



# Statement of Revenue Policy 2020–2021



**Burwood**  
Inc.1874

Burwood . Burwood Heights . Croydon . Croydon Park . Enfield . Strathfield

## **STATEMENT OF REVENUE POLICY 2020-2021**

Pursuant to Section 491 of *Local Government Act 1993*, Council may obtain income from:

- Rates
- Grants
- Charges
- Borrowings
- Fees
- Investments

### **Rates**

Revenue will be raised by way of general residential and non-residential rates, based on land values of all rateable properties in the Council area.

Council's Rating Policy is based on a minimum rate/ad-valorem structure comprising:

- Ordinary Rate – Residential
- Minimum Rate – Residential
- Ordinary Rate – Residential Town Centre
- Minimum Rate – Residential Town Centre
- Ordinary Rate – Business A
- Ordinary Rate – Business B
- Ordinary Rate – Business C
- Ordinary Rate – Business D
- Ordinary Rate – Business Town Centre Minor Business
- Minimum Rate – Business A, B, C, D and Town Centre Minor Business

The Estimated Rate Yield for 2020-2021 with the Special Rate Variation increase of **4.5%** and proposed rates are shown in the following table:

<b>2020/2021 RATING STRUCTURE WITH +4.5% Special Rate Variation and Other Mandatory Adjustments</b>						
<b>RATE TYPE</b>	<b>CATEGORY</b>	<b>TOTAL NUMBER OF ASSESSMENTS</b>	<b>RATE IN THE DOLLAR</b>	<b>NUMBER MIN. RATE ASSESSMENTS</b>	<b>MINIMUM RATE \$</b>	<b>NOTIONAL YIELD \$</b>
Ordinary	Residential	10,294.84*	0.00142293	4,292.66*	\$1,017.53	\$14,974,280
Ordinary	Business A	466.16*	0.00199962	146.24*	\$1,112.72	\$1,511,177
Ordinary	Business B	43	0.00288365	3	\$1,112.72	\$624,983
Ordinary	Business C	31	0.00369162	2	\$1,112.72	\$436,212
Ordinary	Business D	42	0.00616850	4	\$1,423.45	\$2,371,496
Ordinary	Residential Town Centre	3,377	0.00072618	3,332	\$1,297.62	\$4,551,034
Ordinary	Town Centre - Minor Business	388	0.00232862	216	\$1,423.45	\$1,502,893
Total		14,642		7,995.90		\$25,972,074

\*Pursuant to Section 518B of the *NSW Local Government Act 1993* inter alia land valuations carrying a Mixed Development Apportionment Factor (MDAF) are rated proportionally between Ordinary – Residential and Ordinary – Business A minimum/ad-valorem rates according to the MDAF percentages supplied by the NSW Valuer General. This accounts for the fractional number of assessments in the above table.

Rateable properties that are categorised as *Business B*, *Business C*, *Business D* and *Town Centre Minor Business* are shown in the Statement of Revenue Policy.

Rateable properties that fall within the *Burwood Town Centre Boundary* area and are residentially occupied are categorised *Residential Town Centre*.

Those rateable properties that fall outside the *Burwood Town Centre Boundary* and are residentially occupied are categorised *Residential*. Unless categorised otherwise, the remaining rateable properties are categorised *Business A*.

The rates for 2020-2021 will be levied on land valuations supplied by the NSW Valuer General with a base date of 1 July 2019.

Pursuant to Section 566 of the *Local Government Act 1993* interest will accrue on all overdue rates and charges.

In accordance with Section 566(3) of the Act, the Minister has been determined that the maximum rate of interest payable on overdue rates and charges for the period 1 July 2020 to 31 December 2020 (inclusive) will be **0.0% per annum** and that the maximum rate of interest payable on overdue rates and charges for the period 1 January 2021 to 30 June 2021 (inclusive) will be 7.0% per annum.

### **Council Additional Pensioner Rebate**

In the 2018-2019 rating year Council introduced a rebate of \$50 be granted in addition to any other pensioner rates concession granted to a rates assessment of an eligible pensioner.

In the 2019-2020 rating year the additional rebate was increased to \$75, it is proposed the additional rebate for the 2020-21 rating year be increased to **\$125**.

### **COVID-19 Residential Rates Rebate**

In the 2020-2021 rating year only, Council proposes to grant a rebate of \$30 to each rating assessment in rates category **Residential** or **Residential – Town Centre**. The rebate will only be applied once to each rating assessment at the time of the main rates levy.

### **Charges**

#### **Stormwater Management Service Charge**

The Stormwater Management Service Charge (SMSC) was introduced in the 2013-14 financial year to establish a sustainable funding source for providing improved stormwater management across the Burwood Local Government area. In summary, the proposed Stormwater Management Services Charges are:

- Residential property: \$25 per annum (approximately 48 cents per week)
- Residential strata property: \$12.50 per annum (approximately 24 cents per week)
- Business property: \$25 per annum plus an additional \$25 for each 350m<sup>2</sup> or part thereof by which the parcel of land exceeds 350m<sup>2</sup>
- Business strata property: the above divided pro-rata between each strata title lot according to the unit entitlement with a minimum of \$5

The yield of the Stormwater Management Service Charges is estimated to be \$292,227.50.

## **Residential Waste Service Charge**

Residential waste service charges are made on an annual basis and are equal to the cost of providing residential waste removal and disposal, recycling and waste management education.

The *standard* Residential Waste service consists of a 120 litre bin, a 240 litre recycling bin, a 240 litre green waste bin and two general clean-ups per annum.

In 2020-2021 it is proposed that the *standard* Residential Waste Service Charge will be set at \$419.50, representing an increase of \$10.65 or 2.6%pa compared to the 2019-2020 Residential Waste Service Charge.

The yield of the Residential Waste Service Charges is estimated to be \$6,330,979.05

## **Section 611 Charges**

The approximate yield for the s611 Charges (Gas Mains Assessment) is estimated to be \$30,000.

## **Fees**

Council may charge and recover an approved fee for any service it provides, other than a service provided for, or proposed to be provided, on an annual basis for which it may make an annual charge. Services for which an approved fee may be charged include the following:

- Supplying a service, product or commodity
- Giving information
- Providing a service in connection with the exercise of the Council's regulatory functions – including receiving an application for approval, granting an approval, making an inspection and issuing a certificate
- Allowing admission to any building or enclosure

Section 610F prohibits a Council from determining a fee until it has given public notice of its Draft Operational Plan for the year in which the fee is to be made and has considered any submissions received. However pursuant to Clause 201(4) of the *Local Government (General) Regulation 2005* the statement of fees and the statement of pricing methodology need not include information that could confer advantage to a commercial competitor.

The Schedule of Fees & Charges for 2020-2021 is prepared in accordance with legislative changes, movements of consumer price index and user-pays principles. The schedule includes each fee, its description, the amount of the fee and details of the relevant Pricing Policy (where shown) and the applicability of GST.

## **Grants**

Council applies for and uses both operating and capital grants to fund its operations and capital program respectively. Grant funding for particular activities or programs are listed in the budget.

## **Borrowings**

Council will not be borrowing funds during the 2020-2021 financial year.

If Council was to reconsider this during the year, any borrowing will be sourced from appropriate financial institutions in accordance with the Local Government Minister's borrowing order. Borrowings are secured over Council's revenue stream in accordance with the *Local Government Act 1993* as amended.

## **Investments**

Any surplus funds will be invested in accordance with statutory requirements and Council's Investment Policy to maximise interest income.

## **GST Provisions**

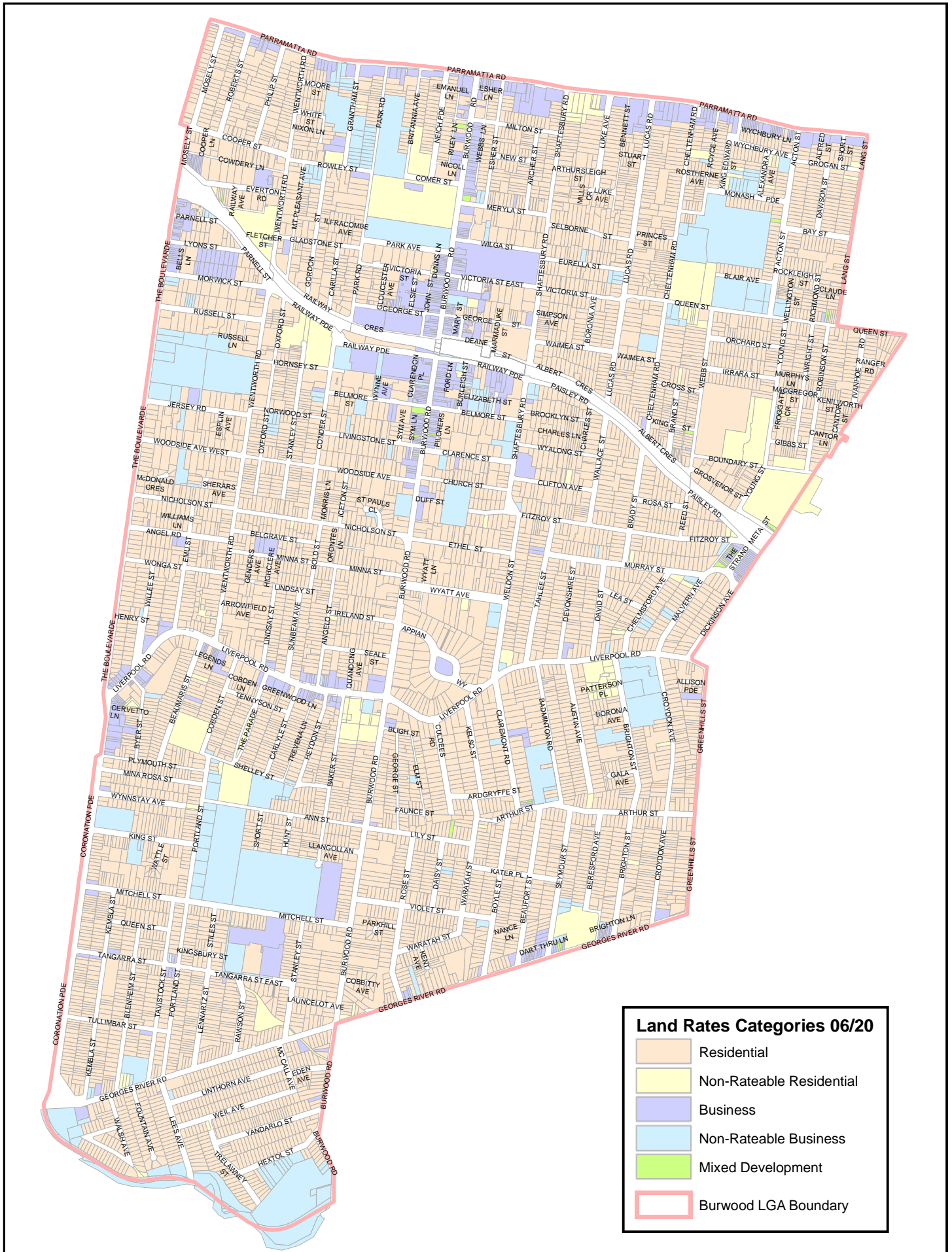
Those goods and/or services that have been subject to GST have been identified in Council's Schedule of Fees & Charges as GST applying. In accordance with taxation legislation the price shown for those goods and/or services is the GST inclusive price.

The Schedule of Fees & Charges for 2020-2021 has been prepared using the best available information in relation to the GST.

However 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. Conversely, if it is determined that a fee 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.

\* \* \* \* \*





**Land Rates Categories 06/20**

	Residential
	Non-Rateable Residential
	Business
	Non-Rateable Business
	Mixed Development
	Burwood LGA Boundary

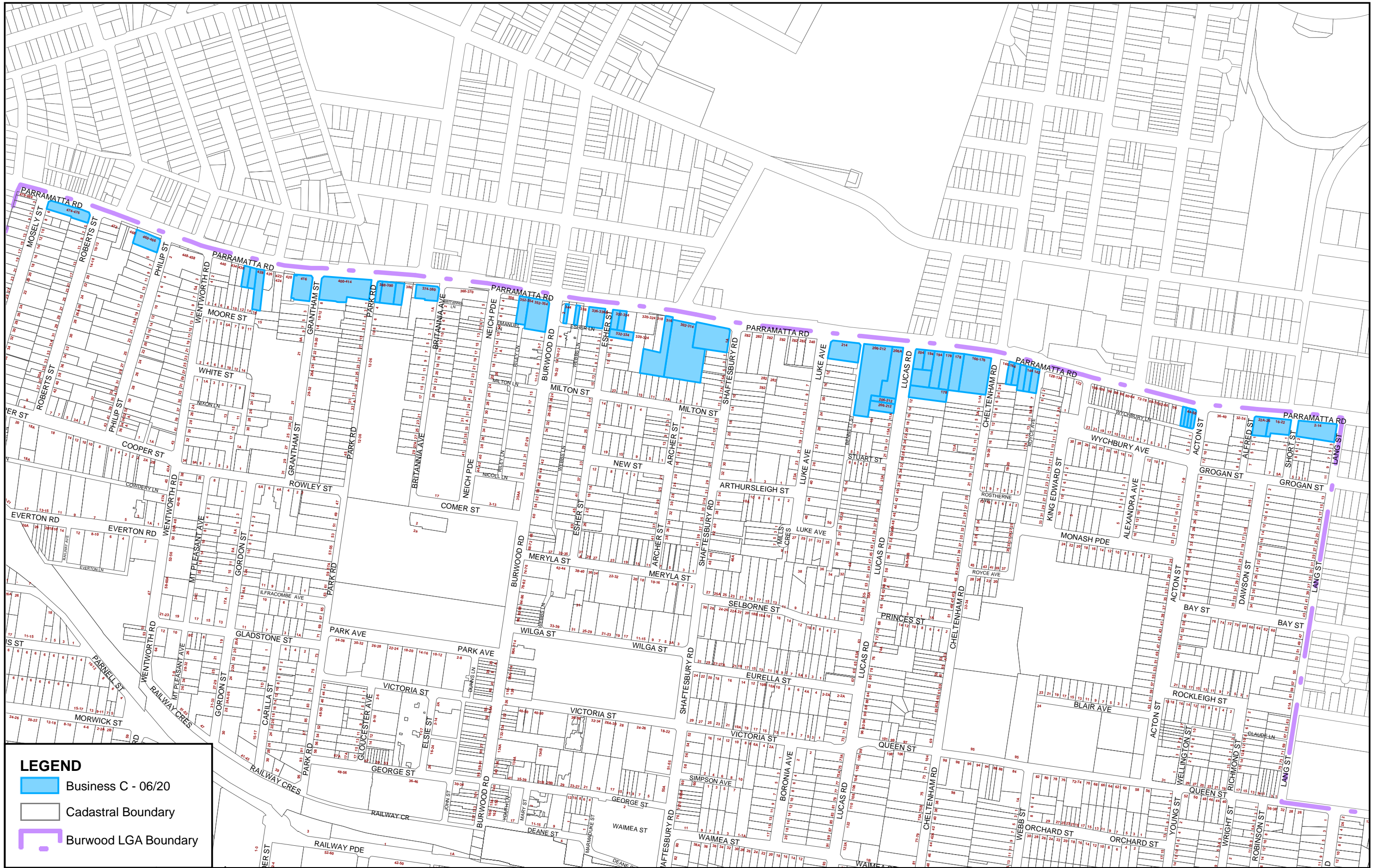





# Land Rates Categories Burwood Council Area

## Disclaimer Note

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- LEGEND**
-  Business C - 06/20
  -  Cadastral Boundary
  -  Burwood LGA Boundary

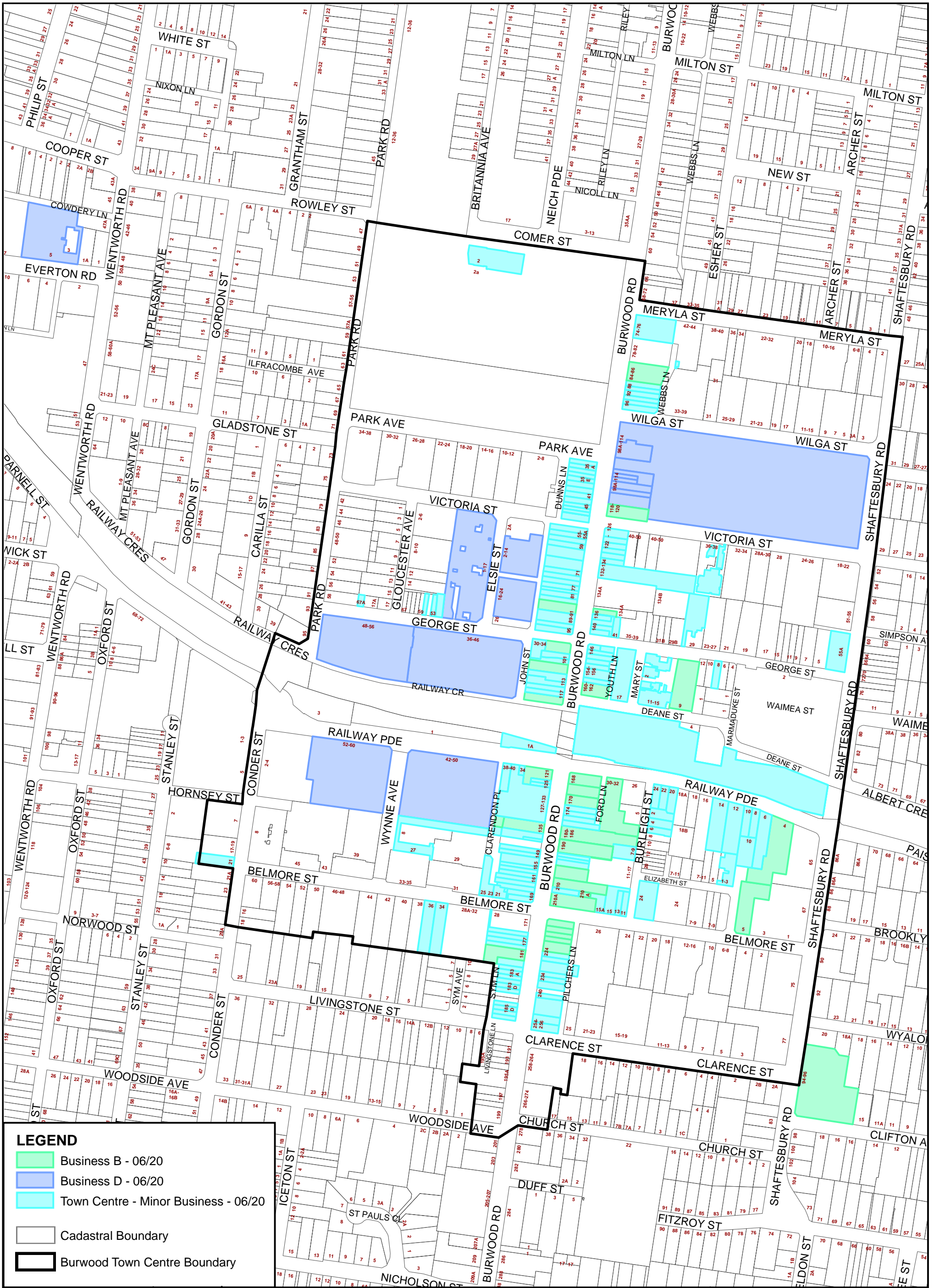
## BUSINESS C PARCELS



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**LEGEND**

- Business B - 06/20
- Business D - 06/20
- Town Centre - Minor Business - 06/20
- Cadastral Boundary
- Burwood Town Centre Boundary



**BUSINESS B, D & TOWN CENTRE  
MINOR BUSINESS PARCELS**

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