



Statement of Revenue Policy 2025/26

Version 1 – 10 April 2025

Controlled Document Information

Authorisation Details

Policy Name	Statement of Revenue Policy 2025-26
Responsible Officer	Director Hunter JO (Executive Officer)
Review timeframe	Annually (no later than 30 June)
Next Scheduled Review	April 2026
Authorisation	Hunter JO Board
Authorisation Date	10 th April 2025

Related Document Information

Relation Legislation	Local Government Act 1993 Local Government Regulation 2021 (CI 397I) Annual statement of revenue policy
Related Policies / Procedures	N/A

Definitions

Term / Abbreviation	Definition

Consultation

Consulted with:	Hunter JO Board (13 February 2025) Hunter JO Board (10 April 2025) General Managers Advisory Committee (27 March 2025)
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Version History

Version No.	Date Changed	Modified by	Details and Comments
1	June 2025	Steve Wilson	N/A

Background

Section 3971 of the *NSW Local Government (General) Regulation 2021* requires that joint organisations have an annual statement of revenue policy that includes:

- a) a statement containing a detailed estimate of the joint organisation's income and expenditure,
- b) a statement of the types of fees proposed to be charged by the joint organisation,
- c) the amount of any proposed fees,
- d) a statement of the amounts of any proposed borrowings (other than internal borrowing).

A joint organisation must adopt its revenue policy statement for the year on or before 30 June in the preceding year.

The Regulation also identifies that:

- Each member council of the joint organisation is to make an annual financial contribution to the joint organisation.
- The joint organisation is to determine the amount of the annual contribution in accordance with the methodology adopted by the board.
- A joint organisation must consult with the member councils about proposed financial contributions.

Estimated Revenue (2025/26)

1. Financial Contributions by the Member Councils

Financial contributions by the member Councils support delivery of the Hunter JO's principle functions of identifying strategic regional priorities, regional leadership and advocacy and intergovernmental collaboration.

The determination of each council's contribution comprises:

- (i) an equal fixed base rate across all Councils (ie \$27,934 per Council)
- (ii) a variable component based on population & rate base.

Annual contributions are indexed by the annual IPART approved rate increase for each member Council.

Financial contributions for 2025/26 include:

Council	Amount
Cessnock	56,486.64
Dungog	33,893.10
Lake Macquarie	118,457.74

Council	Amount
Maitland	73,169.38
MidCoast	73,889.49
Muswellbrook	38,269.21
Newcastle	115,092.24
Port Stephens	59,902.51
Singleton	41,200.12
Upper Hunter	35,455.00
Total Member Councils Contribution	645,815.43

2. Fees and Charges

Fees and charges for 2025/26 include:

1. Hunter and Central Coast Environment Program

The 2025/26 fee for participating Councils includes:

Council	Amount
Cessnock	\$36,611
Dungog	\$17,422
Lake Macquarie	\$36,611
Maitland	\$36,611
MidCoast	\$36,611
Muswellbrook	\$22,398
Newcastle	\$36,611
Port Stephens	\$36,611
Singleton	\$24,887
Upper Hunter	\$19,910

Council	Amount
Central Coast	\$36,611
Total Environment Program Fees	\$340,894

These fees have been determined by applying the December 2024 annual CPI increase (2.4%) to the previous year's fees. This approach retains the proportionality of fees relative to the original funding model which comprises:

- (i) An equal fee across founding Councils (Newcastle, Port Stephens, Lake Macquarie, Cessnock, Maitland, Central Coast) and MidCoast Council
- (ii) A population-based rate for Councils joining the program in 2002 (Upper Hunter, Muswellbrook, Singleton, Dungog)

2. Fee for the provision of additional services

Under the *Local Government Act 1993*, the Hunter JO may charge and recover an approved fee for the delivery of additional services. No fee for service activities of this nature are currently proposed for the 2025/26 period. In the event that such work is delivered, the calculation of fees will consider:

- The cost of provision of the service
- Recommended prices suggested by outside bodies
- The importance of the service
- Legislation that regulates certain fees

3. Revenue from Grants

Estimated revenue from grants for 2025/26 includes:

Project	Funding amount	Source of Funding
Regional Waste Coordination	\$244,868	NSW EPA
Community Recycling Centres	\$108,299	NSW EPA
Regional Illegal Dumping Program	\$651,652	NSW EPA
Hospitality Circularity Network	\$110,672	NSW EPA
Circular Economy Procurement	\$130,945	NSW EPA
Hunter Circular Value Chain Solutions	\$198,925	NSW EPA

Project	Funding amount	Source of Funding
Disaster Adaptation Planning	\$294,475	NSW Reconstruction Authority
Net Zero Acceleration	\$167,326	NSW Office of Energy & Climate Change
Total estimated grants received 25/26	\$1,907,162	

4. Annual Dividend from Arrow Collaborative Services

The Arrow Collaborative Services Strategic Plan 2024-26 identifies Arrow's role as supporting the Hunter JO via a member dividend to equip the Hunter JO with the resources needed to effectively advocate for the region. The level of dividend provided will be determined in accordance with Arrow processes which currently base dividend decisions on the prior years audited financial statements.

No dividend for the Hunter JO has been identified for the 2025/26 financial year.

5. Proposed Borrowings

No borrowings are proposed at the Hunter JO for the 2025/26 financial year.

Estimated Expenditure (Indicative 2025/26 Budget)

NB. The detailed budget for the 2025/26 financial year will be provided for consideration at the June 2025 Hunter JO Board meeting.

INCOME STATEMENT	Indicative ANNUAL BUDGET 2025/26
REVENUE	
Membership Contributions	\$645,815
Environment Program Fees	\$340,894
Grant Funding	\$1,907,162
Other Funding	\$81,431
Services Fees	\$0
Miscellaneous	\$18,250
Arrow Contribution	\$0
Revenue - Total	\$2,993,552
COST OF SALES	\$638,699
GROSS PROFIT / (LOSS)	\$2,354,853

EXPENSES	
General & Administration	\$427,683
Occupancy Costs	\$28,588
Depreciation	\$37,581
Information Technology	\$45,000
Overhead Labour	\$1,706,135
Employee Costs	\$28,123
Travel & Accommodation	\$20,640
Motor Vehicle	\$59,747
Overhead Expenses - Total	\$2,353,496
NET PROFIT / (LOSS) - OPERATIONS	\$1,357
OTHER INCOME / (EXPENSES)	
OTHER INCOME	\$18,325
OTHER EXPENSES	\$0
Other Income / (Expenses) - Total	\$18,325
NET PROFIT / (LOSS) BEFORE TAX	\$19,682