



STATEMENT OF REVENUE POLICY

Document Owner: Council
Responsible Department: Executive
Responsible Section: Finance
Responsible Officer: Chief Financial Officer
Effective Date:

Policy Statement

The Local Government Act (the Act) requires Council, under section 404, to include a Statement of Revenue Policy in its annual Operational Plan. In compiling this statement, significant factors have been considered in conjunction with the projected Operational Budget. In the current economic climate, Council is continuing to face cost pressures while being relatively constrained with static revenue base. The 2025-26 Operational Budget has been formulated within these income and cost constraints.

The Revenue Policy is a key component of the Operational Plan and lists Council's Rates, Fees, and Charges for 2025-26, including all areas that support the generation of Council's income.

Revenue categories include:

- Rates
- Annual charges for services
- Fees for services
- Commonwealth and State government grants
- Earnings on investments
- Borrowings
- Other revenues, including income from the sale of assets

Council adopts its Revenue Policy on an annual basis.

The following sections provide information regarding how Council will levy ordinary land rates, charges, and fees in the 2025-26 financial year and the anticipated revenue that will be derived from each separate rate, charge, and fee.

1. Rates

1.1. Rates are levied on the land value (as determined by the Valuer General) of the property and in accordance with the Local Government Act 1993.

2. Categorisation of Land for the purposes of ordinary

2.1. Council is required to categorise all rateable properties in accordance with section 514 of the Act, to be within one of the following rating categories.

- Farmland
- Residential
- Mining
- Business

2.2. Before making an ordinary rate, a council may determine a sub-category or sub-categories for one or more categories of rateable land in its area. A sub-category may be determined for the category:

- “Residential” according to whether the land is rural residential land or is within a centre of population or
- “Business” according to a centre of activity or
- “Farmland” according to the intensity of the land use, the irrigability of the land, or economic factors affecting the land or
- “Mining” according to the kind of mining involved

3. Rating Methods and Council’s Rating Structure

3.1. The Act provides Council with the following three alternative methods for levying rates:

- Solely ad valorem rating
- Minimum rate plus ad valorem rate
- A base amount of up to 50% of the total yield required to be raised from a category or sub-category plus an ad valorem rate

3.2. The ad valorem amount of a rate is an amount in the dollar determined for a specified year by the council and expressed to apply, in the case of an ordinary rate, to the land value of all rateable land in the council’s area within the category or sub-category of the ordinary rate.

2. Land Valuations

2.1. Land valuations are supplied to Council by the NSW Valuer General’s Office (VG) and are based on the unimproved capital value (ignoring any developments) on the land. Land valuations are used by Councils to levy ordinary land rates. The VG provides council with supplementary lists every four weeks which dictate land value changes to particular properties within the three-year base year period.

2.2. Council uses land values to equitably levy ordinary land rates by applying a rate in the dollar to an individual property’s land valuation. A different rate in the dollar applies to different rating categorisations.

2.3. An increase in total land valuations received from the VG does not increase Council’s total permissible annual income; instead, it redistributes the rate

burden between individual properties based on that property's land value change in comparison to others.

- 2.4. More information about land valuations and their use by councils is available from the Property NSW website at http://www.valuergeneral.nsw.gov.au/council_rates.

3. Total Permissible Revenue – Rate Pegging and Special Rate Variation

- 3.1. The rate peg is a percentage determined by the Independent Pricing and Regulatory Tribunal (IPART) each year that limits the maximum general rate income NSW Councils can collect above the rate income it collected in the previous year. The rate pegging limit for Walgett Shire River Council (WSC) for 2025-26 determined by IPART is 4.2%.
- 3.2. General income comprises income from ordinary land rates and special rates (Council is not levying any special rates at this current time). It does not include income derived from fees or charges for water, sewer, waste management, stormwater, on-site sewage management fees etc.
- 3.3. The rate peg applies to the total rate income, and therefore individual property rates may fluctuate depending upon their rating categorisation, council's adopted rating structure, and their land valuation.
- 3.4. Councils may apply for an increase above the rate peg limit determined by IPART for a set number of years, this is known as a Special Rate Variation (SRV) under section 508 of the Act. A SRV, if approved, overrides the rate pegging limit.

4. Council's Rating Structure

- 4.1. Council's overall Rate income is based on last year's income plus the rate peg 4.2% set by the Office of Local Government through IPART. The rating structure in Table 1, next page, shows Walgett Shire Council rates structure.

Table 1 – Rating Structure 2025-26

Rating Category	District	Property Count	Land Valuation	Base Rate \$	Base Rate	Ad Valorum	Total Revenue \$
Residential	Walgett	622	11,489,680	230	37.43%	0.020816	382,229
	Lightening Ridge	641	26,780,970	230	36.96%	0.00939	398,877
	Collarenebri	199	575,630	230	41.15%	0.1137	111,219
	Burren Junction	95	532,160	230	44.67%	0.050853	48,912
	Carinda	65	154,780	130	49.53%	0.05563	17,060
	Rowena	37	172,830	120	49.03%	0.026707	9,056
	Cumborah	58	1,172,480	115	48.23%	0.006107	13,830
	General	82	5,982,380	200	32.72%	0.005638	50,129
	Opal fields	1715	4,596,400	161	40.41%	0.088572	683,227
	TOTAL	3514	51,457,310				1,714,539
Business	Walgett	117	4,053,820	400	31.50%	0.025101	148,555
	Lightening Ridge	119	10,216,510	400	29.45%	0.011163	161,647
	Collarenebri	30	295,610	400	40.99%	0.058435	29,274
	Burren Junction	22	187,630	300	42.35%	0.047887	15,585
	Carinda	14	202,580	175	40.84%	0.017517	5,999
	Rowena/Come by Chance						
	Cumborah	9	108,320	200	49.75%	0.016785	3,618
	Opal fields	49	461,490	250	41.79%	0.036969	29,311
	General	100	4,541,390	300	47.56%	0.007283	63,075
	Intensive Use	6	732,900	3,300	42.41%	0.03668	46,683
	TOTAL	466	20,800,250				503,747
Farmland	Farmland	838	2,695,816,450	300	5.42%	0.001627	4,637,493
	GRAND TOTAL	4,818	2,768,074,010				6,855,779

5. How rates are calculated

5.1. General Rates

- a. The calculation used to ascertain the general rates for an individual property is:

$$\frac{\text{Land Value x Ad Valorem}}{100} = \text{General Rate payable}$$

5.2. Base Rates

- a. The calculation used to ascertain the base rate for an individual property is:

$$\text{Base Rate} + \frac{\text{Land Value x Ad Valorem}}{100} = \text{Base Rate payable}$$

Note: Different categories/sub-categories will have different Base Rates by default. Base rates are dependent on the percentage of total income for that category/sub-category depending on the total income for that category. Base rates are not an indication of the amount a property is contributing to services provided by Council, it is purely an optional method of calculating rates on a property.

6. Rate Instalment dates

- 6.1. Section 562 (3)(b) the Act states “If payment is made by quarterly instalments, the instalments are payable by 31 August, 30 November, 28 February and 31 May”, except as provided in subsection 4”. It has been Council’s practice to extend the payment date to the first working day after the due date if the instalment falls due on a weekend.

7. Charges

- 7.1. Under sections 496, 496A and 501 of the Act, a Council may levy annual charges for the following services:

- Water
- Sewer
- Domestic Waste Management
- Non-Domestic Waste Management

- 7.2. Under section 502 of the Act, Council may levy charges for actual use for the following services:

- Water Usage
- Sewer Usage

- 7.3. Water, Sewer, and Waste Management charges relating to non-rateable properties will be charged in accordance with sections 496, 501, and 502 of the Act. For the purposes of charging these non-rateable properties that actually use these services in accordance with section 503 (2) of the Act, the charges to be applied are the same as those charged against rateable properties as these charges are representative of use.

8. Best practice pricing

- 8.1. The introduction of best-practice pricing for water, and sewer is essential for the effective and sustainable management of Council's water supply and sewerage businesses and to minimize customer bills. The purpose of best-practice management is:
- to encourage the effective and efficient delivery of water supply and sewerage services and
 - to promote sustainable water conservation practices and water demand management throughout NSW
- 8.2. With increasing demands on the limited water resources of NSW, it is vital that these resources are managed in an efficient and sustainable manner.
- 8.3. Best-practice management is essential for efficient and sustainable management of water resources and the environment. It enables Council to achieve sustainable water supply and sewerage businesses and comply with the Australian Government's National Competition Policy (NCP) and National Water Initiative (NWI).
- 8.4. Best-practice water supply pricing requires that the usage charge recover those costs that vary with demand in the long-term (i.e. long-run marginal cost), through a usage charge.
- 8.5. Section 552 (1)(b) of the Act prescribes that Council may levy a special rate or charge on land that is situated within 225 metres of a water pipe of the council whether the land has a frontage or not to the public road (if any) in which the water pipe is laid, and although the land is not actually supplied with water from any water pipe of the council.
- 8.6. Section 552 (3)(a) of the Act prescribes that Council may levy a special rate or charge relating to the sewerage on all land except land which is more than 75 metres from a sewer of the council and is not connected to the sewer.

9. Water access and consumption charges

- 9.1. The water access charge is an annual charge, under section 501 of the Act, levied to customers and is independent of the level of consumption. The annual access charges for water are estimated to yield \$2,947,851 for 2025-26 financial year.
- 9.2. Set out in Table 2, below are the annual water access and consumption charges for 2025-26.

Table 2 –Water Access Charges for 2025-26

WATER-ACCESS CHARGES								
Walgett & Collarenebri				Number	2024-25	2025-26	Revenue 2024-25	Revenue 2025-26
		non-						
20/25/32mm	Residential	potable	Walgett	829	\$656	\$656	\$543,824	\$543,824
20/25/32mm	Residential	potable	Collarenebri	251	\$656	\$656	\$164,656	\$164,656
20/25/32mm	Residential	potable	Walgett	825	\$656	\$656	\$541,200	\$541,200
		non-						
20/25/32mm	Residential	potable	Collarenebri	258	\$656	\$656	\$169,248	\$169,248
40/50/75/100mm	Residential			0	\$656	\$656	\$0	\$0
20mm	Commercial			48	\$656	\$656	\$31,488	\$31,488
25mm	Commercial			15	\$1,029	\$1,029	\$15,435	\$15,435
32mm	Commercial			0	\$1,685	\$1,685	\$0	\$0
40mm	Commercial			4	\$2,634	\$2,634	\$10,536	\$10,536
50mm	Commercial			15	\$4,115	\$4,115	\$61,725	\$61,725
75mm	Commercial			1	\$9,030	\$9,030	\$9,030	\$9,030
100mm	Commercial			2	\$16,050	\$16,050	\$32,100	\$32,100
							1,579,242	\$1,579,242
				non potable	\$0.45		\$0.50	

WATER ACCESS CHARGES							
Lightning Ridge Rowena Carinda			Number	2024-25	2024-25	Revenue 2024-25	Revenue 2025-26
20/25/32mm	Residential	Lightening Ridge	800	\$475	\$475	\$380,000	\$380,000
20/25/32mm	Residential	Rowena	19	\$475	\$475	\$9,025	\$9,025
20/25/32mm	Residential	Carinda	59	\$475	\$475	\$28,025	\$28,025
40/50/75/100mm	Residential		0	\$475	\$475	\$0	\$0
20mm	Commercial		25	\$475	\$475	\$11,875	\$11,875
25mm	Commercial		9	\$706	\$706	\$6,354	\$6,354
32mm	Commercial		6	\$1,120	\$1,120	\$6,720	\$6,720
40mm	Commercial		5	\$1,692	\$1,692	\$8,460	\$8,460
50mm	Commercial		7	\$2,710	\$2,710	\$18,970	\$18,970
75mm	Commercial		1	\$5,930	\$5,930	\$5,930	\$5,930
100mm	Commercial		1	\$11,250	\$11,250	\$11,250	\$11,250
							\$486,609

WATER-CONSUMPTION CHARGES					Revenue
Walgett and Collarenebri			2024-25	2025-26	2025-26
User charges	potable	up to 600kl	\$1.22	\$1.30	\$0
	potable	over 600kl	\$1.86	\$2.00	\$0
	non				
	potable	up to 600kl	\$0.44	\$0.46	\$0
	non				
	potable	over 600kl	\$0.62	\$0.65	\$0
Bulk user	per kilolitre	potable	\$1.30	\$1.50	

WATER-CONSUMPTION CHARGES						Revenue
Lightening Ridge, Rowena, Carinda				2024-25	2025-26	2025-26
User charge	per kilolitre	potable	up to 600kl	\$0.44	\$0.60	\$0
		potable	over 600kl	\$0.62	\$1.00	\$0
Bulk user	per kilolitre	Agreement with Council		\$0.285	\$0.300	
					\$800,000	\$882,000

10. Sewerage access charges

- 10.1. The sewer access charge is an annual charge, under section 501 of the Act, levied to customers and is independent of the level of usage. The annual access charges for sewer are estimated to yield \$1,071,517 for 2025-26 financial year.
- 10.2. Set out in Table 3, below, are the annual sewer access charges for 2025-26.

Table 3 – Sewerage Access Charges for 2025-26

SEWERAGE						Revenue	Revenue
				2024-	2025-		
Walgett, Lightning Ridge Collarenebri				25	26	202-/25	2025-26
Access charge	per connection	Walgett	780	\$590	\$615	\$460,200	\$479,528
		Lightning Ridge	774	\$510	\$531	\$394,740	\$411,319
		Collarenebri	224	\$490	\$511	\$109,760	\$114,370
Cistern charges							
per toilet/urinal etc		Walgett	256	\$91	\$95	\$23,296	\$24,274
		Lightning Ridge	314	\$79	\$82	\$24,806	\$25,848
		Collarenebri	26	\$71	\$74	\$1,846	\$1,924
pedestal		walgett	105	\$88	\$92	\$9,240	\$9,628
		Lightning Ridge	49	\$79	\$82	\$3,871	\$4,034
		Collarenebri	8	\$71	\$74	\$568	\$592
						\$1,028,327	\$1,071,517

11. Domestic and Commercial Waste Management Charge

- 11.1. Council is unable to apply income from ordinary rates towards the cost of providing Domestic Waste Management services. Therefore, Council levies a Domestic Waste Management Charge under section 496 of the Act. The charge applies uniformly to each separate residential occupancy of rateable land (including vacant land) for which the service is available (i.e., properties that are along the route of the waste collection truck).
- 11.2. In determining the annual Domestic Waste Management Charge, Council must include all expenditure that relates to the delivery of this service and may include provision for the future increases to allow for equalisation of pricing from year to year. This is considered a prudent approach as waste management is subject to changing industry regulation, cost and operational requirements that have a potential for significant variations in the future. The Domestic Waste Management is estimated to yield \$1,216,092.
- 11.3. Commercial Waste Management Charge for 2025-26 is estimated to yield \$462,135.
- 11.4. Set out in Table 5, below, are the annual domestic and commercial waste charges for 2025-26.

Table 5 – Domestic and Commercial Waste Management Charges for 2025-26

WASTE MANAGEMENT				2024- 25	2025- 26	Revenue 2024-25	Revenue 2025-26
			number				
Domestic	Standard 240lt bin	weekly	1995	\$585	\$610	\$1,167,075	\$1,216,092
Commercial	Standard 240lt bin	weekly	83	\$650	\$677	\$53,950	\$56,216
		twice					
	360lt bin	weekly	22	\$1,840	\$1,917	\$40,480	\$42,180
	360lt bin	weekly	77	\$920	\$959	\$70,840	\$73,815
General Waste Management charge (S501)			3522	\$79	\$82	\$278,238	\$289,924
						\$1,610,583	\$1,678,227

12. Sundry

12.1. Interest on Overdue Rates and Charges

- a. The interest rate payable for the 2025-26 financial year, under section 566 of the Act for 2025-26 has been advised by Office of Local Government at the determination of the Minister of Local Government as 10.5%

12.2. Adjustments to Rates and Charges

- a. Property rates and charges will be adjusted following a change in circumstances, for example, a subdivision / amalgamation on notification from the VG or a change in rating categorisation, in accordance with sections 527 and 546 of the Act. Relevant adjustments to rates will be made at the start of the following Rate year but service charges will be made pro-rata from the date of notification by the VG through its Supplementary process or following the effective date of the charge including subdivision plan registration date or date an application for categorisation review was made. These adjustments are made in accordance with sections 527 and 546 of the Act.
- b. Retrospective adjustments would usually be made only for the current year, however, Council may decide to make adjustments for a period outside the current year in certain cases at its discretion, depending upon equity and specific circumstances.
- c. Council may choose not to make current year adjustments if the value of the adjustment is less than \$50 if Council considers that the account will be uneconomical to collect.

12.3. Making the rate and charges and setting the interest rate

- a. In accordance with sections 533, 534, 535, 543 and 566, Council must make the rates and charges and set the interest rate annually. Council must also give a short name to each rate and charge made. A separate report is presented to Council in June annually to adopt the rates, charges, and interest to satisfy these legislative requirements.

12.4. Pensioner Concessions

- a. Council provides concessions for eligible pensioners under section 575 of the Act as follows:
 - i. 50% of the combined ordinary land rate and domestic waste management charge up to a \$250 maximum rebate
 - ii. 50% of water fixed and usage charges up to an \$87.50 maximum rebate
 - iii. 50% of sewerage fixed charge up to an \$87.50 maximum rebate
- b. Council funds 45% of the total concession granted with 50% funded by the NSW State Government and the remaining 5% by the Australian Federal Government.
- c. Holders of the cards listed below are eligible for the concession. Pensioner concessions will only be granted in the year the application is made, that is, an eligible pensioner can only claim a maximum concession dating back to the 1st of July in the current rating year.

- i. Holders of a Pensioner Concession Card (PCC)
- ii. Holders of a gold card embossed with 'TPI' (Totally Permanently Incapacitated)
- iii. Holders of a gold card embossed with 'EDA' (Extreme Disablement Adjustment)
- iv. War widow or widower or wholly dependent partner entitled to the DVA income support supplement

13. Borrowings

- 13.1. Council determines borrowing requirements in conjunction with the review of its Delivery Program each year.
- 13.2. The borrowing of funds if required, will be in accordance with Part 12 - Loans, sections 621, 622, 623 and 624 of the Act and the 'Borrowing Order' issued by the Minister for Local Government, dated 27th September 1993.
- 13.3. Council has Identified that there may be borrowings in the 2025-26 financial year.

14. Pricing Policy

- 14.1. Council's pricing policy aims to be equitable by recognising people's ability to pay and balancing expectation that some services will be cross-subsidised for the common good of the community.
- 14.2. Council's key pricing strategies are to:
 - develop pricing structure that can be administered simply, inexpensively and be easily understood by members of the public
 - explore all cost-effective opportunities to maximize Council's revenue base
 - balance the dependences on rates and grants against other funding sources and
 - full cost attribution be applied to all business activities considered to be of a commercial nature
- 14.3. Council's pricing principles are:
 - a. S - Statutory - The price for goods / services are a statutory charge set by government legislation
- 14.4. F - Full Cost Recovery - The price for goods / services are set to recover the total operating costs, both direct and indirect, of providing this good / service. Indirect costs are to include taxation equivalent payments, where applicable, in accordance with the principles of National Competition Policy
- 14.5. P - Partial Cost Recovery - The price for goods / services are set to make a significant contribution towards the operating costs, both direct and indirect, of providing the goods / services. The remainder of the costs are met from property rates and general-purpose income
- 14.6. R - Reference Price - The price for goods / services are set by reference to prices charged for similar goods / services by like councils or competitors

15. Fees and Charges

- 15.1. Council's schedule of Fees and Charges has been prepared using the best information available in relation to the GST impact on the fees and charges at the time of publication. If a fee that is shown as being subject to GST is subsequently proven not to be subject to GST, then that fee will be amended by reducing the GST to nil.
- 15.2. Conversely, if Council is advised that a fee which is shown as being not subject to GST becomes subject to GST then the fee will be increased but only to the extent of the GST.

16. Rate Maps

- 16.1. Walgett Shire Council Rate Map have been attached to this policy as Attachment 1.

17. Related Policy/Procedure

- 17.1. Business Ethics Policy
- 17.2. *Local Government Act 1993*
- 17.3. *Local Government (General) Regulation 2021*

History

Minute Number	Meeting Date	Description of Change

Rates Categories

rating_categories

- Business
- Residential
- Farmland

