DOCUMENT TYPE	Policy
TITLE	**FEES AND CHARGES PRICING**
NUMBER:	POL-2006

PURPOSE

This Policy establishes Council's principles for lawful, transparent, fair and financially sustainable Shire fees and charges.

DEFINITIONS

Fee or charge means a fee or charge imposed or recovered by the Shire under section 6.16 of the *Local Government Act 1995 (WA)* or another written law.

Full cost means the direct and indirect cost of providing a good or service, including relevant administration, asset use, compliance and renewal costs where these can reasonably be identified.

Regulatory fee means a fee or charge that is fixed, capped, limited, prescribed or otherwise regulated by another written law.

Schedule of Fees and Charges means the schedule of fees and charges adopted by Council as part of the annual budget or amended during a financial year.

POLICY STATEMENTS

This Policy applies to Council, the Chief Executive Officer and employees involved in proposing, reviewing, administering, publishing or reporting fees and charges. This Policy does not apply to rates, service charges, infringements, statutory penalties, court-imposed fines, refundable bonds, refundable security deposits, grants, donations or other amounts that are not properly characterised as fees or charges.

Council will not impose a fee or charge unless it has a lawful basis to do so. Where another written law fixes, caps, limits, prohibits or otherwise regulates a fee or charge, that written law prevails.

Council will apply the following principles when considering fees and charges:

Principle	**Application**
Legislative compliance	Fees and charges must comply with written law.
Cost awareness	Fees should be informed by cost where this can reasonably be identified.
User pays	Full cost recovery should be considered where the service mainly benefits an identifiable user.
Community benefit	Council may subsidise a fee where broader community benefit or equitable access justifies it.
Financial sustainability	Fees should support responsible revenue and asset management.
Transparency	Fees should be clearly described, reviewed and published.
Administrative efficiency	Fees should be practical to administer.

POLICY

1. Council authority

1.1. Council may impose and recover fees and charges under section 6.16 of the *Local Government Act 1995 (WA)*.

1.2. Fees and charges are ordinarily imposed as part of the annual budget.

1.3. A fee or charge may be imposed or amended during a financial year only by Council decision made by absolute majority under section 6.16(3) of the *Local Government Act 1995 (WA)*.

1.4. This Policy does not itself impose, amend or revoke any fee or charge.

2. Statutory requirements

2.1 When determining a fee or charge, Council must consider the matters in section 6.17(1) of the *Local Government Act 1995 (WA)*:

- the cost to the Shire of providing the service or goods;
- the importance of the service or goods to the community; and
- the price at which the service or goods could be provided by an alternative provider.

2.2 A fee or charge must be limited to the cost of providing the service or goods where required by section 6.17(3) of the *Local Government Act 1995 (WA)*.

2.3 The Shire must not impose a fee or charge that is inconsistent with another written law.

2.4 Where section 6.19 of the *Local Government Act 1995 (WA)* applies, local public notice must be given before the fee or charge is introduced.

3. Pricing basis

3.1 Each proposed fee or charge should be assessed using one of the following pricing bases:

Pricing basis	**Use**
Regulatory fee	The fee is fixed, capped, limited or prescribed by another written law.
No charge or subsidised pricing	The service provides broad community benefit or supports equitable access.
Partial cost recovery	The service provides both community benefit and private benefit.
Full cost recovery	The service mainly benefits an individual, business, applicant or identifiable user group.
Full cost recovery plus approved mark-up	The fee recovers full cost plus a clearly identified administration charge or mark-up approved by Council in the Schedule of Fees and Charges.
Expedited service pricing	A higher or additional fee is lawful and urgent service is requested by the applicant or user.

3.2 Pricing below or above full cost recovery must be lawful and supported by a clear rationale.

4. Cost and subsidy considerations

4.1 The annual review should consider full cost for each material fee where practical. The Shire is not required to complete detailed costing where the cost of doing so would be disproportionate.

4.2 Where a fee is proposed below full cost recovery, the likely subsidy should be identified where practical.

4.3 Where relevant, cost assessment may include SWEK's remote service delivery costs, including distance, freight, contractor availability, staff travel, wet season access and asset renewal costs.

5. Waivers, concessions, discounts and write-offs

5.1. This Policy does not authorise a waiver, concession, discount, incentive or write-off.

5.2. Waivers, concessions, discounts, incentives and write-offs must be considered under section 6.12 of the *Local Government Act 1995 (WA)*, the annual budget, POL-2020 Waiver of Fees and Charges, relevant delegations, and any applicable Shire policy.

6. GST

6.1 Fees and charges are to be expressed inclusive of GST where GST applies, unless otherwise stated.

6.2 The GST status of each fee or charge must be confirmed when preparing or reviewing the Schedule of Fees and Charges.

6.3 GST status does not determine whether Council has authority to impose a fee or charge.

7. Annual review and records

7.1 The Chief Executive Officer is responsible for ensuring that fees and charges are reviewed at least annually.

7.2 The annual review should, where practical, identify:

7.3 the legislative basis for the fee or charge;

7.4 whether the fee is regulatory, subsidised, partial cost recovery, full cost recovery or full cost recovery plus approved mark-up;

7.5 whether the fee is limited to cost;

7.6 the estimated revenue, cost or subsidy for material fees;

7.7 the GST status

7.8 any proposed waiver, concession, discount, incentive or write-off;

7.9 any community benefit or access considerations;

7.10 any local public notice requirement; and

7.11 whether an absolute majority decision is required.

7.12 Records supporting the Schedule of Fees and Charges must be retained in accordance with Shire recordkeeping requirements.

7.13 An up-to-date version of this Policy must be published on the Shire's official website.

EXPLANATORY NOTES

Fees set below cost are generally subsidised from rates, grants or other Shire revenue. Detailed service-by-service pricing classifications, cost calculations, approved mark-ups, GST status and review worksheets should be maintained through annual review workpapers.

DOCUMENT AND VERSION CONTROL

Responsible Directorate	Corporate Services		
Responsible Officer	Director Corporate Services		
Statutory References	*Sections 6.12, 6.16, 6.17, 6.18 and 6.19 of the Local Government Act 1995 (WA)* *Regulation 5 of the Local Government (Financial Management) Regulations 1996 (WA)* *Regulation 29C of the Local Government (Administration) Regulations 1996 (WA)* *Division 81 of the A New Tax System (Goods and Services Tax) Act 1999 (Cth)*		
Related Documents	Annual Budget Annual Schedule of Fees and Charges POL-2020 Waiver of Fees and Charges REG-1001 Delegations Register Long Term Financial Plan PSF-3001 Corporate Business Plan Asset Management Plan		
Amendment History (Adoption and last 3 amendments)			
Version	**Date Issued - Resolution Number**	**Item #**	**Description of Change**
1.0	28/01/2014 - 10293	13.2.4	Council Adoption
8.2	26/03/2024 - 118998	12.4.4	Review Adopted by Council
9.0	25/03/2025 - 119170	12.4.5	Review Adopted by Council
10.0	26/05/2026 - 119445	9.3.6	Review Adopted by Council
Date of Next Review	April 2027		