



Our Operational Plan

Appendix A – Revenue Policy 2018/2019

Narrabri Shire Council

2018 - 2019



SOCIETY



ENVIRONMENT



ECONOMY



CIVIC LEADERSHIP

APPENDIX A: REVENUE POLICY & FEES AND CHARGES 2018/2019

REVENUE POLICY

The *Local Government Act 1993* (LGA) prescribes that Councils' may raise revenue in a number of different ways. These include rates, charges, fees, grants, borrowings and investments. Council is required to set its rates, charges and fees annually and publish these in its Operational Plan, which undergoes a 28-day public consultation period before being adopted by Council.

Ordinary Rates

Section 493 of the LGA prescribes four categories of rateable land being farmland, residential, mining and business. These categories can be further sub-categorised in accordance with Sections 515 to 518 of the LGA.

Ordinary rates are applied to properties based on independent land valuations provided by the NSW Valuer General. Council is required to use the latest valuations received up until 30 June of the previous year for rating purposes in the new financial year. A shire wide general revaluation is undertaken every three to four years.

In accordance with Section 497 of the LGA, the structure of a rate may consist of:

- a) an ad valorem amount (which may be subject to a minimum amount of the rate), or
- b) a base amount to which an ad valorem amount is added.

The ad valorem is a cent in the dollar value that is multiplied by the land value to derive the ad valorem amount.

If the use of the land no longer reflects its rating category, Section 524 of the LGA states that the ratepayer must notify Council within 30 days of the land use change, or make application to Council to have the category changed, as per Section 525 of the LGA.

Special Rates

Section 495 of the LGA covers the making and levying of special rates. Special rates are raised and used for a specific purpose. Council has one special rate for Tourism, which is levied on business.

Water Charges

Section 501 of the LGA covers the making and levying of Water Access Charges on all properties connected to, or able to be connected to, Council's water service network. Section 552(1)(b) of the LGA prescribes that Council can charge for a connected water service provided the land is within 225 metres of a Council water pipe.

Council has adopted a water charging structure based on the following benefit index:

Service Size (mm)	20/25	32	40	50	65	80	90	100
Benefit Index	1.00	1.64	2.56	4.01	6.76	10.24	12.96	16.00

The benefit index is used to calculate the base charge for each service.

In addition to this base charge, usage charges apply. For metered services, this usage charge is a charge per kilolitre of water used. For non-metered services, an additional charge is incorporated into the base charge.

An unconnected service is charged the same base charge as a 20/25 metered service. A landowner must apply and pay the appropriate fee for a disconnection to qualify for this service if the land is within 225 metres of a Council water pipe. The landowner is then liable for a reconnection fee should a connected service be required in the future.

Sewerage Charges

Section 501 of the LGA covers the making and levying of Sewer Access Charges on all properties connected to, or able to be connected to, Council's sewer service network. Section 552(3) (a) of the LGA prescribes that Council can charge for a connected sewer service provided the land is within 75 metres of a Council sewer main.

An unconnected service is charged half the base charge of a connected service. A landowner must apply and pay the appropriate fee for a disconnection to qualify for this service if the land is within 75 metres of a Council sewer. The landowner is then liable for a reconnection fee should a connected service be required in the future.

Pedestal charges are levied on residential units and commercial premises that add above normal loads to the sewer. Council has two charges being water closets and cisterns. These are set at 15% of the connected service charge.

Waste Management Charges

Section 496 of the LGA prescribes that Council must make and levy an annual charge for the provision of domestic waste management services. Section 501 of the LGA prescribes that Council can make an annual charge for waste management services other than domestic waste management.

In 2007/2008 Council implemented a recycling collection program for the townships of Narrabri, Boggabri, Wee Waa and Baan Baa. This was expanded to include green waste in 2013/2014.

In 2014/2015 Council implemented an Urban Waste Management Fee for ALL urban assessments (domestic and non-domestic), and a separate service charge for assessments receiving waste collection. Farmland still has a vacant land garbage charge, with all occupied farmland being charged a waste management fee as per urban properties.

Interest

Section 566 of the LGA prescribes that interest accrues on rates and charges that remain unpaid after they become due and payable. In accordance with section 566(3) of the LGA, the Minister determines annually the maximum rate of interest payable. Council proposes to apply the maximum permissible for the 2018/2019 rating year.

Rounding

All rates and annual charges are rounded to the nearest dollar.

Fees for Service

Council must adhere to legislative requirements in the setting of some fees. Otherwise, fee setting is at Council's discretion.

Council supports the user pays principle, where appropriate.

Council reserves the right to charge for additional services or legislative changes that are not identified in the proposed fees schedule.

User Charges and Fees are listed in Council's Fees and Charges document.

Pricing Policy

Council is committed to providing a diverse range of services that meet the needs of residents or visitors, within available resources. The principles of competitive neutrality have been taken into consideration in this policy.

Council recognises the need to provide services for groups and members of the community that may not be able to afford a commercial rate for service. Council will ensure that all rates, charges and fees are set so as to provide adequate cash flows to meet operating costs and to assist in the provision of funding capital works.

Council will pursue all cost effective opportunities in order to maximise its revenue base and to seek an acceptable commercial rate of return on investments, subject to community service obligations.

Council recognises the need to set prices for goods and services in order to provide the most effective level of service to the community and to ensure resources are not wasted.

Goods and Services Tax (GST)

GST is not applicable to rates, annual charges or water usage charges.

In general, where legislation states that Local Government is the only possible supplier of a service, the fee for that service does not attract GST. Most other fees and charges do attract GST. All fees and charges are quoted including GST if applicable.

Borrowings

Council has not budgeted for any loan borrowings.

Public Access Documents

Schedule 5 of the Government Information (Public Access) Act 2009 (GIPA) requires that certain documents held by council, be made publicly available for inspection, free of charge. The public is entitled to inspect these documents either on Council's website (unless there is an unreasonable additional cost to Council to publish these documents on the website) or at the offices of the Council during ordinary office hours or at any other place as determined by the Council. These documents include:

1. Information About Council

- The model Code of Conduct prescribed under section 440(1) of the Local Government Act
- Council's adopted Code of Conduct
- Code of Meeting Practice
- Annual Report
- Annual Financial Report
- Auditor's Report
- Operational Plan
- EEO Management Plan
- Policy concerning the Payment of Expenses and Provision of Facilities to the Mayor and Councillors
- Annual Reports of Bodies Exercising Functions Delegated by Council (eg Section 355/377 Committees)
- Any Codes referred to in the Local Government Act
- Returns of the Interest of Councillors, Designated Person's and Delegates
- Agendas, Business Papers and minutes of Council/Committee meetings (except meetings that are closed to the public)
- Office of Local Government reports presented at a meeting of Council
- Land Register
- Register of Investments
- Register of Delegations
- Register of Graffiti removal works
- Register of current Declarations of Disclosures of Political donations
- Register of Voting on Planning Matters

2. Plans and Policies

- Local Policies adopted by Council concerning approvals and orders
- Plans of Management for Community Land
- Environmental Planning Instruments, Development Control Plans and Contribution Plans

3. Information about Development Applications and any associated documents received in relation to a Propose Development

- Home Warranty Insurance documents
- Construction Certificates
- Occupation Certificates
- Structural Certification Documents
- Town Planner Reports
- Submissions received on Development Applications
- Heritage Consultant Reports
- Tree Inspections Consultant Reports
- Acoustic Consultant Reports
- Land Contamination Consultant Reports
- Records of decisions on Development Applications including decisions on appeals
- Publication Guides, Summary of Affairs and register of policy documents required under the Government Information (public Access) Act, 2009

4. Approvals, Orders and other Documents

- Information contained in the following records (whenever created) is prescribed as open access information
- Applications for approvals under Part 1 of Chapter 7 of the LGA and any associated documents received in relation to such an application
- Applications for approvals under any other Act and any associated documents received in relation to such an application
- Records of approvals granted or refused, any variation from local policies with reasons for the variation, and decisions made on appeals concerning approvals
- Orders given under Part 2 of Chapter 7 of the LGA, and any reasons given under section 136 of the LGA
- Orders given under the authority of any other Act
- Records of building certificates under the Environmental Planning and Assessment Act 1979
- Plans of land proposed to be compulsorily acquired by the local authority
- Compulsory acquisition notices
- Leases and licences for use of public land classified as community land
- Performance improvement orders issued to a council under Part 6 of Chapter 13 of the LGA.

Any current or previous versions of these documents may be inspected free of charge. Copies can be supplied for a copying charge as prescribed in Council's Fees and Charges schedule.

2018/2019 ORDINARY & SPECIAL RATES

Business

Section 519 – Land may be categorised as Business for rating purposes should it not satisfy any of the conditions of any other rating category. The Business rate is sub-categorised into separate urban areas and a rural business sub-category.

	Base Rate	Base as % of Yield	Ad Valorem Rate	Estimated Yield	% of Category Yield
Business – Boggabri	\$320.00	41%	\$0.0076279	\$43,494	3%
Business – Narrabri	\$320.00	10%	\$0.0151020	\$1,020,717	76%
Business – Rural	\$320.00	30%	\$0.0086244	\$98,563	8%
Business – Wee Waa	\$320.00	19%	\$0.0396752	\$177,847	13%
TOTAL BUSINESS RATE YIELD ESTIMATE				\$1,340,621	10%

Farmland

Section 515 of the LGA prescribes that land is to be categorised as farmland if its dominant use is for farming.

	Base Rate	Ad Valorem Rate	Estimated Base Yield	Estimated Ad. Val. Yield	Estimated Total Yield
Farmland	\$270.00	\$0.0041315	\$447,930	\$5,907,551	\$6,355,481
TOTAL FARMING RATE YIELD ESTIMATE				\$6,355,481	49%

Mining

Section 517 – Land may be classified as mining land if its dominant use is as a coal mine or metalliferous mine.

	Base Rate	Ad Valorem Rate	Estimated Yield
Mining	\$23,000	\$0.0271951	\$975,616
TOTAL MINING RATE YIELD ESTIMATE			\$975,616

Residential

Section 516 – Land may be classified as residential if its dominant use is for resident accommodation. Hotels, motels, guesthouses and nursing homes do not qualify as residential. The rate is separated into four sub-categories, being three urban areas and a rural residential category.

	Base Rate	Base as % of Yield	Ad Valorem Rate	Estimated Yield	% of Category Yield
Residential – Boggabri	\$270.00	46%	\$0.0058824	\$295,544	6%
Residential – Narrabri	\$270.00	24%	\$0.0094915	\$2,799,693	63%
Residential – Rural	\$270.00	40%	\$0.0049197	\$652,881	15%
Residential – Wee Waa	\$270.00	26%	\$0.0311256	\$696,535	16%
TOTAL RESIDENTIAL RATE YIELD ESTIMATE				\$4,444,653	34%

Tourism Promotion - Special Rate

This Special Rate is set to assist in funding of Council's promotional allocation. The rate is levied on all properties classified Business within the Shire area.

	Ad Valorem Rate	Estimated Yield
Tourism	\$0.0009358	\$71,450
TOTAL TOURISM RATE YIELD ESTIMATE		\$71,450

2018/2019 ANNUAL CHARGES - WATER**Water - Baan Baa**

	Service Charge 2017/2018	Service Charge 2018/2019	Estimated Yield
20/25mm Service	\$706	\$706	\$38,830
65mm Service	\$4,772	\$4,772	\$4,772
ESTIMATED ACCESS CHARGE YIELD			\$43,602
ESTIMATED USAGE CHARGE YIELD	\$3.33	\$1.32	\$10,000

Water - Bellata

	Service Charge 2017/2018	Service Charge 2018/2019	Estimated Yield
20/25mm Service	\$537	\$553	\$63,042
32mm Service	\$788	\$811	\$811
40mm Service	\$1,227	\$1,264	\$2,528
Unconnected Service	\$560	\$574	\$574
ESTIMATED ACCESS CHARGE YIELD			\$66,955
ESTIMATED USAGE CHARGE YIELD	\$1.28	\$1.32	\$33,869

Water - Boggabri

	Service Charge 2017/2018	Service Charge 2018/2019	Estimated Yield
20/25mm Service	\$378	\$389	\$228,732
32mm Service	\$651	\$671	\$4,697
40mm Service	\$921	\$949	\$3,796
50mm Service	\$1,441	\$1,484	\$11,872
80mm Service	N/A	\$3,983	\$3,983
100mm Service	\$5,748	\$5,920	\$11,840
Unconnected Service	\$361	\$370	\$4,810
ESTIMATED ACCESS CHARGE YIELD			\$269,730
ESTIMATED USAGE CHARGE YIELD	\$1.09	\$1.12	\$296,883

Water - Gwabegar

	Service Charge 2017/2018	Service Charge 2018/2019	Estimated Yield
20/25mm Service	\$613	\$632	\$41,080
40mm Service	\$800	\$824	\$824
Unconnected Service	\$331	\$339	\$678
ESTIMATED ACCESS CHARGE YIELD			\$42,582
ESTIMATED USAGE CHARGE YIELD	\$1.28	\$1.32	\$17,054

1,270

Water – Narrabri – Metered

	Service Charge 2017/2018	Service Charge 2018/2019	Estimated Yield
20/25mm Service	\$353	\$364	\$946,699
32mm Service	\$385	\$397	\$26,996
40mm Service	\$409	\$421	\$41,258
50mm Service	\$644	\$664	\$15,936
90mm Service	\$2,012	\$2,072	\$0
100mm Service	\$2,554	\$2,631	\$13,155
Unconnected Service	\$165	\$170	\$2,550
ESTIMATED ACCESS CHARGE YIELD			\$1,046,594
ESTIMATED USAGE CHARGE YIELD	\$0.97	\$0.99	\$1,270,502

2018/2019 ANNUAL CHARGES - WATER**Water – Narrabri – Unmetered only for exiting services**

	Service Charge 2017/2018	Service Charge 2018/2019	Estimated Yield
20/25mm Service	\$516	\$546	\$27,846
32mm Service	\$800	\$848	\$848
40mm Service	\$1,283	\$1,360	\$1,360
50mm Service	\$1,755	\$1,860	\$0
90mm Service	\$5,661	\$6,001	\$0
100mm Service	\$7,663	\$8,123	\$8,123
Unoccupied	\$165	\$170	\$13,940
ESTIMATED ACCESS CHARGE YIELD			\$52,117

Water - Pilliga

	Service Charge 2017/2018	Service Charge 2018/2019	Estimated Yield
20/25mm Service	\$574	\$591	\$66,192
40mm Service	\$764	\$787	\$787
50mm Service	\$1,226	\$1,263	\$0
Unconnected Service	\$339	\$347	\$694
ESTIMATED ACCESS CHARGE YIELD			\$67,673
ESTIMATED USAGE CHARGE YIELD	\$1.28	\$1.32	\$25,932

Water – Wee Waa

	Service Charge 2017/2018	Service Charge 2018/2019	Estimated Yield
20/25mm Service	\$347	\$357	\$289,527
32mm Service	\$372	\$383	\$3,447
40mm Service	\$423	\$436	\$6,976
50mm Service	\$645	\$664	\$3,984
80mm Service	\$1,642	\$1,691	\$3,382
100mm Service	\$2,559	\$2,636	\$5,272
Unconnected Service	\$174	\$180	\$720
ESTIMATED ACCESS CHARGE YIELD			\$313,308
ESTIMATED USAGE CHARGE YIELD	\$0.96	\$0.99	\$488,301

2018/2019 ANNUAL CHARGES - SEWER**Sewerage – Boggabri**

	Service Charge 2017/2018	Service Charge 2018/2019	Estimated Yield
Occupied	\$595	\$613	\$282,593
Unoccupied	\$294	\$303	\$11,514
Pedestal Charges – Per Cistern/>6W.C	\$93	\$96	\$960
Pedestal Charges – Water Closets (1-6)	\$93	\$96	\$480
TOTAL BOGGABRI SEWER CHARGES YIELD			\$295,547

Sewerage – Narrabri

	Service Charge 2017/2018	Service Charge 2018/2019	Estimated Yield
Occupied	\$740	\$762	\$1,924,812
Unoccupied	\$379	\$390	\$54,990
Pedestal Charges – Per Cistern/>6W.C	\$114	\$117	\$3,744
Pedestal Charges – Water Closets (1-6)	\$114	\$117	\$4,914
TOTAL NARRABRI SEWER CHARGES YIELD			\$1,988,460

Sewerage – Wee Waa

	Service Charge 2017/2018	Service Charge 2018/2019	Estimated Yield
Occupied	\$772	\$795	\$599,430
Unoccupied	\$386	\$398	\$14,726
Pedestal Charges – Per Cistern/>6W.C	\$114	\$117	\$1,404
Pedestal Charges – Water Closets (1-6)	\$114	\$117	\$1,638
TOTAL WEE WAA SEWER CHARGES YIELD			\$617,198

2018/2019 ANNUAL CHARGES – WASTE**Domestic Waste Management (DWM) Charges**

	Service Type	Service Charge 2017/2018	Service Charge 2018/2019
Urban Waste Management Fee	All Urban Assessments	\$140	\$150
DWM – MSW/Recycling/Organics (Serviced Assessments Only)	Per 1x140 Litre MSW (Red), 1x240 Litre Recycling Bin (Yellow) & 1x240 Litre Organics Recycling Bin (Green)	\$315	\$320
Additional/Upsize Service	Additional MGB (per Annum fee)	\$125	\$125
	Upsize Mixed Solid Waste Bin	0	\$75
	Upsize Recycling bin	\$57	\$60
TOTAL DOMESTIC WASTE MANAGEMENT ESTIMATED YIELD			\$1,331,340

Other Waste Management Services (Non-Domestic) Charges

	Service Type	Service Charge 2017/2018	Service Charge 2018/2019
Urban Waste Management Fee	All Urban Assessments	\$140	\$150
Business – MSW/Recycling (Serviced Assessments Only)	Per 1x240 Litre MSW (Red) & 1x240 Litre Recycling Bin (Yellow)	\$350	\$355
Additional/Upsize Service	Additional MGB (per Annum fee)	\$155	\$155
	Upsize existing Recycling bin to 360 Litres (one off fee)	\$57	\$60
Rural Waste Management Fee		\$140	\$150
Rural Waste Management Charge Unoccupied		\$52	\$55
TOTAL OTHER WASTE MANAGEMENT ESTIMATED YIELD			\$1,206,695

NB: MSW – Mixed Solid Waste