



Revenue Policy for 2022/23

Introduction

This document constitutes the Riverina Joint Organisation's Revenue Policy for the year 2022-23 and is prepared in accordance with Section 405 of the *Local Government Act 1993* ("the Act") and Clause 3971 of the *Local Government (General) Amendment (Regional Joint Organisations) Regulation 2018* ("the Regulation").

Content of Revenue Policy for 2022-23

This Revenue Policy includes the following statements for the 2022-23 financial year:

- A Budget of Income and Expenditure for the Riverina Joint Organisation;
- A schedule of the Membership Contributions to be levied on Member Councils;
- Types of fees to be charged by the Riverina Joint Organisation and the amounts of any such fee;
- Any amounts of external borrowings, the sources from where these are to be borrowed and the means by which these are to be secured; and
- Any other such matters as may be prescribed by the Regulations.

The statements in the Revenue Policy with respect to membership and non-voting membership fees include, as required, the following particulars:

- The flat fee amount of the membership and non-voting membership fees;
- Any expectations agreed by the membership regarding the fees.

The statements in the Revenue Policy with respect to other income for the year include:

- Provision for Administration and Financial Management Fees levied in respect of grants received during the year for various programs and activities;
- Provision for income anticipated under Memorandums of Understanding other stakeholder organisations and from interest received on financial investments.

Borrowings

The Riverina Joint Organisation does not propose any borrowings for the 2022-23 financial year.

In the event of any future borrowings, the Revenue Policy statement will include the amount of any proposed borrowing, the sources from which they are proposed to be borrowed and the means by which they are proposed to be secured and repaid.

Factors influencing Riverina Joint Organisation Revenue Policy

The following factors influence the Riverina Joint Organisation's Revenue Policy.

Cost of Recovery

The Riverina Joint Organisation will apply the principles of full cost recovery to determine the total cost of services.

The User-Pays Principle

The User-Pays Principle involves pricing the provision of goods, projects, services and facilities that require the user or the consumer to pay the actual cost of the service provided.

Corporate overheads

The Riverina Joint Organisation's corporate overheads are for governance, employment, administration and compliance, as required to deliver on its Strategic and Business Plans.

Competitive neutrality

Competitive neutrality is one of the principles of National Competition Policy applied throughout Australia at all levels of Government, including Local Government. Competitive neutrality is based on the concept of a "level playing field" for competitors in a market, be they public or private sector competitors. All Government business organisations should operate without net competitive advantages over businesses as a result of their public ownership.

Where the Riverina Joint Organisation competes in the market place with other private businesses, it will do so on the basis that it does not utilise its public position to gain an unfair advantage over private businesses that may be in competition with the Joint Organisation or any of its Member Councils.

Goods and Services Tax

The Federal Government's Goods and Services Tax (GST) must be applied to non-exempt fees and charges. The current rate of the GST is 10% and is included in the price paid by the recipient of the service. The GST indicators (GST exempt or not) in the fees and charges levied by the Joint Organisation are subject to change at any time from changes that occur in the GST Act and/or regulations.

Membership Fees

Every Member Council is required to contribute a monetary payment or equivalent contribution, based on the methodology resolved by the Members, together with any project and/or service delivery fee as follows:

- A flat fee for membership, which has been set at \$19,427.38 (excluding GST) per Member Council and \$9,713.68 (excluding GST) per County Council.

Member Councils will be consulted about proposed membership contributions and other fees from time to time by:

- the Joint Organisation providing a Draft Budget and Membership Contribution Schedule, inviting feedback and/or submissions from the Member Councils,
- the Joint Organisation providing a written proposal based on an activity determined in its business planning and implementation processes.

The level of membership contributions will be determined annually based on the functions and activities proposed to be undertaken by the Joint Organisation. Proposed increases in annual Member Councils' contributions will have regard to determinations made by the Independent Pricing and Regulatory Tribunal ("IPART") relating to maximum permissible increases in council rates and charges.

Fees for Service

Section 608 of the *Local Government Act 1993* provides that the Riverina Joint Organisation may charge and recover an approved fee for any service it provides, other than a service provided, or proposed to be provided on an annual basis for which it is authorised or required to make an annual charge under Section 496 or 501 of the Act.

Section 609 of the Act provides that when determining the approved fee, the Riverina Joint Organisation must take into account the following factors:

- the cost of the Joint Organisation providing the service;
- the price suggested for that service by any relevant industry body or in any schedule of charges published, from time to time, by the Office of Local Government;
- the importance of the service to the community; and
- any factors specified in the regulations under the Act.

Sundry Fees and Charges

GIPA Requests – where the Riverina Joint Organisation receives a request for information and documents under the *Government Information (Public Access) Act 2009* (NSW) the following charges will apply:

- a) \$30.00 to lodge a formal application requesting the documentation, which is payable at the time of lodgement.
- b) No Charge – where the request is determined by the Riverina JO to be a **minor** request – a request that the JO determines will take 30 minutes or less to fulfil.
- c) \$30.00 per hour – where the request is determined by the Riverina JO to be a **major** request – a request that the JO determines will take more than 30 minutes of staff time to fulfil.

The determination of whether a request is categorised as major or minor is at the absolute discretion of the Riverina Joint Organisation.

Photocopying – any photocopying undertaken by the Riverina JO will be charged as follows:

- a) A4 Black and White – 55 cents per copy (incl GST)
- b) A3 Black and White – 99 cents per copy (incl GST)
- c) A4 Colour - \$2.20 per copy (incl GST)

Credit Card Surcharge

The Riverina Joint Organisation may impose a Credit Card Surcharge on all payments made via credit card in accordance with Reform of Credit Card Schemes in Australia and Final Reforms and *Regulation Impact Statement August 2002*.

Private works

Riverina Joint Organisation may carry out any kind of work that may lawfully be carried out. Private work will be carried out on the basis of a charge representing full recovery of the work carried out plus a margin for profit. The profit margin is dependent on and subject to market forces applying at the time.