and healthy ecosystems.
- Hobart is a city with renewable and ecologically sustainable energy, waste and water systems.
- Hobart is responsive and resilient to climate change and natural disasters.
- Hobart's bushland, parks and reserves are places for sport, recreation and play.

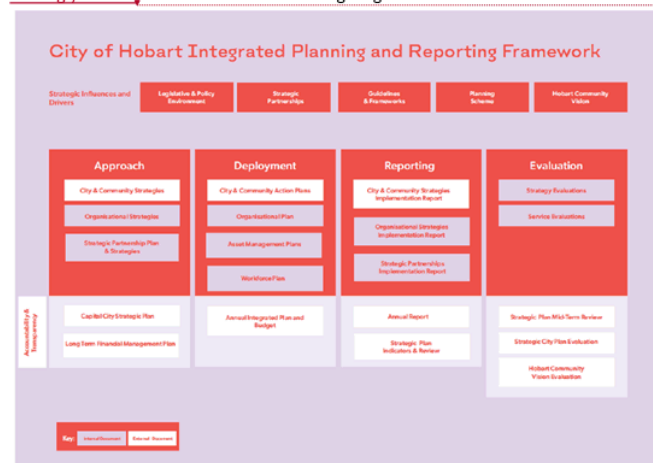
Pillar 7 – Built environment

- Hobart has a diverse supply of housing and affordable homes.
- Development enhances Hobart's unique identity, human scale and built heritage.
- Infrastructure and services are planned, managed and maintained to provide for community wellbeing.
- Community involvement and an understanding of future needs help guide changes to Hobart's built environment.

Pillar 8 – Governance and civic involvement

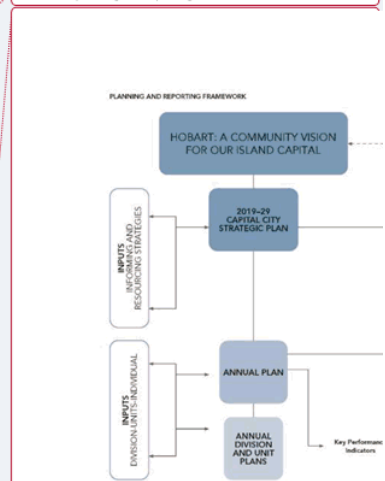
- Hobart is a city of best practice, ethical governance and transparent decision-making.
- Strong partnerships and regional collaboration make Hobart a thriving capital city.
- City leadership is accessible and reflects Hobart communities.
- People are involved in civic life, and the City's communication and engagement with Hobart communities are proactive and inclusive.
- Quality services are delivered efficiently, effectively and safely.

The City's new Integrated Planning and Reporting Framework will be implemented over the coming year and is outlined in the following diagram:



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City of Hobart Rates and Charges Policy

2.2 Long-term Financial Management Plan

Council's Long-term Financial Management Plan (LTFMP) provides a plan to resource Council's future directions outlined above and ensure Council's financial sustainability in the long-term. Council defines financial sustainability as follows:

"A Council's long-term financial performance and position is sustainable where planned long-term service and infrastructure levels and standards are met without unplanned increases in rates or disruptive cuts to services."

Financial sustainability is particularly important for local government because councils hold assets worth in the billions of dollars (large relative to their revenue bases), that have lives of in some cases well over 100 years.

Council has over \$2 billion in physical assets, managed through Asset Management Plans, including buildings, parks infrastructure, plant, vehicles and equipment, playground equipment, road infrastructure, stormwater infrastructure and The Doone Kennedy Hobart Aquatic Centre. The expected life of Council's infrastructure assets varies from 3 years to 150 years. It is important for Council to adequately fund asset management to ensure its assets achieve their full expected service life but can also be renewed without incurring large rates increases in the future.

Council's LTFMP is used in the preparation of its annual budget and Council's rates and charges policy is prepared within its context. Information on how rates and charges are calculated is included in section 5 and 6.

3. Goal

Council's goal in raising rates and charges is to ensure a sufficient revenue base for Council to:

- Continue to provide existing activities, programs and services to the community.
- Provide new or expanded services to the community.
- Ensure a balanced budget and provide a strong financial basis for effective management of expenditure programs to provide for both current and future community requirements.
- Encourage a strong, growing and sustainable local economy with appropriate levels of infrastructure assets and facilities.
- Provide certainty of funding for the provision of infrastructure identified by Council in its Long-term Financial Management Plan and Asset Management Plans.

4. Policy Principles

In adopting its Rates and Charges Policy and making decisions concerning the making of rates, Council has taken into account the following pursuant to section 86A(1) of the Act:

- (a) rates constitute taxation for the purposes of local government, rather than a fee for a service; and

City of Hobart Rates and Charges Policy

- (b) the value of rateable land is an indicator of the capacity of the ratepayer in respect of that land to pay rates.

Council currently raises revenue for the vast majority of its services through the Assessed Annual Value (AAV) rating system and not through a user pays pricing system. Council's rating system does not separate those aspects of a particular service that may have a public benefit from those that have a more private benefit such as a kerbside waste collection. Council rates are based on property values and are therefore a property tax. Generally the Act expects that the higher the value of the property the higher the rates to be paid.

Council determines rates and charges after due consideration of the following:

- The principles of taxation outlined in section 86A(1) of the Act, outlined above.
- The objectives, strategies and actions outlined in the Council's Strategic Plan, Annual Plan and Long-term Financial Management Plan.
- Council's legislative obligations.
- The needs and expectations of the general community.
- The level of the cost of maintaining existing facilities and necessary services.
- The need for additional services and facilities.

In setting its policy on rates and charges, Council has applied the following principles of taxation:

- Equity – by taking into account the different levels of capacity to pay within the local community;
- Benefit – by recognising that Council services benefit the community as a whole.
- Simplicity – by using a rating system that is simple and cost effective to administer.
- Sustainability – by making revenue decisions that support the financial strategies for the delivery of infrastructure and services identified in Council's Long-term Financial Management Plan and Asset Management Plans.
- Effectiveness / efficiency – by meeting the financial, social, economic and environmental, and other strategic objectives outlined in Council's Strategic Plan.
- Transparency – by being open in the processes involved in the making of rates and charges.
- Timeliness – by ensuring all ratepayers are given adequate notice of their liability to pay rates and charges.
- Flexibility – by responding where possible to unforeseen changes in the economy.
- Compliance – by complying with the requirements and intent of relevant legislation.

5. Property Valuation Base

Under section 89A of the Act Council has the choice of three bases of value of land:

- Land Value – the value of the property excluding all visible improvements such as buildings, structure, fixtures, roads, etc.
- Capital Value - the total value of the property, excluding plant and machinery and includes the land value; or
- Assessed Annual Value (AAV) - the estimated yearly rental value of the property, excluding GST, council rates and land tax, but is not to be less than 4% of the capital value of the property.

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Council uses the AAV of a property as a basis for valuing land in the municipal area. While some Tasmanian councils have adopted Capital Value as their valuation base, AAV is the most widely used property valuation base in Tasmania. The AAV method of valuing land reflects the property usage and notional income earning capacity of the property and therefore addresses the equity principle of taxation by determining ratepayers of similar wealth and calculating similar rates and determining that ratepayers of greater wealth pay more rates than ratepayers of lesser wealth. Although expressed in terms of a notional rental value, the AAV has the same effect as an implied return on investment for the property with a minimum level of 4 percent.

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Adoption of Valuations

Setting rates based on property values, whether on land value, capital value or the assessed annual value (AAV) as determined by the Valuer-General, is a requirement of the *Local Government Act 1993*.

Under the *Valuation of Land Act 2001* the Valuer-General must determine the land value, capital value and assessed annual value of each property in the Hobart municipal area and provide this information to Council. Council has no role in the process of determining the valuations ascribed to individual properties.

Council adopts the valuations made by the Valuer-General as provided to the Council and uses the valuation of each property as the basis for calculating the rates on that property.

All land within the Hobart municipality is rateable except for land specifically exempt under section 87 of the Act.

Ratepayers are encouraged to contact the Office of the Valuer-General if they have any objections in relation to their property valuation.

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6. Rates and Charges

Rates and charges are calculated each year during Council's budget process. The budget process involves Council setting its priorities and expenditure levels to enable the key strategic objectives outlined in Council's Annual Plan to be implemented.

Through the budget process Council also specifies its capital requirements to renew infrastructure assets, plant and equipment and create new essential infrastructure for the City; as well as the community programs and services it will provide in the next financial year; and how much these will cost.

A Council budget also estimates the revenue to be collected from other sources such as parking fines, Commonwealth and State grants, distributions from Council's ownership interest in TasWater, rents, interest income and parking and other fees and charges. Using these estimates Council determines the amount of revenue it needs to collect in rates revenue to meet its financial responsibilities for the coming year.

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Council uses property values as the basis for calculating how much each property owner pays in rates. Property values are not calculated by Council; they are provided to Council by the Office of the Valuer-General.

After identifying how much it needs to collect in rates and charges, Council calculates the total amount required to fund waste management services, the State Government fire levy and the State Government resource recovery levy, leaving the balance required from General Rates.

Generally, the rate in the dollar is calculated by dividing the amount of money Council needs to raise to provide programs and services by the total \$AAV of all rateable properties in the Hobart municipal area.

The rate in the dollar is then multiplied by the value of a property, using the Assessed Annual Value, to establish the amount to be paid by each property owner.

Example:

The total AAV of rateable properties within the municipality is \$600,000,000 and Council needs to collect \$44,000,000 in rates. The rate in the dollar is 7.33 cents ($44,000,000 \div 600,000,000$). The annual rates payable on a property with an AAV of 18,800 would be \$1,378.04.

Council sets its budget annually to ensure it raises the budgeted amount required. Valuations do not determine the rates income of a Council, and as a result, Councils do not gain windfalls from valuation increases and an increase in property values does not cause a rate rise.

Council raises its rates and charges through the following:

6.1 General Rate

Pursuant to section 90 of the Act, the General Rate is levied on all rateable properties within the Hobart municipality and provides revenue to fund over 300 Council programs and services, except those related to Council's waste management services including landfill rehabilitation services, food organics garden organics collection services, the State Government fire levy and the State Government resource recovery levy. More information on the programs and services funded through General Rates is provided in section 7 below.

The Council limits the increase on the general rate at 2.6% using a maximum percentage increase cap to help mitigate disparity in the distribution of rate collections resulting from the municipal revaluation. The Council varies the maximum percentage increase cap for land used or predominately used for commercial purposes to 1.6% to reflect the difference in property valuation increases resulting from the municipal property revaluation.

The maximum percentage increase cap does not apply to a supplementary valuation used by the Valuer-General.

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6.2 Stormwater Removal Service Rate¶

¶ Pursuant to section 93 of the Act, the Stormwater Removal Service Rate is levied on all rateable properties within the Hobart municipal area. It provides revenue that covers the operation and maintenance of the piped and non-piped stormwater systems and the waterways, which includes major rivulets and a host of minor watercourses.¶

¶ In addition this revenue funds Council's flood management activities and provides for the replacement of elements of the stormwater and waterways asset base. This includes the kerb and guttering and underground stormwater pipes along Council's roads and the general maintenance of Council's rivulet's and their tributaries. As such these services have a public and community-wide benefit. ¶

¶ The Stormwater Removal Service Rate also contributes towards stormwater works in all roads, which allows residents to travel along those roads safely during rainfall. ¶

¶ Council also has in place litter traps within stormwater systems and waterways to limit the amount of pollution entering the River Derwent.¶

City of Hobart Rates and Charges Policy

6.2 Fire Service Rate

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Pursuant to the *Fire Services Act 1979*, local government acts as a collection agent for this State Government tax, which is paid directly to the State Fire Commission.

Council has no control over the level of the Fire Service Rate. It is required to collect this revenue on behalf of the State Government which is then passed onto the Tasmanian Fire Service.

The State Fire Commission identifies 3 districts for the Hobart municipality, being:

- Fern Tree Volunteer Brigade Rating District;
- Permanent Brigade Rating District; and
- General Land.

There is a different fire service rate for each district and a minimum fire service contribution. The Council varies the rate for the permanent brigade rating district based on the use or predominant use of the land to help mitigate disparity in the distribution of rate collections resulting from the municipal revaluation.

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6.3 Waste Management Service Charge

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Pursuant to section 94 of the Act, the Waste Management Service Charge is levied on all rateable properties within the Hobart municipal area.

In addition to the standard kerbside waste and recycling collections, the waste management service charge provides revenue that covers a number of activities with a more general benefit such as solid waste minimisation initiatives and contributions to a range of recycling initiatives, which have a public and community-wide benefit.

In 2010/11 Council introduced a waste management service charge following its decision to move away from AAV based rates for waste management and introduce a flat charge that all properties would pay. Council felt that this would make the waste management service fairer and more equitable across the community.

Non-residential properties pay double the waste management service charge of residential properties reflecting that a standard garbage collection service means:

- In the case of a residential property, 120 litres of solid waste per week; or
- In the case of a non-residential property, 240 litres of solid waste per week.

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The Waste Management Service Charge includes revenue to fund the rehabilitation of the McRobies Gully Waste Management Centre.

From 1 July 2011 Council introduced a temporary ratepayer levy to fund the rehabilitation of the McRobies Gully Waste Management Centre. The levy appeared on the annual rates notice as a Landfill Rehabilitation Service Charge. The temporary landfill rehabilitation service charge was introduced because the McRobies Gully Waste Management Centre was considered to be nearing the end of its life as an active landfill.

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The City has a permit to operate the landfill until 2030, at which point it will close and no new permit will be sought to operate a landfill within Hobart. As such the City has a detailed level of certainty on key factors such as how long the landfill has left, how much rehabilitation is required, and how much it will cost to complete the works. The amount to be collected for landfill rehabilitation was amended to a lower annual amount from 1 July 2018, collected over a longer timeframe, and will be recovered from the rates as part of the Waste Management Service Charge until 30 June 2027.

Non-residential properties pay double the amount of residential properties reflecting the different waste collection volumes, being:

- In the case of a residential property, 120 litres of solid waste per week; or
- In the case of a non-residential property, 240 litres of solid waste per week.

Rehabilitation of the landfill involves installing an impervious layer of capping over the landfill and landscaping. These works are required so as to prevent methane and other greenhouse gases entering into the atmosphere, and to prevent rainwater entering the landfill, and are required by law under the permit issued by the Environment Protection Authority to rehabilitate the landfill upon closure.

6.4 Food Organics Garden Organics Collection Service Charge

Pursuant to section 94 of the Act, a Waste Management Service Charge for food organics garden organics collection is levied on all rateable properties within the Hobart municipal area to which Council supplies or makes available a food organics garden organics collection service utilising a food organics garden organics collection bin.

Service is provided to residential properties:

- With three or less tenancies;
- A land area between 400m² and 4000m²; and
- Located outside Sullivans Cove, the CBD and Fern Tree.

Properties outside the above area are able to Opt-in to the service.

All material collected goes to the McRobies Gully Waste Management Centre for processing into organic products such as mulch and compost.

For more information on the Food Organics Garden Organics waste collection service visit: <http://www.hobartcity.com.au/FOGO>.

6.5 Waste Management Levy Offset Service Charge

The State Government has introduced a state-wide landfill levy pursuant to the Waste and Resource Recovery Act 2022 on waste disposed to landfill both as a disincentive to landfilling and as a mechanism to fund strategic investment into Tasmania's waste and resource recovery sectors. The Council is required to collect this levy and pass it onto the State Government.

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¶
From 1 July 2011 Council introduced a temporary ratepayer levy to fund the rehabilitation of the McRobies Gully Waste Management Centre. The levy appears on the annual rates notice as a Landfill Rehabilitation Service Charge. The temporary landfill rehabilitation service charge was introduced because the McRobies Gully Waste Management Centre was considered to be nearing the end of its life as an active landfill. ¶

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The City has a permit to operate the landfill until 2030, at which point it will close and no new permit will be sought to operate a landfill within Hobart. As such the City has a detailed level of certainty on key factors such as how long the landfill has left, how much rehabilitation is required, and how much it will cost to complete the works. The Landfill Rehabilitation Service Charge has been amended to a lower annual amount, collected over a longer timeframe, and will be recovered from the rates commencing 1 July 2018 and ending on 30 June 2027. ¶

¶
Non-residential properties pay double the landfill rehabilitation service charge of residential properties reflecting the different waste collection volumes, being: ¶

¶
In the case of a residential property, 120 litres of solid waste per week; or ¶
In the case of a non-residential property, 240 litres of solid waste per week. ¶

¶
Rehabilitation of the landfill involves installing an impervious layer of capping over the landfill and landscaping. These works are required so as to prevent methane and other greenhouse gases entering into the atmosphere, and to prevent rainwater entering the landfill, and are required by law under the permit issued by the Environment Protection Authority to rehabilitate the landfill upon closure. ¶

¶
The levy will apply until 2027. The revenue received from the levy will be spent solely to rehabilitate the landfill. ¶

City of Hobart Rates and Charges Policy

7. What Programs and Services does Council provide?

Rates and charges revenue funds more than 300 services for the benefit of the Hobart community. Many of Council's services, such as stormwater drainage, are largely invisible, but they may prevent flooding in Hobart streets each year.

8. Rebate of Rates

Under section 87 of the Act Council is required to grant a rebate of the General Rate to specific properties that are owned for specific purposes outlined in the Act.

Applications for the rebate of rates under section 87 of the Act must be made in writing and include appropriate documentation to support the application.

Council's Policy Rates Exemption – Charitable Purposes is available from Council's website at: http://www.hobartcity.com.au/Council/Council_Policies

For more information contact Council's Rates Office on tel: 03 – 6238 2787 or email: coh@hobartcity.com.au.

9. Rates Remissions

9.1 Pensioner Remissions

Pensioners eligible for assistance under the *Local Government (Rates and Charges Remission) Act 1991* may receive a rebate as follows, noting that limits apply:

- State Government - 30% (maximum limits apply)
- State Fire Commission - 20% (of the Fire Service Rate)
- Hobart City Council - \$10

Pensioners are eligible for a remission if they hold the following cards:

- Centrelink or Department of Veterans' Affairs Pensioner Concession Card
- Centrelink Health Care Card
- Department of Veterans' Affairs 'Gold Card' endorsed with TPI or War Widow

The card holder must be legally responsible for the rates on the property and be their principal place of residence. In the case of joint ownership, at least one of the owners must meet the eligibility criteria. There is a limit of one remission per year per pensioner household.

Pensioners who received a remission last year should receive a remission automatically. Any pensioner who has not previously received a remission must complete an application form and possess a current Pensioner Concession Card (PCC) with a date of grant on or before 1st July of the current financial year.

An application form is available from the Customer Service Centre, 16 Elizabeth Street, Hobart. It is necessary that current concession cards be presented to Customer Service when submitting an application form.

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Services include: ¶
¶
Roads¶
<¶>Maintenance of roads, footpaths, walkways and cycleways¶
<¶>Street lighting¶
<¶>Traffic Policy & Management - road safety, arterial route traffic management & local area traffic management¶
<¶>Special event traffic and pedestrian management¶

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Eligibility of a pensioner remission is determined by the State Government - Department of Treasury and Finance and not by Council.

Pensioners in receipt of a Commonwealth Seniors card or who are members of the Independent Retirees (that are not already receiving the State Government pensioner remission) are eligible for the \$10.00 remission from Council.

9.2 Rate Remissions

Pursuant to section 129 of the Act, a ratepayer may apply to the Council for remission of all or part of any rates paid or payable or any penalty imposed or interest charged under section 128 of the Act.

Applications for rates remissions should be made in writing and addressed to the Chief Executive Officer.

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The Chief Executive Officer is authorised to grant a rates remission up to the value of \$2,000. Where the value of the rates remission exceeds \$2,000 the authority of the Council is required, by absolute majority.

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Generally, a property will only receive a remission of the waste management service charge in the event that:

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- The property does not receive and is not capable of receiving a standard garbage collection service from the Council whatsoever; and
- Even if the property were capable of receiving such a service, a request to Council for such a service would be denied.

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The term 'standard garbage collection service' means:

- In the case of a residential property, 120 litres of solid waste per week; or
- In the case of a non-residential property, 240 litres of solid waste per week.

This does not affect any remissions the Council may grant as part of setting the General Rate and Service Rate and Charges in any given year.

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The criteria for granting a remission of penalty and/or interest charges is based on extenuating circumstances, as follows:

- Penalty was incurred as a result of an error on the part of Council staff such as a receipting error;
- The amount was paid to a past property or using an incorrect property number;
- The ratepayer is able to provide evidence that their payment has gone astray in the post or late payment has otherwise resulted from matters outside their control e.g. a disruption to normal banking service;

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- If a new owner receives penalty and / or interest resulting from the Notice of Sale procedure i.e. lateness of issue of sale notice, incorrect postal address or late payment of rates on property settlement.
- Council accepts that there are extraordinary or compassionate grounds for the remission. Examples are:
 - Serious illness or accident of ratepayer or family member at the due date;
 - Death of immediate family member at the due date; and
 - Birth.
- Other extenuating circumstances not outlined above that are considered reasonable by the Chief Executive Officer.

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Requests for penalty and/or interest remissions should meet the following conditions:

- Requests must be made in writing to the Chief Executive Officer.
- A good payment history which means that over the past 2 years all instalments of rates have been paid on time and payment is made within a short time following the ratepayer becoming aware of the non-payment.
- No previous penalties or interest amounts have been remitted for the two years immediately prior to the application for penalty and/or interest remission.
- The ratepayer attempted to have the amount paid on time and/or extenuating circumstances exist for its non-payment on time.

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Each application will be considered on its merits and remission will be granted where it is considered just and equitable to do so.

10. Payment of Rates

Council levies the rates once a year and issues an annual rates notice to all ratepayers. Rates are due for payment on the following dates each year:

- 15 August
- 15 November
- 15 February
- 15 April

Rates can be paid in full by the first instalment due date, by two equal amounts on the first and third instalment due date or paid in four equal amounts on the instalment due dates shown above.

Council does not offer a discount for the early payment of rates or for paying rates in full by the first instalment due date.

City of Hobart Rates and Charges Policy

Council offers a range of convenient and flexible payment options for the payment of rates, as follows:

Payment in Person

The rates notice should be presented intact when making a payment at the Customer Service Centre, 16 Elizabeth Street, Hobart between 8.15am and 5.00pm, Monday to Friday.

Telephone

Telephone payments can be accepted for holders of Visa or MasterCard by calling the payments hotline on 1300 886 745, 24 hours a day, every day.

Internet

Internet payments can be made by Visa or Mastercard at Council's [Payments page](#). Call your bank, credit union or building society to arrange payment from your cheque or savings account.

BPay

Bpay payments can be made from a cheque, credit, transaction or savings account. Please refer to your rates notice for your BPay reference number.

Mail

Cheques or money orders should be made payable to Hobart City Council and posted to 'The [Chief Executive Officer](#), Hobart City Council, GPO Box 503, Hobart 7001'. Receipts for cheques are subject to due collection of money. Council will not accept postdated cheques.

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Australia Post

Payment is accepted at all Australia Post offices in the state. Payment must be made by the due date and the notice presented intact at time of payment.

Direct Debit

Payment can be made by direct debit through weekly, fortnightly, monthly or instalment payments that are automatically debited from your bank account. For further information about payment of rates by direct debit please contact the Rates Office on 03 - 6238 2787, email coh@hobartcity.com.au or complete the online [Direct Debit Request form](#) and return it to Council.

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11. Late Payments

Council will exercise its rate recovery powers under the Act in order to reduce the overall rate burden on ratepayers and to better manage the scarce financial resources of Council. It will be guided by the principles of:

- Responsibility – making clear the obligations of ratepayers to pay rates.
- Transparency – making clear the consequences of failing to pay rates.
- Accountability – ensuring due legal processes are applied to all ratepayers in the recovery process.
- Capacity to pay – negotiating arrangements for payment where appropriate.
- Equity – applying the same treatment for ratepayers with the same circumstances.

City of Hobart Rates and Charges Policy

Rates are due for payment on the instalment due dates outlined in section 10. Council does not send final reminder notices to those property owners that do not pay their rates by the instalment due date.

Where rates remain unpaid after the instalment due date Council will charge a penalty on unpaid instalments in accordance with section 128(1)(c) of the Act, and thereafter interest will be charged monthly.

The purpose of penalty and interest is to act as a deterrent to ratepayers who might otherwise fail to pay their rates on time, to allow Council to recover the administrative cost of following up unpaid rates and to cover any interest cost the council may meet because it has not received the rates on time.

Any ratepayer who may, or is likely to, experience difficulty with meeting the standard instalments and due dates can contact Council to discuss alternative payment arrangements. Requests should be made in writing. It should be noted that penalty and interest will still be levied in accordance with section 128(1)(c) of the Act under any payment arrangement.

Rates and charges are payable within the period as stated on the rate notice. Should a ratepayer fail to pay within the stipulated period or not enter into an approved arrangement to pay Council may institute the following procedure.

- If rates are not paid, a letter will be sent advising the ratepayer that any arrears will be summonsed unless arrears are paid or a satisfactory arrangement entered into. Council will make every effort to contact ratepayers to collect outstanding rates prior to taking further action.
- In response to approaches by ratepayers who have difficulty in meeting scheduled payments, suitable arrangements for payments will be considered and may be entered into.
- Where rates remain unpaid, a summons for arrears is issued.
- However, if a ratepayer has made satisfactory arrangements with Council to clear rates arrears and has adhered to those arrangements, summons will not be required.

Section 131 of the Act provides that when the Council receives a payment in respect of the rates, the Council applies the money received as follows:

- First – to satisfy any costs awarded in connection with court proceedings
- Second – to satisfy any interest imposed
- Third – to satisfy any penalty imposed
- Fourth – in payment of rates, in chronological order (starting with oldest amount first).

11.1 Sale of Land for Non-Payment of Rates

Section 137 of the Act provides that a Council may sell any property where the rates have been in arrears for three years or more. Council is required to notify the owner of the land of its intention to sell the land, provide the owner 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.

City of Hobart Rates and Charges Policy

12. Financial Hardship Assistance

The City recognises that some ratepayers may experience significant financial hardship. The City has adopted a Financial Hardship Assistance Policy to provide assistance to ratepayers in meeting their rates payment obligations to Council.

Ratepayers in the Hobart municipal area experiencing genuine and serious financial hardship and needing assistance should contact the City's Rates Team as soon as possible on 03 – 6238 2787, email coh@hobartcity.com.au or apply online for financial hardship assistance.

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To view the City of Hobart's Financial Hardship Assistance Policy or to apply online, visit <http://www.hobartcity.com/rates-assistance>.

13. Objection Rights

Pursuant to section 123 of the Act a person may object to a rates notice on the following grounds:

- The land specified in the rates notice is exempt from the payment of the rates.
- The amount of the rates is not correctly calculated.
- The basis on which the rates have been calculated does not apply.
- He or she is not liable for payment of the rates specified in the rates notice.
- He or she is not liable to pay the rates for the period specified in the rates notice.

An objection is to be made in writing within 28 days after receipt of the rates notice and lodged with the **Chief Executive Officer**.

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If a ratepayer has enquiries related to their property valuation or is dissatisfied with a property valuation then an objection may be made to the Office of the Valuer-General (OVG) by completing the online objection form at: [Objection Form - Valuation Portal \(dpiwve.tas.gov.au\)](#) or contacting:

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Office of the Valuer-General
Department of Natural Resources and Environment Tasmania
GPO Box 44
Hobart TAS 7001
Phone: 03 6165 4444 (Option 2)
Email: ovg@nre.tas.gov.au

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13. More Information

For more information on Council rates and charges please contact Council's Rates Unit on:
Tel: 03 – 6238 2787

Email: coh@hobartcity.com.au
Or visit Council's website at: <http://www.hobartcity.com.au/City-services/Rates>

Deleted: rates@hobartcity.com.au