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| <b>Circular Details</b>     | Circular No 16-11 / 22 April 2016 / A468938    |
| <b>Previous Circular</b>    | 15-14,14-06, 13-12                             |
| <b>Who should read this</b> | Councillors / General Managers / Council staff |
| <b>Contact</b>              | Performance Team (02) 4428 4100                |
| <b>Action required</b>      | Information / Council to Implement             |

## Information about Rating 2016/17

### What's new or changing

- The maximum Boarding House Tariffs and maximum interest rate chargeable on overdue rates and charges for 2016/17 has been determined.
- Section 603 Certificate fee for 2016/17 has been determined.
- The statutory limit on the maximum amount of minimum rates for 2016/17 has been determined.

### What this will mean for your council

Councils should incorporate these determinations into their 2016/17 rating structures and Operational Plan Statement of Revenue Policies.

### Key points

#### Boarding House Tariffs 2016/17

- In accordance with section 516 of the *Local Government Act 1993* (the Act), it has been determined that for the purpose of the definition of 'boarding house' and 'lodging house', the maximum tariffs, excluding GST, that a boarding house or lodging house may charge tariff-paying occupants are:
  - a) *Where full board and lodging was provided* –  
**\$365** per week per room for single accommodation, or  
**\$605** per week per room for family or shared accommodation.
  - b) *Where less than full board and lodging is provided* –  
**\$244** per week per room for single accommodation, or  
**\$405** per week per room for family or shared accommodation.

#### Maximum Interest on Overdue Rates and Charges

- In accordance with section 566(3) of the Act, it has been determined that the maximum rate of interest payable on overdue rates and charges for the 2016/17 rating year will be **8.0%**.
- The methodology used to calculate the interest rate is the Supreme Court methodology (the Reserve Bank cash rate plus 6%), rounded to the nearest half per cent of the maximum interest rate for the previous year. The cash rate used for the purposes of the maximum interest rate for local government is based on the rate as at 2 March 2016

Notice giving effect to these decisions was published in the NSW Government Gazette No. 29 of 22 April 2016.

### Section 603 Certificate

Under section 603 of the Act, councils may issue a certificate as to the amount (if any) of rates, charges, etc., due or payable to the council for a parcel of land. Section 603(2) states the application must be accompanied by the approved fee. In accordance with the approved methodology, the approved fee for 2016/17 is determined to be **\$75**.

- This determination applies to the issuing of a certificate for the matters specified in section 603(3) of the Act.
- Where a council offers to provide other information as an optional service, the council is not prevented from separately determining an approved fee for that additional service.
- Furthermore, a council is not prevented from determining approved fees for additional services required by an applicant for the expedited processing of a section 603 Certificate.

### Statutory limit on the maximum amount of minimum rates

By an amendment to clause 126 of the *Local Government (General) Regulation 2005*, IPART has determined:

- Under section 548(3)(a) of the Act the maximum amount of a minimum ordinary rate to be **\$506** for 2016/17. This increase is the same level as the rate-peg limit of 1.8% for 2016/17.
- Under section 548(3)(b) of the Act the maximum amount of a minimum special rate will remain at **\$2**.
- The Regulation was published on the NSW Legislation website on 11 April 2016

### **Where to go for further information**

The NSW Legislation website at: [www.legislation.nsw.gov.au](http://www.legislation.nsw.gov.au).



**Tim Hurst**  
**Acting Chief Executive**