

Council Member
Councillor Henry Davis

Public

Contact Officer:
Anthony Spartalis, Chief Operating
Officer

QUESTION ON NOTICE

Councillor Henry Davis will ask the following Question on Notice:

1. How many ratepayers will be directly impacted by the \$600 minimum rate, and where are they geographically concentrated within the city?
2. Has Administration provided a precise count or just an estimate?
3. Of these, how many are residents versus commercial or mixed-use properties?
4. Are there clusters of impacted properties in certain buildings or suburbs that suggest this measure will disproportionately target specific parts of the city (e.g., strata offices in the CBD, student housing, or small shopfronts)?
5. What is the breakdown by property value—i.e., how many impacted properties are currently paying less than \$200, \$300, or \$400 in general rates?
6. What is the breakdown of the property values who will be impacted?
7. What percentage of affected ratepayers are residential versus commercial, and how many are pensioners, sole traders, or low-income households?
8. How many are likely to be small business owners, sole traders, or startup tenants leasing low-value properties?
9. How many are residential investors with marginal rental yields who may pass on this increase to tenants?
10. How many are older residents or fixed-income households—such as pensioners—whose properties fall into low-value categories?
11. Has the Council conducted any equity assessment to identify whether these increases are regressive or potentially discriminatory?
12. Could this policy force the sale or abandonment of properties that are no longer financially viable under the new rate structure?
13. How many recipients of concessions or hardship relief will be impacted, and are they exempt?
14. Has any modelling been done to determine the income brackets of those most affected by this change?
15. How many ratepayers will experience rate increases of more than 100%, 200%, or even 300% as a result of this minimum rate?
16. Were any of the affected ratepayers consulted before the motion was introduced?
17. Why was this motion not included in the formal agenda or supported by a public report outlining its financial and community impact?

18. Who was informed that Cr Siebentritt was going to introduce this motion? Was Cr Snape, Cr Martin, Cr Giles and the Lord Mayor aware of the motion before it was presented to council? When were they informed?
 19. Was any legal, economic, or equity impact analysis provided to Council Members before the vote?
 20. What is the expected total revenue increase from implementing the \$600 minimum rate?
 21. Can Administration provide a breakdown showing the revenue gained by property type, including residential, commercial, and mixed-use properties?
 22. Does the Administration consider it prudent to consider reversing or suspending this policy pending proper modelling and a separate public consultation?
 23. Do councils often consult on major policy changes at the same time as the budget or is a separate process usually carried out?
 24. What was the rationale for choosing \$600 specifically—why not \$400, \$800, or a different figure?
 25. Has any consideration been given to phasing in the minimum rate or exempting certain categories of ratepayers?
 26. What policy objective is this measure meant to achieve—and is there any evidence it will succeed?
 27. Do ratepayers who would be impacted use council resources to the same extent as other ratepayers? What evidence is there for or against this proposition?
 28. Which specific councils were relied upon to justify the \$600 minimum rate, and what is the makeup of their ratepayer base?
 29. Do any of those councils have the same concentration of small commercial offices, strata-titled shops, or low-value inner-city properties as Adelaide?
 30. How many properties in those councils pay rates below \$600—and how does that compare to the City of Adelaide?
 31. What would be the lowest rate paid by the councils if not for a minimum rate?
 32. Has Administration conducted any benchmarking to confirm whether the impact in Adelaide would be more severe due to the unique makeup of our rate base?
 33. Have other councils imposed a similar minimum without consulting ratepayers—especially when small businesses or sole traders were involved?
 34. Is there evidence that minimum rates in other councils have improved revenue outcomes without causing unintended economic harm?
 35. Were the demographics, land use patterns, and average property values of those councils considered before adopting a policy that may not fit our local context?
 36. What support mechanisms or hardship policies are being proposed alongside this minimum rate, and how do they compare to those in other councils?
 37. If other councils were to raise their minimums even higher, would Adelaide follow suit without independent analysis?
 38. Is Council prepared for the political fallout of ratepayers discovering a sudden and significant rate increase without warning?
 39. How will Council communicate this change to those impacted before they receive their rates notice?
 40. Will Council acknowledge that this change could be perceived as a stealth rate rise by those affected?
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REPLY

1. In reply to question 1, 1,101 ratepayers of which 54 are in North Adelaide and 1,047 are in Adelaide. In the time available, it is not possible to determine concentrations.
2. In reply to question 2, a precise count based on rates paid in 2024/25. Subject to valuations and rate in dollar (RID) setting for 2025/26, this number may change.
3. In response to question 3, 24 are classified “Residential” and 1,041 are “commercial”.

4. In response to question 4, in the time available, it is not possible to determine concentrations.
5. In response to question 5, the breakdown as per the tables below:

Residential valuations

\$ Valuation Range	No. of Properties	\$ Value Range Top Line	Average 24/25 General Rate
1001 - 2000	18	2000	\$223
2001 - 3000	1	3000	\$335
3001 - 4000	4	4000	\$447
4001 - 5000	1	5000	\$558

Non-Residential valuations

\$ Valuation Range	No. of Properties	\$ Value Range Top Line	Average 24/25 General Rate
1 - 1000	43	1000	\$137
1001 - 2000	437	2000	\$274
2001 - 3000	255	3000	\$410
3001 - 4000	278	4000	\$547

6. In response to question 6, this information is contained in the tables immediately above.
7. In response to question 7, we rate on assessments based on occupation. The information stored on ratepayers does not identify if they are pensioners (unless they apply for a rebate), sole traders or low-income households. Further, the administration does not have access to ratepayer income records.
8. In response to question 8, we rate on assessments based on occupation. The information stored on ratepayers does not identify if they are pensioners (unless they apply for a rebate), sole traders or low-income households. Further, the administration does not have access to ratepayer income records.
9. In response to question 9, the administration does not have access to such information on ratepayers.
10. In response to question 10, the administration does not have access to income information for ratepayers.
11. In response to question 11, the intent behind the minimum rate introduction is to provide broader equity, where every ratepayer / rateable property contributes a reasonable amount towards basic council services and the renewal and maintenance of infrastructure, as do 50% of all councils in SA. The other 50% use a fixed charge component to achieve similar outcomes. Whether the increases are regressive or discriminatory would be purely speculative.
12. In response to question 12, Council can only force the sale of a property where rates overdue payments fall 3 years in arrears.
13. In response to question 13, no rateable property is exempt unless it falls under the guidelines that determines exemptions. As with any ratepayer, hardship provisions are available to all ratepayers should they be necessary. We do not store information on ratepayers to determine if they are pensioners unless they apply for the rebate.
14. In response to question 14, the administration does not have access to income information on ratepayers.

15. In response to question 15, the breakdown is per the tables below:

Properties	% increase		Properties	\$ increase
360	0%-50%		59	\$0-\$50
229	50%-100%		71	\$50-\$100
379	100%-200%		190	\$100-\$150
89	200%-300%		39	\$150-\$200
20	300%-400%		229	\$200-\$300
5	400%-500%		379	\$300-\$400
19	500% +		114	\$400-\$500
			20	\$500 +
1,101			1,101	

16. In response to question 16, the Business Plan & Budget consultation process provides all ratepayers the opportunity to provide feedback. Rating Policy consultation will provide impacted ratepayers an opportunity to provide feedback.

17. In response to question 17, as reflected in the minutes of the Special Meeting of Council held on 29 April 2025, an alternate motion was moved.

18. In response to question 18, the administration was forewarned by Cr Siebentritt that he intended to move an alternate motion.

19. In response to question 19, legal advice was sought on the introduction of the minimum rate prior to the workshop where it was discussed, to ensure that its introduction is allowable and to inform consultation requirements under the *Local Government Act 1999 (SA)* (the Act). Council Members were presented with information on two options - \$300 and \$600 as part of the Special City Finance and Governance Committee Workshop on 22 April 2025.

20. In response to question 20, the introduction of a \$600 Minimum Rate will impact approximately 1,101 rateable properties and generate approximately \$0.287m additional rates revenue based on the 2024/25 General Rates.

21. In response to question 21, the below table provides a breakdown of each category of assessments against the Local Government Description (noting mixed-use is not a category) with the Total expected rates revenue:

	Current Rates		LOCAL GOVERNMENT DESCRIPTION	
			ADDITIONAL REVENUE	TOTAL (\$'000s)
	Min	Max	(NUMBER OF IMPACTED ASSESSMENTS)	
Consulting Room	\$192	\$575	<ul style="list-style-type: none"> 3 Commercial – Office: \$408 (1) 4 Commercial – Other: \$91 (2) 	\$499 (3)
House	\$536	\$536	<ul style="list-style-type: none"> 1 Residential: \$64 (1) 	\$64 (1)
Laboratory	\$561	\$561	<ul style="list-style-type: none"> 4 Commercial – Other: \$39 (1) 	\$39 (1)
Land Incidental	\$179	\$469	<ul style="list-style-type: none"> 8 Vacant: \$552 (2) 	\$552 (2)
Naming Rights	\$246	\$534	<ul style="list-style-type: none"> 4 Commercial – Other: \$420 (2) 	\$420 (2)
Office	\$96	\$588	<ul style="list-style-type: none"> 1 Residential: \$351 (2) 	\$39.192 (233)

			<ul style="list-style-type: none"> 3 Commercial – Office: \$38,460 (230) 4 Commercial – Other: \$395 (1) 	
Parking Commercial	\$178	\$547	<ul style="list-style-type: none"> 4 Commercial – Other: \$147,410 (468) 	\$147,410 (468)
Parking Lot Commercial	\$192	\$588	<ul style="list-style-type: none"> 4 Commercial – Other: \$9,476 (27) 	\$9,476 (27)
Radio Station	\$137	\$137	<ul style="list-style-type: none"> 4 Commercial – Other: \$463 (1) 	\$463 (1)
Residential Carpark Multi Storey	\$145	\$212	<ul style="list-style-type: none"> 1 Residential: \$6,606 (16) 	\$6,606 (16)
Residential Flat	\$201	\$435	<ul style="list-style-type: none"> 1 Residential: \$907 (3) 	\$907 (3)
Residential Garage	\$391	\$391	<ul style="list-style-type: none"> 1 Residential: \$209 (1) 	\$209 (1)
Road Public Declared	\$171	\$171	<ul style="list-style-type: none"> 9 Other: \$429 (1) 	\$429 (1)
Shop	\$260	\$588	<ul style="list-style-type: none"> 2 Commercial – Shop: \$985 (7) 3 Commercial – Office: \$107 (1) 4 Commercial – Other: \$283 (2) 	\$1,375 (10)
Showcase	\$41	\$123	<ul style="list-style-type: none"> 2 Commercial – Shop: \$1,554 (3) 	\$1,554 (3)
Sign	\$123	\$465	<ul style="list-style-type: none"> 4 Commercial – Other: \$19,251 (135) 	\$19,251 (135)
Single Carpark Multi Storey Building	\$223	\$223	<ul style="list-style-type: none"> 1 Residential: \$377 (1) 	\$377 (1)
Staff Facilities	\$383	\$383	<ul style="list-style-type: none"> 9 Other: \$217 (1) 	\$217 (1)
Storage Area	\$41	\$588	<ul style="list-style-type: none"> 3 Commercial – Office: \$1,427 (5) 4 Commercial – Other: \$50,266 (153) 	\$51,693 (158)
Theatre	\$322	\$322	<ul style="list-style-type: none"> 4 Commercial – Other: \$278 (1) 	\$278 (1)
Training Institution	\$534	\$561	<ul style="list-style-type: none"> 3 Commercial – Office: \$39 (1) 4 Commercial – Other: \$66 (1) 	\$105 (2)
Transmission Mast	\$164	\$506	<ul style="list-style-type: none"> 4 Commercial – Other: \$1,373 (5) 	\$1,373 (5)
Warehouse	\$534	\$561	<ul style="list-style-type: none"> 4 Commercial – Other: \$105 (2) 	\$105 (2)
Workshop	\$233	\$588	<ul style="list-style-type: none"> 2 Commercial – Shop: \$25 (1) 3 Commercial – Office: \$352 (2) 5 Industrial – Light: \$3,995 (21) 	\$4,372 (24)

TOTAL

\$286,966 (1,101)

22. In response to question 22, this is a matter for Council.
23. In response to question 23, the Act requires Council to consult but does not mandate separate processes for policy and budget consultations. Introducing a minimum rate does not alter the rating structure; it simply sets a base amount payable. Legal advice supports consulting on this change alongside the Business Plan and Budget to streamline communication and avoid consultation fatigue.
24. In response to question 24, this is a matter for Council.
25. In response to question 25, this is a matter for Council.
26. In response to question 26, the introduction of a minimum rate supports a more equitable rating system where all rateable properties contribute a base level contribution to the cost of:
 - 26.1 Creating and maintaining the physical infrastructure that supports each property
 - 26.2 Administering council functions
 - 26.3 Delivering core council services.
27. The success of the minimum rate introduction is a matter for Council when considering future changes to the Rating Policy.
28. In response to question 27, all ratepayers have equal access to all council services.
29. In response to questions 28, 29, 30 and 31, Council Members were presented with information on options, as part of the Special City Finance and Governance Committee Workshop on 22 April 2025. Examples of minimum rates applied by other councils formed part of the presentation briefing. No council was relied upon to justify the \$600 minimum rate.
30. In response to question 32, Council Members were presented with information on options, as part of the Special City Finance and Governance Committee Workshop on 22 April 2025. Benchmarking information formed part of the presentation briefing. Whether any impact is more or less severe is speculative.
31. In response to question 33, all Councils in South Australia are required to consult on changes to a Rating Policy in accordance with the Act.
32. In response to question 34, Administration is not aware of any available evidence.
33. In response to question 35, refer to the answer given for question 28.
34. In response to question 36, similar to the answer given for question 13 above, hardship provisions are available to all ratepayers should they be necessary.
35. In response to question 37, this is a matter for Council.
36. In response to question 38, this is a matter for Council.
37. In response to question 39, as part of the consultation, an email is distributed to the rate payer database to advise them that the consultation is open and invites them to review and provide feedback.
38. Other consultation activities also include:
 - 41.1 Flyer drop advertising the consultation to all properties
 - 41.2 Social media campaign
 - 41.3 In-person drop in sessions at various locations.

39. In response to question 40, this is a matter for Council.

Staff time in receiving and preparing this reply	To prepare this reply in response to the question on notice took approximately 10 hours.
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