

Attachment 3 - Office of Local Government - Circular to Councils 22-06 - Information about Ratings 2022-23



Office of
Local Government

Circular to Councils

Circular Details	22-06 / 1 April 2022 / A814194
Previous Circular	21-04 – Information about Rating 2021-22
Who should read this	Councillors / General Managers / Council staff
Contact	Performance Team / (02) 4428 4100 / olg@olg.nsw.gov.au
Action required	Information / Council to Implement

Information about Ratings 2022-23

What's new or changing

- The maximum boarding house tariffs for 2022-23 have been determined.
- The maximum interest rate payable on overdue rates and charges for 2022-23 has been determined.
- The section 603 certificate fee for 2022-23 has been determined.
- The statutory limit on the maximum amount of minimum rates for 2022-23 has been determined for commencement on 1 July 2022.

What this will mean for your council

Councils should incorporate these determinations into their 2022-23 rating structures and Operational Plan Statement of Revenue Policies.

Key points

Boarding House Tariffs

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:

- Where **full board and lodging** is provided:
\$409 per week for single accommodation; or
\$675 per week for a family or shared accommodation
- Where **less than full board or lodging** is provided:
\$275 per week for single accommodation; or
\$454 per week for family or shared accommodation

Maximum Interest Rate 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 period 1 July 2022 to 30 June 2023 (inclusive) will be **6.0% per annum**.

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The methodology used to calculate the interest rate applicable for the period 1 June 2022 to 30 June 2023 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 cash rate set by the Reserve Bank on 7 December 2021.

Notice giving effect to these decisions will be published in the NSW Government Gazette.

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 2022-23 is determined to be **\$90**. This is an increase of \$5 from the 2021-22 fee.

This determination applies to the issuing of a certificate for the matters specified in section 603(2) 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

Following a recommendation by IPART, clause 126 of the *Local Government (General) Regulation 2021* will be amended on 1 July 2022 by the *Local Government (General) Amendment (Minimum Amounts of Rate) Regulation 2022* so that under section 548(3)(a) of the Act, the maximum amount of the minimum ordinary rate to be **\$569** for 2022-23.

The maximum amount of a minimum special rate (not being a water supply special rate or a sewerage special rate) prescribed by section 548(3)(b) of the Act will remain unchanged at **\$2**.

Where to go for further information

The NSW legislation website at www.legislation.nsw.gov.au.



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