

Attachment 3 - 2023-2024 Final Revenue Policy - for public exhibition

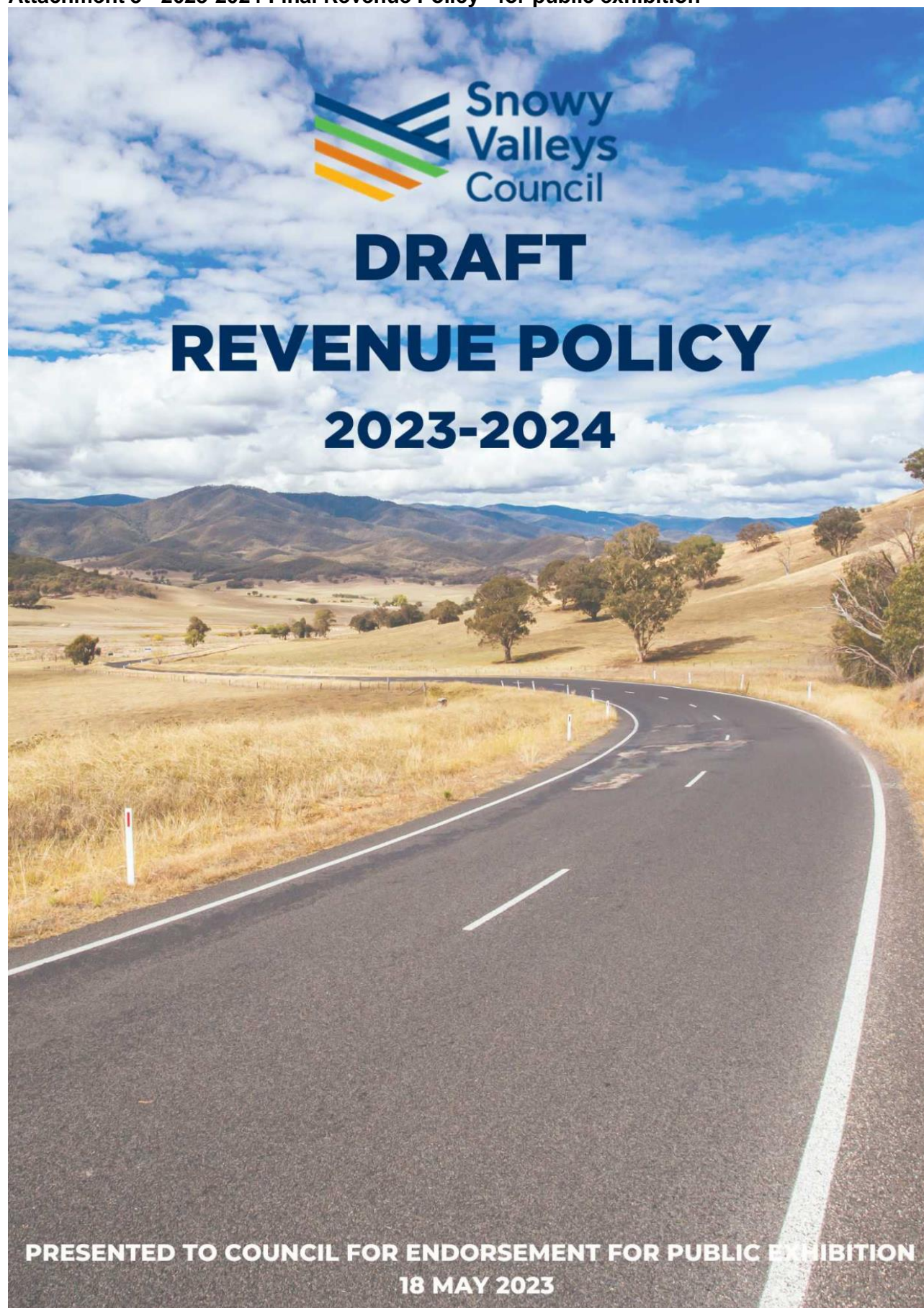


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SNOWY VALLEYS COUNCIL

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INTRODUCTION

Snowy Valleys Council's Revenue Policy goal is to effectively and equitably manage revenue raising, service level and asset management decisions, and to ensure ongoing financial sustainability. Council is committed to a user-pay principle and will recover the full cost of services provided unless the cost of the service is controlled by another authority or where a community service obligation is clearly identified.

INCOME AND EXPENDITURE 2023-24 – FINANCIAL ESTIMATES

	2023-24 (\$ '000)
Income	
Rates and Annual Charges	22,403
User Charges and Fees	15,600
Interest and Investment Revenues	1,292
Other Revenues	1,482
Grants & Contributions - Operating	11,356
Grants & Contributions - Capital	36,690
Total Income from Continuing Operations	88,823
Expenses	
Employee Costs	20,241
Borrowing Costs	237
Materials & Contracts	19,706
Depreciation	11,638
Other Expenses	1,448
Total Expenses from Continuing Operations	53,270
Net Operating Result from Continuing Operations	35,553
Net Operating Result before Capital Items Surplus/(Deficit)	(1,137)

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SCHEDULE OF FEES AND CHARGES

Detailed information of the Schedule of Fees and Charges that will apply in 2023-24 are located in a separate document. This document can be found on Council's website, at Council Libraries and Council's Service Centres.

The 2023-24 Schedule of Fees and Charges have been prepared on the following basis:

- Increased where permissible;
- Calculated based on full cost recovery from the user where such a recovery is approved by Council; and
- Identifying the cost of community service obligations.

Council carries out work for external parties on private land. In performing this work, Council is generating additional income and/or acting in a community service role. Income from these works will cover all incremental direct costs and overheads and, where appropriate, add a profit element. The profit element of pricing varies with the relevant organisations taking into account the considerations of service to the community and general market competitiveness.

Interest on overdue Rates and Charges

Council will apply the maximum permissible rate of interest payable as set by the Minister of Local Government on outstanding rates, water charges, wastewater charges and all sundry debtor accounts. The maximum rate of interest payable on overdue rates for the 2023-24 period is 9.0%.

Payment of Rates and Charges

Council land rates and annual charges are paid in a single annual payment or by quarterly instalments. If a payment is made by a single annual payment, it is due by 31 August, and if it is paid by quarterly instalments, it is due by 31 August, 30 November, 28 February and 31 May. On or before 31 October, 31 January and 30 April, Council will send reminder notices (Instalment Notices) separately from the Rates Notice to each person paying by quarterly instalments. There is no discount available for early payment of rates and charges.

For the payment of rates and charges, Council accepts payment by BPay, BPoint (telephone and online), credit card, EFTPOS, and cash. Council provides an optional direct debit facility through a third party provider for the periodical payment of rates and charges. Any dishonoured scheduled direct debit attracts a dishonour fee in addition to any applicable bank charge and will be added onto the rates and charges balance owing.

Copies of Notices

The fee to reproduce and supply a copy of a previously issued Rates or Water & Wastewater charges notice will be \$21.50 per notice, payable in advance. A copy of a previously issued notice shall only be supplied to the owner of the property or their nominated and correctly authorised agent.

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LEVIED RATES AND CHARGES

For the complete schedule of Council's fees and charges refer to the *2023-24 Fees & Charges Schedule*.

Resource Recovery (Waste) Management Charges

	Charge (\$)	Number	Estimated Yield (\$)
Waste access charge	64	7382	472,448
Vacant Land	64	395	25,280
Domestic waste	526	5421	2,851,446
Domestic Recycling fortnightly (additional bin)	122	12	1,464
Domestic Waste fortnightly (additional bin)	201	44	8,844
Domestic FOGO weekly (additional bin)	122	1	122
Commercial waste	596	730	435,080
N/S Commercial 1 x 240L FOGO Weekly	178	7	1,246
N/S Commercial 1 x Waste 240L Fortnightly	419	30	12,570
N/S Commercial 1 x Waste 240L Weekly	837	47	39,339
N/S Commercial 1 x 240L Recycle Fortnightly	178	67	11,926
N/S Commercial 1 x Waste 140L Fortnightly	242	13	3,146
N/S Commercial Waste - 3 x 240L Bins	752	3	2,256
School waste	526	64	33,664
Total charges			3,898,831

Wastewater Charges

	Charge (\$)	Number	Estimated Yield (\$)
Residential access charge	837	4725	3,954,825
Unoccupied Sewerage Charge	837	243	203,391
Commercial access charge - 20mm	591	495	292,545
Commercial access charge - 25mm	923	97	89,531
Commercial access charge – 32mm	1,513	24	36,312
Commercial access charge - 40mm	2,361	31	73,191
Commercial access charge - 50mm	3,692	32	118,144
Commercial access charge - 65mm	6,235	1	6,235
Commercial access charge - 80mm	9,443	7	66,101
Commercial access charge - 100mm	14,754	7	103,278
Sewer Access Charge – 50mm + 100mm	18,445	1	18,445
Total charges			4,961,998

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Water Access Charges

	Charge (\$)	Number	Estimated Yield (\$)
Vacant land within access water charge area	244	242	59,048
Water Access Charge – 20mm	244	5807	1,416,908
Water Access Charge – 25mm	381	154	58,674
Water Access Charge – 32mm	628	34	21,352
Water Access Charge – 40mm	977	43	42,011
Water Access Charge – 50mm	1,524	39	59,436
Water Access Charge – 65mm	2,576	1	2,576
Water Access Charge – 80mm	3,906	7	27,342
Water Access Charge – 100mm	6,095	9	54,855
Water Access Charge – 150mm and above	13,703	4	54,812
Total charges			1,797,014

Meter Size – Raw Water	Charge (\$)	Number	Estimated Yield (\$)
Raw Water Access Charge – 20mm	244	9	2,196
Raw Water Access Charge – 25mm	381	2	762
Raw Water Access Charge – 32mm	628	1	628
Raw Water Access Charge – 40mm	977	3	2,931
Raw Water Access Charge – 50mm	1,524	6	9,144
Raw Water Access Charge – 65mm	2,576	0	0
Raw Water Access Charge – 80mm	3,906	2	7,812
Raw Water Access Charge – 100mm	6,095	4	24,380
Raw Water Access Charge – 150mm and above	13,703	0	0
Total Charges			47,853

Liquid Trade Waste

Liquid Trade Waste - Annual Charge	Charge (\$)	Number	Estimated Yield (\$)
Category 1 Charge	189	116	21,924
Category 2 Charge	403	20	8,060
Category 3 Charge	746	2	1,492
Total Charges			31,476

Tumbarumba Area – Stormwater Charges (LG Circular 05/69)

	Charge (\$)	Number	Estimated Yield (\$)
Residential	27	781.5	21,101
Commercial (max charge)	Max. 75	119	8,925
Total charges			30,026

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On-Site Sewer Management Charge

	Charge (\$)	Number	Estimated Yield (\$)
Annual charge	37	2345	86,765
Total charges			86,765

RATES**Rating Principles**

The objective of the Revenue Policy is to ensure that rates are levied in a fair and equitable manner so as to provide sufficient funds to carry out the general services which benefit all the ratepayers of the area. Council aims to set rates and charges at a level that provides a sustainable income but does not impose undue hardship on property owners. Council is committed to a rates and charges process that is ethical, transparent, open, accountable, and compliant with legal obligations, including the NSW Local Government Act 1993 and the Local Government (General) Regulation 2021 (NSW).

Rate Pegging

The Independent Pricing and Regulatory Tribunal (IPART) determines the rate peg, or allowable annual increase, that applies to local government rate income. In May 2022, IPART approved the proposed special variation, the council would increase its income from rates by 17.5% in 2023-24. The amount applies to general rate income in total, and not to individual ratepayers' rates.

Rateable Areas within Snowy Valleys Council

In accordance with the NSW Local Government Act 1993 (the Act), Council will adopt four categories of ordinary rate, being Farmland, Residential, Business and Mining. An ordinary rate will be applied to each parcel of rateable land within the local government area. The ordinary rate applicable for each assessment will be determined by the property's categorisation, which is dependent upon the dominant use.

Ratepayers that experience difficulty in paying their rates by due dates are encouraged to consider Council's Rates Hardship Policy.

Valuations

Snowy Values Council's land values were last updated by the NSW Valuer-General (VG) in 2019. For the purposes of the 2023-24 rating year, the base date for land values is 1 July 2022.

Supplementary notices of valuations are issued by the VG outside the usual valuation cycle because of changes to property that are recorded on the Register of Land Values. Council is advised of these changes and makes resulting adjustments to rates.

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RATING 2023-24 (BASE RATE plus RATE IN \$) after applying the 17.5% Special Rate Variation

Snowy Valleys Council Area – SRV scenario

Category	Base Amount	Ad Valorem (per 1 cent)	Estimated Yield
Farmland	\$461.24	0.1674	\$5,832,727
Residential	\$449.60	0.3910	\$5,526,273
Business	\$206.13	0.8963	\$1,216,372
Mining	\$338.25	0.7363	\$10,149
Total			\$12,585,521

RATING CATEGORIES

Farmland

Section 515(1) of the Act sets out the prerequisites for occupied land to be categorised as “farmland”. Section 519 facilitates the categorisation of vacant land, and it should be noted that scope exists for vacant land to be categorised as “farmland” in certain circumstances via those provisions.

For land to be categorised as farmland in terms of section 515 it must be:

- a parcel of rateable land;
- valued as one assessment;
- the dominant use of which is for farming (that is, the business of industry of grazing, animal feedlots, dairying, pig-farming, poultry farming, viticulture, orcharding, beekeeping, 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 has a significant and substantial commercial purpose or character; and
- is engaged in for the purpose of profit on a continuous or repetitive basis (whether or not a profit is actually made).

However, land is not to be categorised as farmland if it is “rural residential land” (section 515(2)).

Residential

Section 516(1) of the Act states that land is to be categorised as “residential” if it is a parcel of rateable land valued as one assessment and:

- its dominant use is for residential accommodation (other than as a hotel, motel, guest-house, backpacker hostel or nursing home or for any other form of residential accommodation, not being a boarding house or lodging house, prescribed by the regulations); or
- in the case of vacant land, it is zoned or otherwise designated for use under an environmental planning instrument (with or without development consent) for residential purposes; or
- it is rural residential land.

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Mining

Section 517(1) of the Act states that land is to be categorised as “mining” if it is a parcel of rateable land valued as one assessment and its dominant use is for a coal mine or metalliferous mine.

Business

Section 518 of the Act states that land is to be categorised as business if it cannot be categorised as farmland, residential, or mining.

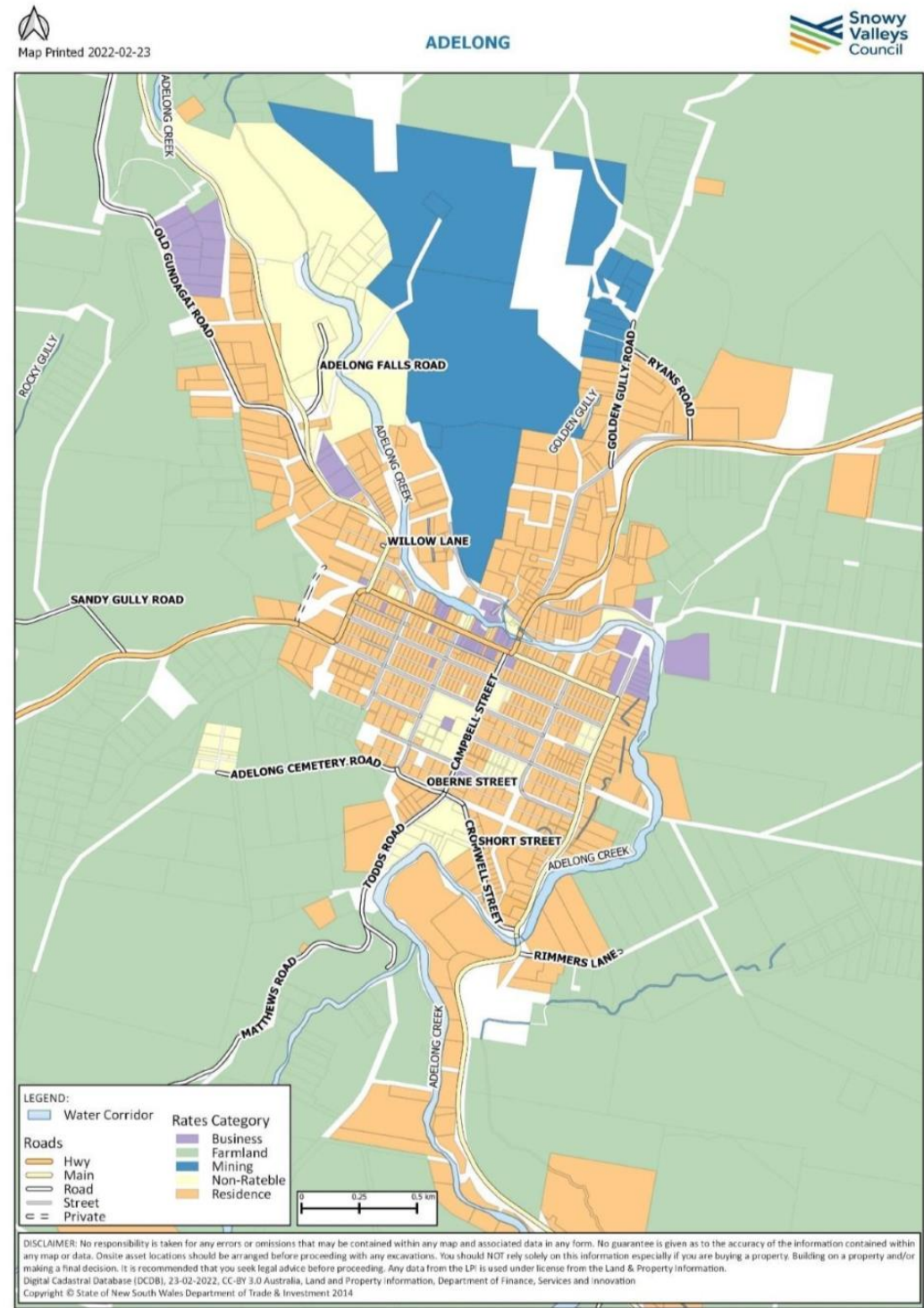
ZONING UNDER A LOCAL ENVIRONMENT PLAN (LEP)

The categorisation of land for rating purposes under the Local Government Act should not be confused with a lands zoning under a Local Environment Plan (LEP). They are two distinct classifications, each subject to the definitions under their respective legislations.

The maps on the following pages provide an indication of where each rating category will apply. The maps have been broken into each town and village.

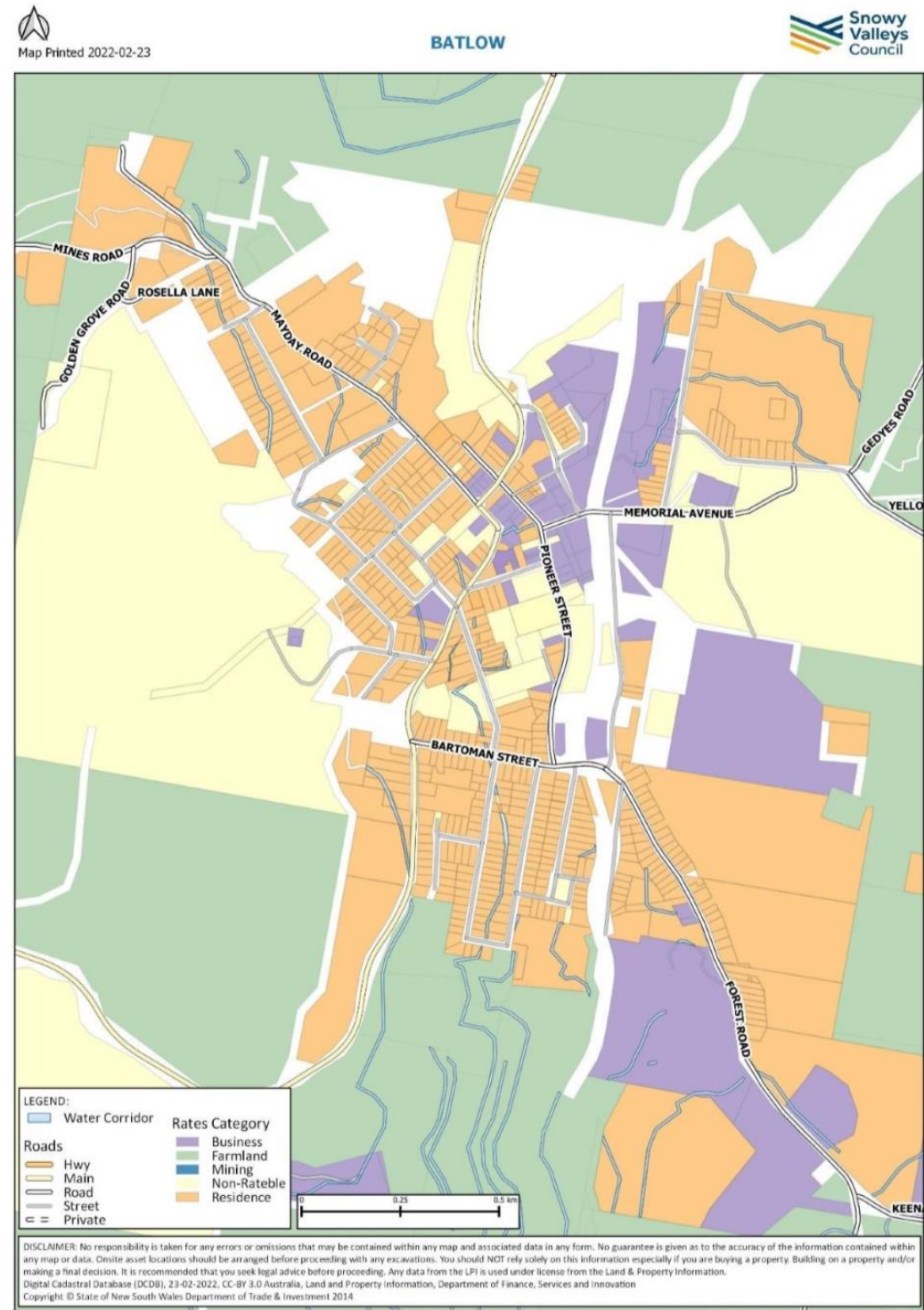
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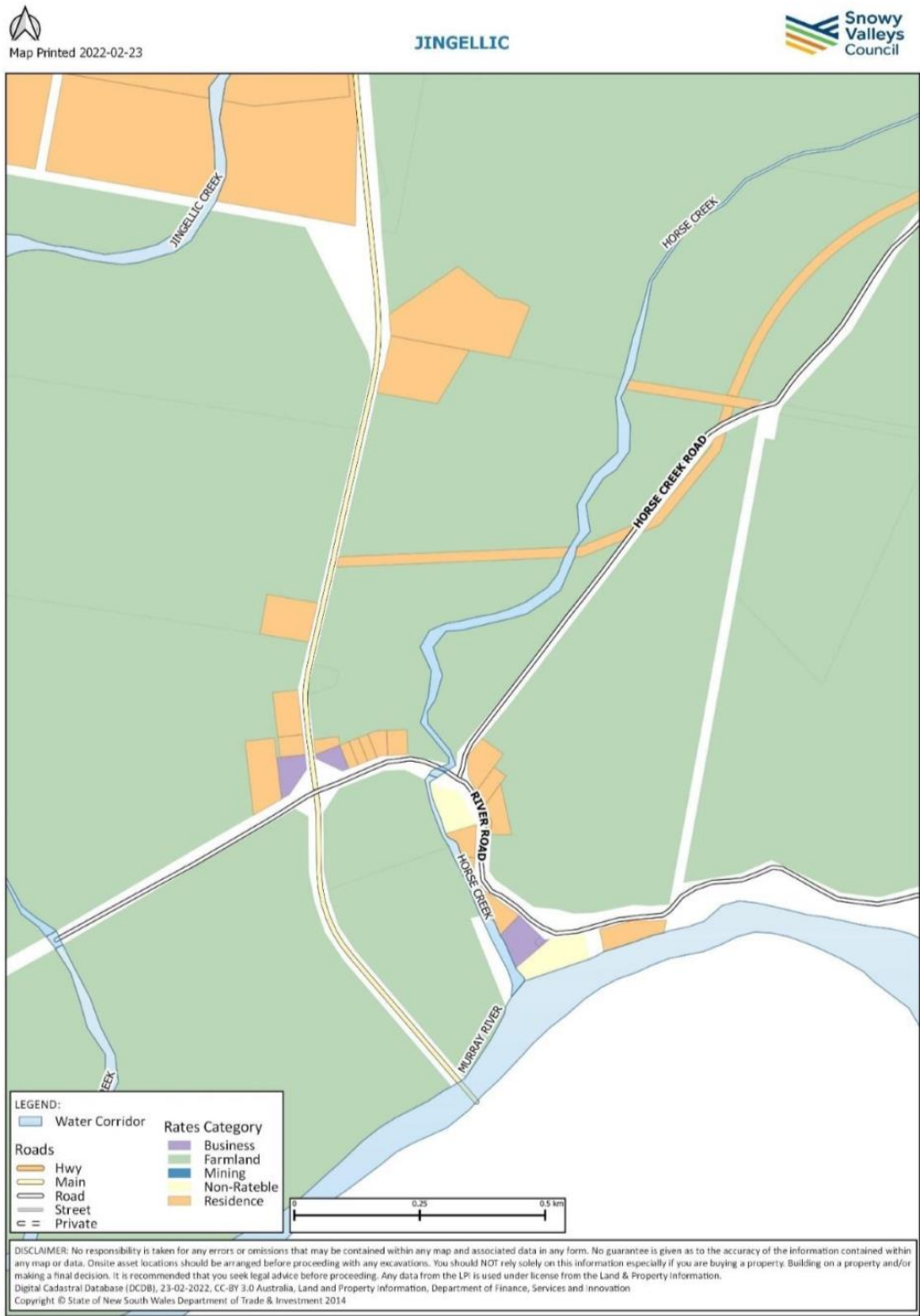
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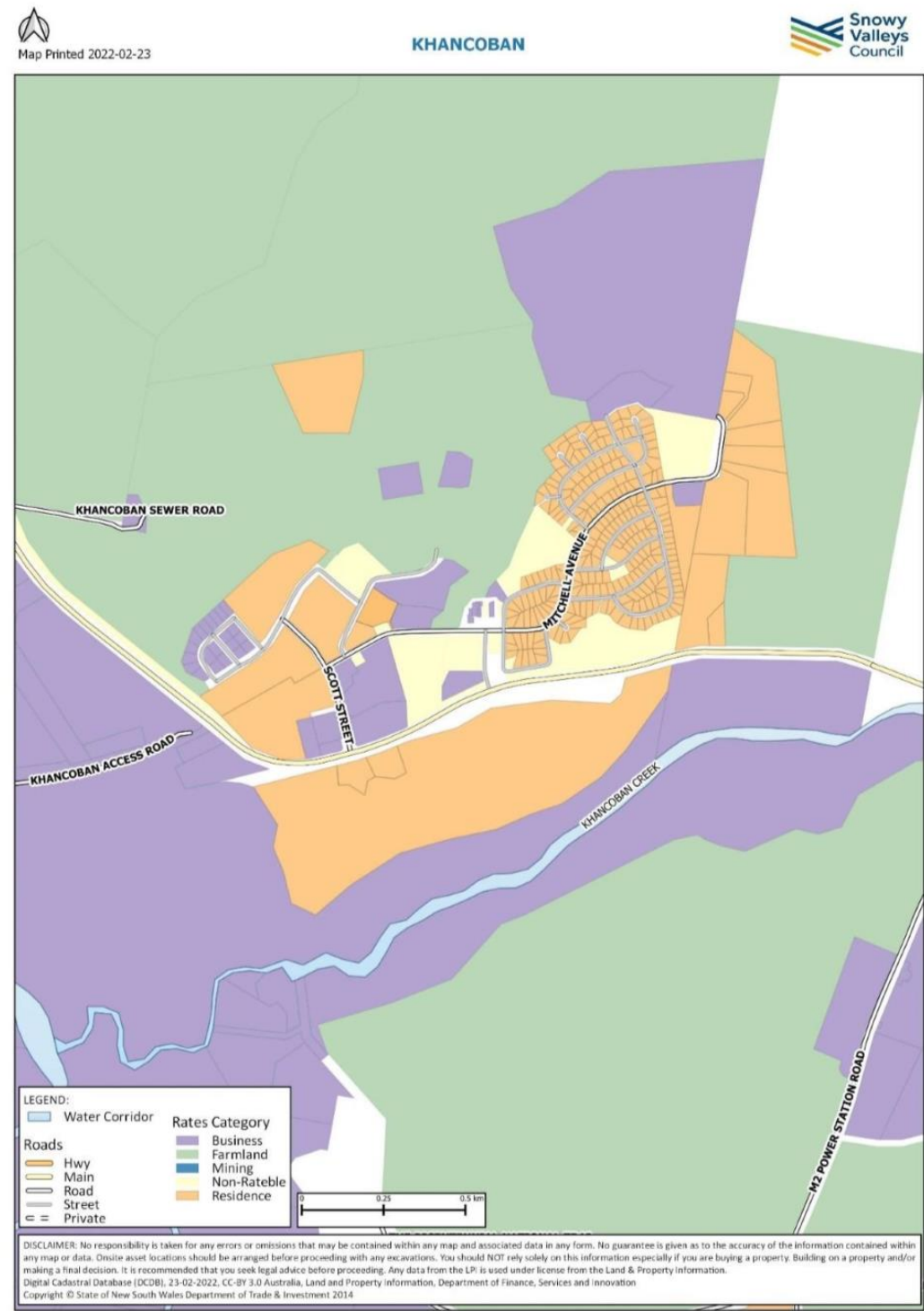
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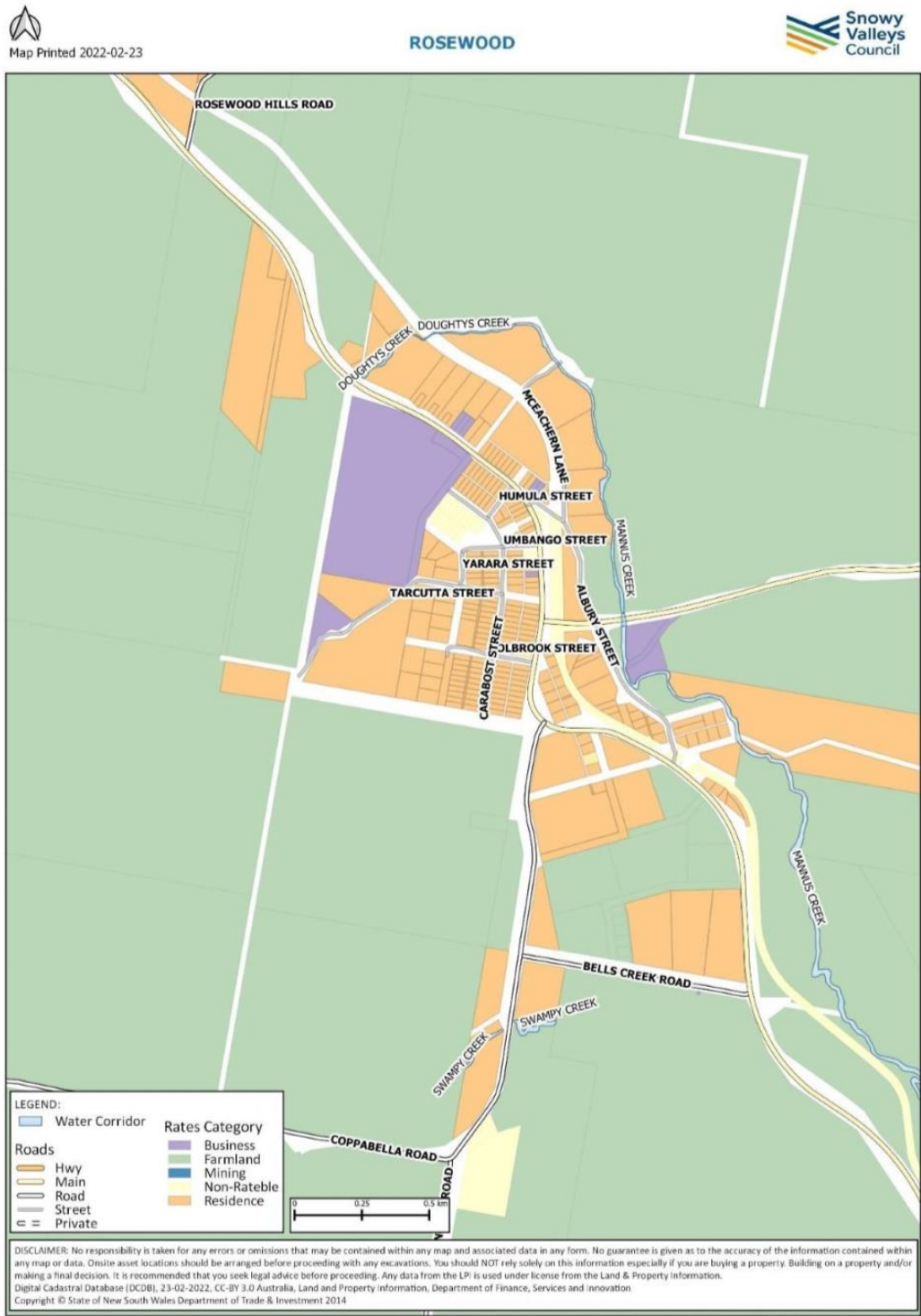
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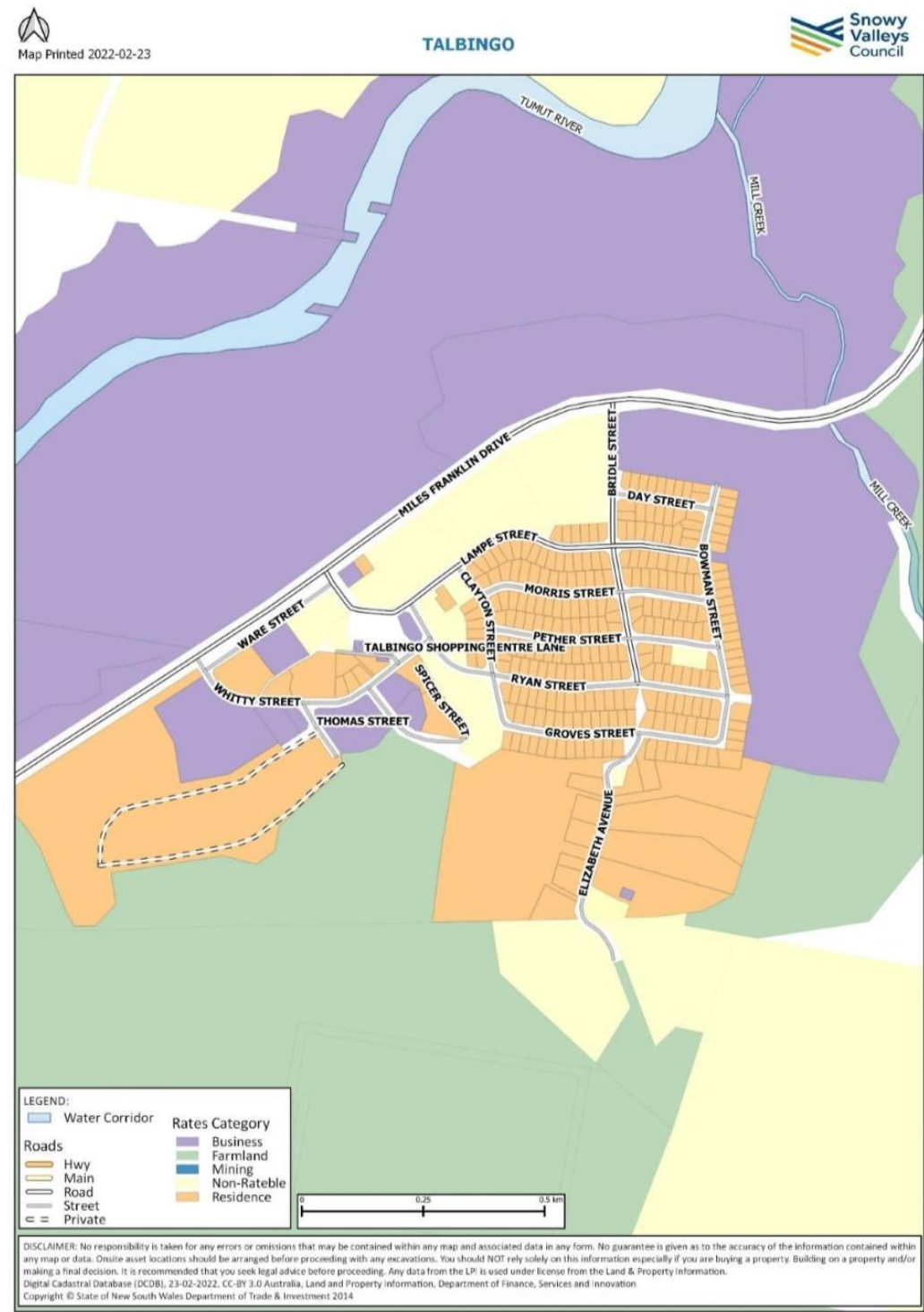
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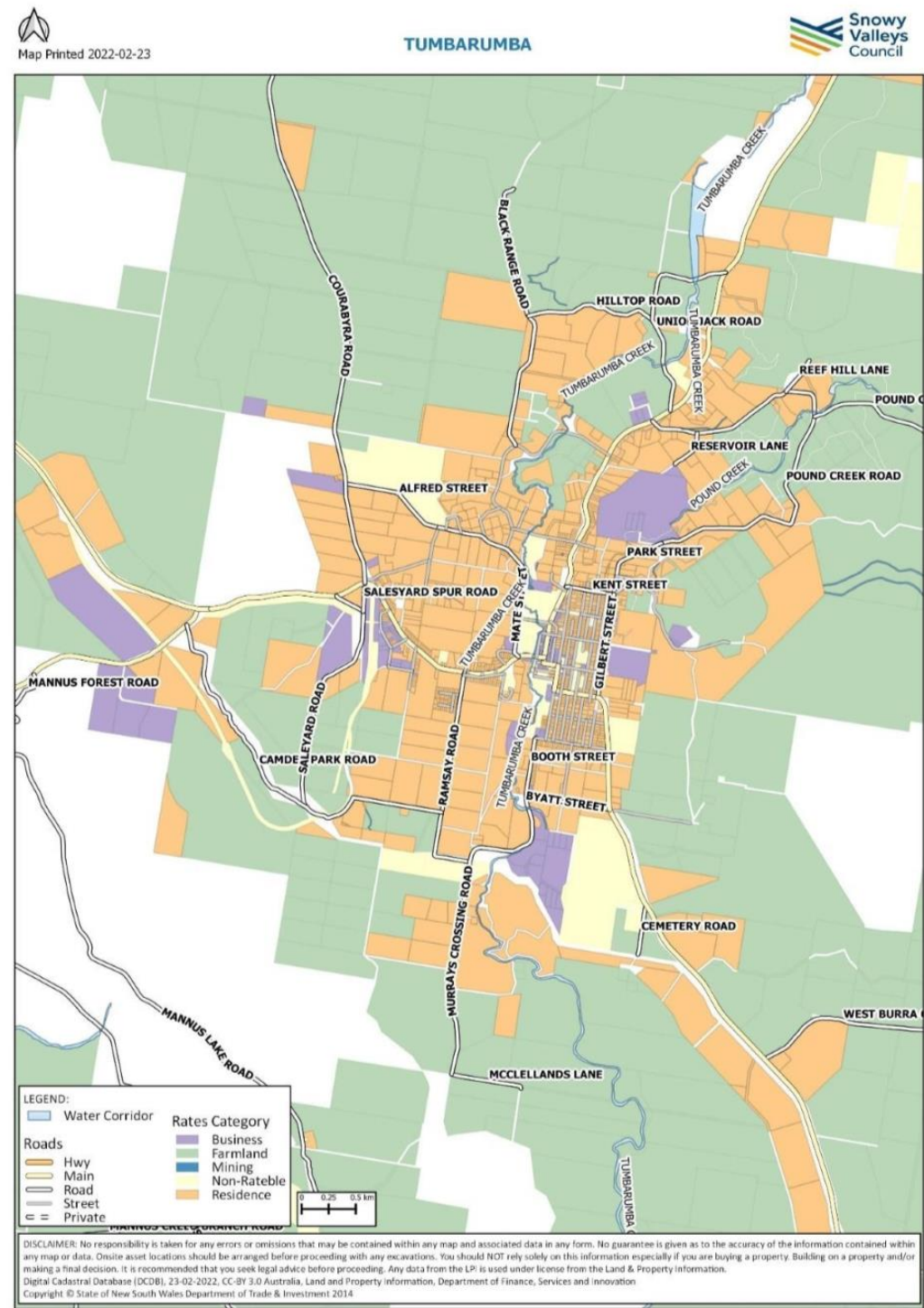
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