

MEDIA RELEASE

September 10, 2024

COUNCIL CONTINUES RATES DEBT RECOVERY

The delivery of routine community services is a core part of what Norfolk Island Regional Council provides for the island, including waste management, roads maintenance and library services. Sufficient revenue needs to be raised to run these activities. This includes ongoing grant funding from the Commonwealth Government and financial contributions directly from the community.

NIRC is aware there are varying views amongst the community on the most appropriate and equitable way for the community to contribute to the cost of these services. Currently, the legal and recurrent means by which Council can obtain community contributions is through the payment of rates and waste charges.

In May 2016 amendments were made to the applied *Local Government Act 1993* (NSW)(NI) compelling Norfolk Island Regional Council to introduce an ordinary land rate. The Act states that a rate or charge is levied on the land specified in a *rates and charges notice*, and that the owner of land on which a rate is levied is liable to pay the rate to the council. In accordance with the legislation, the levying of the rates and charges is done through the service of the notice, and not through alternative means such as an invoice.

While around 87% of landowners pay their rates on time, NIRC has identified that 13% of its 1,585 ratepayers (equating to roughly 30% of island properties) have failed to pay annual rates in recent years, with some unpaid rates dating back to 2016. Other landholders have consciously chosen to withhold part-payment, of waste charges, for example.

Rates are a critical form of income levied by local government. Their purpose is to support Council in providing services for the benefit of the community. For NIRC, revenue raised from rates and waste charges contribute to expenses such as:

- The upkeep of roads, public buildings and amenities
- Contributions towards tourism, marketing and economic development activities
- Management of public reserves and control of pests and weeds
- The delivery of library, radio station and other community services
- Waste management services

Non-payment of rates and charges impacts the delivery of community services for all residents and visitors and has the effect of penalising ratepayers who do the right thing when some of these services are reduced as a result.

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Taking the actions needed to recover these funds is seen as a last resort by Council, and we look for every avenue available to work with people who have outstanding rates debt, particularly people with difficult financial circumstances. We invite discussion about payment plans to address outstanding debt however when debtors refuse to engage with Council, the matter is referred for legal action to recover the amounts owing.

If you are having difficulty paying your rates, please contact Customer Care to arrange a discussion about implementing a payment plan. For more information on rates, refer to our FAQs at <https://www.nirc.gov.au/rates>.

ENDS

For more information contact:
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