



CASSOWARY COAST REGIONAL COUNCIL

Revenue Policy 2017/2018

Policy Number: 2.34

1. Authority

Section 193 Local Government Regulations 2012

2. Objective

The purpose of this policy is to set out the principles used by Council in 2017/18 for:

- The making and levying of rates and charges
- Exercising its powers to grant rebates and concessions (including the purpose for the concessions)
- Recovery of unpaid amounts of rates and charges
- Cost-recovery

3. Scope

This policy applies to the Cassowary Coast Regional Council.

4. Policy statement

4.1 The Making and Levying of Rates and Charges

In general Council will be guided by the principle of user pays in the making of rates and charges, particularly in water, sewerage and waste management, so as to minimise the impact of rating on the efficiency of the local economy.

Council will be guided by the following principles in making rates and charges:

- transparency in the making of rates and charges;
- having in place a rating regime that is simple and inexpensive to administer;
- flexibility to take account of changes in the local economy.
- equitable distribution of the cost of its operations between different groups of ratepayers;
- application of user pays where applicable.

In levying rates Council will apply the principles of:

- making clear what is the Council's and each ratepayers' responsibility to the rating system;
- making the levying system simple and inexpensive to administer;
- 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;
- equity through 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 the use of differential rating categories with banding applied to residential categories where it considers relevant.

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

4.2 Concessions for rates and charges

The purpose of concessions is to provide relief to certain sectors of Council's community that Council considers worthy of some form of financial relief, such as pensioners and community (i.e. not-for-profit) organisations. More generally, in considering the application of concessions, Council will be guided by the principles of:

- equity by having regard to the different levels of capacity to pay within the local community,
- the same treatment for ratepayers with similar circumstances;
- transparency by making clear the requirements necessary to receive concessions, and
- flexibility to allow Council to respond to local economic issues.

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.

4.3 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:

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

4.4 Principles used for cost-recovery

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.

4.5 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)*.

Date of adoption: 26 June 2017

Resolution No.: B1703

Policy Review: This policy will be reviewed annually as a part of the budget process.