

5.9. PRINCIPAL PLACE OF RESIDENCE POLICY

REPORT AUTHOR	Tara Killeen, Chief Financial Officer
MANAGER	Juanita Warner, Acting Chief Executive Officer
DEPARTMENT	Finance and Corporate Services

RECOMMENDATION

That Council adopts the Principal Place of Residence Policy.

EXECUTIVE SUMMARY

The Principal Place of Residence Policy has been developed in conjunction with the 'Revenue Statement' and 'Adoption of Differential General Rates' to ensure that Council is consistent and fair in determining the status of 'Principal Place of Residence' and the method of allocation of a property to the appropriate Differential Rating Category.

BACKGROUND

Council initiated a General Rates review to achieve an Operational Plan objective for 2020-2021. Mead Perry Group was engaged to assist with this review. The results of the review were workshopped with Councillors and the proposed amendments to the general rates model were adopted as part of the Budget at the Special Council meeting on 15 June 2021.

As part of the general rates model amendments, there were changes to rating categories, which included the separation of some residential categories into 'Principal Place of Residence' and 'Non-Principal Place of Residence'.

The Principal Place of Residence Policy was developed in conjunction with the 'Revenue Statement' and 'Adoption of Differential General Rates' to ensure that Council is consistent and fair in determining the status of 'Principal Place of Residence' and the method of allocation of a property to the appropriate Differential Rating Category.

COMMENT

It is imperative that there is a clear policy to establish 'Principal Place of Residence' status for the purpose of levying general rates. The Principal Place of Residence Policy definition of 'Principal Place of Residence' has been updated to include reference to Council's Planning Scheme. Additional wording is marked up in red on the attached draft policy.

PROPOSAL

The updated Principal Place of Residence Policy is presented to Council for adoption.

FINANCIAL/RESOURCE IMPLICATIONS

There are no additional financial/resourcing implications of adopting the updated Principal Place of Residence Policy.

RISK MANAGEMENT IMPLICATIONS

The Principal Place of Residence Policy ensures consistent and fair determination of the status of Properties with regards to 'Principal Place of Residence' and ensures allocation of a property to the appropriate Differential Rating Category. This ensures Properties are rated in accordance with the intention of the General Rates model review conducted in 2020-2021.

SUSTAINABILITY IMPLICATIONS

Economic: To ensure ongoing sustainability and longevity of Council and the communities which it serves, it is paramount that an equitable rating regime and associated policies are maintained.

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 Department, Planning Department

External: Mead Perry Group

COMMUNITY ENGAGEMENT

Nil

ATTACHMENTS

1. Principal Place of Residence Policy [**5.9.1** - 4 pages]

83. PRINCIPAL PLACE OF RESIDENCE POLICY

Purpose

The purpose of this policy is to ensure that Council is consistent and fair in determining the status of 'Principal Place of Residence' and the method of allocation of a property to the appropriate Differential Rating Category.

Scope

This policy is applicable to ratepayers of Douglas Shire Council who need to establish 'Principal Place of Residence' status for the purpose of levying general rates.

Policy Content

In order to be identified by Council as "Principal Place of Residence" per the Adoption of Differential General Rates and Revenue Statement for the purpose of the Differential Rating Categories, the property must be the Principal Place of Residence of the registered owner(s).

Principal Place of Residence

Principle place of residence: Property used solely for a single residential dwelling or home unit that is the place of residence at which at least one natural person who constitutes the owner/s of the property predominantly resides.

In establishing whether the Property is the owner's principal place of residence, Council may consider, but not be limited to the owner's declared address for electoral, taxation, government social security or national health registration purposes, or any other form of evidence deemed acceptable by the Council. Residential premises that have not met these criteria will be deemed 'Non-Principal Place of Residence'.

To be eligible for Principal Place of Residence, the property must be able to be occupied as a permanent residence under Council's Planning Scheme or have a relevant planning approval.

For the avoidance of doubt, property will not be the owner's principal place of residence where it is:

- 1) not occupied by at least one person/s who constitute the owner/s, but occupied by any other person/s, whether in return for rent or remuneration or not, including members of the owner's family, or;
- 2) vacant, whether permanently or temporarily (for more than 120 days of the financial year), including for the purposes of renovation or redevelopment, except in the case where:
 - a) premises that are being renovated and remain the principal place of residence of the owner, and the owner does not during the renovation period own any other property which is used as, or asserted by the owner for any purpose to be, the owner's place of residence; and

- b) a property is vacant for a period longer than 120 continuous days of the financial year due to the owner/s absence on an extended holiday, provided that the property remains completely vacant for the entire period of their absence;
 - c) a property is vacant due to the owner/s absence due to work commitments, provided that the absence is confirmed in writing by the owner’s employer to Council’s satisfaction and the property remains vacant or is occupied by immediate family members only during the period of the owner’s absence;
 - d) The owner is absent due to medical reasons of the owner or a close relative and this is confirmed in writing by a health professional to Council’s satisfaction;
- 3) not owned by a natural person, e.g., owned by a company, except where the ratepayer residing at the property as their principal place of residence is the company owner.
- 4) flats and other multiple tenement residential properties, even where the owner of the land resides in one of the flats or tenements.

Other considerations and requirements

1. Whereby a ratepayer’s property has not been deemed by Council to be ‘**Principal Place of Residence**’ and the ratepayer wishes to notify Council regarding a correction to the classification, the ratepayer is required to submit the ‘Principal Place of Residence Declaration’ (the ‘Form’) to Council. The Form will need to be completed and signed by the applicant. The completed Form must be received by Council no later than the due date for payment of the current rates, in order to be applicable for that rating period. Where forms are received after the due date for payment, identification as Principal Place of Residence will commence with the next rating period and will not be backdated to the current or previous rating periods.
2. Where the applicant ratepayer is an approved pensioner for the granting of a State Government Pensioner subsidy for a property, the subsidy application can be accepted in lieu of a Form for the classification of the property as ‘Principal Place of Residence’.
3. Principal Place of Residence status will be granted only for one (1) property for a given owner/ratepayer. If a second property is owned by the ratepayer(s) such property will not be eligible for ‘Principal Place of Residence’ status, even if the property is not tenanted and is not producing an income.
4. When a property with an existing Principal Place of Residence status ceases to be the Principal Place of Residence (e.g. property is sold, demolished or use changes), the property will lose its Principal Place of Residence status with effect from the next rating period, and the Differential Rating Category will be amended accordingly.
5. It is the ratepayer’s responsibility to ensure that a Principal Place of Residence Declaration Form is obtained, completed, signed and lodged with Council within the required timeframe, to ensure identification as a “Principal Place of Residence”.

Definitions

TERM	DEFINITION
Council	Douglas Shire Council

TERM	DEFINITION
Differential Rating Categories	The different categories of rates resolved by Council for rateable property in the local government area.
Form	Principal Place of Residence Declaration

Related Legislation

Local Government Act 2009 (Qld)

Local Government Regulation 2012 (Qld) (Regulation)

Related Documents (Local Laws, Policies, Forms)

Revenue General Policy

Revenue Statement

Adoption of Differential General Rates

Principal Place of Residence Declaration Form

[2018 Douglas Shire Planning Scheme Version 1.0.](#)

Policy Review

This policy is to be reviewed whenever legislation changes, or every 4 years if no changes have been required to be enacted, at the direction of the Chief Executive Officer.

Policy Details

Policy Name	Principal Place of Residence Policy
Policy Number	83
Policy Version	21
Document Number	1024452
Endorsed by	Chief Executive Officer
Policy Type	Council
Approval Authority	Council
Date Adopted	29 June 2021 <u>19 October 2021</u>
Time Period	4 Years
Review Date	29 March-September 2025
Policy Department	Finance & 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.