

Revenue Policy 2023/24

1. Rating Structure

Total revenue raised from the levying of land rates continues to be capped by the State government with the Independent Pricing and Regulatory Tribunal (IPART).

The rates information below is based on the 3.7% rate peg granted by IPART for Willoughby City Council. The 3.7% rate peg will result in a \$1.9m increase in Council's rate income.

We have adopted the following rating categories in 2023/24 (including the following rates in the dollar, minimum rates and their associated yields):

ORDINARY RATES	2023/24 RATE
Residential	
Ad valorem*	.00051561
Minimum	\$881.20
Yield	\$32.00m
Business	
Ad valorem*	.0035294
Minimum	\$1,253.50
Yield	\$12.77m
Chatswood Town Centre	
Ad valorem*	.006463
Minimum	\$1,338.50
Yield	\$7.44m
Chatswood Major Retail Centre – Chatswood Chase	
Ad valorem*	.0197253
Minimum	\$1,121.75
Yield	\$0.94m
Chatswood Major Retail Centre – Westfield	
Ad valorem*	.018278
Minimum	\$1,121.75
Yield	\$1.20m
Strata Storage Facility	
Ad valorem*	.00595
Minimum	\$850.85
Yield	\$0.10m
Total Yield Rates	\$54.45m

*All Ad Valorem amounts are expressed as cents per \$ land value.

The levy for Chatswood Major Retail – Chatswood Chase and Chatswood Major Retail – Westfield remains at the same percentage of the rate levy compared to other categories as in previous years. The percentage of the levy will change with the addition or cancellation of properties from the category. It will not be affected by valuation changes.

All rating classes include the e.restore levy funding.

Rates are calculated on the base date 1 July 2022 valuation.

2. Sustainability Levy (e.restore) Environmental Restoration Program

A sustainability levy replaced the existing environmental levy to fund a third round of the e.restore program known as 'e.restore 3' in July 2008. The sustainability levy is subject to open reporting to ensure accountability to our community and that it is only spent on sustainability projects. In line with the projected rate peg increase of 3.7%, an amount of \$6.3m will be raised from the rate levy in 2023/24.



Our *Green City Plan 2028* outlines projects by e.restore 3. It builds on previous rounds of environmental levy programs by ensuring the continuation of the vital bushland and catchment management initiatives that protect and restore our local environment. It also has a focus on mitigating and adapting to climate change. The plan sets key performance indicators so we can measure our performance and report on these each year.

The plan details our specific actions that support the community strategic plan with a focus on ecological sustainability.

3. Stormwater Management Service Charge

We are continuing detailed investigation and assessment programs of our drainage assets. Many drainage assets are approaching a critical phase in their lifespan and will require a significant program of renewal, repair and upgrade. Maintenance will be needed to optimise their service life. Stormwater harvesting has been identified for inclusion in a long-term drainage program.

The program in 2023/24 based on a 20-year plan, incorporates further investigation of pipeline condition, cleaning and blockage removal and the specification and design of repair and upgrade works.

Stormwater Management Service Charge:

\$25.00 per rateable residential property
 \$12.50 per rateable strata titled property
 \$25.00 per 350 sq m for business related properties

Total Yield: \$700,000

We will charge fees for services in line with our schedule of fees and charges for 2023/24.

4. Domestic Waste Management Charge

We have an annual domestic waste management charge on all rateable land in the City of Willoughby areas that is categorised as residential.

This recovers the cost of providing domestic waste management services for the 2023/24 rating year as outlined below. The 10% increase in the Domestic Waste Management Charge is required due to:

- Increased waste management volumes possibly resulting from increased working from home;
- Inflation at over 7% (annualised CPI peaked in December 2022 at 7.8% and in March 2023 was at 7%) which will increase the price of the current collection and disposal contracts;
- fund the up-front investment and ongoing incremental costs associated with adoption of the State Government's Waste and Sustainable Materials Strategy 2041, which includes mandating the separation of food and garden organics for households and selected businesses (which is forecast to increase waste management costs by between 8% and 16%).

Charge Type	Amount
Domestic Waste Management Charge	\$618.00
Domestic waste management self-funded retiree and pensioner charge	\$460.00
Total Yield	\$18.81m





We reduce waste going to landfill by promoting the waste hierarchy (avoid, reduce, reuse, recycle) and ensuring waste is disposed of in a sustainable manner. The domestic waste management charge covers the following services for residential dwellings:

- Weekly Waste Collection (Red bins);
- Weekly Recycling Collection (Yellow bins);
- Weekly Vegetation (Green bins);
- Four general clean up collections per financial year; and
- A free on call clean up collection per year (this can be used either for bulk vegetation or general household goods).

We also provide an on-call clean up service for a fee of \$105.50 per service.

We charge a commercial waste collection service as below:

Charge Type	Amount
Commercial Waste Charge	\$924
Total	\$268,000

5. State Government Determinations

Eligible pensioners receive a statutory reduction of 50% of the combined rates and domestic waste management charge to a maximum of \$250. Pensioners and qualifying self-funded retirees also receive a \$158 reduction in the domestic waste service charge.

Under Section 566(3) of the Local Government Act, the Minister for Local Government determines the maximum rate of interest payable on overdue rates and annual charges in a given year.

The interest rate for 2023/24 has been set at 9%. Council will take up the maximum rate.

6. Pricing Policy/Fees & Charges

All fees and charges quoted are GST inclusive. We apply GST to our fees and charges in line with the relevant legislation. The schedule of fees and charges in this document has been prepared using the best

available information on the GST impact on the fees and charges at the time of publication. The fees and charges general increase was set at 7% (where appropriate) to cater for inflation.

We are committed to raising revenue in a fair and equitable manner to enable it to meet the community's needs. In determining how its fees and charges have been set, we have considered the full costs of providing the particular goods and services.

Our fee structure uses the pricing principles below.

User Pays Principle	Full Cost recovery
Subsidised Pricing	Partial Cost recovery
Market Pricing	Charged where the market has a preparedness to pay
Legislative Pricing	Standard Fee imposed by legislation

Our fee structure also recognises our community service obligations to provide particular goods and services. These are reflected in the fees charged for those particular goods and services.

7. Work on Private Lands

If we carry out work on private land, we charge the actual prime cost of the works and standard oncosts. This provides a full cost recovery plus a return for Willoughby City Council.

8. Loan Borrowing 2023/24

We do not propose any new loan borrowings in 2023/24.

9. Definition of business sub categories

The maps on the following pages show those areas to which each category and sub-category of rates included in the Plan applies.



Willoughby City Council - Business Rate Sub-category



Strata Storage Facility





