

# REVENUE POLICY

## Part 1 – Rates & Charges

### A. Rating

#### 1. Introduction

In accordance with Section 532 of the Local Government Act 1993, a Council must not make a rate or charge until it has given public notice of its draft Operational Plan for the year for which the rate is to be made and has considered any submissions received. In practice a Council should first adopt its final Operational Plan and then make rates and charges by resolution (s535).

#### 2. General Valuation

A new valuation of all land parcels in the Shire occurred in 2018, with a base date of 1 July 2017.

These valuations will be used for rating purposes from 1 July 2018. These valuations will continue to be used until revised through general and special re-valuations by the Valuer General.

#### 3. Rating Method

In accordance with Section 514 of the Local Government Act 1993, Council has categorised all rateable land in the Council area as Residential, Farmland, Business or Mining.

Council determines that the ordinary rates will be applied across the following categories and sub-categories:

##### ***Residential – General***

Council determines the sub-category for the category “Residential” called “Residential – General” for each parcel of rateable land valued as one assessment and its dominant use is residential (other than hotel, motel, guesthouse, boarding house, lodging house or nursing home) and is not connected to Council’s sewer main.

##### ***Residential – Muswellbrook & Denman***

Council determines a sub-category for the category “Residential” called “Residential – Muswellbrook and Denman” for each parcel of rateable land valued as one assessment and its dominant use is residential (other than hotel, motel, guesthouse, boarding house, lodging house or nursing home), and is within the urban area of Muswellbrook and Denman townships and is either connected to Council’s sewer main or is liable for a collection fee.

##### ***Farmland – General***

Council determines the sub-category for the category “Farmland” called “Farmland – General” for each parcel of rateable land valued as one assessment, if its dominant use is for farming and 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),

and cannot be sub-categorised as:

- Farmland – Offset;
- Farmland – Affected by Mining; or
- Farmland – Irrigable.

### ***Farmland – Offset***

Council determines a sub-category for the category “Farmland” called “Farmland - Offset” for each parcel of rateable land valued as one assessment (“the parcel”) if its dominant use is for farming and 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),

and

by reason of a planning law or a condition of a planning approval,

- c) the intensity of land use as farmland on the parcel or any part of it is affected by reason of one or more of the factors described in the schedule; and/or
- d) the productive capacity of the land for use as farmland on the parcel or any part of it is affected by reason of one or more of the factors described in the schedule.

### **THE SCHEDULE**

- (i) The parcel is used or held as an offset, including but not limited to an environmental offset, agricultural offset or aboriginal heritage or cultural offset.
- (ii) The parcel is used for the establishment or re-establishment of:
  - (a) significant and/or threatened plant communities;
  - (b) significant and/or threatened plant species;
  - (c) significant and/or threatened animal species.
- (iii) The parcel is used for the generation or regeneration of grassland.
- (iv) The parcel is used for:
  - a. enhancing the quality of existing vegetation and fauna habitat;
  - b. creating native vegetation and fauna habitat and rehabilitation through focusing on assisted natural regeneration, targeted vegetation establishment and the introduction of naturally scarce fauna habitat features (where necessary);
  - c. maximising the salvage of resources – including vegetative and soil resources – for beneficial reuse;
  - d. minimising the risk of *Phytophthora cinnamomi* spread;
  - e. collecting and propagating seed;
  - f. protecting vegetation and fauna habitat;

- g. minimising the impacts on fauna, including undertaking pre-clearance surveys;
  - h. managing any potential conflicts enhancement works and any Aboriginal heritage values (both cultural and archaeological);
  - i. managing salinity;
  - j. controlling weeds and feral pests;
  - k. controlling erosion;
  - l. managing grazing and agriculture on site.
- (v) One or more parts of the parcel is not used for grazing or is only used for controlled stock movement to prevent incidental impacts to the cultural heritage values of the parcel or any part of it.
  - (vi) One or more parts of the parcel are used in such a way as to exclude all domestic stock.

### ***Farmland – Affected by Mining***

Council determines a sub-category for the category “Farmland” called “Farmland - Affected by Mining” for each parcel of rateable land valued as one assessment (“the parcel”) if its dominant use is for farming and:

- a) cannot be rated as “Farmland – Offset”; and
- b) on which the intensity of land use or productive capacity as farmland on the parcel or any part of it is limited by reason of one or more of the factors described in the schedule; and
- c) which has a significant and substantial commercial purpose or character; and
- d) which is engaged in for the purpose of profit on a continuous or repetitive basis (whether or not a profit is actually made).

### **THE SCHEDULE**

- (i) The parcel’s productive capacity as farmland and/or market value is affected by dust emanating from one or more coal mine whether or not such coal mine shares a boundary with the parcel. Such dust cumulatively more than:
  - A. 15µg/m<sup>3</sup> a day (annual averaging applying) at any farm residence; or
  - B. 30µg/m<sup>3</sup> a day (24-hour averaging applying) on any part of the farm.
- (ii) The parcel’s productive capacity as farmland and/or market value is affected by noise emanating from one or more coal mine whether or not such coal mine shares a boundary with the parcel. Such noise being more than:
  - A. 3dB(A) above either:

- the project noise trigger level for the mine causing noise affectation, as described in the Noise Policy for Industry (EPA 2017); or
- the project specific noise level for the mine causing noise affectation, as described in the NSW Industrial Noise Policy (EPA 2000)

as is applicable to the nearest mine, at any farm residence; or

B. 5dB(A) above either:

- the project noise trigger level for the mine causing noise affectation, as described in the Noise Policy for Industry (EPA 2017); or
- the project specific noise level for the mine causing noise affectation, as described in the NSW Industrial Noise Policy (EPA 2000)

as is applicable to the nearest mine, on any part of the farm.

- (iii) The parcel's productive capacity as farmland and/or market value is affected by it being used to satisfy a condition of consent granted in respect of a mine; for example (but not necessarily) as an environmental offset, agricultural offset or aboriginal heritage or cultural offset.

### ***Farmland – Irrigable***

Council determines a sub-category for the category "Farmland" called "Farmland – Irrigable" for each parcel of rateable land valued as one assessment if its dominant use is for farming which:

- a) is not affected by the economic and/or intensity of land use factors rendering it rateable as "Farmland – Affected by Mining"; and
- b) cannot be rated as "Farmland – Offset"; and
- c) has a significant and substantial commercial purpose or character; and
- d) is engaged in for the purpose of profit on a continuous or repetitive basis (whether or not a profit is actually made); and
- e) is subject of a water right within the meaning of the Valuation of Land Act 1916; and
- f) where the assessment or any part of the assessment:
  - (i) is irrigated for any farming purpose; or
  - (ii) has established irrigation reticulation capable of being used for any farming purpose; or
  - (iii) is wholly or partly within 100m of the Hunter River.

*Note: a water right means a right or authority (however described) under the Water Management Act 2000, the Water Act 1912, or any other Act, being a right or authority to construct, install or use works of irrigation, or to use water supplied by works of irrigation.*

### ***Mining – General***

Council determines the sub-category for the category “Mining” called “Mining – General” for each parcel of rateable land valued as one assessment if its dominant use is for a coal mine or metalliferous mine and cannot be sub-categorised as:

- Mining – Underground Coal Mining; or
- Mining – Metallurgical Coal Mining

### ***Mining – Underground Coal Mining***

Council determines a sub-category for the category “Mining” called “Mining – Underground Coal Mining” for each parcel of rateable land valued as one assessment if its dominant use is for a coal mine; and

- a) where the dominant kind of mining involved is longwall mining or board-and-pillar mining (or both); and
- b) the land cannot be sub-categorised as “Mining – Metallurgical Coal Mining”.

### ***Mining – Metallurgical Coal Mining***

Council determines a sub-category for the category “Mining” called “Mining – Metallurgical Coal Mining” for each parcel of rateable land valued as one assessment if its dominant use is for a coal mine; and

- a) 25% or more of the total coal extracted per annum is metallurgical coal; or
- b) metallurgical coal is approved for extraction.

### ***Business – General***

Council determines the sub-category for the category of “Business” called “Business – General” for each parcel of rateable land valued as one assessment if it cannot be categorised as farmland, residential or mining and cannot be sub-categorised as:

- Business – Power Generation
- Business – Thomas Mitchell Drive Industrial Centre
- Business – Showground Release Area

### ***Business – Power Generation***

Council determines a sub-category for the category “Business” called “Business – Power Generation” for each parcel of rateable land valued as one assessment if it cannot be categorised as farmland, residential or mining and if its dominant use is as a centre for any of the following activities:

- a) the generation of, or capacity to generate, more than 5 megawatts of electricity;
- b) the storage of, or capacity to store, more than 10 megawatts of electricity.

### ***Business – Thomas Mitchell Drive Industrial Centre***

Council determines a sub-category for the category “Business” called “Business – Thomas Mitchell Drive Industrial Centre” for each parcel of rateable land valued as one assessment located wholly or partly within the Thomas Mitchell Drive Industrial Centre.

### ***Business – Showground Release Area***

Council determines a sub-category for the category “Business” called “Business – Showground Release Area” for each parcel of rateable land valued as one assessment if it cannot be categorised as farmland, residential or mining and is located wholly or partly within the Showground Release Area.

#### **4. Structure of the Rate**

In accordance with Section 497 of the Local Government Act 1993, Council has adopted the use of a base amount plus an ad valorem for all categories and sub-categories.

Council's reasons are as follows:-

- a base amount with an ad valorem ensures that the rate burden falls equitably on landowners for the cost and value of common services and facilities (from which all properties benefit) regardless of their rateable value.
- having given regard to the matters set out in Section 536(1) of the Local Government Act 1993, Council is of the opinion that a base amount charged per assessment is fair and equitable and reflects both the "benefit principle" and the "ability to pay principle".

#### **5. Interest on Overdue Amounts**

Councils are responsible for fixing, by formal resolution, the level of interest penalties to apply in respect of rate and charges arrears.

The maximum level of interest is determined each year and advised to Councils by the Department of Local Government. Section 566 (3) states the rate of interest is that set by the Council but must not exceed the rate specified for the time being by the Minister by notice published in the Gazette.

Council proposes to apply the maximum permissible rate of interest payable on outstanding rates and charges at a simple rate calculated daily.

The maximum interest rate that may be charged on overdue amounts for 2019/20 financial year has been determined to be 7.5%.

The discretion to write off extra charges in respect of rates and arrears in a range of appropriate circumstances is available to Councils and/or to enter into special agreements with any individual or any category of ratepayers to facilitate the discharge of the rating liability.

The discretion to write off extra charges can be exercised if special circumstances can be demonstrated by the ratepayers involved.

#### **6. Summary of Rating Philosophy**

- i) That Council sets its rates so as to obtain the maximum possible yield and comply with the Office of Local Government's advice in relation to rate-pegging limitation and catch up provisions.
- ii) That Council sets a base amount per assessment under Section 499(1) of the Local Government Act 1993 for the Residential, Farmland, Business and Mining categories and sub-categories determined thereunder.
- iii) That Council applies the maximum permissible rate for the interest payable on outstanding rates and charges at a simple rate calculated daily.

- iv) That Council utilise changes on the Base Rate amount with the aim of evening out the rates burden and smoothing the impact of possible rate increases that may occur as Land Values are reassessed. Council will not exceed the statutory maximum of 50% of total revenue from the Base Rate amount in each category.

## **7. Matters Considered in Determining the Amount of a Rate**

Council takes into account the following matters when setting the quantum of the rate for each sub-category:

i) The guiding principles for Councils expounded in Chapter 3 of the Local Government Act 1993, including transparency, impartiality, intergenerational equity and sound financial management;

ii) In respect of the base rate, criteria including:

- Council's net general administration and overhead costs;
- the extent to which projected ad valorem rates on individual properties do not reflect the cost of providing necessary services and facilities;
- the level of grant or similar income available to provide necessary services and facilities;
- the degree of congruity and homogeneity between the values of properties subject to the rate and their spread throughout the area;
- whether a rate that is wholly an ad valorem rate would result in an uneven distribution of the rate burden because a comparatively high proportion of assessments would bear a comparatively low share of the total rate burden;
- in the case of a special rate—the cost of providing the works, services, facilities or activities to the parcels of land subject to the rate.

iii) The extent to which those who pay for Council's services have the ability to pay for those services;

iv) The extent to which those who receive the benefits of Council's services also pay for those services; and

v) The applicable statutory caps on the rates that can be made.

## **B. CHARGES**

Sections 501 and 502 permits a Council to make and levy an annual charge for the following services provided on an annual basis:

- \* Water Supply Services
- \* Sewerage Services
- \* Drainage Services (through the Stormwater Levy)
- \* Waste Management Services (other than domestic waste management)
- \* Any services prescribed by the Regulations.

## **1. Water Charges**

Pricing which reflects the costs incurred in the provision of potable water can help ensure conservation of scarce water resources and can promote more efficient investment in water infrastructure.

To achieve this, adequate cash flows are required to meet operating costs, to fund future necessary infrastructure and provide an acceptable rate of return – thereby ensuring the longer term financial sustainability of the service.

One of the key elements in cost-reflective pricing identified by the Department of Environment, Climate Change and Water is a cost-reflective two-part charge for water comprising a water service availability charge and a consumption tariff. Council's availability charge uses the Department's recommended method, which is based on the square of the diameter of the supply pipe. This reflects the true availability of water access by the user.

There are three tariffs for consumption. The Residential Consumption Tariff is a two-tier tariff charged for residential properties. The Tier 1 charge applies to water consumption up to 350KI and the Tier 2 charge applies to water consumption in excess of 350KI per annum. A Non-Residential Consumption Tariff is charged for all other properties connected to Council's water supply.

### **Method of Rendering Accounts**

In accordance with Section 552 of the Local Government Act 1993, land that is supplied with water from a water main of the Council and land that is situated within 225 metres of a water main of Council (whether or not actually supplied with water from any water main of the Council) is charged an annual Water Service Availability Charge for each service to the property.

Each Annual Water Service Charge applicable is included in the Annual Rate Notice issued for the financial year. Water consumption charges are raised three times per year.

## **2. Water and Sewerage Charges - General**

User charges are fees levied on the community for the use of the water and sewerage facilities provided by Council.

Income derived from water supply and sewerage charges can be used for either maintenance or capital expenditure. Unlike general rates, the water supply and sewerage charges are not subject to rate pegging in NSW.

It should be noted that funds raised through water and sewerage charges are explicitly expended on the operational, maintenance and capital expenditure needs related to those services and activities.

### **Best Practice Charging**

Council has implemented charging guidelines recommended by the Department of Environment, Climate Change and Water for the charging of services in regard to water supply and sewerage services.

#### **1. Residential Sewerage Charge**

All residential properties are levied the same charge under the Guidelines mentioned above, with the usage charge based on the average residential water consumption.

The combination of availability charge and usage charge meets all the Best Practice Pricing criteria.

## **2. Non-Residential Sewerage Charge**

The non-residential sewerage charge is levied based on a formula that includes a range of factors that include the size of the water connection, the amount of water used and the amount of water used that is expected to enter the sewage treatment processes.

## **3. Trade Waste Charges**

Trade Waste, is currently defined as:

Any waters other than those used specifically for personal hygiene functions that may be contaminated with any substance as a direct or indirect result of a commercial activity.

The regulation of trade wastes is intended to:

- Prevent the biological capacity of the treatment works being exceeded resulting in the destabilising of the biological process and consequent odours emanating from the works.
- Ensure discharge of effluent from the treatment works is within the requirements of the Clean Waters Act 1970 and Regulations as amended.
- Protect the sewers and sewerage structures from corrosion, damage or blockage.
- Prevent overloading of the sewerage reticulation system.
- Ensure safe working conditions exist in the sewer reticulation system for the protection of Council staff.
- Ensure environmental protection of the local eco-systems, particularly those relating to the regional waterways.

Full details of the charges for Trade Waste are set out in the Fees and Charges Schedule.

## **4. Waste Management Service Charges**

Council undertakes the management of the Muswellbrook Waste Management Facility and the Denman Waste Transfer Station. Council manages the daily operations of these depots in order to ensure the appropriate disposal and storage of waste received at the facilities.

Weekly services for kerbside collection of mixed solid waste (140 litre bins) and alternate fortnightly collections of recyclable and green waste (240 litre bins) are provided by Council to residential properties in Muswellbrook (including the Woodlands Ridge subdivision and Milperra Drive), Denman and Sandy Hollow.

There will be an annual bulky waste clean-up service for green waste. This is in addition to an annual bulky waste clean-up service for general bulky waste (excluding green waste). The dates and arrangements in relation to these activities will be advised at a time closer to the operation of the events.

Weekly services for kerbside collection of mixed solid waste (140 litre bins) and fortnightly collection of recyclable waste (240 litre bins) are provided to non-residential properties in Muswellbrook, Denman and Sandy Hollow. In addition to servicing the urban areas of Muswellbrook (including the Woodlands Ridge subdivision and Milperra Drive), Denman and Sandy Hollow, the following rural areas receive waste services:

- a) Golden Highway to Sandy Hollow
- b) Rosemount Road Loop
- c) Denman Road from Muswellbrook to Denman

Properties located on the above roads, or whose only access to Muswellbrook, Denman or Sandy Hollow is via these roads, are provided weekly services for collection of mixed solid waste (140 litre bins) and fortnightly collections of recyclable waste (240 litre bins). Alternate fortnightly collection of green waste for rural properties will be provided if requested and charged an annual charge for each service required.

Where new services are commenced throughout the year; charges are calculated as a proportion of the annual charge.

#### **a) Domestic Waste Management Service**

Under the Local Government Act, 1993 Section 504 (1) provides:

1. A Council must not apply income from an ordinary rate towards the cost of providing domestic waste management services.
2. Income to be applied by a Council towards the cost of providing domestic waste management services must be obtained from the making and levying of a charge.
3. Income obtained from charges for domestic waste management must be calculated so as to not exceed the reasonable cost to the Council of providing those services.

Council determines the Domestic Waste Charge carefully following these requirements. The charge is set at a rate that covers the cost of collecting and the disposal or recycling of the collected waste as well as the administration of the service. The processes involved in determining the charge are audited by Council's independent auditor.

#### **b) Waste Management Service Availability Charge**

Under Section 496 of the Act, Council is required to levy a charge on all rateable land that is situated within the area in which a domestic waste management service is available, whether occupied land or vacant land.

**c) Waste Management Service (other than Domestic Waste Management Service)**

Under Section 501 of the Act, Council may levy a charge for the provision of waste management services (other than domestic waste management services) which may be levied on each assessment for which the service is provided or proposed to be provided.

This charge applies to non-domestic premises.

**What Criteria are Relevant in Determining the Amount of a Charge?**

1. In determining the amount of a charge for a service, the Council may have regard to (but is not limited to) the following:
  - the purpose for which the service is provided
  - the nature, extent and frequency of the service
  - the cost of providing the service
  - the categorisation for rating purposes of the land to which the service is provided
  - the nature and use of premises to which the service is provided
  - the area of land to which the service is provided
2. The amount of a charge need not be limited to recovering the cost of providing the service, for which the charge is made, except as provided by Section 503(2) and 504 (3)
3. Council will continue with a recycling service. The cost of providing this service is included in the Domestic Waste Management Service charge and also the Waste Management Service Charge. These charges entitle ratepayers to a fortnightly recycling collection.
4. Council will continue the green waste service. The cost of providing this service is included in the Domestic Waste Management Service charge. These charges entitle ratepayers to a fortnightly green waste collection.

The charge for the collection of the green waste is not included in the Waste Management Service Charge or Rural Waste Charges. However, property owners to which these charges apply can elect to utilise and pay for the green waste service.

**5. Stormwater Management Charge**

Under Section 496A of the Act, Council may make or levy an annual charge for stormwater management services

In 2010/11 Council introduced an annual levy of \$25.00 for each assessment in the Residential and Business Rating categories and \$12.50 for each Residential Strata assessment within the urban areas of Muswellbrook and Denman. All funds raised from this source will be applied

to the construction of new and/or upgraded stormwater management assets in those towns. The raising of the levy and the application of the funds collected will be in accordance with the *Stormwater Management Service Charges Guidelines* issued by the Division of Local Government. Since 2011/12 the charge on assessments in the Business Category has been based on the area of the impervious surfaces contained in the assessment as per the table below:

Area Sqm	Charge
0 - 1,199	\$25.00
1,200 - 4,999	\$100.00
5,000 - 9,999	\$375.00
>10,000	\$725.00

## **6. On-Site Sewer Management System – “Approval to Operate”**

Under Section 68(1) of the Local Government Act 1993, Councils are the controlling authority for the monitoring and management of all on-site sewer management systems for public and environmental health risks.

From 2018/19, Council will now be issuing the annual fee for the Approval to Operate an Onsite Sewer Management System, as part of the Annual Rates and Charges Notice. This charge will also include the fee for the inspection of the system.

This charge will be displayed as a separate line on the notice. Please see Council's Fees and Charges document for the prescribed fees.

## **STATEMENT OF RATES PROPOSED TO BE LEVIED FOR 2019/2020**

Section 494(2) Local Government Act, 1993

### **ORDINARY RATES**

Rates are assessed by levies on the value of the land. Land values are determined by the Valuer General. Increases in ordinary rate income are subject to the percentage variation as determined by the Independent Pricing and Regulatory Tribunal (IPART). This is referred to as the rate peg limit.

For the 2018-2019 rating year IPART approved a Special Rate Variation for one year of an additional 12.43%. This giving a total increase allowable of 14.73%. This included the rate peg amount of 2.3%.

For the 2019/2020 rating year, Council has made application to IPART to continue the Special Variation granted for the 2018-2019 rating year. This application has been approved and as a result the Special Variation amount will remain in the rate base permanently and the ordinary rates will be increased for 2019/2020 only by the rate peg amount as specified by IPART of 2.7%.

Rate Type	Category	Sub-Category	Ad Valorem Cents in \$	Base/ Min \$	Base as % of Total Rate Levied
Ordinary	Residential	Residential – General	0.4623912	\$240	22.10%
Ordinary	Residential	Muswellbrook & Denman	0.6195025	\$290	37.66%
Ordinary	Farmland	Farmland – General	0.3606699	\$400	14.18%
Ordinary	Farmland	Affected by Mining	1.2924271	\$15,000	0%
Ordinary	Farmland	Irrigable	0.3904191	\$440	11.23%
Ordinary	Farmland	Offset	1.2924271	\$15,000	0%
Ordinary	Mining	Mining - General	1.2924271	\$15,000	2.91%
Ordinary	Mining	Underground Coal Mining	0.1382401	\$7,000	45.44%
Ordinary	Mining	Metallurgical Coal Mining	26.020468	\$15,000	0%
Ordinary	Business	Business – General	1.2037212	\$250	9.79%
Ordinary	Business	Power Generation	8.0728479	\$25,000	19.41%
Ordinary	Business	Thomas Mitchell Drive Industrial Centre	1.2129431	\$275	12.49%
Ordinary	Business	Showground Release Area	0.2243150	\$250	2.30%

**Council's rating of the Mining – Underground Coal Mining sub-category following the Perilya decision and revaluation of land by the NSW Valuer General**

Following the Land and Environment's decision in the *Perilya* case, the NSW Valuer-General implemented a new method of valuing coal mines which took into account the value of the coal reserve beneath the land. In the subsequent revaluation of land in the Shire by the Valuer-General, coal mine land values increased significantly. Accordingly, Council undertook a review of its rating structure. As part of this review, Council determined to set the *ad valorem* rate for land in the "Mining – Underground Coal Mining" sub-category at a level which brought the rates payable on underground coal mines into parity with those payable on the open-cut coal mines in the Shire. Currently, the Dartbrook mine is the only land which falls within that rating sub-category.

Since the revaluation and review, it has become apparent that the Valuer-General valued the Dartbrook mine too low. The Valuer-General has since issued a significantly higher revised valuation with effect from the 2018/19 rating year. As a result, the rates payable for that year have increased retrospectively. Council and the ratepayer, AQC Dartbrook, have entered into an arrangement whereby the ratepayer will pay the additional rates by instalments and Council will reduce the rates for the "Mining – Underground Coal Mining" sub-category to a base rate of \$7,000.00 and an *ad valorem* rate of \$0.001 to balance the additional liability.

Council will review the structure of this rate once the ratepayer has paid the outstanding rates or when another ratepayer falls within the sub-category.

## WATER CHARGES

For 2019/2020, Council is proposing to levy Water Service Availability Charges as set out below:

1. A Water Service Availability Charge is charged for each service to the property in respect of land that is supplied with water from a water pipe of the Council and land that is situated within 225 metres of a water pipe of the Council (whether or not actually supplied with water from any water pipe of the Council). The Water Service Availability Charge is based on the service size of the connection to the water supply line. The Water Service Availability Charges for the year commencing 1 July 2019 are:

Water Service Charge Category	Amount
Availability Charge (Not Connected)	\$190
Availability Charge (Connected)	
- 20mm service	\$190
- 25mm service	\$297
- 32mm service	\$486
- 40mm service	\$760
- 50mm service	\$1,188
- 65mm service	\$2,007
- 80mm service	\$3,040
- 100mm service	\$4,750
- 150mm service	\$10,688

2. A Consumption Tariff is to be charged per kilolitre for all water supplied. The water consumption tariffs proposed for the year commencing 1 July 2019 are:

<u>Consumption Tariff</u>	<u>(\$/Kl)</u>
Residential	Tier 1 (1-350Kl per annum) \$1.90 Tier 2 (>350Kl per annum) \$2.71
Non-Residential	\$2.36 per kilolitre

## SEWERAGE CHARGES

For 2019/2020, Council is proposing to levy Sewerage Service Availability Charges as set out below:

An annual charge for sewer is applicable to each rateable assessment except:

- a) Land which is more than 75 metres from a sewer of the Council and is not connected to the sewer; and
- b) Land from which sewage could not be discharged into any sewer of the Council.

### 1) Residential Sewer Charges

A Sewer Service Availability Charge is charged in respect of each Residential assessment for which the service is provided or is proposed to be provided. The Sewer Service Availability Charges for the year commencing 1 July 2019 are:

#### Sewer Service Charge

Residential Sewer Availability Charge (Vacant)	\$280.00
Residential Sewer Charge (Occupied)	\$705.00

#### 2) Non-Residential Sewerage Charges

Non-Residential Sewer Charges will be based on the following formula:

SC = SDF x (AC + (C x UC)) where:-  
SC = Sewerage Charge  
SDF = Sewerage Discharge Factor  
AC = Availability Charge  
C = Total water consumption for meter  
UC = Sewer Usage Charge

The Sewer Service Availability Charges for the year commencing 1 July 2019 are:

Sewer Service Charge Category	Amount
Availability Charge (Not Connected)	\$280.00
Availability Charge (Connected)	
20mm service	\$280.00
25mm service	\$437.50
32mm service	\$716.80
40mm service	\$1,120.00
50mm service	\$1,750.00
65mm service	\$2,957.50
80mm service	\$4,480.00
100mm service	\$7,000.00
150mm service	\$15,750.00

The Sewer Usage Charge for the year commencing 1 July 2019 is:

Sewer Usage Charge	(\$/KI)
Non-Residential Sewer Usage Charge	\$2.36

Discharge Factors required for non-residential properties will be determined on an individual property basis.

#### DOMESTIC WASTE MANAGEMENT CHARGES

Domestic Waste Management Charges are levied in accordance with Section 496 of the Local Government Act 1993.

For 2019/2020 Council is proposing to levy the following charges in regard to Domestic Waste Management Services:

#### Domestic Waste Management Service Charges

Urban Domestic Waste Management Availability Charge (1)	\$96.00
Urban Domestic Waste Management Service Charge (2)	\$400.00

Additional Urban Domestic Waste Management Service Charge	\$100.00
Additional Urban Domestic Waste Management Recycling Service Charge	\$70.00
Additional Urban Domestic Waste Management Green Waste Service Charge	\$30.00

- (1) This charge applies to vacant rateable land categorised for rating purposes as Residential and situated within the urban area in which a Domestic Waste Management Service is able to be provided
- (2) Each habitable premises is entitled to one approved mobile waste bin service per week and one fortnightly collection of recyclable material and one fortnightly collection of green waste for each Urban Domestic Waste Management Service Charge.

For 2019/2020 Council proposes to levy the following charges on assessments categorised for rating purposes as Residential or Farmland and situated within the rural area to which a Domestic Waste Management Service is able to be provided.

#### Rural Domestic Waste Management Service Charge

Rural Domestic Waste Management Availability Charge (1)	\$96.00
Rural Domestic Waste Management Service Charge (2)	\$370.00
Additional Rural Domestic Waste Management Service Charge	\$100.00
Additional Rural Domestic Waste Management Recycling Service Charge	\$70.00
Rural Domestic Waste Management Green Waste Service Charge	\$30.00

- (1) This charge applies to vacant rateable land categorised for rating purposes as Residential or Farmland and situated within the rural area in which a Rural Domestic Waste Management Service is able to be provided
- (2) Each habitable premise is entitled to one approved mobile waste bin service per week and one fortnightly collection of recyclable material for each Rural Domestic Waste Management Service Charge.

For 2019/2020, Council proposes to levy the following charges on assessments not categorised for rating purposes as residential and situated within the urban area in which a Waste Management Service is able to be provided.

#### WASTE MANAGEMENT CHARGES

Waste Management Charges are levied in accordance with Section 501 of the Local Government Act 1993.

For 2019/2020 Council is proposing to levy the following charges in regard to Domestic Waste Management Services:

#### Waste Management Service Charge

Urban Waste Management Availability Charge – Non-Domestic (1)	\$96.00
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Waste Management Service Charge (2)	\$370.00
Additional Waste Management Service Charge	\$100.00
Additional Waste Management Recycling Service Charge	\$70.00
Waste Management Green Waste Service Charge	\$30.00

(1) This charge applies to vacant rateable land not categorised for rating purposes as Residential and situated within the urban area in which a Waste Management Service is able to be provided.

(2) Each premises is entitled to one approved mobile waste bin service per week and one fortnightly collection of recyclable material for each Waste Management Service Charge.

For 2019/2020, Council proposes to levy the following charges on assessments land not categorised for rating purposes as residential or farmland and situated within the rural area in which a Waste Management Service is able to be provided.

#### Rural Waste Management Service Charge

Rural Waste Management Availability Charge – Non-Domestic (1)	\$96.00
Rural Waste Management Service Charge (2)	\$370.00
Additional Rural Waste Management Service Charge	\$100.00
Additional Rural Waste Management Recycling Service Charge	\$70.00
Rural Waste Management Green Waste Service Charge	\$30.00

(1) This charge applies to vacant rateable land not categorised for rating purposes as Residential or Farmland and situated within the rural area in which a Rural Waste Management Service is able to be provided.

(2) Each premise is entitled to one approved mobile waste bin service per week and one fortnightly collection of recyclable material for each Rural Waste Management Service Charge.

#### STORMWATER MANAGEMENT CHARGE

Council proposes to levy Stormwater Management Charges in accordance with Section 496A of the *Local Government Act 1993* on land within the Muswellbrook and Denman urban areas and included in the Town Planning Zones of R1 General Residential, B2 Local Centre, SP2 Infrastructure, IN2 Light Industrial, IN1 General Industrial and RU5 Village, except where exemption or variation to the charge is provided in accordance with the document "Stormwater Management Service Charge Guidelines" issued by the Division of Local Government in July 2006, at a rate of \$25.00 per assessment and \$12.50 per residential strata unit.

Where a non-residential assessment exists with an impervious land area falling within the ranges outlined below the charge will be levied in accordance with table established below:-

Area Sqm	Charge
0 - 1,199	\$25.00
1,200 - 4,999	\$100.00
5,000 - 9,999	\$375.00
>10,000	\$725.00

#### INTEREST ON OVERDUE ACCOUNTS

For the 2019/20 rating year Council proposes to set the interest rate at the maximum amount determined by the Minister. The rate has been set at 7.5% P. A.

#### HUNTER CATCHMENT CONTRIBUTION

The minister has not yet determined the rate for the Hunter Catchment Contribution for 2019/20. The 2018/19 rate was 0.0111 (zero point zero one one one).

The rate is levied and collected in accordance with Clauses 36 and 40 of Local Land Services Regulation 2014. The rate is set by the Local Land Services on the current Land Value of the land within the Council area.