**RATES Frequently Asked Questions**

Rates are a key source of income for Council, but not the only one. Over the last three years, just over half our income (53.2%) on average has come from rates and other annual charges. The other 47% comes from grants, contributions, investment revenue and other sources. This means that although your rates make a big contribution towards funding Council’s work, we are also always looking for other ways to deliver services and infrastructure to our community.

We have written these FAQs to answer the questions we are receiving from the community about their rates. We will update them on a regular basis if we find that people are asking questions that are not covered here.

**I have a question that’s not in the FAQs, what do I do?**

If your rates question is not answered in these FAQs, you can email us at **rateshelp@penrith.city**

If you email, rather than call, it will mean that we can make sure your question goes to the right person, who can give you the information you need. That email inbox will be checked continually throughout the working day.

If you’d like to explain your question or talk to someone, please tell us that in your email, give us a contact number and we will call you.

If you cannot email us, you can also call us on 4732 7676.

**Why have my rates gone up?**

Council buys goods and services like petrol, insurance, furniture, building materials and so on just like you do. Each year the Independent Pricing and Regulatory Tribunal (IPART) tells councils how much they can increase their rates, based on how much the cost of things that local councils typically use (like building materials, petrol, insurance, salaries and wages) has gone up. This is called the rate peg. This year IPART have set this increase at 2.6%, and it is exactly the same for every property in the City.

Rates are also based on the unimproved value of your land. This means how much your land would be worth if it had no buildings on it. Every three years, the Valuer General will issue a new valuation for every property in the City. The most recent valuations from the Valuer General were sent to landowners in Penrith from March this year.

Because land value is a part of how your rates are calculated, if your land value has gone up by an above average amount, so will your rates. The amount of the increase will be different across the City. Some people may have a small increase, others may have a much bigger increase. Some people may even receive a decrease. This year, the average valuation increase across all of Penrith was 19%, but some areas (Jordan Springs) increased by only 1%, while others (Kemps Creek) increased by 72%.

It is very important to note that Council does not set these valuations; they are set by the Valuer General. If you want to challenge the valuation of your land, you can contact them on 1800 110 038.

If you would like more information on the changes in land value and the impact on your rates, we have a more detailed factsheet you can read as part of this exhibition. You can also get more information on the Valuer General’s website – valuergeneral.nsw.gov.au

**Why have my rates gone down?**

Sometimes the value of land set by the Valuer General will be lower than the previous valuation; or, if your valuation has increased, it may not have increased as much as other properties. If this happens, the decrease could offset the increase from iPART and you may notice no change in your rates. If the decrease in your land valuation is bigger than the increase from iPART, your rates will go down.

**Council is asking to defer the Valuer General revaluations, what does this mean?**

On 27 April 2020, Council resolved to write to the Premier and the Minister for Local Government and ask if we can defer the Valuers General’s valuations for this year. This would mean that any change to your rates (increase or decrease) that comes from the Valuer General’s revaluation would not be applied to your rates for whatever time period the Premier or Minister set.

The 2.6% increase set by IPART would still apply, so your rates would still increase by 2.6%.

**What if they can’t be deferred?**

If the Premier and the Minister for Local Government say that we cannot defer the increases, by law Council must apply them. This means that we will have to charge the full amount on your 2020-21 rates notice.

**What relief measures will Council be providing to rate payers affecting by Covid-19?**

Council understands that the COVID-19 pandemic may mean that some people cannot afford to pay their rates now. You can ask Council to give you an extension or allow you to make a smaller weekly, fortnightly or monthly payment. It is best that you contact Council as soon as possible and definitely before your rates are due.

We look at every person’s individual situation, so If you’d like to make a payment arrangement or ask for an extension please email us at [rateshelp@penrith.city](mailto:rateshelp@penrith.city) and tell us:

1. Your name
2. Your account number (from your rates notice)
3. Your address
4. Your mobile number
5. A brief explanation of your circumstances
6. When you may be able to make a full payment, or if you can make part payments, how much you can pay and how often (weekly, fortnightly or monthly)

Once we receive your email we will review your situation and send confirmation of your payment arrangement or account extension within 7 days.

**What if I can’t pay anything at all right now?**

If you can’t make any payments on your rates, please email us at [rateshelp@penrith.city](mailto:rateshelp@penrith.city) and tell us:

1. Your name
2. Your account number (from your rates notice)
3. Your address
4. Your mobile number
5. A brief explanation of your circumstances
6. When you will be able to contact us again to review your account

Once we receive your email we will review your situation and send confirmation of your payment arrangement or account extension within 7 days.

**What relief measures can Council put in place for pensioners?**

Pensioners already receive a rates rebate of up to $250, however if you are still finding it difficult to pay your rates please email us and tell us:

1. Your name
2. Your account number (from your rates notice)
3. Your address
4. Your mobile number
5. A brief explanation of your circumstances
6. When you may be able to make a full payment, or if you can make part payments, how much you can pay and how often (weekly, fortnightly or monthly)

On 27 April 2020, Council resolved to lobby the State and Federal Government for an increase in the support for pensioners, including an increase in the Pensioner Rate Rebate, so it covers at least 50% of the rates due.

If we are successful, this rebate will be given to all pensioners across the City.

Unfortunately, we don’t know how long it will take for the State and Federal Government to decide whether they will increase the rebate or not.

**Will interest be charged on overdue accounts?**

Generally, once your rates are more than one month overdue, you will be charged interest. The interest rate is set by the NSW Government and is currently 7.5% per annum.

Given the current situation, Council has been waiving interest charges since March, and into the future we will be reviewing interest charges on a case by case basis. If you use the steps outlined above for either a deferral of your rates or a payment plan, any interest you may be charged will be set as part of your payment arrangement. If you delay paying your rates without contacting Council first, you will be charged the full 7.5% interest rate on any overdue amount.

**If I put a hold on my rates, won't I just end up with a bigger debt to pay back?**

If you get an extension on your rates, you will still have to pay them. An extension will just give you more time, which may be useful if you expect your circumstances to change in the near future.

If you don’t expect your circumstances to change, and you are able to, it may be better to make smaller, regular progress payments so that the overall amount does not get too high.

Please contact our rates team at [rateshelp@penrith.city](mailto:rateshelp@penrith.city) or on 4732 7676 to discuss which option might be best for you.

**Why does it feel like some areas get more services than others?**

Many of Council’s services – for example our libraries, community events and customer experience – are provided in the same way, to the same standard, for every member of our community. Other services, like the Seniors Festival, sustainability workshops or playgrounds, are available to everyone, but are delivered to meet the needs of particular parts of our community. In addition, infrastructure like roads, parks and footpaths are provided right across the City, but may be improved at different times. Council sets its works program on an annual basis, which means that in any one year we will spend more money renewing or replacing infrastructure in some parts of the City than in others.

In the same way that the further you drive a car, the more often you will need to get it serviced, we need to maintain and replace highly-used assets more often than those which are not used as much. This means that some roads are maintained more frequently than others, as the type and volume of traffic impacts how soon they wear out – trucks will damage roads faster than cars. We apply that same principle to all our assets, including playgrounds, sports fields and community buildings.

This can make it look like some areas are better looked after than others. Parts of Penrith that are used a lot, like Tench Reserve, St Marys Town Centre and Penrith City Centre, are maintained more often than areas which are used less. Over time, though, our works programs are designed to ensure that all our facilities right across the City are adequately maintained to provide a level of service that reflects their level of use.

**How can I make a submission, and what will happen if I do?**

You can make a submission to the 2020-21 Operational Plan exhibition, as this plan includes the budget and rating structure for this year. Submissions should be made through the Your Say website, there is a separate section for submissions which are just about rates.

If you make a submission to the plan, it will be reported to Council in late June and you will receive a letter telling you how your submission was considered.

When you make a submission, please remember that Council did not set your land valuation or the amount of the standard increase. These were set by the Valuer General and IPART.