

5.11. RATES REBATE - NOT FOR PROFIT ENTITES POLICY - JULY 2022

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DEPARTMENT Finance and Corporate Services

RECOMMENDATION

That Council adopts the Rates Rebate – Not-for-Profit Entities Policy

EXECUTIVE SUMMARY

In accordance with s 120-122, *Local Government Regulation 2012*, Council may grant rebates to ratepayers who satisfy eligibility criteria. The Rates Rebate – Not-for-Profit Entities Policy establishes the guidelines and level of assistance Council will grant eligible not-for-profit community-based organisations from recreation, sporting and community groups.

BACKGROUND

The Rates Rebate – Not-for-Profit Entities Policy was previously adopted on 23 February 2021.

The policy has been updated to provide greater clarity regarding the criteria for assistance, application requirements and effective date of rebate.

PROPOSAL

The Rates Rebate – Not-for-Profit Entities Policy is presented to Council for adoption.

FINANCIAL/RESOURCE IMPLICATIONS

There are no budgetary implications identified from the review of this policy.

RISK MANAGEMENT IMPLICATIONS

Complying with legislative requirements ensures Council mitigates any regulatory or reputational risk.

SUSTAINABILITY IMPLICATIONS

Economic: The policies are reviewed to ensure they appropriately support the economic sustainability of Council as well as maintaining legislative compliance.

Environmental: Nil

Social: Nil

CORPORATE/OPERATIONAL PLAN, POLICY REFERENCE

This report has been prepared in accordance with the following:

Corporate Plan 2019-2024 Initiatives:

Theme 5 - Robust Governance and Efficient Service Delivery

Strong governance and financial management are the foundations of the way in which Council will conduct its business and implement the initiatives of the Corporate Plan.

Goal 1 - We will conduct Council business in an open and transparent manner with strong oversight and open reporting.

Goal 3 - We will make sound financial decisions by ensuring robust strategic planning, financial management and reporting.

COUNCIL'S ROLE

Council can play a number of different roles in certain circumstances, and it is important to be clear about which role is appropriate for a specific purpose or circumstance. The implementation of actions will be a collective effort and Council's involvement will vary from information only through to full responsibility for delivery.

The following areas outline where Council has a clear responsibility to act:

Regulator Council has a number of statutory obligations detailed in numerous regulations and legislative Acts. Council also makes local laws to ensure that the Shire is well governed. In fulfilling its role as regulator, Council will utilise an outcomes-based approach that balances the needs of the community with social and natural justice.

CONSULTATION

Internal: Rates Team

External: Nil

COMMUNITY ENGAGEMENT

Nil

ATTACHMENTS

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61. RATES REBATE – NOT-FOR-PROFIT ENTITIES POLICY

Intent

To establish a policy for the provision of rates based financial assistance to not for profit recreation, sporting and community groups.

Scope

This policy will allow Council to consider applications for rebates of general rates and sewerage charges from not-for-profit community-based organisations from recreation, sporting and community groups.

Provisions

Under the provisions of the *Local Government Regulation 2012*, Council may resolve to grant a ratepayer a rebate for rates and charges provided the specified criteria is met by the ratepayer. This policy only applies to not-for-profit organisations, sporting and community groups who make an application for a rating rebate.

1. Criteria

To be eligible for this rebate, the following conditions must be met:

- 1.1 The applicant organisation must be the owner or lessee and occupier of the land with the rate notice being issued in the organisation's name.
- 1.2 The land for which an application is made must be used for the purpose to which the rating concession applies

2. Application for the Rate Rebate

- 2.1 All applications for rate rebate must be made on the prescribed form and contain a declaration as to the accuracy of the information contained therein.
- 2.2 Applications for consideration under this policy must also include the following supporting documentation:
 - A copy of the organisation's Certificate of Incorporation
 - A copy of the most recent Annual Financial Report
- 2.3 Rebates for new applicants will be effective from the first day of the next rating period after the date the application is received, once approved. Rebates are not applied retrospectively to previous rating periods.
- 2.4 Once an application for rebate is approved it shall remain in force from year to year without further renewal whilst the applicant remains owner/occupier of the property in question.

- 2.5 It is incumbent upon the organisation receiving this rebate to notify Council of any change in circumstances that may affect their eligibility under the provisions of this policy. Council will conduct periodic audits to verify compliance

3. Rebate Amount

Council may provide up to 100% rebate of the general rate and up to 50% of sewerage charges for organisations that comply with the requirements of this policy.

4. Additional Information

- 4.1 The applicant organisation's constitution must prohibit any member of the organisation from making a private profit or gain, either from the ongoing operations of the organisation or as a result of the distribution of assets if the organisation is wound up
- 4.2 . Organisations that own, lease, manage or operate premises with gambling machines or whose main activity is gambling will not be considered eligible.
- 4.3 Not for profit organisations, sporting and community groups will not be eligible if they have a contractual arrangement, either formally or informally, with a third party that derives an income or benefit from this arrangement.
- 4.4 The land, or any part of the land, must not be rented or leased to a third party.
- 4.5 This rebate is not available on vacant land

If Council becomes aware of any ratepayer providing false or misleading information in order to gain assistance for which the organisation would otherwise not be eligible, the rebate provided by Council will then become null and void. Any benefit provided to an organisation through the Not-for-profit Entities Policy must be repaid to Council from the date of cancellation/ineligibility.

Definition

Not for Profit Organisation: Any local association, club, state or national organisation, who holds incorporated status under the *Associations Incorporation Act 1981* or is a company limited by guarantee under the *Corporations Act 2001* and does not operate for the profit or gain (either direct or indirect) of its individual members, either from ongoing operations or on its winding up.

Related Legislation

Local Government Regulation 2012
Associations Incorporation Act 1981
Corporations Act 2001

Policy Review

This policy is to be reviewed whenever legislation changes, or every four years if no changes have been required to be enacted, at the direction of the Chief Executive Officer.

Policy Details

Policy Name	Rates Rebate – Not for Profit Entities Policy
Policy Number	61
Policy Version	3
Document Number	957935
Endorsed by	Chief Executive Officer
Policy Type	Council
Approval Authority	Council
Date Adopted	26/07/2022
Time Period	Four years
Review Date	01/05/2026
Policy Department	Finance and Corporate Services
Link to Corporate Plan	Robust Governance and Efficient Service Delivery
Revoked/Superseded	

This policy is to remain in force until otherwise determined by Council.