

2026/27 Rates: Policy Review, Valuations & Declaration

Tuesday, 23 June 2026
Council

Strategic Alignment - Our Corporation

Public

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EXECUTIVE SUMMARY

This report facilitates the setting of Council rates for 2026/27 which supports Council's adoption of the annual Business Plan and Budget, ensuring sufficient revenue is generated to fund services, infrastructure and strategic priorities, and repay debt, while maintaining equity across the community.

The rates setting process includes reviewing the Rating Policy, adopting the valuations, declaring the rates, and approving any discretionary rates rebates. Much of this process is governed by the *Local Government Act 1999* (SA).

The 2026/27 Rating Policy review proposes minimal change, with the only amendment being an increase in the minimum rate to \$415.00. This revised minimum rate underpins the recommended rates in the dollar for the financial year.

Council will adopt Annual Value valuations, as required under legislation, with all valuations prepared independently. The total property valuation is \$1.521 billion, of which \$309.55 million is rate-exempt, reflecting the significant portion of non-rateable property within the City of Adelaide. This non-rateable property results in approximately \$45.38 million in foregone revenue, which places additional burden on the rates base.

Rates have been structured to ensure equity across residential, commercial, and vacant land, with differential rates applied in accordance with legislative requirements. They will generate \$158.893 million in general rates revenue for the 2026/27 financial year net of mandatory and discretionary rebates.

In addition to general rates, Council will apply a Landscape Levy to recover \$1.785 million on behalf of the Green Adelaide Board and a Rundle Mall separate rate, generating \$4.232 million to fund precinct marketing and management via the Adelaide Economic Development Agency (AEDA).

Council maintains provisions for mandatory rebates, financial hardship relief, and discretionary rebates, guided by policy to ensure fairness while limiting cross-subsidisation from the broader community.

Overall, Council's rates framework balances financial sustainability, legislative compliance, and equity for ratepayers.

RECOMMENDATION

THAT COUNCIL

Part 1 – Rating Policy Review

1. Notes the review of the Rating Policy including the amendments made to the minimum rate, increasing it from \$400.00 per annum to \$415.00 per annum.
2. Adopts the revised Rating Policy as per Attachment A of the report.

Part 2 – Adoption of valuations

3. Adopts for rating purposes, the 2026/27 valuations of land within the Council's area based on Annual Value, pursuant to Section 167(2)(b) of the *Local Government Act 1999 (SA)*. The Annual Value comprised within the Assessment Record amounts to a total of \$1,521,044,534 of which \$1,211,492,241 represents the total value of rateable land within the area of the Council.

Part 3 – Declaration of Rates

4. Declares the following differential general rates for the year ending 30 June 2027, to apply to all rateable land within the Council area:
 - 4.1 \$0.11967651 in the dollar of the \$361,973,526 value for all rateable land with a Category 1 (residential land) use.
 - 4.2 \$0.14660372 in the dollar of the \$845,498,865 value for all rateable land use with a Category 2 (commercial shop), Category 3 (commercial office), Category 4 (commercial other), Category 5 (industry light) and Category 6 (industry other), Category 7 (primary production), and Category 9 (other) land uses.
 - 4.3 \$0.23935301 in the dollar of the \$4,019,850 value for all rateable land with a Category 8 (vacant land) use.
5. Declares pursuant to Section 69 of the *Landscape South Australia Act 2019* and Section 154 of the *Local Government Act 1999 (SA)*, a separate rate of \$0.00154198 in the dollar on the \$1,211,492,241 value of all land within the City of Adelaide, which falls within the Green Adelaide Region, so as to reimburse the Council for the amount contributed or to be contributed by the Council to the Green Adelaide Board in 2026/27.
6. Declares pursuant to Sections 154(1), and (2)(a) of the Act, a separate rate of \$0.03170922 in the dollar (to be known as the Rundle Mall separate rate) for the period 1 July 2026 to 30 June 2027, on the annual value of all rateable land within the Rundle Mall Precinct (except land within the Rundle Mall Precinct which has a residential land use) being the area bounded by the:
 - 6.1 Southern alignment of North Terrace between Pulteney and King William Streets.
 - 6.2 Eastern alignment of King William Street between North Terrace and Grenfell Street.
 - 6.3 Northern alignment of Grenfell Street between King William and Pulteney Streets.
 - 6.4 Western alignment of Pulteney Street between Grenfell Street and North Terrace.
7. Approves pursuant to the provisions of Section 181(2) of the Act, all rates and charges which have been imposed for the financial year ending 30 June 2027 will fall due in four equal instalments on the following days: 1 September 2026; 1 December 2026; 1 March 2027; 1 June 2027.

Part 4 – Discretionary Rates Rebates

8. Approves the granting of the 2026/27 discretionary rates rebates as per the schedule in Attachment B.
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IMPLICATIONS AND FINANCIALS

City of Adelaide 2024-2028 Strategic Plan	Strategic Alignment – Our Corporation Effective and compliant rating helps ensure responsible financial management through the principle of intergenerational equity while delivering quality services.
Policy	2026/27 rates and valuations have been determined in accordance with Council's revised Rating Policy.
Consultation	Community consultation on the draft 2026/27 Business Plan & Budget commenced at 9.00am on Tuesday 5 May 2026 and concluded on midnight Tuesday 26 May 2026, and included the expected revenue to be raised contingent upon valuations and declaration of rates.
Resource	Rate revenue, as a principal revenue source, underpins the 2026/27 Business Plan & Budget, which identifies how Council's resources will be allocated in meeting the 2026/27 deliverables and objectives of the Strategic Plan and other related plans and strategies.
Risk / Legal / Legislative	Sections 151(3) and 167(1)-(8) of the Act outline the legislative requirements for the adoption of valuations by Council. Sections 167(6) and 170 further require Council to publish notices in the Government Gazette and local newspapers within 21 days of adopting valuations and declaring rates for 2026/27.
Opportunities	Not as a result of this report
25/26 Budget Allocation	Not as a result of this report
Proposed 26/27 Budget Allocation	The rates levied as a result of this report will generate \$165.018 million in revenue which has been incorporated into the draft 2026/27 Business Plan and Budget.
Life of Project, Service, Initiative or (Expectancy of) Asset	Not as a result of this report
25/26 Budget Reconsideration (if applicable)	Not as a result of this report
Ongoing Costs (eg maintenance cost)	Not as a result of this report
Other Funding Sources	Not as a result of this report

DISCUSSION

1. At the City Finance and Governance Committee meeting held on Tuesday 16 June 2026, the Committee recommended to Council the Draft 2026/27 Business Plan & Budget which included a 5.6% rate increase.
2. This report facilitates the setting of Council rates for 2026/27 which supports Council's adoption of the 2026/27 Draft Business Plan and Budget, ensuring sufficient revenue is generated to fund services, infrastructure and strategic priorities, and repay debt, while maintaining equity across the community.

Rating Policy Review

3. Council's Rating Policy ("the Policy") is reviewed annually in line with the Business Plan and Budget. The current Policy was adopted by Council in June 2025 (current policy at [Link 1](#)).
4. The Policy has now been reviewed as part of the process to develop the 2026/27 Business Plan and Budget, with the only proposed change being to reflect the increase of the Minimum Rate (on Page 4 of the policy document).
5. The revised Policy will include the Minimum Rate value set at \$415.00 per annum.
6. The 2026/27 rates in the dollar being recommended in this report have been derived on the basis that the minimum rate is set at \$415.00 per annum.

Valuations

7. In accordance with Section 167(1) of the Act, Council must formally adopt valuations as a prerequisite to declaring rates for 2026/27.
8. In accordance with its Rating Policy, Council has elected, under Section 151(3) of the Act, to apply the Annual Value method in determining valuations for rating purposes.
9. For the 2026/27 rating year, all valuations, including those relating to new developments and alterations, have been prepared by an independent external provider.
10. For the 2026/27 financial year the valuation of all land within the area of the Corporation of the City of Adelaide totals \$1,521,044,534 and the total value of rateable land being \$1,211,492,241. The difference of \$309,552,293 is the value of land that is exempt from council rates under Section 147(2) of the Act.
11. Section 167(6) of the Act requires Council to publish a notice of the adopted valuations in the Gazette within 21 days after the date of the adoption.

Rates

12. Consideration has been given to consistency and equity across the Council area in the imposition of rates on residents, business sectors, and the wider community, as required under Section 153(2) of the Act.
13. Section 156(1)(a) of the Act allows Council to impose differential rates according to the use of the land as prescribed in Regulation 14(1) of the *Local Government (General) Regulations 2013 (SA)*.
14. In accordance with its Rating Policy, Council will impose the following differential rates in the dollar for residential, non-residential and vacant land property:

Category #	Category	Sub-Category	Rate in the Dollar
Category 1	Residential	Residential	\$0.11967651
Category 2	Commercial	Commercial Shop	\$0.14660372
Category 3	Commercial	Commercial Office	\$0.14660372
Category 4	Commercial	Commercial Other	\$0.14660372
Category 5	Commercial	Industry Light	\$0.14660372
Category 6	Commercial	Industry Other	\$0.14660372
Category 7	Commercial	Primary Production	\$0.14660372
Category 8	Vacant Land	Vacant Land	\$0.23935301
Category 9	Commercial	Other Land Uses	\$0.14660372

15. Section 181 of the Act enables all rates and charges payable for the financial year ending 30 June 2027 to fall due in four equal or approximately equal instalments on the following days: 1 September 2026; 1 December 2026; 1 March 2027; 1 June 2027.
16. As required under Section 150(b) of the Act, Council's Rating Policy has provisions relating to relief for those experiencing financial hardship.

Separate Rate: Landscape Levy

17. The *Landscape South Australia Act 2019* (SA) imposes the duty on councils to charge a levy as though it were a separate rate under Chapter 10 of the Act, on all rateable land in the defined area of the Green Adelaide Board ("the Board").
18. Such a rate must be fixed and calculated to raise the same amount as the Council's share to be contributed to the Board (considering any rebates/remissions in Division 5, Chapter 10).
19. As such, it is proposed to set a separate rate in the dollar of \$0.00154198 to recover this amount on behalf of the Board.
20. The amount to be collected from ratepayers on behalf of the Board in the 2026/27 financial year is \$1.785 million net of mandatory and discretionary rebates.

Separate Rate: Rundle Mall Levy

21. The Rundle Mall differential separate rate is declared pursuant to Section 154(1) and (7) of the Act and is contributed by non-residential ratepayers within the defined Rundle Mall Precinct.
22. The Rundle Mall Precinct refers to an area bordered by King William Street, North Terrace, Pulteney Street and Grenfell Street, as follows:
 - 22.1 Southern alignment of North Terrace between Pulteney and King William Streets.
 - 22.2 Eastern alignment of King William Street between North Terrace and Grenfell Street.
 - 22.3 Northern alignment of Grenfell Street between King William and Pulteney Streets.
 - 22.4 Western alignment of Pulteney Street between Grenfell Street and North Terrace.
23. The Rundle Mall differential separate rate is collected by Council on behalf of the Adelaide Economic Development Agency (AEDA), a Council subsidiary. AEDA has full responsibility for Rundle Mall management, operations, marketing and business development.
24. The purpose of the separate rate is funding the marketing and management of the Rundle Mall Precinct including actions and initiatives to promote Rundle Mall as a destination for shopping and to enhance the vibrancy of the precinct.
25. It is proposed to set a Rundle Mall differential separate rate of \$0.03170922 which will generate \$4.232 million in revenue net of mandatory and discretionary rebates. This amount has been incorporated in the AEDA Draft 2026/27 budget.

Rate Exemptions & Mandatory Rate Rebates

26. Section 147 of the Act specifies those properties that are exempt from council rates.
27. In addition, the *Recreation Grounds Rates and Taxes Exemption Act 1981* (SA) specifies that recreation grounds are exempt from council rates where the land is occupied under a lease, licence or permit granted by the Council and is used by the occupier for the purposes of sport and recreation.
28. The *Fire and Emergency Services Act 2005* (SA) also specifies that land occupied or held by an emergency services organisation will be exempt from council rates.
29. The City of Adelaide has the highest proportion of 'rate-exempt' properties of any council in South Australia. In 2026/27 approximately \$45.38 million of rates revenue will be foregone in respect of 'rate-exempt' properties.

30. In addition to rate-exempt properties, the table below provides a summary of the properties that have been determined to be eligible for a Mandatory Rebate in accordance with the Act and will be granted a rates rebate in the 2026/27 financial year:

Mandatory Rebate Category	Number of Properties	Value of Rebates
75% Rebate – Community Service	778	\$1,767,448
100% Rebate – Education	136	\$1,531,113
100% Rebate – Health/Hospital	10	\$1,973,066
100% Rebate – Religious	93	\$1,339,622
100% Rebate – Zoo	2	\$486,988
TOTAL	1,019	\$7,098,237

Discretionary Rate Rebates

- 31. Section 166 of the Act provides Council with the discretion to grant rates rebates for a range of purposes and activities.
- 32. Council adopted a Rates Rebate Policy in June 2025 (current Policy at [Link 2](#)) which provides a framework for determining eligibility for a discretionary rates rebate.
- 33. The table below provides a summary of the properties that have been determined to be eligible under Council’s Rates Rebate Policy and will be granted a discretionary rates rebate in the 2026/27 financial year:

Discretionary Rebate Category	Number of Properties	Value of Rebates
Pensioner	104	\$10,400
100% Rebate	5	\$21,624
75% Rebate	24	\$125,588
40% Rebate	3	\$21,697
20% Rebate	3	\$16,361
10% Rebate	3	\$2,850
5 Year Rate Free	7	\$26,437
10% Cap Rebate – Residential Properties	4,711	\$402,936
10% Cap Rebate – Non-Residential Properties	1,130	\$1,720,747
TOTAL GENERAL RATES REBATES	5,990	\$2,348,640
Rundle Mall Levy Rebates	8 (included in above)	\$28,010.34
Landscape Levy Rebates	1,064 (included in above)	\$82,480.94
TOTAL REBATES	5,990	\$2,459,338

- 34. A schedule of properties receiving Discretionary Rates Rebate in 2026/27 is disclosed in Attachment B (excluding those receiving the Pensioner Rebate and Cap Rebates).
- 35. Where properties are provided a discretionary rates rebate, those rates foregone must be contributed by the rest of the community. The principles of equity dictate that Council remains diligent in only providing discretionary rates rebates where they are warranted.

ATTACHMENTS

Attachment A – Draft Rates Policy 2026

Attachment B – 2026/27 Discretionary Rate Rebates

- END OF REPORT -