

## Community Contribution Scheme Policy and Procedures

### Purpose

This policy outlines a fair and sustainable framework for implementing a Community Contribution Scheme (CCS) for the delivery of services tailored to specific needs, as identified by a particular community.

The policy provides information about:

- what the CCS is
- engagement processes required that enable communities to determine the value of the CCS
- how the CCS is collected
- the rights of the contributors, and available concessions
- how the CCS is calculated (see Appendix).

### Policy Statement

The Outback Communities Authority (the Authority) is committed to supporting communities opting for a CCS. The Authority's role is to facilitate the community's desired outcome, not to be the decision maker. Through financial contributions, communities can customise services to meet their unique needs, fostering a sense of empowerment, pride and ownership.

### Community Contribution Scheme

A CCS is a levy paid by the owner of the land within a community. A community contribution is implemented pursuant to Section 21 of the *Outback Communities (Administration and Management) Act 2009* and in accordance with the *Local Government Act 1999* (LG Act).

A community contribution can only be implemented in a specific community by mutual agreement between an Incorporated Association that is established to represent their community, has membership and is operating within the requirements of the *Associations Incorporation Act 1985*, and which are meeting the requirements of Authority's Community Affairs and Resourcing Management Agreement Policy and Procedures.

A community contribution must be validated by a CARM Agreement between the Incorporated Association and the Authority.

## Public Consultation

Community input is essential in formulating the CCS. Consultation methods may include public meetings, email correspondence, online webinars and direct communication (written or verbal) with affected landowners to gather feedback.

In principle approval from the Authority is required before a process of consultation on the CARM Agreement incorporating a community contribution is commenced.

The CARM Agreement must be subject to community consultation for a minimum of one month in accordance with the Authority's Public Consultation Policy. Once consultation has concluded and acceptance of the CARM Agreement and community contribution has been obtained, approval of the responsible Minister is sought.

## Process for Implementation

Implementation of a community contribution will be in accordance with Chapter 10 Parts 1 and 2 of the *Local Government Act 1999*.

### 1. Public Notification

Once the Minister's approval for the fixed charge has been granted, the declared rate must be published in the Government Gazette and a newspaper circulating in the Outback region within 21 days of declaration of the rate.

### 2. Executing the Agreement

The CARM Agreement, incorporating a community contribution is then sent to the Incorporated Association. The CARM Agreement should be tabled at a constitutional meeting of the Association for discussion and execution. Minutes of this meeting are to be provided to the Authority within six weeks of the meeting at which the CARM Agreement was executed.

Full payment of the CARM component of the executed Agreement will be made into a nominated bank account within six (6) weeks of the Authority's receipt of the minutes.

### 3. Rate Notices

A rate notice must be sent to each rateable land holder and:

- allow for payment in quarterly instalments
- be issued at least 30, but not more than 60, days before the due date of the instalment.

The rate notice must specify:

- the purpose(s) for which the community contribution is declared
- the basis on which the community contribution is calculated
- the period of the community contribution charge

- the differentiating factor, if any that has been applied to calculate the community contribution - the Property Units Code<sup>1</sup>
- the amount of the quarterly payment and the due date.

#### 4. Application of the Community Contribution

Land Services SA maintains a record of all land titles, Valuer-General information, and land ownership within the State. This database will be used as the basis to create and maintain an assessment record for land subject to a community contribution. Other Government databases may be relied upon to augment the base data.

A community contribution will apply to all rateable properties not subject to mandatory or discretionary rebates (Section 159 - 166 of the *Local Government Act 1999*) within an area declared by the Authority, as outlined below:

- health services and hospitals incorporated under the *South Australian Health Commission Act 1976*
- churches and places of worship and their grounds, and land used solely for religious purposes
- public cemeteries
- land held by the Royal Zoological Society of SA (other than domestic premises).

#### Discretionary Rebates

The Authority will provide a full rebate to the following properties. The full rebate consists of the mandatory 75% rebate provided under legislation with the remaining 25% rebate provided by the Authority.

- not-for-profit community service organisations providing:
  - supported accommodation (including aged care and community housing)
  - emergency accommodation
  - food or clothing for disadvantaged
  - drug or alcohol rehabilitation
  - medical research
  - community education relating to disease or illness
  - palliative care
- Government schools and non-govt schools registered under Education and Early Childhood Services (Registration and Standards) Act 2011.
- Not-for-profit student accommodation and support services provided by a university or university college.

Landholders claiming hardship may follow the steps set out in the Concessions section of this policy on the next page.

<sup>1</sup> Refer Appendix - How to calculate a Property Unit.

## Procedure for the Collection of Community Contributions

The Authority will maintain an accurate billing and debtors register that includes:

- all relevant properties
- the correct calculation of property units
- identification and matching of payments received - whether directly or through a third party
- prompt reconciliation of amounts received with the correct payee
- follow-up action of overdue amounts

The Authority may outsource any of the community contribution collection process.

## Transfer of Community Contribution Collections to Incorporated Associations

The Authority will transfer 100% of community contributions collected to the Incorporated Association on a monthly basis. The Authority will make every effort to recover money from debtors for non-payment of the CCS so as not to disadvantage communities.

## Disputes and Concessions

Where there is disagreement about the allocation of property units for the calculation of the community contribution, an application for review can be lodged with the Authority. An application to review the amount does not suspend the Authority's right to collect the community contribution.

Application may be made by a land holder for discretionary rebates. Each application will be assessed on its individual merits by the Authority (refer Sections 159-166 of the *Local Government Act 1999*).

## Financial Hardship

The Authority's concession processes allow postponement or remittance in whole or in part of community contributions in cases of financial hardship for a period of time (Refer Section 182 of the *Local Government Act 1999*).

Those not able to pay the community contribution due to hardship conditions<sup>2</sup> should contact the office of the OCA on 1800 640 542 to discuss alternative arrangements. Proof of hardship will be required.

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<sup>2</sup> "Hardship" is defined as on-going disadvantage and temporary financial pressures caused by such life events as chronic illness, fire, flood, or short-term unemployment.



## Cost of Living Concession

The Cost of Living Concession replaces the previous Pensioner Concession and is paid directly to pensioners and concession card holders. For queries relating to this concession please contact the Department for Human Services via email [concessions@sa.gov.au](mailto:concessions@sa.gov.au) or at [SA.GOV.AU - Concessions](http://SA.GOV.AU - Concessions) ([www.sa.gov.au](http://www.sa.gov.au)).

## References

The following documents apply to the processes outlined in this guideline:

- Community Affairs and Resource Management Policy and Procedures
- Public Consultation Policy
- *Outback Communities (Administration and Management) Act 2009*
- *Local Government Act 1999*

## Appendix

### How to Calculate a Property Unit

#### Definition of a “property unit”

The Property Unit system outlined in this policy has been developed to provide for the differential application of community contributions by various properties categorised according to the use of the land.

One Property Unit is based on a single residential dwelling. All other categories of property are compared to the single residential dwelling and the number of Property Units is adjusted accordingly.

#### Calculation of property units for categories of properties

The following method of determining Property Units shall apply to the various categories of properties outlined below.

##### 1. Residential dwellings

As outlined in the definition of a ‘property unit’ above, a single residential dwelling comprises the basis of a single Property Unit, therefore:

**1 residential dwelling = 1 property unit.**

A residential dwelling comprises a single household occupancy whether a flat, unit, semi-detached, row cottage or separate dwelling.

##### 2. Vacant allotments

**1 vacant allotment = 1 property unit.**

A vacant allotment comprises any vacant parcel of land held under separate title, capable of sale without requiring approval for division.

**Note:** Where a single residence is constructed over the boundary of 2 or more allotments and/or the residence and adjoining allotments are developed in such a way that none of the allotments could be sold without removal of part or all of the residence or associated buildings, the Authority may choose to treat all the adjoining allotments as constituting a single Property Unit.

##### 3. Commercial premises (one occupancy per building)

For example: shops, offices (including Government offices) or private agencies.

The number of Property Units is to be calculated as follows:

$$\frac{\text{FTE}}{6}$$



**Where:**

**FTE** = the number of full time equivalent employees (not living on the site) based on the annual average number of employees. Any fraction obtained by such division shall be rounded up to the nearest half or full Property Unit. All commercial premises (including vacant premises) shall be considered a minimum of one Property Unit.

**Example 1:** A general store employing ten persons, being full-time equivalents, would be assessed as two Property Units.

$$\frac{10}{6} = 1.67^*$$

\*(Rounded up to next full Property Unit = 2 Property Units)

**Example 2:** An office employing the equivalent of seven full-time persons would be assessed as one and a half Property Units.

$$\frac{7}{6} = 1.17^*$$

\*(Rounded up to next half of a Property Unit = 1.5 Property Units)

**4. Multiple commercial premises with or without a residence**

Each commercial occupancy shall be calculated separately on the overall number of employees in accordance with Item 3.

A single Property Unit shall be charged for any residence forming a part of commercial premises, in addition to the separate commercial property unit calculation pursuant to Item 3 (Commercial Premises).

**Note:** Where an office or other business and a residence are combined and occupied by the same person or persons, a single Property Unit may be considered an appropriate charge.

**5. Hospital, nursing or rest homes, or similar occupancies**

The number of Property Units is to be calculated as follows:

$$\frac{\text{FTE} + \text{BEDS}}{6}$$

**Where:**

**FTE** = the number of full time equivalent employees (not living on the site) based on the annual average number of employees.

**BEDS** = the number of accommodation beds.

Any fraction obtained by such calculation shall be rounded up to the nearest half or full Property Unit.

**Example:** A hospital employing 10 full time equivalent employees and holding 50 accommodation beds would be assessed as 10 Property Units.

$$\frac{10 + 50}{6} = 10$$

Any residential dwelling attached to the complex and/or any permanent occupancy by a proprietor, manager, or one or more employees will be assessed as an additional Property Unit.



**6. Hotel, motel, residential clubs, or similar occupancies**

The number of Property Units is to be calculated as follows:

$$\frac{\text{FTE} + (\text{BEDS} \times 0.7)}{6}$$

Where:

**FTE** = the number of full time equivalent employees (not living on the site) based on the annual average number of employees.

**BEDS** = the number of accommodation beds.

**Note:** The use of 0.7 in the formula is an **assumed** occupancy rate (i.e. 70%). Any fraction obtained by such calculation shall be rounded up to the nearest half or full Property Unit.

**Example:** A hotel that employs 5 full time equivalent employees and holds 10 accommodation beds would be assessed as two Property Units.

$$\frac{5 + (10 \times 0.7)}{6} = 2$$

Any residential dwelling attached to the complex and/or any permanent occupancy by a proprietor, manager or one or more employees will be assessed as an additional Property Unit.

**Premises with a public bar or restaurant**

Where a public bar and/or restaurant exist at a hotel, motel or club, additional Property Units are to be calculated for the bar / restaurant trade as follows:

- (a) where the average daily attendance is up to 100 persons, 1 additional Property Unit shall be charged;
- (b) a further additional half of a Property Unit shall be charged for each additional 50 persons or part thereof.

**Example:** A hotel that employs 15 full time equivalent employees, holds 20 accommodation beds, and contains a public bar that has a daily attendance of 65 persons would be assessed as 6 Property Units.

$$\frac{15 + (20 \times 0.7)}{6} = 4.83 + 1.0 \text{ (for patronage)} = 5.83^*$$

\* (Rounded to the nearest full Property Unit = 6.0 Property Units)

**7. Industrial premises**

The number of Property Units is calculated based on the number of employees in accordance with item 3 (Commercial Premises).

**8. Caravan parks**

Each permanently occupied site within a caravan park, such as a caretaker's/owner's dwelling, mobile home/cabin must be assessed as one Property Unit.





For other sites, not occupied on a permanent basis, the number of Property Units shall be calculated as follows:

DSO p.a.  
365

Where:

DSO p.a. = Daily site occupancies per annum - i.e. the total number of overnight uses of camping sites, caravan sites, cabins etc in a 12-month period.

	Daily Site Occupancy (Per Annum)	Property Unit
Caretaker's Dwelling		1
Permanently occupied sites		5
Caravan Sites	(a) 1800	
Holiday Cabins	(b) 500	
Tents (Camping) sites	(c) 200	
Total Annual Occupancies	2500	
<u>2500 occupancies</u>		6.85
365 days in year		
Total Property Units		12.85

Where:

- (a) = the number of caravan sites x the number of days occupied per year.
- (b) = the number of Holiday Cabins within the Caravan Park x the number of days occupied per year.
- (c) = the number of tents (camping sites) x the number of days occupied per year.

9. **General Provisions**

When a calculation requires estimation of the number of employees at a location, business owners and others who spend a substantial portion of time on the subject premises are to be considered as employees for the purposes of these calculations.

Where a calculation produces a fraction of a Property Unit, it shall be rounded up to the next full or half of a Property Unit, provided that the minimum service charge to be applied to any property is one Property Unit.