

**Who pays local government rates and the emergency services levy (ESL)?**

Anyone owning residential, vacant, or non-residential property in the City of Nedlands is a ratepayer and is required to pay rates and the emergency services levy.

Some government bodies, educational and registered charitable organisations are exempt from paying council rates.

All properties receiving waste collection services pay waste collection fees.

**Can I object to paying my rates?**

There are only two reasons under the Local Government Act 1995 that allow for an objection to rates:

- You are not the ratepayer of the land (eg not the owner of the rateable land)
- The land is non-rateable as per Section 6.26 of the Local Government Act.

Unless either of these two criteria are met, there is a legal obligation to pay the debt.

**What are Council rates and what do they pay for?**

Council rates are a contribution each ratepayer makes towards the cost of providing facilities and services to the community. How much you pay depends on the value of your property. These services include (but are not limited to):

- maintenance of parks, gardens and playgrounds
- street lighting and street trees
- library services
- infrastructure construction, maintenance and off-road vehicle control
- storm water drainage and emergency services support
- health control
- animal control
- sanitation and litter control
- building control and environmental planning
- community information and assistance for community groups,
- child care, recreational facilities and cultural planning and development.

**How much do rates increase each year?**

It depends. The City provides a range of services and facilities that have a net cost requiring funding. In the commercial world it's the price and with councils it's rates.

Each year, the costs and revenues of every City service and facility are determined and the net cost (i.e. the shortfall) equals the amount required from rates. This amount is then divided by the total valuations to give a rate in the dollar. The rate in the dollar is then multiplied by the valuation of each property, which gives the amount of rates payable.

## What is gross rental value (GRV)?

GRV means the gross annual rental the land might reasonably be expected to earn if let on a tenancy from year to year, upon the condition the landlord is liable for all rates, taxes and other charges (and insurance and other outgoings necessary to maintain the value of the land).

Gross rental value is calculated by multiplying the weekly rent, determined by the Valuer-General, by the number of weeks in a year.

The Valuer-General may determine a brick-and-tiled house in Nedlands containing four bedrooms, a lounge, kitchen, bathrooms, laundry and double carport could attract a rent (after basic expenses) of \$800 per week.

Rent of \$800 a week multiplied by 52 weeks gives an annual gross rental value of \$41,600.

Note: Landgate's valuation services determine the GRV of a property. GRV is based on their estimate of the total rent (full year) that may be received from a given property.

Every three years, the Valuer-General's office conducts re-valuations on all land within the State. As required under the Valuation of Land Act, these new valuations are supplied to each local government for their district. Your valuation is shown on your rates notice as GRV.

Where an annual rental cannot reasonably be determined, the GRV is the assessed value. Assessed value is defined in the Valuation of Land Act 1978 as a set percentage of capital value, currently fixed by regulation at 3%.

For example, if residential land is vacant and no rental value can be determined, it will be valued on the basis of 3% of its total capital value.

## Can I object to my property's valuation?

Should you believe the assessment of your GRV is too high, you may object to the Valuer-General to have your property reassessed. However, it should be recognised this may possibly result in your GRV increasing further. Rates must still be paid by the due date and any adjustment would be made after the Valuer-General has made their re-assessment.

Appeals against valuations must be made in writing to the Valuer-General and within 42 days of receiving your rates notice. You must also supply proof of your claim. Proof should be based on the date of valuation stated on your rates notice. Official forms and information are available at [www.landgate.wa.gov.au](http://www.landgate.wa.gov.au).

Where an objection to the Valuer Generals Office has been made, the full amount of rates is still due and payable 35 days from the date of issue. Any decision resulting

from the objection or subsequent State Administrative Tribunal hearing will be adjusted retrospectively.

### **How are my rates and ESL calculated?**

Rates are calculated by multiplying a property's gross rental value (GRV) by the rate-in-the-dollar set by Council.

Rates = City of Nedlands rate-in-the-dollar x GRV

Rates = 0.047434 x \$41,600 = \$1,973.25

GRV of \$41,600 multiplied by the rate-in-the-dollar of 0.047434 gives \$1,973.25 as the value of rates for the property.

The emergency services levy (ESL) for that particular property would be:

ESL = \$41,600 x 0.012672 = \$527.15 (this is above the ESL maximum of \$375 for 2016/17).

Gross rental value of \$41,600 multiplied by the rate-in-the-dollar of 0.012672 give the value of ESL for the property of \$375.

### **What is the emergency services levy (ESL)?**

Since 2003-4, all local governments have been required to collect the emergency services levy (ESL) for the Department of Fire and Emergency Services (DFES). This levy is to fund the Fire and Rescue Service, Volunteer and Rescue Service, Bush Fire Brigade, SES units and DFES units across Western Australia.

For more information about this levy call 1300 136 099 or visit [www.dfes.wa.gov.au](http://www.dfes.wa.gov.au) .

### **What are the minimum rates?**

Section 6.35 of the Local Government Act allows the City to impose, in its district, a minimum payment greater than the general rate, which would otherwise be payable on that land. The purpose of the minimum payment is to ensure every landowner makes a reasonable contribution to the overall rate burden.

### **What is differential rating?**

The City of Nedlands has differential rating. This means residential, residential vacant and non-residential properties are rated using their GRV and a different rate-in-the-dollar determined by Council. Check out our reasons and objects for more information on why we use differential rating at [www.nedlands.wa.gov.au/objects-and-reasons-imposing-differential-rates-2018-19](http://www.nedlands.wa.gov.au/objects-and-reasons-imposing-differential-rates-2018-19) . Each year's differential rates can be found on the back of your rates notice.

### **What is the waste collection charge?**

A separate charge is levied on your rates notice for each waste service provided for the year. This covers a weekly household waste pick-up, a fortnightly co-mingled recycling collection and green waste pick-up. It also covers bulk waste collections.

### **What is the swimming pool inspection fee?**

A swimming pool inspection fee will appear on your notice if you have a swimming pool or spa. This is for the required four yearly inspection.

### **Do I pay GST on my rates notice?**

GST is not payable on rates.

### **Why should I pay by the first due date?**

To avoid being charged penalty interest (pensioners and seniors are exempt from interest charges) and to register automatically for the instalment options (if you choose to pay by instalments).

### **What are my payment options?**

In accordance with the requirements of the Local Government Act 1995 and the Local Government (Financial Management Regulations) 1996, the City offers ratepayers a choice of paying rates as one overall payment or by four instalments. To offset the cost of offering the instalment option, the Local Government Act 1995 allows for the charging of an instalment cost.

To qualify for the instalment option, the ratepayer must pay any arrears and the full amount of the first instalment by the first due date.

Payment must be received by the City by close of business on that date. No responsibility can be taken for any delays encountered in the delivery of mail or cutoff times for online transactions.

Due dates for payment of rates by instalments are detailed each year on your annual rates notice.

### **Special arrangement to pay rates**

In some circumstances, rates can be paid by special arrangement. Please contact the City's Rates Officer on 9273 3500 to have a confidential discussion. All payment arrangements are subject to interest at 11% and an administration fee.

Options available are:

- Direct debit – fortnightly, monthly or annually.
- Payment arrangement – weekly, fortnightly, monthly.

### **Interest on overdue amounts**

Many ratepayers pay their rates on time – so, to ensure they are not disadvantaged, the City charges interest on rates balances that remain unpaid after the due date.

Each year, Council decides on the interest rates per centage.

Penalty interest will not be charged on current and deferred rates of eligible pensioners and seniors.

Ratepayers who have elected to pay by instalments are also exempt from penalty interest providing **all** instalment payments are made by the due dates.

### **What are interim rates? Why have I received an interim rates notice?**

Some ratepayers may receive amended rate notices during the year called “interim rates notices”. These notices are required to be issued if Landgate valuation services considers the GRV of a ratepayer’s property has changed.

Typical events that could trigger a re-valuation and the need to issue an interim rates notice include:

- Subdivision/s, strata of land or amalgamation of land (creation of a new lot/s).
- Improvements or additions to the property (building a new house, construction of a garage/ or carport or addition of a bedroom)
- Demolition of improvements (such as a building)
- Additional rubbish service ordered

Your interim rates notice will show the reason for the amendment and effective date of the valuation.

### **Recovery of rates**

Rates and services are payable in full within 35 days of the date of issue of the original rates notice or if paid by instalments by the instalment dates shown. Any rates outstanding after these dates may be recovered by legal action. Legal **costs incurred** as a result of legal action will be **added to your account**.

If circumstances arise where you are not able to pay your rates in full, or by instalments, please contact the City’s Rates Officer on 9273 3500 to make an alternative arrangement in accordance with section 6.49 of the Local Government Act. A special arrangement fee is applicable.

### **Updating your details**

To protect ratepayers against unauthorised changes in the City’s records, we require all changes of address to be supplied in writing with supporting documentation (e.g. certificates of titles). In most cases, when there has been a property sale, your settlement agent will inform the City.

You can change your address by completing the change-of-address form found on the City's website at [www.nedlands.wa.gov.au/change-address](http://www.nedlands.wa.gov.au/change-address) . You can also send changes via email to [council@nedlands.wa.gov.au](mailto:council@nedlands.wa.gov.au) or by mail to City of Nedlands, PO Box 9, Nedlands WA 6909.