

Revenue Policy

Policy type	Council
Function	Corporate Services
Policy Owner	Rates and Revenue Department
Effective date	1 July 2024

1. Purpose

The purpose of this policy is to set out the principles used by Council in 2024/2025 financial year for:

- (a) The setting and levying of rates and charges;
- (b) exercising its powers to grant rebates and concessions (including the purpose for the concessions);
- (c) Infrastructure charges for a new development;
- (d) recovery of unpaid amounts of rates and charges; and
- (e) the establishment of cost-recovery methods (fees).

2. Scope

This policy applies to the Cassowary Coast Regional Council.

3. Procedure

3.1 The Levying of Rates and Charges

Council will apply the following principles in setting rates and charges:

- (a) consider revenue from direct user charges, grants and subsidies, contributions and other sources;
- (b) consider the cost of maintaining existing facilities and essential services and the need for additional facilities and services;
- (c) transparency in setting rates and charges;
- (d) flexibility to take account of changes in the local economy;
- (e) equitable distribution of the cost of its operations between different groups of ratepayers;
- (f) make clear what is Council's and each ratepayer's responsibility to the rating system;
- (g) ensuring the levying system is simple and streamlined to administer;
- (h) timing the levy of rates to ensure a sustainable cash flow for operations of the Council and to spread the burden to ratepayers over the financial year;
- (i) flexible payment arrangements for ratepayers with a lower capacity to pay.

General rate revenue provides whole of community services not funded through subsidies, grants, contributions, or donations received from other entities or not provided by other levies or charges.

Council will distribute the rates burden by use of differential rating categories and banding where it considers it appropriate.

Council may consider levying special and separate rates and charges where appropriate, to recover the costs associated with a particular service, project, or facility that provides direct or additional benefit to the ratepayers or class of ratepayer.

3.2 Concessions for rates and charges

In considering the application of concessions, Council will be guided by the principles of:

- (a) same treatment for ratepayers with similar circumstances;
- (b) being transparent by making clear the requirement necessary to apply and receive concessions;
- (c) flexibility to allow council to respond to local economic issues.

The purpose of concessions is to provide relief to certain sectors of Council's community through the concessions application process to:

- (a) provide assistance to ratepayers suffering genuine financial hardship;
- (b) reduce the financial burden of rates and charges payable by pensioners;
- (c) provide assistance to offset larger than normal water consumption charges due to the existence of a concealed leak;
- (d) support the community activities of not-for-profit organisations; and
- (e) reduce the cost of water usage charge for home dialysis users.

Consideration may be given by Council to granting a class concession in the event all or part of the local government area is declared a natural disaster area by the State Government.

3.3 Principles used for the recovery of rates and charges

Council will exercise its rate recovery powers in order to reduce the overall rate burden on ratepayers.

It will be guided by the principles of:

- (a) transparency by making clear the obligations of ratepayers and the processes used by Council in assisting them to meet their financial obligations;
- (b) making the processes used to recover outstanding rates and charges clear, simple and streamlined to administer;
- (c) capacity to pay in determining appropriate arrangements for different sectors of the community;
- (d) having regard to providing the same treatment for ratepayers with similar circumstances; and
- (e) flexibility by responding where necessary to changes in the local economy.

Interest is charged on all overdue rates and charges. Council's Debt Recovery Policy sets out the details of the processes used to recover outstanding rates and charges.

3.4 Principles used for cost-recovery (Fees and Charges)

Section 97 of the *Local Government Act 2009* allows Council to set cost-recovery fees.

The Council recognises the validity of fully imposing the user pays principle for its cost-recovery fees, unless the imposition of the fee is contrary to its express social, economic, environmental and other corporate goals. This is considered to be the most equitable and effective revenue approach, and is founded on the basis that the Region's rating base cannot subsidise the specific users or clients of Council's regulatory products and services.

However, in setting its cost-recovery fees, Council will be cognizant of the requirement that such a fee must not be more than the cost to Council of providing the service or taking the action to which the fee applies.

3.5 Physical and social infrastructure costs

Council raises some of its community infrastructure funding through grants and subsidies provided by the Queensland State Government and the Commonwealth Government of Australia.

The cost of providing community infrastructure is offset through the imposition of infrastructure charges on new development pursuant to the provisions of the *Sustainable Planning Act*.

The amount Council can collect in infrastructure charges is limited by the *State Planning Regulation Provision (Adopted Charges)*.

4. Infrastructure Charges for a New Development

Under Section 113 of the *Planning Act 2016* local governments may, by resolution, adopt charges for providing trunk infrastructure for development (infrastructure charges). Schedule 16 of the *Planning Regulation 2017* states the maximum amount for each charge.

Infrastructure Charges are levied by an Infrastructure Charges Notice issuing with a Development Approval. Infrastructure charges contribute to the provision of trunk infrastructure as contained in Council's Local Government Infrastructure Plan for: trunk water supply, wastewater, stormwater, transport, parks and land for community facilities networks that supports the growth and development in the Region.

Infrastructure Charges rates are contained in Council's Infrastructure Charges. Infrastructure charges rates are identified for particular types of development (residential and non-residential) in a particular area that are no greater than the maximum amount for each charge contained in the *Planning Regulation 2017*. Quarterly increases are applied to the Infrastructure Charges rates using the Consumer Price Index: All Groups, Brisbane.

5 Associated Documents

- Revenue Statement
- Rating Concessions policy 2024-2025
- Financial Hardship policy 2024-2025
- Debt Recovery policy 2024-2025
- Fees and Charges 2024-2025
- Development Incentives: Reduction in Infrastructure Charges policy

Related forms, policies and procedures	Rating Concessions Policy Debt Recovery Policy Financial Hardship Policy Revenue Statement
Relevant legislation	<i>Local Government Act 2009</i> <i>Local Government Regulation 2012</i>
Reference and resources	State Planning Regulation Provisions

Policy Number	10740		
Approved by	Council Resolution B19002	Approval date	27 June 2019
Approved by	Council Resolution B20004	Approval date	7 July 2020
Approved by	Council Resolution B20023	Approval date	25 June 2021
Approved by	Council Resolution B20041	Approval date	29 June 2022
Approved by	Council Resolution B20055	Approval date	28 June 2023
Approved by	Council Resolution B20070	Approval date	26 June 2024
Review date	Annually		