

Title of Policy	SMRC Sewerage Pricing and Billing		
Responsible Department	Operations	Document Register ID	250.2018.464.2
Policy Owner	Manager Water and Wastewater	Review Date	November 2021
Date of Council Meeting	21 November 2019	Resolution Number	419/19
Legislation, Australian Standards, Code of Practice	<ul style="list-style-type: none"> a) Local Government Act 1993 b) Water Management Act 2000 c) Local Government (General) Regulation 2005 d) Best Practice Management Guidelines e) Water, Sewer and Trade Waste Pricing Guidelines <p>Note: The most recent edition of the above documents shall apply to the policy</p>		
Aim	To provide appropriate pricing signals that enable customers to balance the benefits and costs of using the sewerage services and promote efficient use of resources.		

1 Purpose

To implement Best-Practice sewerage pricing tariff that is a cost-reflective uniform sewerage bill per residential property and an appropriate sewerage and liquid trade waste pricing for non-residential customers which complies with IPART's 1996 Pricing Principles for Local Water Utilities, the COAG Strategic Framework for Water Reform and National Competition Policy.

To introduce appropriate pricing that reflects the cost of providing the service and to raise the annual income required for the long term financial sustainability of the water supply and sewerage business, including investments in new and replacement infrastructure

2 Policy Details

2.1 Sewer Pricing and Tariffs

To comply with Best Practice Pricing, Residential and Non-Residential tariffs will be different and is described in detail as follows:

2.1.1 Residential Customer's Sewer Tariff

The sewer tariff for residential properties will be a uniform sewerage charge per residential property. The IPART Pricing Principles indicate that pay-for-use sewerage pricing for residential customers was not warranted due to lack of net benefits from such charging. In particular, the cost of sewerage collection and transfer is largely driven by hydraulic capacity which is dependent on wet weather flow and the cost of sewage treatment is driven by biological and suspended solids load which relate to the population served.

2.1.2 Non-Residential Customer's Sewer Tariff

The sewer tariff for non-residential properties shall be based on a cost reflective two part tariff with an access charge and a uniform sewerage usage charge per kL of water consumption adjusted by the discharge factor.

Access Charge - The Access Charge for non-residential customers will be based on the diameter of water supply connection. In accordance with Best-Practice Pricing Guidelines, the Access Charge for non-residential properties shall be proportional to the square of the size of the water supply service connection. The annual charge will be the charge as set in the Revenue Policy for that particular year.

The charge is determined by the following formula:

$$AC = AC20 \times D^2 / 400$$

Where:

- AC = Customer's Annual Access Charge (\$)
- AC20 = Annual Access Charge for a 20mm diameter water supply service connection
- D = Diameter of customer's water supply service connection (mm)

Usage Charge – The usage charge for non-residential customers is estimated using the customer's total water consumption multiplied by the sewer discharge factor.

Those properties with sewer meters will be charged the total volume recorded in the sewer meter as the total volume discharged into the sewage system is the volume recorded in the sewer meter.

The discharge factor applicable to water consumption data shall be as follows:

- a) 0.6 for all diameters

The charge per kL will be the charge as set in the annual fees and charges in the Revenue Policy for that particular year.

2.2 Residential and Non-residential Strata, Flats, Dual Occupancies and vacant properties.

Residential and non-residential - Each Strata Title, Flat, Dual Occupancy and Vacant Land shall be treated as a single assessment with a 20mm service connection and will be charged Access Charges.

Pursuant to S552 of the Local Government Act, all properties located less than 75m of a Council sewer and is within the catchments served by the drainage works shall be charged vacant Access Charges. Any land from which the sewage cannot be discharged into any sewer of the Council will not be charged for sewer.

The annual charge that will apply will be the charge as set in the annual fees and charges in the Revenue Policy for that particular year

2.2.1 Discount on sewer access charges for multiunit properties with area under 60m²

The sewer access charge for multiunit properties with an area under 60m² will be discounted by 50% of the 20mm residential access charge. The 20mm access charge that will apply shall be the charge as set in the Annual Fees and Charges for that particular year.

All customers who qualify for this discount will need to make an application to Council in writing stating the number of units with area under 60m² subject to meeting the following criteria:

All units are legal and considered habitable residential units

All units are serviced by one service line / water meter

All units are a studio style accommodation (one living area, separate bathroom, kitchen) and each unit has a floor area of no more than 60m² measured as the internal area (including any internal dividing walls).

Applications shall include the approved plan of the unit.

2.2.2 Discount on sewer access charges for development pumping effluent ONLY into Councils sewerage networks

A 50% discount shall apply to properties that have been approved to pump effluent only into Council's sewerage network subject to the following conditions:

The property owner shall make an application to Council for the discount

Council's approval to pump effluent only shall be attached to the application

All references in the current policy to the "Revenue Policy" to be amended to "Fees and Charges"

The 50% discount to be applicable from the date of adoption of the amendments and on approval of the applications. Customers shall be refunded any extra charges that have been billed this financial year. Notification regarding these amendments to the policy will be sent to all customers with the next water bills.

2.3 Liquid Trade Waste Pricing and Tariffs

Liquid Trade Waste charges shall apply to non-residential properties in accordance with the Liquid Trade Waste Policy.

The charges for liquid trade waste shall be as set in the annual fees and charges in the Revenue Policy for that particular year.

2.4 Sewer Accounts / Sewer Billing

The sewer accounts shall be sent out along with the water account in the one bill where applicable.

The sewer billing for residential shall be the annual flat rate charged pro-rata for the billing period.

Non-residential customers shall be charged an access charge relative to the diameter of water connection charged proportionally over the 3 billing periods. The usage charge per kL for non-residential properties without a sewer meter shall be based on the water meter readings adjusted by the discharge factor applicable to the diameter of connection.

The usage charge for those properties with sewer meters shall be the total kL as indicated in the sewer meter readings. The charge per kL shall apply without adjustments for discharge factors.

2.5 Sewer Accounts Applicable to Non Residential Strata Properties

The charging of non-residential strata properties shall be as follows:

- a) Reading of Main Meter/Parent meter only – When a group of strata units, flats, dual or occupancies are served by one parent water meter, Council will read the main parent meter only and all water that passes through this meter shall be billed to the Body Corporate / Owner along with the Access Charges for each strata unit. It is the responsibility of the Body Corporate to apportion the charges between the units.

2.6 Payments of Accounts and Interest Charges

Accounts must be paid on or before the due date or interest shall apply on overdue accounts. Recovery action will be taken in relation to overdue/outstanding accounts.

2.7 Hardship Relief

Requests for assistance by ratepayers citing hardship shall be made in writing to the Chief Executive Officer in accordance with the Local Government Act 1993

2.8 Pensioner Rebates / Donations

Other than the subsidy payable by the Department of Local Government, no other financial assistance shall be given to pensioners.

Sewer charges exemptions or reduction of charges shall not apply and any requests for a reduction of charges (eg. Patients on dialysis machines), shall be made to Council in writing and treated as a donation which will be reviewed annually.

2.9 Broken Meters / Non Recording Meters

In the event of a sewer meter / water meter not operating or being broken at the time of reading, the charge for consumption will be calculated as follows:

- a) On the average pro-rata consumption for the previous three years for the relevant billing period eg. October, June or February readings.

Variation

Council reserves the right to review, vary or revoke this policy and should be reviewed periodically to ensure it is relevant and appropriate.