

# *Council Policy*

## Fees and Charges Policy



## COUNCIL POLICY

	<b>FEES AND CHARGES POLICY</b>
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<b>Policy Number:</b>	<b>FIN-05</b>
<b>Responsible Department(s):</b>	<b>Governance</b>
<b>Responsible Officer</b>	<b>Zoe Gill</b>
<b>Relevant Delegations:</b>	<b>As per the Delegations Register and as detailed in this Policy</b>
<b>Other Relevant Policies/procedures:</b>	<b>Complaints Handling Policy Rating Policy</b>
<b>Relevant Legislation:</b>	<b><i>Local Government Act 1999</i></b>
<b>Policies and Procedures Superseded by this policy on its Adoption:</b>	<b>Nil (new policy)</b>
<b>Adoption Authority:</b>	<b>Council</b>
<b>Date of Adoption:</b>	<b><i>26 August 2025</i></b>
<b>Effective From:</b>	<b><i>9 September 2025</i></b>
<b>Minute Reference for Adoption:</b>	<b><i>Item 12.3 Council resolution 279/25</i></b>
<b>Next Review:</b>	<b><i>No later than August 2028 or as required by legislation or changed circumstances</i></b>

Version Control

Version No.	Date of Effect	Description of Change(s)	Approval
1.0	9 September 2025	New Policy	Council, res 279/25

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## FEES AND CHARGES POLICY

### 1. INTRODUCTION

- 1.1 This policy responds to the provisions of Section 188 (Fees and Charges) of the *Local Government Act 1999* ("the Act"), empowering a Council to impose fees and charges.
- 1.2 As part of the annual budgeting process, Council sets a number of fees and charges as provided for by the Fees and Charges Register.
- 1.3 Fees and charges enable Council to apply a 'user pays' principle to certain services, activities and infrastructure. Fees and charges also support the generation of non-rate revenue, which enables Council to keep rates as low as possible.
- 1.4 Where it can be demonstrated that members of the community are unable to meet the full cost of certain fees and charges, a reduction, waiver, or refund may be applied under certain circumstances.

### 2. PURPOSE

- 2.1 To ensure that fees and charges are set and applied transparently and consistently across Council operations.
- 2.2 To ensure that fees and charges are reduced, waived, or refunded in a fair, equitable and consistent way.

### 3. SCOPE

- 3.1 This policy applies to Council's fees and charges pursuant to section 188 of the *Local Government Act 1999*, excluding statutory charges set by legislative instruments or government declarations.
- 3.2 This policy does not apply to Council rates and associated charges. Please see the Council's Rating Policy for guidelines concerning rates.

### 4. DEFINITIONS

- 4.1 For the purpose of this policy:

- 4.1.1 "**Council**" means the Adelaide Hills Council.
- 4.1.2 "**Financial hardship**" means an individual or group that does not have the capacity to pay Council a fee or charge:
  - (a) For an individual: without causing significant detriment to their basic living or operating needs (such as food, housing, medical care and education); or
  - (b) For a group: without causing a material and adverse impact on an organisation's financial viability.
- 4.1.3 "**Legislation**" means all relevant State and Federal legislation and Council By-Laws.
- 4.1.4 "**Statutory Fees and Charges**" means fees, charges and expiations set by statutory legislation and administered by Council.
- 4.1.5 "**the Act**" means the *Local Government Act 1999* for South Australia.
- 4.1.6 "**Relief from fees and charges**" means any reduction, waiver or refund to fees and charges.

## 5. POLICY STATEMENT

5.1 Section 188 of the *Local Government Act 1999* enables councils to impose fees and charges as follows:

Fee Type	Pricing Parameters	Delegation Permitted
The use of any property or facility owned, controlled, managed or maintained by Council (s188(1)(a))	Need not be fixed by reference to the cost to Council. One or more of the pricing methodologies outlined in 5.5 below may be employed.	Yes
Services supplied to a person's request (s188(1)(b))		Yes
Carrying out work at a person's request (s188(1)(c))		Yes
Providing information or materials, or copies of, or extracts from, Council records (s188(1)(d))	Must not exceed a reasonable estimate of direct costs to the Council in providing information, materials, copies or extracts.	No
Any application to Council (s188(1)(e))	One or more of the pricing methodologies outlined in 5.5 below may be employed.	No
Any authorisation, license or permit granted by Council (s188(1)(f))	Statutory pricing methodology should be used	No
Any matter for which another Act provides that a fee under this Act is to be payable (s188(1)(g))	Section 188 (4) stipulates that Council cannot set fees and charges when set by another Act or when an Act specifies that no fee or charge can be set. Statutory pricing methodology should be used.	No
Any other prescribed matter (s188(1)(h))	One or more of the pricing methodologies outlined in 5.5 below may be employed.	No

5.2 Fees and charges are reviewed and set annually via the Annual Business Planning process but fees and charges can be amended, added or revoked at any time during the year by Council resolution.

5.3 Community members are encouraged to participate in the Annual Business Planning process via the statutory community engagement process which occurs every year.

5.4 In setting fees and charges, Council must give due consideration to:

- the cost of providing the service, including overhead costs
- user pays principles, to ensure full cost recovery where possible
- agreed financial principles to keep rate revenue as low as possible and to maximise opportunities for non-rate revenue
  - market comparisons if there are other providers that offer similar goods or services
  - competitive neutrality principles wherever relevant
  - applying a commercial approach where a council asset or service is used for commercial purposes
  - the value of the goods or services to the community
  - the differing levels of capacity to pay throughout the community
  - whether targeted concessions are warranted on social or public good grounds
  - the requirements of any relevant legislation.

5.5 In determining fees and charges, one of the following methodologies must be approved by the relevant Executive Leadership Team for use:

Pricing methodology	When to use
Full cost recovery	<p>The preferred method when the costs of service can be established and,</p> <ul style="list-style-type: none"> <li>(a) The service benefits particular users, contributes to their individual income, wellbeing or profits, or provides a predominately private benefit without broader benefit to the community, or</li> <li>(b) Council has a monopoly over the provision of the services and there are no community service or equity considerations.</li> </ul> <p>The price should include the full recovery of annual maintenance, on-costs, overheads, and debt-servicing costs, as applicable. The price may also include opportunity costs for the loss of value or benefit to the community, if applicable.</p>
Partial cost recovery	<p>When the cost of service can be established and</p> <ul style="list-style-type: none"> <li>(a) The service benefits the community generally or substantial parts of the community, or</li> <li>(b) Charging for the service at full cost may result in widespread evasion, or</li> <li>(c) The service is targeted to low-income users, or needs to be differentially priced to maximise access to the service, or</li> <li>(d) The service promotes or encourages local economic activity.</li> </ul>
Comparative	<p>Direct costs or service are difficult to establish or the costs of service can be established but,</p> <ul style="list-style-type: none"> <li>(a) Are provided competitively by another provider and there is pressure to set a price that will attract adequate usage of the service, or</li> <li>(b) The service is a profit-making activity and the price should recover more than the costs of delivery.</li> </ul>

Market value	The service is commercial in nature and a market valuation is appropriate so as to maintain competitive neutrality and meet other policy principles.
Statutory	The service is regulatory or statutory and the fee is determined, either (a) By Council in accordance with parameters set in regulations (for example, a maximum price), or (b) By legislation or another authority, and Council has no discretion to determine the amount
Demand management	The price may be higher or lower than cost of service, to (a) Encourage greater uptake of the service, or (b) To provide a disincentive for use, or (c) recognise indirect costs associated with providing the service
Security deposit	A refundable fee against possible loss or damage to Council property
No charge	The service is provided at no charge, having considered all matter is 5.4 of this policy

5.6 Fees and charges should be fair and equitable and generally comparable to similar councils.

5.7 When setting fees and charges, Council must consider broader economic conditions and may make adjustments accordingly.

5.8 When exceptional or unexpected conditions occur, Council may, by resolution, adjust fees and charges outside the Annual Business Planning process. Statutory fees and charges will be updated whenever statutes change, which may occur outside the Annual Business Planning process.

5.9 Public funds should not subsidise losses that are attributable to individual business operations or decisions, or to subsidise non-viable business models or operations.

#### **5.10 Administrative fees**

5.10.1 Administrative fees such as those charged for providing information or materials, or copies of, or extracts from, Council records will not exceed a reasonable estimate of the direct cost to Council in providing the information, materials, copies or extracts.

#### **5.11 Relief from fees and charges**

5.11.1 The decision about whether to provide a reduction, waiver or refund, pursuant to section 188(3)(f) of the Local Government Act 1999, will be made by the CEO. The CEO must not sub-delegate this power.

5.11.2 The CEO, may, at their discretion, offer relief from fees and charges where:

- there is a clear benefit such as heritage, environmental, economic or community outcomes; and
- there is a strategic rationale aligned with Council's objectives; or
- it can be demonstrated that an individual or group are experiencing financial hardship and are unable to meet the full cost of a fee or charge.

5.11.3 In determining whether to provide a reduction, waiver or refund of fees, the CEO should consider the following guiding principles:

- the financial impact to Council
- contributions to public health, safety, and environmental outcomes
- recognition of financial hardship and support for marginalised or vulnerable individuals and groups
- whether the decision may establish a precedent and the implications of such a precedent
- the importance of open, fair, accountable, and transparent decision-making.

5.11.4 Any request for a reduction, waiver or refund of a fee or charge must be made and approved in writing.

## **5.12 Review of decisions**

5.12.1 Statutory provisions prescribed in the Act compel Council to provide a complaints framework whereby an individual or group may request a review of a decision made by Council or a delegate.

5.12.2 Council has a *Complaints Handling Policy* that sets the principles and guidelines to be used when addressing complaints made about the actions of the Council, employees of the Council, or other people acting on behalf of the Council.

## **6. DELEGATION**

6.1 The CEO has the delegation to make any formatting, nomenclature or other minor changes to the policy during the period of its currency.

## **7. AVAILABILITY OF THE POLICY**

7.1 This policy is available on Council's website [www.ahc.sa.gov.au](http://www.ahc.sa.gov.au)