



WARRNAMBOOL
CITY COUNCIL

Fees and Charges Reduction Policy

POLICY TYPE: COUNCIL

APPROVAL DATE: SEPTEMBER 2026

REVIEW DATE: SEPTEMBER 2030

FEES AND CHARGES REDUCTION POLICY

DOCUMENT CONTROL

Document Title:	<i>Fees and Charges Reduction Policy</i>
Policy Type:	<i>Council</i>
Responsible Branch:	<i>Financial Services</i>
Responsible Officer:	<i>Manager Financial Services</i>
Document Status:	<i>Adopted</i>
Approved By:	<i>Council</i>
Adopted Date:	<i>September 2026</i>
Review Date:	<i>September 2030</i>

FEES AND CHARGES REDUCTION POLICY

1. INTRODUCTION

Council adopts Fees and Charges as part of the annual Budget to support the delivery of services, programs and providing facilities and infrastructure to the community. The adopted Fees and Charges Schedule reflects Council's strategic objectives, service delivery costs, community benefit considerations and long-term financial sustainability.

The *Local Government Act 2020* requires Council to manage revenue, expenses and financial transactions in accordance with sound financial management principles and adopted financial policies. The Act requires that revenue and financial transactions be managed in accordance with Council's financial policies and strategic plans, financial risks be monitored and managed prudently, and financial policies provide stability and predictability in the financial impact on the municipal community. Council must adopt financial policies that give effect to these financial management principles.

While Council recognises that there may be circumstances where a discount, concession or waiver of an adopted fee is appropriate, such decisions must be made in a transparent, equitable and accountable manner. Uncontrolled discretionary reductions may create financial risks, inconsistent outcomes, perceptions of favouritism, or conflicts of interest, and may adversely impact the achievement of Council's adopted Budget and Financial Plan.

This Policy establishes the governance framework for the approval, administration, monitoring and reporting of discounts, concessions and waivers to Council's adopted Fees and Charges. The Policy seeks to ensure that any departure from adopted fees is appropriately authorised, documented, transparent and aligned with Council's financial management obligations, delegation framework and public accountability responsibilities under the *Local Government Act 2020*.

This policy should be read in conjunction with Council's Fees and Charges Schedule.

1.1. Scope

This Policy applies to all discretionary Council fees and charges adopted through the annual Budget process, as well as any additional fees and charges approved by Council following Budget adoption, where a reduction, discount, concession or waiver is proposed.

1.2. Exclusions

Exclusions to the scope of this Policy include:

- Statutory fees, which should only be waived, fully or partially, pursuant to relevant legislation.
- Permit or application fees refundable under legislation.
- Circumstances in which another Council policy that includes a fee waiver component is more applicable.
- Fines and penalties (Local Laws), which should be referred to existing appeal mechanisms.
- Bonds.
- Bad debts write off.
- Fees waived as result of any hardship applications, payment plan arrangements in accordance with the Debt Management Policy and procedures.
- Refunds resulting from overpayments, duplicate payments, administrative errors or system processing errors.
- Reduced fees, refunds or discounts associated with cancelled bookings, reservations or services, where the refund is processed in accordance with Council's approved terms and

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conditions or operational procedures. This includes circumstances where Council is unable to provide a service, program, facility or activity due to maintenance works, emergency events, public safety concerns, equipment failures, facility closures, or other unforeseen events outside the customer's control.

- Council rates and property charges. Please refer to Council's relevant Debt Management Policies for guidelines concerning rates and relief for ratepayers.
- Commercial agreements or contractual arrangements approved separately by Council or under delegated authority.
- Internal fees charged between program activities.

1.3. Definitions

Term	Definition
Council	Warrnambool City Council, being a body corporate constituted as a municipal Council under the Local Government Act 2020
Fee Waiver or discount	A reduction, concession, discount or full waiver of a fee or charge that has been adopted by Council through the Annual Budget and Fees and Charges Schedule, resulting in Council receiving less than the approved fee amount.
Statutory fees and charges	Statutory fees and charges are those that are set and regulated by legislation. These fees are nondiscretionary and must align with the relevant statute or current Ministerial advice. This fee type cannot be waived or reduced, pursuant to relevant legislation.
Discretionary fees and charges	Discretionary fees and charges are not regulated by legislation and are set by Council through the adoption of the Schedule annually.
Bad Debts write off	An amount owing to Council that has been determined to be unrecoverable after reasonable and appropriate debt recovery actions have been undertaken, and which has been approved for write-off in accordance with Council's Debt Management Policy, Financial Delegations, and applicable accounting standards.
Fee Charge	The individual fee or charge per adopted Fees and Charges in the annual adopted budget.
Annual budgeted revenue for the fee charge	Means the total revenue expected to be generated from a specific fee or charge item during a financial year, as adopted by Council through the Annual Budget.
Cumulative Annual Discount	Total value of all approved fee reductions, discounts, concessions and waivers applied to a fee category, service, program or fee type during a financial year, expressed as the aggregate amount of revenue foregone by Council compared to the adopted fee or charge.

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2. OBJECTIVES

The objective of this Policy is to establish a transparent and accountable framework for the reduction, discounting or waiver of Council adopted fees and charges. The Policy seeks to:

- Ensure Council and the community understand the basis upon which fees and charges may be reduced, discounted or waived.
- Promote consistency, transparency and accountability in decision-making relating to Council fees and charges.
- Ensure decisions are aligned with Council's strategic objectives, Council Plan, Annual Budget and other adopted Council strategies and policies.
- Support responsible financial management and appropriate stewardship of public resources.
- Establish clear approval, delegation, monitoring and reporting requirements for fee reductions, discounts and waivers.
- Ensure Council complies with all relevant legislative, regulatory and statutory obligations relating to the setting, administration and management of fees and charges.
- Provide assurance that any reduction, discount or waiver of fees and charges is undertaken in a manner that is equitable, appropriately documented and in the best interests of the municipal community.

3. ELIGIBILITY FRAMEWORK

The overarching principles for setting fees and charges are that the waiver or discounting of fees and charges should only be required infrequently short-term and provided only in response to specific circumstances or identified community benefit outcomes.

- Fees can be waived, reduced or otherwise altered in accordance with operational policies as adopted from time-to-time including incentives for internal and external promotional campaigns where there is an identified community benefit or better budgeted outcome.
- Any reduction, discount, concession or waiver of a fee or charge must be managed within the approved operating budget of the relevant service or program.
- Discounts and waivers are not intended to establish an ongoing or permanent alternative fee structure. Where a recurring or ongoing reduction is considered necessary, the matter should be assessed through Council's annual budget and fees and charges review process to ensure transparency, equity and consideration of the broader financial impacts.
- The cumulative value of discounts, concessions and waiver requests within a fee category of a program must not exceed 5% of the annual budgeted revenue for that fee line item without approval from the Director or Chief Executive Officer.
- The cumulative value of all discounts, concessions and waivers requests within a program across all fee line items must not exceed a maximum of \$10,000 per annum of the annual budgeted revenue, without approval from the Director or Chief Executive Officer.

4. APPROVAL REQUIREMENTS

All proposed fee reductions, discounts and waivers must be subject to a documented approval process and approved in accordance with Council's Delegations Framework prior to being offered, communicated, committed to, or processed within Council systems.

Council officers must not provide, imply or commit to a discount, concession or waiver before the required approval has been obtained from the appropriate delegated authority.

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The approval process must clearly document the rationale for the request, the financial impact, alignment with the objectives of this Policy, and confirmation that any actual, potential or perceived conflicts of interest have been appropriately managed.

All fee reductions, discounts, concessions and waivers must be approved in accordance with the following delegated authority limits:

Position	Maximum Individual Approval
Service Manager or Manager	Within the eligibility criteria as outlined in the procedure
Director or Chief Executive Officer	Outside the eligibility criteria as outlined in the procedure

No officer may approve a request that they have initiated, assessed or recommended.

5. RECORD KEEPING

Ensuring all requests for fee reductions, discounts, concessions or waivers, together with the assessment, approval rationale and final decision, are appropriately documented and retained in accordance with Council's records management, governance and audit requirements.

6. REPORTING

The quarterly finance reporting will provide council with visibility over the extent, value, rationale and budget impact of discounts and waivers, without becoming overly operational.

Management must provide a quarterly report to council detailing all approved fee reductions, discounts, concessions and waivers granted under delegated authority during the reporting period.

The report must include, at a minimum:

- The total number of approved fee reductions, discounts, concessions and waivers.
- The cumulative value of revenue foregone during the reporting period and financial year to date.
- A summary by service area or fee charge category.

7. CONFLICT OF INTEREST

If a staff member involved in the process has a conflict of interest, whether it be actual, potential, or perceived, they are required to declare the conflict and remove themselves from the process. Another staff member at a similar or higher delegation level will be required to assess and approve the request in the absence of the conflicted staff member.

8. RELATED DOCUMENTS

- Warrnambool City Council Plan.
- Warrnambool City Council Annual Budget.
- Warrnambool City Council Long Term Financial Plan 2025-2035.
- Debt Management Policy.
- Leases And Licensing Policy 2025.
- Revenue and Rating Plan 2025-2029 (Revised June 2026).
- Warrnambool City Council Local Law Number 2 – Community Amenity Local Law.
- Delegations and Authorisations Policies.

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9. RELATED LEGISLATION

- *Local Government Act 2020.*
- Ministerial Guidelines Relating To Payment Of Rates And Charges – December 2025.
- Local Government Service Rates And Charges – Minister's Good Practice Guidelines – January 2026.
- Planning and Environment (Fees) Regulations 2016 (Vic).

10. GOVERNANCE

10.1. Owner

The Manager Financial Services will be responsible for this policy and for ensuring the policy is implemented, progress is monitored and the policy is regularly reviewed.

10.2. Review

This policy should be reviewed every four years or where there is a change to legislation or a significant change to investment market conditions.

10.3. Compliance Responsibility

10.3.1. *Executive Management Team (Chief Executive and Directors)*

10.3.2. *Managers and Supervisors*

10.3.3. *All Employees*

10.4. Charter of Human Rights Compliance

It is considered that this policy does not impact negatively on any rights identified in the Charter of Human Rights Act (2007).

Warrnambool City Council is committed to consultation and cooperation between management and employees. The Council will formally involve elected employee health and safety representatives in any workplace change that may affect the health and safety of any of its employees.