



## DIRECTOR SHIRE SERVICES REPORT

14th February 2006

**DSS6 SEWERAGE CHARGES**  
**FILE: 171 TAK {Folio No. \*}**

### SUMMARY:

Reporting on a request to review the new sewerage pricing impacts upon Australian Red Cross, Kempsey Branch.



### DESCRIPTION:

Marcia Cheers, President of Kempsey branch of Australian Red Cross has requested that Council review the classification of their property at 144 Belgrave Street, Kempsey, from 'Sewer Non Profit', under the previous sewerage levy charging in 04/05 to 'Sewer Non-residential' under the current Sewerage Pricing structure implemented this financial year. The current pricing format has significantly burdened this non-residential customer by approximately 370% from a flat rate of \$124 to \$589 (inclusive of sewer usage component based on 04/05 figures).

As a recognised charity Red Cross is not rateable for the ordinary rate.

The previous 04/05 Sewerage Non Profit levy for charitable organisations was not across the board but granted upon application, being a quarter charge. As such, the increase faced by the Red Cross is very individual and rare.

Under the new Best Practise two-part sewer pricing structure adopted by Council, 20 June 2005, all non-residential properties are uniformly charged on meter size. No standardised reductions, on either access or usage components, were identified within the policy. To introduce such individual concessions into this charging format would not be in line with the basis of the best practice pricing regime.

Red Cross is well recognised for its focus in vital humanitarian work and the Red Cross Association perform an important role within our local community. Council is requested to grant a one-off donation to Red Cross Kempsey Branch of \$450.000 under Council Policy

No.C21:7, Clause 3.1.2. This amount reduces the increase borne by the organisation in the initial year of the sewerage pricing and permits budgeting for the following year by Red Cross.

The grant is requested on the basis of:

- Significant individual increase;
- Achieving best practice pricing;
- Permitting time for Red Cross to budget for the increase.

**REPORT IMPLICATIONS:**

- *Environmental*

*Nil.*

- *Social*

*A financial donation from Council will assist the customer to continue with the current level of humanitarian work.*

- *Economic (Financial)*

*This non-residential customer faces a large increase in sewerage charges compared to previous years. A donation from Council will greatly assist this financial year and allow budget considerations for the future years.*

*The Donations vote has a current balance of \$2,300, but further requests will come following recent advertising.*

- *Policy or Statutory*

*This request falls under current Donations, Grants and Subsidies Council Policy No: C21:7.*

- *Director's Review*

*Council is urged to support the recommendation.*

**RECOMMENDATION:**

**That Council donate an amount of \$450.00 be donated to the Australian Red Cross Kempsey Branch as a one-off assistance to the change in sewerage pricing and in recognition of the role performed by this organisation within our local community.**

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**K J Finnie**  
**DIRECTOR SHIRE SERVICES**