

Fact Sheet:

Separate Rate for The Parade, Norwood Precinct

The City of Norwood Payneham & St Peters is seeking feedback from The Parade, Norwood business community on the proposal to continue to raise the Separate Rate for The Parade Norwood Precinct (the Precinct) for the 2025-2026 financial year.

The Separate Rate enables the Council to raise sufficient revenue to ensure high impact marketing and promotional programs for the Precinct, while minimising the impact on individual ratepayers who will experience the benefits of these programs through increased patronage.

The Council is proposing that the Separate Rate remain at \$225,000 for the 2025-2026 financial year.

This Separate Rate model has been designed to ensure that The Parade Norwood remains top-of-mind in an increasingly competitive market.

This Fact Sheet provides information about how the Separate Rate (sometimes known as a Trader Levy) works and has been prepared to assist business and commercial property. No decision will be made on whether or not to continue the Separate Rate for the Precinct, until after the consultation period has concluded.

The Separate Rate for the Precinct has been collected since 1, July 2008.

The Parade Norwood Annual Business Plan outlines how the revenue raised through the Separate Rate will be spent each year. Resources to deliver the initiatives are provided by the Council.

What is a Separate Rate?

Councils in South Australia may declare a Separate Rate on a particular and specifically defined part of the Council area for a declared purpose. Revenue raised from a Separate Rate must then be used expressly for the benefit of the area from which it is raised and for the property owners who pay the Separate Rate.

Under Section 56 of the *Local Government Act 1999*, "a council may declare a separate rate on rateable land within a part of the area of the council for the purpose of planning, carrying out, making available, supporting, maintaining or improving an activity that is, or is intended to be, of particular benefit to the land, or the occupiers of the land, within that part of the area, or to visitors to that part of the area".

A Separate Rate is in addition to the General Council Rate which is applied to each property within the designated area.

Why do we need a Separate Rate?

Mainstreets like The Parade, Norwood are vying for market share along with other mainstreets and shopping centres that are becoming a more and more common sight in the retail landscape. The predominant competition for The Parade retailers is Burnside Village and other centres such as Westfield Tea Tree Plaza and the Adelaide CBD, as well as other mainstreet precincts such as Rundle Mall, Unley Road, King William Road, Prospect Road and Jetty Road, which all collect varying revenues through a Separate Rate.

While it can be argued that mainstreet shopping strips like The Parade, Magill Road, Jetty Road, Unley Road and King William Road, for example, have much more character and offer a totally different experience to indoor shopping centres, they are also disadvantaged by their lack of coordination due to fragmented ownership.

Shopping centres are under centre management which coordinates everything in the centre, including marketing and promotions, infrastructure and retail mix. The small businesses on mainstreet shopping strips simply do not have the time or resources to compete with or undertake these functions on their own.

A Separate Rate on The Parade enables Council to act as a de facto 'centre manager' for marketing



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and promotion for the benefit of the whole Precinct.

To ensure its ongoing success, the Council needs to continue to market The Parade, Norwood Precinct as a key destination and South Australia's premier mainstreet and to ensure it stays ahead of the game in terms of promotion and development.

By being the coordinator of marketing, promotion and infrastructure, the Council will be able to ensure that The Parade continues to prosper and compete with other nearby centres. The Council believes that a healthy business sector is fundamental to the wellbeing and quality of life of its citizens.

Where is the Separate Rate applied?

The Separate Rate is applied to all commercial properties within The Parade Norwood Precinct, which extends from Fullarton Road to Portrush Road. A map of the Precinct can be found in the Draft 2025-2026 The Parade Norwood Annual Business Plan.

How long would the Separate Rate be in place?

The Separate Rate has been in place since 2008 and the Council is proposing that it be raised for a further financial year, commencing on 1 July 2025 and ending on 30 June 2026. At the end of this period, the Council will again consult with business and commercial property owners within The Parade Norwood Precinct to determine whether the Separate Rate should continue.

How much will be raised under the Separate Rate for 2025-2026?

The Council is proposing that the Separate Rate be set at \$225,000 for the 2025-2026 financial year.

What will the Separate Rate be used for?

The revenue collected from the Separate Rate will be used to fund initiatives and programmes that promote The Parade, Norwood as an ideal place to live, work and play. The Draft 2025–2026 The Parade Norwood Annual Business Plan outlines the initiatives that will be undertaken and is out for consultation from 9 April–5 May 2025.

How is the Separate Rate calculated?

The Separate Rate is applied to commercial properties within the Precinct and calculated based on the capital value of the land. The Council considers this to be the most equitable method and is consistent with how the Council calculates its general rates.

Previous consultation regarding the Separate Rate resulted in the Council offering a 50% rebate on offices and consulting rooms within the Precinct and this is proposed to be continued.

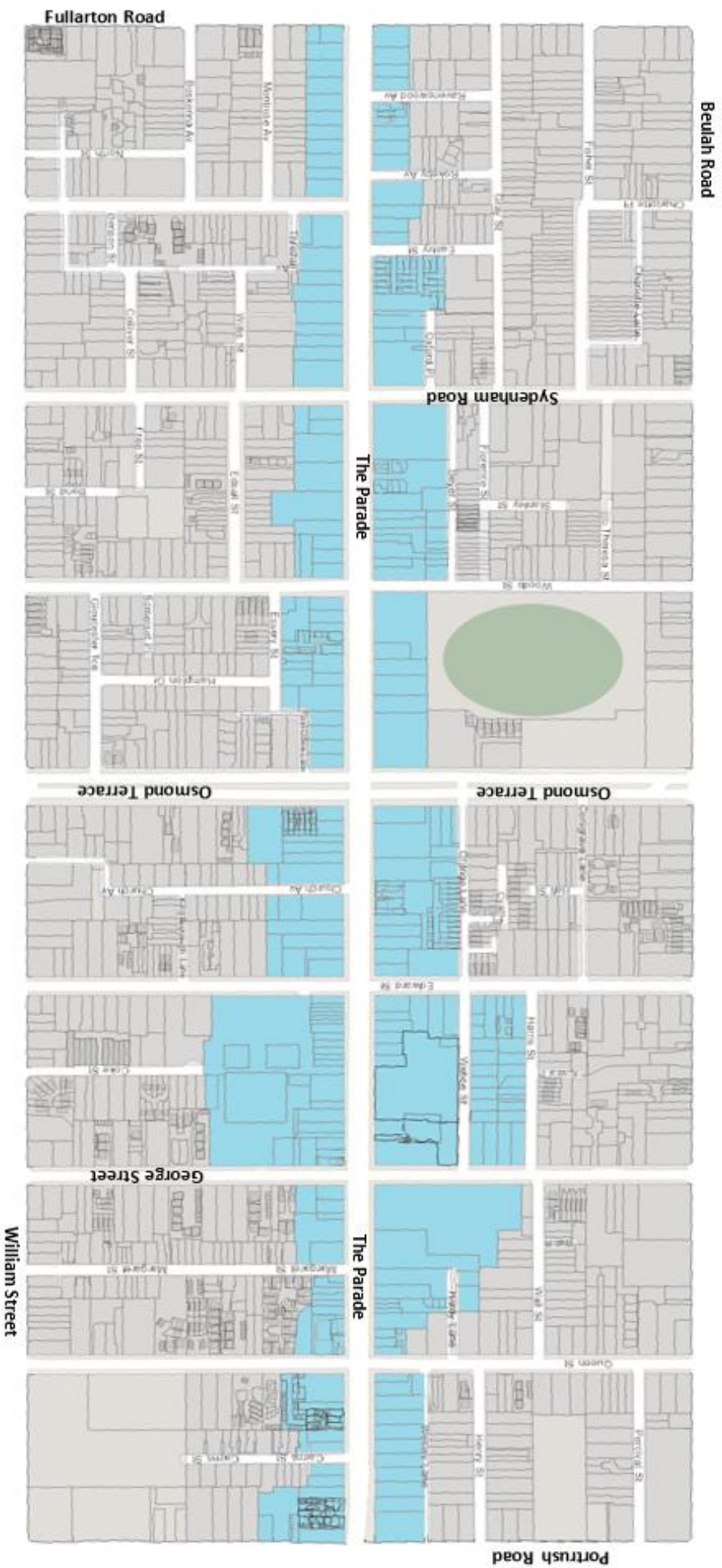
How much extra will I have to pay?

Given that the properties within the Precinct range in capital value, the Separate Rate contribution will vary from property to property.

The Council has prepared a Sample Effect for the Separate Rate based on the capital value of the property. This illustrates the impact of a Separate Rate on the rate assessments of commercial properties within the Precinct in order to generate total revenue of \$225,000 after rebates are applied.

What happens next?

The consultation period ends on Monday, 5 May 2025, at which time all feedback will be compiled and reported to the Council for its consideration at its Monday, 2 June 2025 meeting.



The Parade Separate Rate – Value Sheet*

Property Value	2025-2026 Council Rate	Separate Rate Addition	Approximate Total Rate
\$100,000	\$1,228.00	\$44	\$1,272.00
\$150,000	\$1,228.00	\$66	\$1,294.00
\$200,000	\$1,228.00	\$88	\$1,316.00
\$250,000	\$1,228.00	\$110	\$1,338.00
\$300,000	\$1,228.00	\$132	\$1,360.00
\$350,000	\$1,228.00	\$154	\$1,382.00
\$400,000	\$1,228.00	\$176	\$1,404.00
\$450,000	\$1,228.00	\$198	\$1,426.00
\$500,000	\$1,228.00	\$220	\$1,448.00
\$550,000	\$1,228.00	\$242	\$1,470.00
\$600,000	\$1,316.49	\$264	\$1,580.49
\$650,000	\$1,426.20	\$286	\$1,712.20
\$700,000	\$1,535.91	\$308	\$1,843.91
\$750,000	\$1,645.61	\$330	\$1,975.61
\$800,000	1,755.32	\$352	\$2,107.32
\$850,000	\$1,865.03	\$374	\$2,239.03
\$900,000	\$1,974.74	\$396	\$2,370.74
\$1,000,000	\$2,194.15	\$440	\$2,634.15
\$1,100,000	\$2,413.57	\$484	\$2,897.57
\$1,200,000	\$2,632.98	\$528	\$3,160.98
\$1,300,000	\$2,852.40	\$572	\$3,424.40
\$1,400,000	\$3,071.81	\$616	\$3,687.81
\$1,500,000	\$3,291.23	\$660	\$3,951.23
\$1,600,000	\$3,510.64	\$704	\$4,214.64
\$1,700,000	\$3,730.06	\$748	\$4,478.06
\$1,800,000	\$3,949.48	\$792	\$4,741.48
\$1,900,000	\$4,168.89	\$836	\$5,004.89
\$2,000,000	\$4,388.31	\$880	\$5,268.31
\$2,500,000	\$5,485.38	\$1,100	\$6,585.38
\$3,000,000	\$6,582.46	\$1,320	\$7,902.46
\$3,500,000	\$7,679.54	\$1,540	\$9,219.54
\$4,000,000	\$8,776.61	\$1,760	\$10,536.61
\$5,000,000	\$10,970.77	\$2,200	\$13,170.77
\$6,000,000	\$13,164.92	\$2,640	\$15,804.92
\$7,000,000	\$15,359.07	\$3,080	\$18,439.07
\$8,000,000	\$17,553.22	\$3,520	\$21,073.22
\$9,000,000	\$19,747.38	\$3,960	\$23,707.38
\$10,000,000	\$21,941.53	\$4,400	\$26,341.53

*Please note that the above is a guide only