KIAMA MUNICIPAL COUNCIL
your council, your community

Statement of Revenue Policy

Policy owner	Chief Financial Officer
Department	Corporate and Commercial Services
Date endorsed	?? June 2026
Next review date	?? June 2027
TRIM reference	26/57454

Contents

Policy statement/objectives

Kiama Municipal Council is committed to the Delivery Program and Operational Plan including Council's predicted expenses and revenues.

The objectives of this Policy are to:

- Meet Council's policies and procedures.
- Maximise income from all existing sources in line with Council's policies.
- Provide works and services at sustainable levels.
- Achieve economy of operation.
- Achieve further self-funding opportunities where appropriate.

Scope

This Policy applies to all Council staff and functions involved in the generation, management, collection and reporting of Council revenue, across all revenue sources.

References

- *Local Government Act NSW 1993*
- *Local Government (General) Regulation 2021*
- Local Government Code of Accounting Practice and Financial Reporting

Consultations

- Executive Leadership Team
- Governance Team

Variation and review

Council reserves the right to review, vary or revoke this Policy.

Review history

Date reviewed	Date adopted / endorsed	Brief detail of amendments
June 2026	XX June 2026	Updated to new policy template. Statement of Revenue 2026-27
	17 June 2025	Statement of Revenue Policy 2025-26
	27 June 2024	Statement of Revenue Policy 2024-25

POLICY

1. Income and expenditure estimates 2026-27

All councils continue to face increasing difficulty in being able to retain the current service levels they provide to the community.

This is due to the combination of a decline in government grants in real terms, state government rate pegging legislation that has seen rating revenue fall below the inflation level for the past decade, cost shifting to local government by other levels of government, and increasing cost of materials and contracts.

We continue to review service levels in line with budget constraints. Council aims to continue to provide a high level of service; however, the above factors may result in reduced service levels in some areas in the future.

Council’s Waste Business Unit will continue to operate our waste management services.

2. Revenue policy for ordinary rates to be levied

The rate peg (the maximum percentage amount by which Kiama Council may increase its general rate income) is 3.2% for financial year 2026-27 as set by the Independent Pricing and Regulatory Tribunal (IPART).

Table based on 3.2% rate peg

Rating Category	No. of Rateable Properties	Land Value	Average Land Value	Ad Valorem (Rate in $)	Base Rate Amount ($)	Base Rate % age	Ad Valorem Yield ($)	Base Rate Yield ($)	Total Rate Yield ($)
Residential Rates	10,089	$10,025,744,698	$993,730.27	0.00101010	$1,003.00	49.96%	$10,127,005	$10,112,220	$20,239,225
Residential Rates - Mixed Development	18	$34,107,130	$1,933,510.77	0.00101010	$1,003.00	33.93%	$34,452	$17,693	$52,145
Rural Residential Rates	137	$432,905,592	$3,159,894.83	0.00092200	$1,003.00	25.52%	$399,139	$136,746	$535,885
Farmland Rates	239	$890,870,000	$3,727,489.54	0.00070800	$1,003.00	27.54%	$630,736	$239,717	$870,453
Business Ordinary Rates	41	$21,301,440	$519,547.32	0.00183500	N/A	0.00%	$39,088	N/A	$39,088
Business Commercial/ Industrial Rates	556	$392,470,083	$705,881.44	0.00342477	$1,003 Minimum applies		$1,550,063	N/A	$1,550,063
Business Comm/Ind Rates - Mixed Development	30	$50,099,870	$1,650,193.35	0.00342477	$1,003 Minimum applies	0.00%	$171,581	N/A	$171,581
Total	11,110	$11,847,498,813					$12,952,063	$10,506,375	$23,458,438

(Note rounding may impact the Total amounts)

3. Categorisation of land

In accordance with Section 514 of the *Local Government Act 1993* each parcel of land within the municipality is categorised for rating.

Residential – Includes any rateable parcel of land valued as one assessment and the dominant use is for residential accommodation, or if vacant land is zoned or otherwise designated for use for residential purposes under an environmental planning instrument or is rural residential land.

Sub-categories are determined on whether the land is rural residential land, within a centre of population, or whether the land is in a residential area or in part of a residential area.

Farmland – Includes any parcel of rateable land valued as one assessment and the dominant use of the land is for farming. The farming activity must have a significant and substantial commercial purpose or character and must be engaged in for the purpose of profit on a continuous or repetitive basis (whether or not a profit is made).

Sub-categories are determined according to the intensity of land use or economic factors affecting the land.

Business – Is rateable land that cannot be classified as farmland, residential or mining.

Sub-categories are determined on whether the land is located within a defined centre of activity.

4. Revaluation

The general revaluation of land within council areas usually occurs every three years.

These valuations, determined by the State Government's Valuer General, are the basis of the rates notices issued by Council.

Land valuations are the primary factor used in determining landowners' level of rates.

Council rates are calculated on land valuations with a base date of 1 July 2025 for 2026-27.

2026-27 will be the first year that land valuations have been used.

5. Hardship

Council recognises that due to exceptional circumstances, ratepayers may at times encounter difficulty paying their annual rates and charges.

Council has a Hardship Policy that provides a framework for providing relief to any ratepayers who are suffering genuine financial hardship.

6. Pension Rebate – rates

Concessions are available to eligible pensioners on their rates and charges up to a maximum of $250.

Eligible pensioners must own and reside at the rated property and are the holder of one of the following:

- Pensioner Concession Card (PCC)
- DVA Gold Card embossed with 'TPI' (Totally Permanently Incapacitated)
- DVA Gold Card embossed with 'EDA' (Extreme Disablement Adjustment), or
- A war widow/widower or wholly dependent partner entitled to the income support supplement.

If you do not have a Pensioner Concession Card, contact DVA. They will determine your eligibility by an income and assets test.

In addition to the concessional pensioner rebate of $250 Council provides an additional $25 rate rebate.

Requests for retrospective rebates may be approved for the current rating year and a maximum of one prior rating year only.

7. Interest on rates and charges

Interest is charged on all overdue rates and annual charges in accordance with Section 566(3) of the *Local Government Act 1993*.

Kiama Council will adopt the maximum interest rate permitted by the Minister for Local Government which for the 2026-27 financial year is 9.5% per annum.

8. Stormwater Management Service Charge

The *Local Government Act 1993* was amended in 2005 to allow councils to levy a stormwater management service charge (SMSC).

This change was made in recognition of councils' needs for sustainable funding to support their key role in stormwater management.

Land within an urban area (a city, town or village) that is in the residential and business categories for rating purposes, except vacant land, will be charged the stormwater management service charge.

9. What is stormwater management?

For the purpose of the annual stormwater management services charge, stormwater management is defined as the management of the quality and quantity of stormwater that flows off a parcel of privately owned, developed urban land.

The estimated income from Council's Stormwater Management Charge will be approximately $231,759.44.

Stormwater Management Service Charge (+SMSC)	Annual Charge	Number pf Services	Amount
Residential property	$25	7,714	$192,850.00
Residential strata units	$12.50/unit	1,637	$20,462.50
Business properties	$25/350m2 (or part thereof) Capped at $150	203	$15,175.00
Business strata lots	$25/350m2 (or part thereof) minimum charge of $5.00	339	$3271.94

10. Domestic Waste Management Charge

Council levies an annual Domestic Waste Management Charge for providing domestic waste management services to properties located in the Municipality's urban areas that are categorised as "Residential" or "Rural Residential" premises located along designated waste collection routes.

The Domestic Waste Management Charge is based on the size of the red lid garbage bin selected by the property owner. However, where premises are used as Short-Term Rental Accommodation (STRA) the largest red lid garbage bin size (240 litre) service must be provided as a minimum.

A separate Domestic Waste Management Charge will be charged to each property, unit, flat or dwelling within residential properties including those that use shared bins, such as multi-dwelling housing, seniors housing, shop top housing and residential flat buildings.

Council determines its annual Domestic Waste Management Charge and Rural Waste Management Charge by considering all reasonable costs it expects to incur.

Costs include:

- Garbage, recycling, garden, and food/garden organics collection (if applicable) and processing fees.
- Kerbside Clean-up (if applicable).
- Ongoing waste depot rehabilitation works.
- Future waste transfer and facilities.
- Waste disposal costs.
- NSW Government's Section 88 Waste Levy charged to Council.

Council estimates 9,981 waste services will be provided to urban premises in 2026-27. Approximately 156 vacant land properties will be subject to the Vacant Land Waste Charge.

The estimated income from Council's Domestic Waste Management Charges will be approximately $7,803,846.

11. Urban collection frequency

The type of collection service and frequency for the urban zones will be a fortnightly domestic waste service, a fortnightly recycling service and a weekly food/garden organics service.

An extra garbage (red lid) and recycling (yellow lid) collection service will be provided during the Christmas new year period.

12. Short Term Rental Accommodation (STRA)

For premises used as STRA for holiday purposes, the applicable weekly domestic waste management charge is for a 240-litre red lid garbage bin, and the annual Domestic Waste Management Charge applies (plus any administration and bin establishment fees).

13. Specific waste bin collection service

Upon application and approval by Council, households that generate excessive quantities of non-recyclable waste as a result of a verified permanent or long-term medical condition can have their existing red lid bin serviced weekly at no extra cost.

Approval is granted for twelve months only, after this time, property owners will need to re-apply.

14. Shared bin arrangement multi-unit developments

In the case of multi-unit developments with limited storage space, shared garbage, recycling, and food/garden organics bins service may be made available by Council. The frequency and collection arrangements may be different.

Where a shared bin arrangement is established, each unit will be charged the 140-litre Domestic Waste Management Charge as a minimum, except where the unit is being used as a STRA for holiday purposes.

Subject to application and approval, an 80-litre or 140-litre food/garden organics bin can be provided for multi-unit dwellings, duplexes and for senior citizens if requested. No charges apply for the supply and delivery of these replacement bins when the exchange of bins has taken place.

Where a shared bin arrangement has been established, the property owner or body corporate is responsible for purchasing the allocated number of new bins for the development prior to service commencement.

15. Urban area domestic waste service charges

Urban households only, will have access to the User Pays, On Call Clean Up Service.

Eligible households are required to book through Council's Waste Services to arrange to have up to $1m^3$ of eligible material collected from the kerbside for a fee of $121.00. Payment is required at the time of booking.

Urban Area Domestic Waste Service Charge			
Service applying to urban collection zones	**Annual Charge**	**Number Of Services**	**Amount**
• Fortnightly 240 litre red lid bin • Fortnightly recycling 240 litre yellow lid bin • Weekly food/garden organics 240 litre green lid bin • Access to User Pays On-call Clean-up Service	$945.95	1,670	$1,579,736.50
• Fortnightly 140 litre red lid bin • Fortnightly recycling 240 litre yellow lid bin • Weekly food/garden organics 240 litre green lid bin • Access to User Pays On-call Clean-up Service	$706.86	7,313	$5,169,267.18
• Fortnightly 80 litre red lid bin • Fortnightly recycling 240 litre yellow lid bin • Weekly food/garden organics 240 litre green lid bin • Access to User Pays On-call Clean-up Service	$674.52	790	$532,870.80

Services offered to STRA properties ONLY in urban collection zones	Annual Charge	Number of Services	Amount
• Weekly 240 litre red coloured bin • Fortnightly recycling 240 litre yellow lid bin • Weekly food/garden organics 240 litre green lid bin • Access to User Pays On-call Clean-up Service	$1891.89	52	$98,378.28

16. Other domestic waste management charges

Waste Service	Annual Charge	Number of Services	Amount
Vacant land waste charge	$78.54	156	$12,252.24
Additional recycling 240 litre bin	$119	29	$3,451
Additional food/garden organics 240 litre bin	$142	98	$13,916
Additional garbage bin 240 litre bin (fortnightly service). Must have an existing 240 litre waste service to be eligible *Limit one per household.*	$345.35	60	$20,721

Waste Service	Annual Charge	Number of Services	Amount
Should all three bins be ordered as additional bins, at any time, a full Domestic Waste Management Charge will automatically be applied.			

The additional bin must be purchased prior to commencement of the service.

17. Urban area non-residential properties

17.1. Multi-storey tourist accommodation

The following charges will apply to premises that are zoned or defined as multi-storey tourist accommodation.

These charges do not apply for Short Term Rental Accommodation (STRA) premises.

Waste Service	Annual Charge	Number of Services	Amount
• Weekly service 80 litre bin • Fortnightly recycling 240 litre bin (Suitable for a one-bedroom unit)	$606.38	74	$44,872.12
• Weekly service 140 litre bin • Fortnightly recycling 240 litre bin (suitable for a two-bedroom unit)	$638.72	0	$0
• Weekly service 240 litre bin • Fortnightly recycling 240 litre bin (suitable for three-bedroom unit)	$920.54	9	$8,284.86

No food/garden organics collection service or access to User Pays, On Call clean up service provided.

Additional garbage and recycling services can be provided subject to applicable charges.

17.2. Contamination of bins and inspections

To comply with Council's organics collection and processing contracts, visual bin inspections are conducted at random to assess contamination levels and prohibited materials.

If contamination is present, it may mean that the organics and recyclable materials cannot be processed, and it must be disposed of at landfill at a significant cost.

The fact sheet 'OK Organics Kiama Bin Contamination' on Council website has information regarding prohibited and hazardous materials that cannot be placed in the organics, recycling, or garbage bins.

Information is also provided on what action will be taken by Council when non-compliance occurs. This includes bins not being collected until the non-compliant material is removed.

17.3. Rural waste collection service

Council will provide fortnightly garbage and fortnightly recycling collection services to premises in rural areas upon request. This is subject to application and approval.

Waste Service	Annual Charge	Number of Services	Amount
• Fortnightly 240 litre garbage • Fortnightly 240 litre recycling	$550.94	581	$320,096.14

* Additional charges apply for the purchase of bins if needed.

Additional garbage and recycling service is provided during the Christmas and New Year period.

The following services are not included in rural waste collections:

- Access to User Pays On-Call Clean Up Service
- OK Organics Kiama
- Weekly recycling.

17.4. Bin audits

Council will undertake a bin audit at least every two years to identify any discrepancy between the size and number of bins collected at the property to the bin charge shown on the annual Rates and Charges notice.

Where a discrepancy is found the financial adjustment will be for the current and one previous year.

17.5. Onsite sewage management facilities

Approximately 880 onsite sewage management facilities are located in the Kiama Local Government Area. Under the Local Government Act 1993 these facilities are required to be classified as either high or low risk.

High-risk sites are inspected annually. A charge of $300.00 per annum applies.

Low-risk sites are inspected a minimum of every four years. An annual charge of $75.00 applies.

17.6. Council fees for services

Under Section 608 of the *Local Government Act 1993*, Council may charge and recover an approved fee for its services.

Fee for service charges may not be placed on services provided (or proposed to be provided) annually for which Council is authorised or required to charge an annual fee.

Services where an approved fee may be charged include:

- supplying a service, product or commodity.
- giving information.
- providing a service related to Council's regulatory functions including receiving an application for approval, granting an approval, conducting an inspection and issuing a certificate.
- allowing admission to any building or enclosure.

17.7. Pricing policy for proposed fees

Council must consider the following when establishing approved fees:

- the cost of provision of the service.
- recommended prices suggested by outside bodies.
- the importance of the service.
- legislation that regulates certain fees.
- Goods and Services Tax legislation.

17.8. Charges for works carried out on private land

Charges for private works under Section 67 of the *Local Government Act 1993* will be determined on an individual site and scope of works basis per application.

The charge for the private works will be based on achieving at least full cost recovery, including all administrative overheads as well as taking into account Council's operational needs and commitments.

Related forms / documents

Nil.

Attachments

Nil.	

Authorisation

Name: Council resolution No: ****

Date: Date adopted by Council