

## 1. POLICY OBJECTIVES

- 1.1 To provide clear procedures and criteria for assessment of categorisation as farmland for rating purposes.
- 1.2 To ensure that all applications for categorisation as farmland for rating purposes are determined using a consistent criteria.

## 2. BACKGROUND

- 2.1 This policy details the legislative provisions within the Local Government Act 1993 under which Council may categorise land as Farmland for rating purposes and formalises the criteria and procedures to be used to assess applications for Farmland Rating.

## 3. APPLICABILITY

- 3.1 Senior Revenue Officer & Finance Officer - Revenue
- 3.2 Revenue Team Leader
- 3.3 Executive Management
- 3.4 Chief Executive Officer.

## 4. GUIDELINES

### Legislative Requirements

- 4.1 Section 515 of the Local Government Act 1993 provides:
  - (1) Land is to be categorised as “farmland” if it is a parcel of rateable land valued as one assessment and its dominant use is for farming (that is, the business or industry of grazing, animal feedlots, dairying, pig-farming, poultry farming, viticulture, orcharding, bee-keeping, horticulture, vegetable growing, the growing of crops of any kind, forestry or aquaculture within the meaning of the *Fisheries Management Act 1994*, or any combination of those businesses or industries which:
    - (a) has a significant and substantial commercial purpose or character, and
    - (b) is engaged in for the purpose of profit on a continuous or repetitive basis (whether or not a profit is actually made).
  - (2) Land is not to be categorised as farmland if it is rural residential land.
  - (3) The regulations may prescribe circumstances in which land is or is not to be categorised as farmland.

### **Procedures for Determining Applications and Periodical Reviews**

- 4.2 Council shall make available to ratepayers an “Application for Categorisation of Land as Farmland for Rating Purposes” form.
- 4.3 A completed “Application for Categorisation of Land as Farmland for Rating Purposes” form must be lodged with Council by the property owner. The Revenue Team Leader has delegated authority to assess the application in accordance with the ‘Criteria for Assessing Applications’. The criteria will be reviewed when required according to changes in legislation and industry standards.
- 4.4 Council may ask the applicant to supply further information where the details in the original application are not sufficient to determine the application.
- 4.5 All information contained within an Application for Categorisation as Farmland for Rating Purposes shall be treated as “strictly confidential”.
- 4.6 To assist with the determination of an application, property inspections will be carried out for all new applications and all borderline applications following a periodic review of properties categorised as farmland.
- 4.7 Property inspections shall whenever possible be carried out at a time convenient to and in the company of the ratepayer or occupier of the property.
- 4.8 The staff member completing the inspection shall complete an inspection report at the time of inspection, or as soon as practical thereafter.
- 4.9 Authority under the Local Government Act 1993 to enter upon any lands for the purposes of carrying out farmland rating inspections shall be granted to the Revenue Team Leader, Revenue Officer, Senior Revenue Officer and Finance Officer-Revenue.
- 4.10 As per section 525(6) of the Local Government Act 1993 all applications are to be assessed within 30 days of receipt of the application. In respect of unsuccessful applications, reasons for refusal shall be given.
- 4.11 Effective date for category change for new applications will be the date of application.
- 4.12 In the event of a property owner being dissatisfied with the decision, the applicant may request a review of the decision by submitting their request and reasons why the determination should be reviewed in writing to the Chief Executive Officer within 30 days of the decision. Applicants will be advised in writing of the outcome of the review.
- 4.13 If the applicant remains dissatisfied with the outcome of the review an appeal against the declaration of category under section 526(1) of the Local Government Act 1993 must be lodged with the Land and Environment Court within 30 days after the declaration is made by Council.

- 4.14 If an applicant chooses to appeal to the Land and Environment Court against the categorisation declaration, Council may obtain an independent review of the application. This review would require the appointment of an independent advisor with agricultural expertise to inspect the property and provide a written report on the categorisation determined by Council.
- 4.15 Where a property is sold, transferred or subdivided the owner(s) will be required to complete and submit an “Application for Categorisation of Land as Farmland for Rating Purposes” form for determination within 30 days of Councils receipt of the notice of sale from Land and Property Information.
- 4.16 A periodical review of all properties categorised as farmland is to be carried out at least every four (4) years. Owners will be requested in writing to complete an Application for Categorisation of Land as Farmland for Rating Purposes form.
- 4.17 A periodical review is to be completed at least two (2) months prior to the end of the rating year and any category adjustments will be effective from the next rating year. Owners will be notified in writing of any category change and have the same rights of appeal as new applications.
- 4.18 If an applicant refuses to complete an application form or to provide sufficient information to enable determination of the application, the property shall be considered ineligible for farmland rating effective from the next rating year. Owners will be notified in writing of this change.
- 4.19 Properties included in the periodic review are to be assessed under the same criteria as new applications.

### **Criteria for Assessing Applications**

In addition to providing appropriate business information to confirm that the farming activity is engaged for the purpose of profit on a continuous or repetitive basis the minimum requirements which will need to be satisfied for eligibility for farmland rating are detailed below.

#### **4.20 Grazing**

Minimum area of 10 hectares, minimum number of 20 head of stock, acceptable carrying capacity, registration with the Rural Lands Protection Board, relevant infrastructure such as dams, corrals, loading/unloading ramps, secure and appropriate fencing. Under Drought conditions Council may approve less stock numbers for a period of time. Agistment- each application will be taken on its own merits. A copy of the written agreement for agistment should be supplied showing the number of stock and the time periods of agistment. Where land is given over to agistment for the purposes of grazing horses used by another person for recreation or sport this does not constitute the business of grazing.

#### **4.21 Animal Feedlots**

Minimum of 100 square meters per head, confined yard with watering and feeding facilities, either hand or mechanical, required loading and unloading ramps, secure and appropriate fencing and capacity of 50 head or more.

*Note: According to DPI “A beef feedlot is a confined yard area with watering and feeding facilities where cattle are completely hand or mechanically fed for the purpose of production. This definition does not include the feeding or penning of cattle in this way for weaning, dipping or similar husbandry purposes or for drought or other emergency feeding, or at a slaughtering place or in recognised sale yard.”*

#### 4.22 Dairying

Proof of registration with the Dairy Industry Marketing Authority, milking facility available, acceptable carrying capacity, relevant infrastructure such as dams, corrals, loading and unloading ramps, secure and appropriate fencing.

Under Drought conditions Council may approve less stock numbers for a period of time.

#### 4.23 Pig Farming

Minimum area of 2 hectares, minimum of 10 sows, penned and cared for in accordance with relevant legislation.

Under Drought conditions Council may approve less stock numbers for a period of time

#### 4.24 Poultry Farming

Approval to operate a poultry farm from Council, minimum of one (1) shed with minimum average quota of 20,000 chickens per annum, 12,000 turkeys per annum or 10,000 laying hens per annum.

Free range Ostriches, minimum average quota of 5 birds per annum.

Free Range Eggs – the range area must be capable of continued production of vegetation.

#### 4.25 Viticulture

Minimum area under cultivation 5 hectares, registration with the Wine Producers Association or other appropriate body, appropriate irrigation available.

Under Drought conditions Council may approve a reduced minimum area under cultivation for a period of time.

#### 4.26 Horticulture

Minimum area under cultivation of 1 hectare, water supply readily available or irrigated. The Horticulture Code of Conduct requires that all Traders (Wholesalers) must have a signed Horticulture Produce Agreements with all their grower suppliers a copy is required with the application. Nurseries are required to be registered and must be growing their own stock.

Under Drought conditions Council may approve a reduced minimum area under cultivation for a period of time.

#### 4.27 Vegetable Growing

Minimum area under cultivation of 1 hectare, water supply readily available or irrigated, to cover the majority of useable land either in preparation or planted.

Under Drought conditions Council may approve a reduced minimum area under cultivation for a period of time.

#### 4.28 Orchardring

Minimum area under cultivation of 1 hectare, water supply readily available or irrigated, to cover the majority of useable land either in preparation or planting.

Under Drought conditions Council may approve a reduced minimum area under cultivation for a period of time.

#### 4.29 Beekeeping

Minimum of 200 hives in production, hives must be in continuous use, extraction plant available, must be registered with NSW Department of Primary Industries.

Under Drought conditions Council may reduce the number of hives required for a period of time.

#### 4.30 Crop Growing

Minimum area under cultivation of 10 hectares, water supply readily available or irrigated.

Under Drought conditions Council may approve a reduced minimum area under cultivation for a period of time.

#### 4.31 Forestry

Minimum area of 100 hectares, evidence of propagation.

Under Drought conditions Council may approve a reduced minimum area under cultivation for a period of time.

#### 4.32 Aquaculture

Aquaculture permit from Department of Primary Industries is required for fish hatcheries or grow-out facilities, including yabby farms, grow-out ponds, fish-out facilities and oyster farms (but not including aquariums for display or pet shops).

4.33 Where multiple farming activities are being conducted on a property and the above criteria for a single farming type is not met but evidence can be provided to show that the mixed farming business has a significant and substantial purpose or character an overall assessment will be made to determine the application.

## **5. DROUGHT RELIEF**

5.1 Council's Hardship Policy (CP0020) details assistance provided to ratepayers experiencing financial hardship resulting from Natural Disasters, including drought. In accordance with Council's Hardship Policy the below relief will be provided to farmland ratepayers experiencing financial hardship resulting from drought.

- \* Deferment of payment of outstanding rates for the duration of the drought plus a period of up to twelve months where a ratepayer has been significantly affected financially by the drought.

- \* Write-off of accrued interest

5.2 In addition to relief provided under Council's Hardship Policy the following will be applied to farmland rate assessments

- \* Arrangement to pay rates over an extended period of time will be accepted.

- \* No legal action for the recovery of outstanding rates and charges will be taken whilst the area is declared in drought.

- \* Where stock levels or crop areas fall below the farmland rating policy minimum criteria, the effects of the drought will be taken into consideration when assessing an Application for Categorisation as Farmland for Rating Purposes. This includes periodical reviews.

- \* The above would continue to apply for twelve months after the area is no longer declared in drought by Department of Primary Industries.

## **6. RESPONSIBILITY/ACCOUNTABILITY**

6.1 Application for Categorisation of Land as Farmland for Rating Purposes should be referred to the Revenue Team Leader in the first instance. All applications will be assessed by the Revenue Team Leader in accordance with the Criteria for Assessing Applications.

## **7. RELATED POLICIES/PROTOCOLS**

7.1 Nil

## **8. RELATED PROCEDURES**

8.1 Nil

## **9. RELATED LEGISLATION**

9.1 Local Government (General) Regulation 2005 – Part 5

9.2 The following Sections of the Local Government Act 1993

- Section 515
- Section 493
- Section 519
- Section 520
- Section 521
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- Section 526
- Section 527

## 10. ATTACHMENTS

- 10.1 Nil

## 11. RESOURCES

- 11.1 Division of Local Government
- 11.2 Consultation with other Councils Revenue departments
- 11.3 Local Government Act 1993
- 11.4 Council Rating and Revenue Raising Manual

## 12. IMPLEMENTATION STATEMENT

- 12.1 To ensure this policy is implemented effectively, Council will employ a variety of strategies involving awareness, education and training. These strategies will be aimed at Councillors, staff and council representatives and will involve:

12.1.1 The draft policy has been discussed with Council's Executive Committee.

12.1.2 Information sessions will be conducted with relevant staff regarding the requirements of the policy.

## 13. POLICY HISTORY

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|---------------------------|-------------------------|
| 13.1 Date First Adopted   | 21 December 2015        |
| 13.2 Most Recent Adoption | 21 July 2020            |
| 13.3 Next Review Date     | 21 December 2022        |
| 13.4 Responsible Officer  | Chief Financial Officer |