

**DISTRICT COUNCIL OF KAROONDA EAST MURRAY
FEES AND CHARGES POLICY**

Policy No	53
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Introduction

Under s188 – ‘Fees and Charges’ of the Local Government Act 1999 Council is provided with the power to establish various fees and charges for services made available by Council to the community. This policy provides guidance in setting fees for its services, which are consistent, fair and equitable and comply with all relevant statutory requirements. In setting fees and charges Council will take into account potential community benefit, user groups or individuals likely to be impacted and corporate objectives.

Policy Principles

The setting of fees and charges are to be set with reference to user capacity to pay, community service obligations, cost recovery principles, statutory limitations and must be determined and reviewed annually according.

The key objectives for the Council’s pricing arrangements are:

- Efficiency The fees are simple to administer
- Equity The fees are fairly applied across a range of users considering users capability to pay
- Effectiveness The fees provide appropriate signals to users, value for money and ensure that everyone contributes appropriately to the delivery of services (promoting both efficiency and equity)
- Clarity Users are clear about when and how fees are applied
- Transparency The nature and use of the service is easily understood and accessible to all applicable users

For each service that Council deems a fee or charge is appropriate, it will identify the applicable ‘Pricing Model’ to be used in determining the fee and included in the schedule attached to this policy. The fee or charge for each service will then be calculated and considered by Council on an annual basis as part of the budget process.

Pricing Categories

The pricing of Council services can be separated into two categories:

- Statutory/Regulatory
Fees or charges that are set by legislation or regulation. Examples include fees for planning permits, fines and freedom of information related charges.
- Non-Statutory
Fees and charges that are determined at the discretion of the Council.

In determining these fees and charges the Council will consider its policy objectives of Efficiency / Equity / Effectiveness / Clarity and Transparency along with the following factors in selecting the cost recovery pricing method for the service:

- o The cost of providing the service
- o User pays principle
- o The importance of the service to the community
- o Balancing individual and community benefit

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- o Accessibility and Affordability to all users
- o Environmental factors
- o Competitive Neutrality (where relevant)
- o Market comparison of fees and pricing structures
- o Budget implications
- o GST Status

Pricing Models

The following pricing models are available to assist in applying the policy objectives.

Full Council Subsidy Pricing

- funded from Council's rate and general revenue, and therefore have no fee applied.
- Situations where Full Council Subsidy pricing is appropriate include where the consumption is applicable to the community as a whole, rather than having an exclusive benefit to individual users

Partial Council Subsidy Pricing

- less than the full cost of providing a service is recovered from the price charged for that service.
- subsidy is funded from Council's rate revenue and in some cases from external sources, such as government grant funding.
- Situations where Partial Council Subsidy pricing is appropriate include:
 - o where the service benefits the community as whole as well as the individual customer
 - o where charging prices at full price may result in widespread evasion or inappropriate adoption
 - o where there are a low number of other service providers fees and charges are set at a level to encourage certain behaviours.
- Partial cost pricing should still be based on knowledge of the full cost of providing a service, and consider subsidies being based on a percentage of the cost of the service.

Full Cost Recovery Pricing

- Services provided by Council that benefit individual customers specifically, rather than the community as whole, should be considered for Full Cost Recovery
- Full Cost Recovery pricing will aim to recover all direct and indirect costs involved in providing a service.

No Cost Factor Pricing

- Fee or charge is established with no reference to cost associated with delivery of the service.
- Established for services where accurate cost data are difficult to calculate.

Full Cost plus a Margin Pricing

- Services provided by Council that compete with the private sector should be priced based on a full cost recovery basis as well as an additional margin.
- If a price, less than full cost recovery is contemplated, Council should review whether it should provide the service, or reconsider whether there is a community service obligation. Otherwise, ratepayers are subsidising a service for which no community service obligation has been identified.

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- The applicable relevance of Competitive Neutrality, National Competition Policy principles and the Trade Practices Act will be taken into consideration when setting these fees.
- When establishing the appropriate Full Cost plus a Margin price, Council may determine that it is necessary to seek external advice to assist in setting the appropriate fee.

Calculation Rounding

When calculating fees and charges based on the applicable Pricing Model the final fee or charge will be rounded down to the nearest dollar.

Policy Transition

Where the implementation of this policy results in a significant increase in the fee or charge previously imposed, Council will determine an appropriate period to 'phase-in' the transition process to full policy implementation.

Policy Review

This policy shall be reviewed on a biennial basis unless circumstances change which warrants alteration to the policy.

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Schedule 1 – Pricing Model

	Pricing Model
Cemetery Fees	
Burial Fees	Full Cost Recovery
Crematorium Wall	
Plaque & placement	Full Cost Recovery
Niche Vase extra	Full Cost Recovery
House Rents	Full Cost plus a Margin
Retirement Village – Per Week	
Maintenance Fee	Full Cost Recovery
Karoonda Institute	
Main Hall including supper room & kitchen	Partial Subsidy
Elections	Partial Subsidy
Cabaret & Licensed Balls	Partial Subsidy
Balls/Wedding Dinners	Partial Subsidy
Main Hall only	
Concerts/Dances – Local	Partial Subsidy
Concerts/Dances – Touring	Partial Subsidy
Church Services/Meetings	Partial Subsidy
Social Functions	Partial Subsidy
Rehearsals	Partial Subsidy
Supper Room & Kitchen	
Meetings	Partial Subsidy
Social Function	Partial Subsidy
Kitchen	
Day/Night	Partial Subsidy
Stage Hire	
7 days	Partial Subsidy
2 days	Partial Subsidy
Apex Park	
Per night powered	Full Cost plus a Margin
Per night unpowered	Full Cost plus a Margin
Cabin (per couple)	Full Cost plus a Margin
Extra person	Full Cost plus a Margin

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	Pricing Model
Cabin - Weekly rate	Full Cost plus a Margin
Weekly Site Hire (maximum of 4 Weeks)	Full Cost plus a Margin
Council Chambers	
Non-profit	Full Subsidy
Government Agencies	Full Cost Recovery
Separate Meeting Room	Full Cost Recovery
Other	Full Cost Recovery
Furniture Hire	
Chairs (sets of three)	Full Cost Recovery
Trestles & tables	Full Cost Recovery
CD Player	Full Cost Recovery
Masonic Lodge	Partial Subsidy
Railway Station	Partial Subsidy
Hire Key Deposits	Full Cost Recovery
DOCUMENTS	
Annual Business Plan	Full Cost Recovery
Council Agendas	Full Cost Recovery
Council Minutes	Full Cost Recovery
Standing Committee Agendas	Full Cost Recovery
Standing Committee Minutes	Full Cost Recovery
Policy Manual	Full Cost Recovery
Budget	Full Cost Recovery
Annual Report	Full Cost Recovery
Annual Financial Statements	Full Cost Recovery
Planning Application – consent per page	Full Cost Recovery

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	Pricing Model
Planning Register – per page	Full Cost Recovery
Building Application Register - per page	Full Cost Recovery
Elected Members Register	Full Cost Recovery
Allowances & Benefits	Full Cost Recovery
Employee’s Salaries Register	Full Cost Recovery
Wages & Benefits	Full Cost Recovery
Assessment Book – per page	Full Cost Recovery
Streets & Roads Register	Full Cost Recovery
Fees & Charges Register	Full Cost Recovery
Community Newsletter	
Advertising – Business Card	Full Cost plus a Margin
¼ Page	Full Cost plus a Margin
½ page	Full Cost plus a Margin
Middle spread 2 pages	Full Cost plus a Margin
Middle spread 4 pages	Full Cost plus a Margin
Full Page	Full Cost plus a Margin
Back Page	Full Cost plus a Margin
Oval Hire	
Karoonda Farm Fair	No Cost Factor Pricing
Merino Breeders – Per Day	No Cost Factor Pricing
Tennis Clubs – Per Season	No Cost Factor Pricing
Cricket Clubs – Per Season	No Cost Factor Pricing
Football Clubs – Per Home Game	No Cost Factor Pricing
Netball Clubs – Per Season	No Cost Factor Pricing

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	Pricing Model
Oval Hire – Per Day	No Cost Factor Pricing
Dump Fees	
Car/Station Wagon Sorted	Partial Subsidy
Station wagon, Sorted	Partial Subsidy
6 x 4 Trailer Sorted	Partial Subsidy
Tandem Trailer Sorted	Partial Subsidy
Truck to 7 tonnes sorted	Partial Subsidy
Truck to 14 tonnes sorted	Partial Subsidy
Car/Station Wagon Unsorted	Partial Subsidy
Station wagon, unsorted	Partial Subsidy
6 x 4 Trailer unsorted	Partial Subsidy
Car Bodies	Partial Subsidy
Tandem Trailer unsorted	Partial Subsidy
Truck to 7 tonnes unsorted	Partial Subsidy
Truck to 14 tonnes unsorted	Partial Subsidy
Semi/Commercial Compactor	Partial Subsidy
Wheelie Bins	Full Cost Recovery
Recycling Crates	Full Cost Recovery