

Revenue Policy 2025-26



Version 2- For Adopted- 23 June 2025

Bega Valley Shire Council is responsible for ensuring it is financially sustainable and manages its funds responsibly to deliver services and infrastructure on behalf of the community that meet the community's needs and expectations.

Our Revenue Policy is prepared annually in accordance with Section 405 of the *Local Government Act 1993*.

Included in the Revenue Policy are the following statements for 2025-26:

- Rating structure
- Pensioner rebates
- Borrowings
- Debt recovery
- Charging philosophy
- Supply charges - water services
- Supply charges - sewerage services
- Supply charges - liquid trade waste
- Supply charges - high usage
- Supply charge – waste
- On-site sewer management

Rating structure

The rating structure for general rates is based on a combination of two elements, the first being a base rate that is equally applied to all properties. The remainder of general rates are calculated on a rate in the dollar, often referred to as the ad valorem rate, based on unimproved land value assigned by the Valuer General.

Land Valuation

Land valuations are supplied to Council by the NSW Valuer General. For equity purposes, the Valuer General provides Council with updated land valuations at a minimum of every three years. These land valuations are used by Council to levy ordinary land rates. The Valuer General provided updated land valuations in early 2025 based data as of July 2024. These will be used for the rating years 2025-26 and 2026-27.

Routine changes in total land valuations received from the Valuer General do not change Council's total permissible annual income; they simply redistribute the rate burden between individual properties based on that property's change in comparison to others.

More information about land valuations and their use by councils is available from the Valuer General NSW website.

Land Categories

Categorisation of all ratable land in the Bega Valley Shire has been undertaken in accordance with section 514 of the *Local Government Act 1993* to be within one of the rating categories below. Sections 515 to 519 describe how land is to be categorised for rating purposes.

Farmland - Applies to all properties in the Bega Valley Shire that satisfy the farmland criteria.

Residential - Applies to all properties where the dominant use is residential or in the case of vacant land, where it is zoned or otherwise designated for residential purposes.

Business - Applies to all properties that cannot be categorised as farmland or residential.

Change in Categorisation

If we receive an application to change the rateable category or have on reasonable grounds, information to believe that the rateable category should be changed, we may do so at any time. As a consequence of declaring a new categories effective date, changes to land rates shall be applicable from 1 July, 1 October, 1 January or 1 April provided the declared effective date is prior to one of these dates.

Land Value Changes due to Supplementary Valuation

Council will undertake rating on a pro-rata basis to reflect any changes to land valuation by the Valuer General. These changes may be the result of a subdivision, boundary adjustment, a sale resulting in a split, an amalgamation of parcels, or other changes affecting the valuation of your property. Changes to land rates shall be applicable from 1 July, 1 October, 1 January or 1 April provided the declared effective date is prior to one of these dates.

Exempt Land

Some land is exempt from the base rate and ad valorem rates. These exemptions are defined in the *Local Government Act 1993*.

Rate Peg

Rate pegging limits the amount by which Council can increase its rate revenue from one year to the next. The rate peg each year is set by the Independent Pricing and Regulatory Tribunal of NSW (IPART). The rate peg amount for Bega Valley Shire Council 2025-26 is 4.9% inclusive of a 0.8% population factor.

| Yield calculation | Amount \$ |
|--|------------|
| Rating permissible income 2024-25 | 39,877,645 |
| 4.9% rate peg | 1,950,716 |
| Less excess from previous year | 3,289 |
| Maximum total rate revenue for 2025-26 | 41,828,361 |

Projected General Rates Income

The rate peg for 2025-26 is set at 4.9%.

| Category | Base Rate \$ | Ad-valorem Amount ¢ in dollar | Base rate % | Number of Assessments | Rate Yield \$ | Rate Yield % |
|-------------|--------------|-------------------------------|-------------|-----------------------|---------------|--------------|
| Residential | 843 | 0.00240455 | 46 | 18,551 | 34,924,933 | 84 |
| Farmland | 843 | 0.00240455 | 25 | 784 | 2,655,935 | 6 |
| Business | 843 | 0.00645049 | 18 | 895 | 4,247,432 | 10 |
| Mining | 0 | 0 | 0 | 0 | 0 | 0 |
| | | | TOTAL | 20,530 | 41,828,361 | 100 |

Special Variations

Each year Council obtains income through a range of existing Special Variations to rates. These increases were approved either by IPART or the Minister for Local Government and provide funding for a specific purpose.

| Name | Purpose | 2025-26 Revenue | Status |
|--|--|-----------------|----------------|
| Environmental Levy | Biodiversity management, waterways protection and sustainability | \$519,050 | Ongoing |
| Emergency Services | Emergency Services, engineering administration for RFS and loan repayments | \$1,080,960 | Ongoing |
| Libraries, Gallery, Tourism Centres and Weeds | Libraries, gallery, tourism and weeds management | \$1,230,700 | Ongoing |
| Various Transport and Recreation Infrastructure and Lifeguards | Road stabilisation, timber bridge rehabilitation, culvert restoration, footpath trip hazard, recreation buildings and pools, ocean lifeguards, urban street construction, kerb and guttering | \$1,469,100 | Ongoing |
| Tourism Promotion and Merimbula Airport | Tourism promotion and Merimbula Airport | \$883,840 | Concludes 2031 |

| | | | |
|---|---|--------------|---------|
| Collector Roads, Recreation Facilities, Public Domain Areas and Buildings | Renewal of collector roads, recreation facilities and access roads and infrastructure renewal of public domain areas and buildings | \$1,858,330 | Ongoing |
| Asset Renewal and Services | Reduce infrastructure backlog, fund ongoing operation, maintenance and renewal of assets and services, improve Council's financial sustainability | \$10,964,630 | Ongoing |

Stormwater management levy (Section 496A)

Council introduced a stormwater levy in 2007-2008 under Section 496A of the *Local Government Act 1993*. The charge applies to all developed lots that benefit from Council's stormwater system, whether built or natural. The funds are used to improve the performance of Council's stormwater management services. Total estimated income for the stormwater management levy in 2025-26 is \$306,852.

The NSW Government caps the charges for all properties and the proposed charges are either at or below the cap levels.

| Land Use | Charge |
|---|----------|
| Residential | \$25.00 |
| Residential strata | \$12.50 |
| Commercial (up to 1,200 sqm) | \$25.00 |
| Commercial (in excess of 1,200 sqm but not exceeding 3,000 sqm) | \$100.00 |
| Commercial (in excess of 3,000 sqm) | \$200.00 |
| Commercial strata | \$5.00 |

Asset Renewal and Services SRV allocation

The Asset Renewal and Services SRV will support the following services and projects in 2025-26.

| Cost Centre | Amount |
|--|-----------|
| Information Technology | 700,009 |
| Records Management | 109,370 |
| Strategic Planning | 109,370 |
| Development Assessment review | 60,000 |
| Administration Buildings | 103,500 |
| Bridges On Sealed Rural Roads - Local | 1,321,497 |
| Bridges On Sealed Rural Roads - Regional | 103,500 |
| Bridges On Unsealed Rural Roads - Local | 253,400 |
| Civic Centre | 68,813 |
| Drainage | 911,250 |
| Footpaths | 127,500 |
| Library Services | 119,025 |
| Parks And Gardens | 2,501,717 |
| Roads Rural Sealed Local | 1,357,702 |
| Roads Rural Sealed Regional | 223,579 |
| Roads Rural Unsealed Local | 1,238,249 |
| Roads Urban Sealed Local | 765,967 |

| | |
|----------------------------|-------------------|
| Roads Urban Unsealed Local | 19,806 |
| Sports Grounds | 273,389 |
| Swimming Pools | 596,988 |
| TOTAL | 10,964,630 |

Pensioner rebates

Holders of a pensioner concession card who own and occupy a rateable property are eligible for a pensioner concession. The *Local Government Act 1993* provides for a pensioner rebate of up to 50% of the aggregated general rates and domestic waste management charges, to a maximum of \$250. Pensioners are also entitled to a maximum rebate of \$87.50 for both water and sewer base charges at a total of \$175.00 per annum. The State Government reimburses Council up to 55% of the pensioner concession. Council funds the remaining 45%.

There are approximately 4,161 properties that receive a pensioner concession on their rates. Pensioner concessions are expected to total \$1,455,738 in 2025-26, comprised of:

- \$969,413 General/ Domestic waste rates
- \$225,487 Sewer charge
- \$260,837 Water charges.

The 55% pensioner subsidy received from the State Government will amount to approximately \$800,655 leaving approximately \$655,082 to be funded by Council and the community.

Borrowings

Council's Financial Policy outlines that new debt should only be utilised on new or significantly upgraded asset projects and only after all other funding sources have been exhausted. The term of any new debt should be linked to the life of the asset being funded and is always repaid on a principle and interest basis. All new debt is modelled through Council's Long-Term Financial Plan to ensure it can be afforded by current and future ratepayers within the shire.

Council is required under the *Local Government Act 1993* to include details of proposed borrowings in the financial period covered by this Revenue Policy. All loans are financed from an approved financial institution that offers the most competitive rate. Council proposes to borrow \$5,328,418 in 2025-26 to fund the organics processing facility located at the Central Waste Facility. Another loan for this project of \$5,488,271 is proposed for 2026-27.

Debt recovery

Council has a responsibility to recover monies owing to it in a timely and efficient manner to finance its operations and ensure effective cash flow management. Council aims to ensure effective control over debts owed to Council, including overdue rates, fees, charges and interest, and will take necessary steps as outlined in Council's Debt Recovery Procedure.

Council adheres to ethical guidelines to ensure all debt recovery is managed responsibly and offers a Financial Hardship Procedure where alternative payment arrangements can be sought by ratepayers who are going through financial difficulties.

All reasonable efforts are made to ensure ratepayers have an opportunity to relinquish their debt, prior to initiating formal proceedings. If formal debt recovery proceedings are initiated, debtors will be responsible for all legal costs associated with recovering the outstanding amounts. Land may be sold with Council approval, where rates or other property debt arrears are greater than the land value of the property or rates are in arrears for five years.

Interest on overdue general rates and charges

In accordance with Section 566 of the *Local Government Act 1993* Council charges interest on all rates and charges that remain unpaid after they become due and payable. The maximum rate of interest payable on overdue rates and charges as prescribed by the Minister and published in the Government Gazette will be 10.5% for 2025-26.

Goods and Services Tax (GST)

Ordinary rates, special rates, water charges, sewage charges, stormwater charges and waste management charges are exempt from GST. The majority of Council fees as advertised in the schedule of fees accompanying the Operational Plan are subject to GST and accordingly the charges reflect a 10% GST component.

Charging philosophy

Council's rates and charges are reviewed on an annual basis prior to finalisation of Council's annual budget. In general, Council follows a cost-recovery philosophy towards the provision of services. It recognises people's ability to pay and balances an expectation that some services will be cross subsidised from rates for the common good of the community. Council's pricing will:

- explore cost recovery opportunities
- pursue value for money by providing effective and efficient service
- balance rates and grants against other funding
- manage financial risk in a volatile climate
- ensure that debt financing is limited to works of a capital nature and that the total debt is limited to ensure long- term financial stability
- be structured so that it can be administered simply and cheaply and be understood by the public
- consider real life cycle and environmental costs
- consider that the price applied can encourage or discourage consumer use and behaviours.

In the case of water, sewer and waste services, price increases reflect the cost of providing these services and provide for future investment that delivers our strategies and appropriately manages our assets. With ordinary land rates, the rate increases must remain below the limit set by the Independent Pricing and Regulatory Tribunal (IPART) unless IPART approves a special variation to general income.

The rates and charges levied by Council are a debt that is applied to the land. This debt is the responsibility of the current owner of the land. Payment received is acknowledgement that the details and charges contained within the notice are correct. Any arrears not discharged by previous owners become the responsibility of the current owner.

The rates and charges set out in this Revenue Policy are designed to provide the net source of funds after allowing for loans, contributions, fees and charges, and government grants for the projects and initiatives identified in the 2025-26 Delivery Plan.

A detailed listing of the 2025-26 Fees and Charges is available on Council's website.

Supply charges - water services

Our water charging structure consists of two components, a water access charge and a water usage charge.

The estimated income for 2025-26 from the two charge components is shown below.

| Income source | 2025-26 income estimate |
|---------------------|-------------------------|
| Water access charge | \$5,406,906 |
| Water usage charge | \$10,543,420 |
| TOTAL | \$15,950,326 |

Water access charge (Sec 501)

The water access charge (AC_w) is charged annually to all residential and non-residential properties. It is determined by the water service connection size, according to the formula:

$$AC_w = AC_{20} \times D^2 / 400$$

- AC = water access charge (\$)
- AC_{20} = water access base charge (\$)
- D = water service connection size (mm)

The water access base charge (AC_{20}) is defined by the size of a standard residential 20mm water service connection.

The water access base charge (AC_{20}) for 2025-26 is shown below.

| Charge | 2025-26 \$/connection |
|--|--------------------------|
| Water access base charge (AC_{20}) | \$315 |

Variations to the charging formula for AC_w apply for:

- strata title properties - units/flats/apartments/townhouses/villas
- multiple residence properties, where individual separate dwellings are situated on a single parcel of land (including but not limited to non-strata flats/units/villas, secondary dwellings and dual occupancies)
- retirement villages and multi-residence affordable housing
- Non-residential non-rateable community organisations
- mixed use developments
- water connections for fire services

These are considered separately below.

Strata title properties

Strata title properties are charged the water access base charge for each rateable parcel of land created under a strata title subdivision, regardless of water service connection size, or the number of water service connections, according to the formula:

$AC_w = AC_{20}$ – applied to each rateable parcel of land created under a strata title subdivision

Multiple residence properties

Multiple residence properties, where individual separate dwellings are situated on a single parcel of land (including but not limited to non-strata flats/units/villas, secondary dwellings and dual occupancies) are charged a water access charge based on the number of dwellings, regardless of water service connection size, or the number of water service connections, according to the formula:

$$AC_w = AC_{20} \times ND$$

- AC_w = water access charge (\$) – multiple residence properties
- AC_{20} = water access base charge (\$)
- ND = no. residential dwellings

Retirement villages and multi-residence affordable housing properties

Residential retirement villages and multi-residence affordable housing properties are charged a water access charge for each water service connection with a discount factor applied, according to the formula:

$$AC_w = AC_{20} \times D^2 / 400 \times DF$$

- AC_w = water access charge (\$) – retirement villages and multi-residence affordable housing
- AC_{20} = water access base charge (\$)
- D = water service connection size (mm)
- DF = discount factor

The discount factor (DF) for 2025-26 is shown below.

| Charge | 2025-26 |
|-----------------|---------|
| Discount factor | 0.85 |

Eligibility for the residential categorisation and discount factor is determined on an application basis:

- retirement village operators must provide proof of notification to the Registrar General that the land, or part of land, is used as a retirement village
- Multi-residence affordable housing operators must apply and obtain approval that the land, or part of land, is used as residential affordable housing (State Environmental Planning Policy Housing 2021 - 13 Affordable housing—the Act, s 1.4(1))

Non-residential non-rateable community organisations

Connected properties for non-residential non-rateable community organisations are charged the water access base charge with a discount factor applied, according to the formula:

$$AC_w = AC_{20} \times DF$$

- AC_w = water access charge (\$) – non-residential non-rateable community organisations
- AC_{20} = water access base charge (\$)
- DF = discount factor

The discount factor (DF) for 2025-26 is shown below.

| Charge | 2025-26 |
|-----------------|---------|
| Discount factor | 0.85 |

Mixed-use developments

Connected properties rated as mixed-use for commercial and residential use are charged a water access charge based on the water service connection size and a water access base charge for each residential dwelling at the same site, according to the formula:

$$AC_w = (AC_{20} \times D^2/400) + (AC_{20} \times ND)$$

- AC = water access charge (\$) – mixed use developments
- AC_{20} = water access base charge (\$)
- D = water supply service connection size (mm)
- ND = no. residential dwellings

Examples of such premises include a shop with a dwelling at the rear or upstairs, a commercial premise incorporating shop-top housing, or a caretaker's unit in an industrial area.*Fire services*

No water access charge applies to approved dedicated fire service connections. This exemption is forfeited if metered water usage occurs outside of emergency use. An access charge based on increments of the water access base charge will then apply.

Unconnected properties

Unconnected properties within 225 meters of a water main are charged an unconnected water access charge.

The unconnected water access charge for 2025-26 is shown below.

| Charge | 2025-26 \$/connection |
|---------------------------------|--------------------------|
| Unconnected water access charge | \$315 |

Water usage charge (Sec 502)

The water usage charge is a variable charge based on the volume of water used and metered through a property water meter in kilolitres (kL). It is charged four times a year, according to the formula:

$$UC_w = Q \times UC$$

- UC_w = water usage charge (\$)
- Q = metered water use (kL)
- UC = water usage charge rate (\$/kL)

The water usage charge rate (UC) for 2025-26 is shown below.

| Charge | 2025-26 \$/kL |
|------------------------------|---------------|
| Water usage charge rate (UC) | \$3.95 |

Home dialysis and home care medical patients

Connected properties with home dialysis and home care medical patients may obtain an allowance for water use. We require certification by a medical practitioner for this allowance to apply.

Supply charges - sewerage services

Our sewerage charging structure consists of a single-part residential sewer access charge and a two-part non-residential sewer access and usage charge.

The estimated income for 2025-26 from the two charge components is shown below.

| Income source | 2025-26 income estimate |
|-----------------------|-------------------------|
| Residential sewer | |
| - access charge | \$20,248,135 |
| Non-residential sewer | |
| - access charge | \$2,231,726 |
| - usage charge | \$2,248,468 |
| TOTAL | \$24,728,329 |

Residential sewer access charge (Sec 501)

The residential sewer access charge (AC_R) is charged annually to all connected residential properties. It is a fixed charge equal to the residential sewer access base charge, according to the formula:

$$AC_R = AC_{RS}$$

- AC_R = residential sewer access charge (\$)
- AC_{RS} = residential sewer access base charge (\$)

The residential sewer access base charge (AC_{RS}) for 2025-26 is shown below.

| Charge | 2025-26 \$/connection |
|--|-----------------------|
| Residential sewer access base charge (AC_{RS}) | \$1,589 |

Variations to the residential charging formula for AC_R apply for:

- strata title properties - units/flats, apartments, townhouses
- multiple residence properties, where individual separate dwellings are situated on a single parcel of land (including but not limited to non-strata flats/units/villas, secondary dwellings and dual occupancies)
- residential retirement villages and multi-residence affordable housing properties

These are considered separately below.

Strata title properties

Strata title properties are charged the sewer access base charge for each rateable parcel of land created under a strata title subdivision, regardless of water service connection size, or the number of water service connections, according to the formula:

$AC_R = AC_{RS}$ – applied to each rateable parcel of land created under a strata title subdivision

- AC_R = residential sewer access charge (\$)
- AC_{RS} = residential sewer access base charge (\$)

Multiple residence properties

Multiple residence properties, where individual separate dwellings are situated on a single parcel of land (including but not limited to non-strata flats/units/villas, secondary dwellings and dual occupancies) are charged the residential sewer access base charge for each separate dwelling, regardless of water service connection size or number of water service connections, according to the formula:

$$AC_R = AC_{RS} \times ND$$

- AC_R = residential sewer access charge – multiple residence properties (\$)
- AC_{RS} = residential sewer access base charge (\$)
- ND = no. dwellings

Residential retirement villages and multi-residence affordable housing properties

Residential retirement villages and multi-residence affordable housing properties are charged a sewer access charge for each water service connection, with a discount factor applied, according to the formula:

$$AC_R = AC_{RS} \times D^2 / 400 \times DF$$

- AC_R = residential sewer access charge – residential retirement villages and multi-residence affordable housing
- AC_{RS} = residential sewer access base charge (\$)
- ND = no. dwellings
- DF = discount factor

The discount factor (DF) for 2025-26 is shown below.

| Charge | 2025-26 |
|-----------------|---------|
| Discount factor | 0.85 |

Eligibility for the residential categorisation and discount factor is determined on an application basis outlining:

- retirement village operators must provide proof of notification to the Registrar General that the land, or part of land, is used as a residential retirement village
- multi-residence affordable housing operators must apply and obtain approval that the land, or part of land, is used as residential affordable housing (State Environmental Planning Policy Housing 2021 - 13 Affordable housing—the Act, s 1.4(1))

Non-residential sewer access charge

The non-residential sewer access charge (AC_{NR}) is charged annually to all connected non-residential properties. It is a charge based on the non-residential sewer access base charge, water supply service connection size and a sewer discharge factor, according to the formula:

$AC_{NR} = AC_{NRS} \times D^2 / 400 \times SDF$ – for each connected water service

- AC_{NR} = non-residential sewer access charge (\$)
- AC_{NRS} = non-residential sewer access base charge (\$)
- D = water supply service connection size (mm)
- SDF = sewer discharge factor

The non-residential sewer access base charge (AC_{NRS}) for 2025-26 is shown below.

| Charge | 2025-26 \$/connection |
|---|--------------------------|
| Non-residential sewer access base charge (AC_{NRS}) | \$1,589 |

The sewer discharge factor is a percentage of metered water use deemed to discharge to sewer. It applies to both non-residential access and usage. The percentage is based on guidance material for different property types provided to us by the NSW government.

Variations to the non-residential charging formula for AC_{NR} apply for:

- non-rateable community organisations
- mixed use developments

These are considered separately below.

Non-residential non-rateable community organisations

Connected properties for non-residential non-rateable community organisations are charged the non-residential sewer access base charge (AC_{NRS}) multiplied by a discount factor, regardless of water service connection size, or the number of water service connections, according to the formula:

$$AC_{NR} = AC_{NRS} \times DF$$

- AC_{NR} = non-residential sewer access charge – non-residential non-rateable community organisation
- AC_{NRS} = non-residential sewer access base charge (\$)
- DF = discount factor

The discount factor (DF) for 2025-26 is shown below.

| Charge | 2025-26 |
|-----------------|---------|
| Discount factor | 0.85 |

Mixed use developments

Connected properties rated as mixed-use for commercial and residential use are charged a non-residential sewer access charge and the residential sewer access base charge (AC_{RS}) for each residential dwelling at the same site, according to the formula:

$$AC_{NR} = (AC_{NRS} \times D^2 / 400 \times SDF) + (AC_{RS} \times ND)$$

- AC_{NR} = non-residential sewer access charge – mixed use developments (\$)
- AC_{NRS} = non-residential sewer access base charge (\$)
- D = water supply service connection size (mm)
- SDF = sewer discharge factor
- AC_{RS} = residential sewer access base charge (\$)
- ND = no. dwellings

Examples of such premises include a shop with a dwelling at the rear or upstairs, a commercial premise incorporating shop-top housing, or a caretaker's unit in an industrial area.

Unconnected properties

Unconnected residential and non-residential properties within 75 meters of a sewer main are charged an unconnected sewer access charge.

The unconnected sewer access charge for 2025-26 is shown below.

| Charge | 2025-26 \$/connection |
|---------------------------------|--------------------------|
| Unconnected sewer access charge | \$795 |

Non-residential sewer usage charge (Sec 502)

The non-residential sewer usage charge is a variable charge for non-residential properties. It is determined by the volume of metered water use in kilolitres (kL) multiplied by a sewer discharge factor and a charge rate. It is charged four times a year, according to the formula:

$$UC_{NR} = Q \times SDF \times UC$$

- UC_{NR} = non-residential sewer usage charge
- Q = metered water use (kL)
- SDF = sewer discharge factor
- UC = non-residential sewer usage charge rate (\$/kL)

The non-residential sewer usage charge rate (UC_{NR}) for 2025-26 is shown below.

| Charge | 2025-26 \$/kL |
|--|---------------|
| Non-residential sewer usage charge rate (UC) | \$5.70 |

Working out your total non-residential sewer bill

A non-residential sewer bill is determined according to the formula:

$$B = AC_{NR} + UC_{NR}$$

- B = non-residential sewer bill (\$)
- AC_{NR} = non-residential sewer access charge (\$) – charged annually
- UC_{NR} = non-residential sewer usage charge (\$) – charged four times a year

Supply charges - liquid trade waste

Liquid trade waste (LTW) is all liquid waste other than sewage of a domestic nature discharged to the sewerage system from non-residential properties. LTW adds additional cost to transporting and treating sewage. To recover these costs and to remove cross-subsidies from residential customers, fees and charges are applied to LTW dischargers. LTW fees and charges are in addition to non-residential sewer charges and include general fees and charges, category-specific usage charges and non-compliance charges.

General fees and charges

LTW general fees and charges are included in our *2025-26 Fees and Charges* document. They include:

- Application fees
- Inspection fees
- Non-compliance charges

Usage charges (Sec 502)

LTW dischargers are divided into four categories for usage charging purposes. The four categories and formulas used for LTW usage charges are outlined below.

Category 1: LTW dischargers requiring nil or minimum pre-treatment

No usage charge applies.

Category 2: LTW dischargers with prescribed pre-treatment

The LTW usage charge for category 2 dischargers is calculated according to the formula:

$$LTW_2 = Q \times LTWDF \times UC_2$$

- LTW_2 = LTW usage charge for category 2 dischargers (\$)
- Q = metered water use (kL)
- $LTWDF$ = LTW discharge factor
- UC_2 = LTW usage charge rate (\$/kL)

The LTW discharge factor is a percentage of metered water use deemed to discharge to sewer as LTW. The percentage applied is based on guidance material for different discharger types provided to us by the NSW government.

The category 2 LTW usage charge rate (UC_2) for 2025-26 is shown below.

| Charge | 2025-26 \$/kL |
|---|------------------|
| LTW usage charge rate – category 2 (UC_2) | \$2.40 |

Category 2S: LTW dischargers that transport sewage waste to sewage treatment plants

This category includes transporters that tanker human waste to sewage treatment plants from septic tanks, portable toilets, pit toilets, on-site sewage management systems and ship-to-shore pump-out facilities.

$$LTW_{2s} = Q_{2s} \times UC_{2s}$$

- LTW_{2s} = LTW usage charge for category 2S dischargers
- Q_{2s} = LTW discharge volume (kL)
- UC_{2s} = LTW usage charge rate (\$/kL)

The category 2S LTW usage charge rate (UC_{2s}) for 2025-26 is shown below.

| Charge | 2025-26 \$/kL |
|---|------------------|
| LTW usage charge rate – category 2S (UC_{2s}) | \$20.00 |

Category 3: Large (<20 kL/d) and industrial LTW dischargers

The LTW usage charge for category 3 dischargers is calculated according to the formula:

$$LTW_3 = EMC$$

- LTW_3 = LTW usage charge for category 3 dischargers
- EMC = excess mass charges (\$)

Excess mass charges (EMC) are for large and industrial LTW dischargers that discharge LTW above 'deemed concentrations' in domestic sewage. EMCs are based on NSW Government advice in the *Liquid Trade Waste Management Guidelines 2021*. The unit charging rates (\$/kg) for each substance are obtained from guidance material provided to Council by the NSW Government.

Non-compliance charges

Non-compliance charges are included in our *2025-26 Fees and Charges* document. Non-compliance charges are for dischargers that have not installed or maintained pre-treatment equipment, or complied with a notice to install or maintain pre-treatment equipment.

Supply charges - high usage water and sewer

High usage charges are additional charges levied on non-residential customers who have used more capacity in our water and sewerage networks than previously paid for. Capacity is expressed in terms of a 'credit volume' for water used and sewage discharged in kL/y.

For existing non-residential connections, a credit volume is determined by either previous section 64 developer contributions paid, or a 10-year 80th percentile water use from 2010-2019, according to the formulas:

$$CV_w = ET \times 205 \text{ kL/y}$$

$$CV_s = ET \times 190 \text{ kL/y}$$

- CV_w = credit volume water (kL/y)
- CV_s = credit volume sewer (kL/y)
- ET = developer contributions previously paid expressed as equivalent tenement

$$CV_w = u + Zs$$

$$CV_s = (u + Zs) \times SDF$$

- CV_w = credit volume water (kL/y)
- CV_s = credit volume sewer (kL/y)
- u = average of annual water use 2010-2019 (outliers removed)
- Z = statistical z value of corresponding to the 80th percentile in a normal distribution (0.84)
- s = standard deviation
- SDF = sewer discharge factor

For new non-residential connections, a credit volume of 205 kL/y for water and 190 kL/y for sewer are allocated where developer contributions have been paid previously. Where contributions have not been paid, a minimum credit volume of 205 kL/y for water and 190 kL/y for sewer must be purchased at rates within our *2025-26 Fees and Charges* document.

High usage charges apply for water used and sewage discharged beyond the credit volumes assigned to a non-residential property. High usage charges are charged annually following the final water meter read in a financial year, according to the formulas:

$$HUC_{NRW} = Q \times HUC_w$$

$$HUC_{NRS} = Q \times SDF \times HUC_s$$

- HUC_{NRW} = high usage charge non-residential water
- HUC_{NRS} = high usage charge non-residential sewer
- Q = metered water use (kL)
- SDF = sewer discharge factor
- HUC_w = high usage charge rate water (\$/kL)
- HUC_s = high usage charge rate sewer (\$/kL)

The high usage charge rates for 2025-26 are shown below.

| Charge | 2025-26 \$/kL |
|--|------------------|
| High usage charge rate water (HUC_w) | \$3.00 |
| High usage charge rate sewer (HUC_s) | \$4.54 |

The high usage charge rates are re-calculated annually. A net present value calculation is used where the developer charges for water and sewer are discounted over 30 years with a rate equal to the IPART Local Government Discount Rate (3.5% in December 2024).

Additional credit volumes can be purchased at any time at the section 64 developer contribution rate shown in our *2025-26 Fees and Charges* document. No additional credit volumes will accrue through payment of the high usage charge.

On-site sewer management (OSM)

Council will charge a single annual amount on rates and charges notices which helps fund OSM program required to manage the risk that onsite sewage management systems pose to human health and the environment. Program services include routine inspections of systems based on risk classification, inspections of voluntary upgrades to systems, administration, and advice/education.

Separate fees will still apply for Section 68 Approval to Install/Alter Systems of Onsite Sewage Management, and inspections of new systems.

Estimated income for On-Site Sewer Management in 2025-26 is \$326,468. (Sec 608 [2])

| Risk Category | Charge |
|------------------------------------|----------|
| OSM - Low risk (10 year cycle) | \$47.00 |
| OSM - High risk (3 year cycle) | \$83.00 |
| OSM - Critical risk (1 year cycle) | \$185.00 |

Supply Charges - waste

Council provides a waste collection and management service to the community. Waste management charges are designed to recover costs from people who benefit from the availability, or the use of the waste management services.

The estimated yields for 2025-26 are as follows:

| Category | Amount |
|-----------------------------|--------------|
| Domestic waste management | \$11,032,815 |
| Commercial waste management | \$1,248,250 |

Waste Management Services Charge (Sec 501)

All occupied, rateable assessments in the Bega Valley Shire pay a Waste Management Charge, to cover the cost of waste management services including operation and maintenance of transfer stations and landfills, delivery of waste minimisation programs, and rehabilitation of legacy landfill sites.

A different charge will be applied depending on whether the assessment is zoned business, rural, residential or mixed development. For the purposes of this revenue policy every dwelling in strata lot is to be taken as a separate parcel and levied individually. Further, charges labelled as 'commercial' are applied to 'business' rated property assessments.

All approved multiple residence properties where separate, individual dwellings are situated on a single parcel of land (including but not limited to non-strata flats/units/villas, dual occupancies and dwellings within retirement villages) will be charged as per the following:

- number of dwellings X residential single dwelling annual charge – up to 7 dwellings per parcel of land.
- number of dwelling X residential single dwelling annual charge X 0.75 - greater than 7 dwellings per parcel of land.

Waste management charges also apply to occupied non-rateable properties, regardless of whether a waste collection service is provided. The value of the charge will vary depending on the use of the property (commercial, residential, or rural). For the purposes of this charge, halls, schools, and churches are all considered business.

Domestic Waste Management Service Charges (Sec 496)

These charges help recover the cost to Council for provision of domestic waste collection services for

residential, rural, and multi-unit dwellings, as well as the associated costs of waste disposal, processing, and recycling of domestic waste.

Each eligible property is provided a specific domestic waste collection service depending on its location and property type. For the purposes of this revenue policy every dwelling in strata lot is to be taken as a separate parcel and levied individually.

Collections will only be conducted from Council supplied mobile garbage bins, and only on the specified day.

A standard residential collection service, for instance, would consist of the following:

- fortnightly collection, removal, and disposal of residual waste in a 140L mobile garbage bin (MGB)
- fortnightly collection, removal, and processing of commingled household recyclables in a 240L MGB
- weekly collection, removal and processing of household food and garden organics in a 240L MGB

A standard domestic waste collection service for an eligible rural property would ordinarily consist of the following:

- weekly collection, removal, and disposal of residual waste in a 140L mobile garbage bin (MGB)
- fortnightly collection, removal, and processing of commingled household recyclables in a 240L MGB

If additional bins are required (e.g., for large families), these can be requested at any time, and once provided will be charged to the property at the respective annual charge.

Where a domestic waste collection service is available but not used by a customer, that customer will still be charged for a standard domestic waste collection service applicable for that type of property.

A domestic waste collection service and the associated charge will be applied to all approved multiple residence properties where separate, individual dwellings are situated on a single parcel of land (includes but not limited to non-strata flats/units/villas, strata title flats/units/villas dual occupancies and dwellings within retirement villages).

For properties of 7 or more dwellings, a communal service (red and yellow lidded bulk bin collected fortnightly, FOGO collected weekly) is available. The following minimum waste generation rates are to be used when calculating the required number of bins for the development:

- Landfill Bin 70L/per dwelling/per week
- Recycling Bin 100L/per dwelling/per week
- FOGO Bin 25L/per dwelling/per week

Charges for communal services are listed in this policy.

Examples of such premises include a shop with a dwelling at the rear or upstairs, a premise incorporating shop top housing, or a caretaker's unit in an industrial area.

Domestic Waste Management Services Availability Charge (s.496)

This charge will apply to vacant rateable assessments where the domestic waste collection service is available, but no service is provided. Note: if a property is occupied and the domestic waste collection service is available, the domestic waste management charge will instead be applied.

Commercial Waste Management Services Charges (s. 501)

Costs incurred by Council for provision of commercial waste collection services are also recovered under the Waste Management Charge. Each serviced business-rated assessment is charged for a specific waste collection service. A standard commercial waste collection service would generally consist of the following:

- weekly collection, removal, and disposal of residual waste in a 240L mobile garbage bin (MGB)
- weekly collection, removal, and processing of commingled recyclables in a 240L MGB

If additional bins are required, these can be requested at any time, and once provided will be charged to the property at the respective annual charge.

Mixed Use Development Waste Service Charges

Where a property includes both a commercial and residential component, the following charges shall be made:

- A commercial waste management charge
- A commercial waste collection service charge, and
- A separate mandatory residential waste collection service charge for each residential dwelling at the same site.

| Function | Charge | Description | Value | Information |
|------------------|-------------|-----------------------------------|-------|---|
| Waste Management | s. 501 | Residential Waste Management | 347 | Mandatory charge per residential-rated (non-rural) assessment (excl vacant land). |
| | s.501 | Rural Waste Management | 164 | Mandatory charge per rural-rated assessment (excl vacant land). |
| | s.501 | Commercial Waste Management | 372 | Mandatory charge per commercial - rated assessment (excl vacant land). |
| | s.496 | Waste Service Availability Charge | 99 | Mandatory charge per assessment for land where waste collection service is available, but no service is provided. |
| | s.501 | Waste Contamination Charge | 225 | Charge applied in accordance with contamination procedure. |
| Landfill | Weekly | | | |
| | s. 496 | Residential Landfill 80L | 160 | Subject to assessment of need. |
| | s. 496 | Residential Landfill 140L | 216 | Subject to assessment of need. |
| | s. 496 | Residential Landfill 240L | 292 | Subject to assessment of need. |
| | s. 496 | Rural Landfill 80L | 226 | Mandatory minimum for rural. |
| | s. 496 | Rural Landfill 140L | 291 | Standard service offering. |
| | s. 496 | Rural Landfill 140L (Bin Bank) | 291 | Mandatory minimum for bin bank customers. |
| | s. 496 | Rural Landfill 240L | 369 | |
| | s. 501 | Commercial Landfill 80L | 163 | Mandatory minimum for commercial. |
| | s. 501 | Commercial Landfill 140L | 216 | |
| | s. 501 | Commercial Landfill 240L | 292 | Standard service offering. |
| | s. 501 | Commercial Landfill 660L | 775 | |
| | Fortnightly | | | |
| | s. 496 | Residential Landfill 80L | 85 | Mandatory minimum for residential. |
| | s. 496 | Residential Landfill 140L | 117 | Standard service offering. |
| | s. 496 | Residential Landfill 240L | 156 | |
| | s. 496 | Comm Res MUD Landfill 70L | 75 | Communal services only. |
| | s. 501 | NC Landfill 80L Fortnightly | - | |
| | s. 501 | NC Landfill 140L Fortnightly | - | |
| | s. 501 | NC Landfill 240L Fortnightly | - | |

| Function | Charge | Description | Value | Information |
|-----------|-------------|---------------------------------|-------|---|
| Recycling | Weekly | | | |
| | s. 501 | Commercial Recycling 80L | 62 | Mandatory minimum for commercial. |
| | s. 501 | Commercial Recycling 140L | 92 | |
| | s. 501 | Commercial Recycling 240L | 134 | Standard service offering. |
| | s. 501 | Commercial Recycling 360L | 169 | |
| | s. 501 | Commercial Recycling 660L | 775 | |
| | Fortnightly | | | |
| | s. 496 | Residential Recycling 80L | 59 | Mandatory minimum for residential. |
| | s. 496 | Residential Recycling 140L | 63 | |
| | s. 496 | Residential Recycling 240L | 66 | Standard service offering. |
| | s. 496 | Residential Recycling 360L | 92 | |
| | s. 496 | Rural Recycling 80L | 108 | Mandatory minimum for rural. |
| | s. 496 | Rural Recycling 140L | 121 | |
| | s. 496 | Rural Recycling 240L | 131 | Standard service offering. |
| | s. 496 | Rural Recycling 240L (Bin Bank) | 131 | Mandatory minimum for bin bank customers. |
| | s. 496 | Rural Recycling 360L | 156 | |
| | s. 496 | Comm Res MUD Recycling 100L | 61 | Communal services only. |
| | s. 501 | NC Recycling 80L Fortnightly | - | |
| | s. 501 | NC Recycling 140L Fortnightly | - | |
| | s. 501 | NC Recycling 240L Fortnightly | - | |
| | s. 501 | NC Recycling 360L Fortnightly | - | |

| Function | Charge | Description | Value | Information |
|--------------------------|--------|--|-------|--|
| Food and Garden Organics | Weekly | | | |
| | s. 496 | Residential FOGO 80L | 113 | Mandatory minimum for residential. |
| | s. 496 | Residential FOGO 140L | 116 | |
| | s. 496 | Residential FOGO 240L | 123 | Standard service offering. |
| | s. 496 | Rural FOGO 80L | 132 | Optional. Only supplied where truck already passes collection point. |
| | s. 496 | Rural FOGO 140L | 138 | Optional. Only supplied where truck already passes collection point. |
| | s. 496 | Rural FOGO 240L | 145 | Optional. Only supplied where truck already passes collection point. |
| | s. 496 | Comm Res MUD FOGO 25L | 36 | Communal services only. |
| | s. 501 | Commercial FOGO 80L | 113 | |
| | s. 501 | Commercial FOGO 140L | 116 | |
| | s. 501 | Commercial FOGO 240L | 123 | Standard service offering. |
| | s. 501 | Commercial FOGO 140L second weekly service | 116 | Optional. Only supplied where truck already passes collection point. |
| | s. 501 | Commercial FOGO 240L second weekly service | 123 | Optional. Only supplied where truck already passes collection point. |
| | s. 501 | NC FOGO 80L Weekly | - | |
| | s. 501 | NC FOGO 140L Weekly | - | |
| | s. 501 | NC FOGO 240L Weekly | - | |