

Document Control	
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Responsible Position	Lead Rates & Utilities Billing Officer
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1. Purpose

- (1) This Revenue Policy has been prepared and reviewed in accordance with the requirements of Section 104 of the *Local Government Act 2009* and Sections 169 and 193 of the *Local Government Regulation 2012*.
- (2) The purpose of this Revenue Policy is for Council to state in accordance with Section 193(1) of the *Local Government Regulation 2012*:
 - (a) the principles it intends to apply during the 2023/24 financial year for:
 - (i) levying rates and charges; and
 - (ii) granting concessions for rates and charges; and
 - (iii) recovering overdue rates and charges; and
 - (iv) Cost recovery fees and methods: and
 - (b) the purpose for the concessions for rates and charges it intends to grant; and
 - (c) the extent to which physical and social infrastructure costs for a new development are to be funded by charges for the development.

2. Scope

- (1) This Revenue Policy applies to:
 - (a) levying of general rates (including differential general rates), special rates and charges, utility charges and separate rates and charges; and
 - (b) granting concessions for rates and charges, recovering overdue rates and charges and the methods for fixing cost-recovery fees and commercial fees and charges.

3. Statement

- (1) This Revenue Policy for the 2023/2024 financial year is based on the following principles:
 - (a) fairness & Equity – by ensuring the consistent application of lawful rating and charging principles without bias;
 - (b) transparency – by communicating the Council’s charging processes and each ratepayer’s responsibility under the rating system;
 - (c) Efficiency – by having a rating regime that is cost effective to administer;
 - (d) sustainability – to support the financial strategies for the delivery of infrastructure and services identified in Council’s short, medium and long term planning; and
 - (e) flexibility within agreed parameters – by providing payment arrangements to assist ratepayers in meeting their rate commitments.

- (2) As detailed below, Council will apply those principles in the 2023/2024 financial year for:
 - (a) levying rates and charges; and
 - (b) granting concessions for rates and charges; and
 - (c) recovering overdue rates and charges; and
 - (d) cost-recovery methods.

- (3) Set out and referenced below are details of:
 - (a) the purpose for the concessions for rates and charges that Council intends to grant; and
 - (b) the extent to which physical and social infrastructure costs for a new development are to be funded by charges for the development.

4. Definitions

Council	Maranoa Regional Council
Act	<i>Local Government Act 2009</i>
Pensioner	A person who is the holder of a pensioner concession card issued by the department of the Commonwealth responsible for administering the <i>Social Security Act 1991 (Cwlth)</i> or the <i>Veterans’ Entitlement Act 1986 (Cwlth)</i>

Regulation	<i>Local Government Regulation 2012</i>
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All other definitions are as per the *Local Government Act 2009* and *Local Government Regulation 2012*, unless the context otherwise requires.

5. Policy

5.1 Details

5.1.1 Introduction

- (1) Pursuant to Section 104(5)(c)(iii) of the *Local Government Act 2009*, the system of financial management established by Council must include a revenue policy.
- (2) Pursuant to Section 169(2)(c) of the *Local Government Regulation 2012*, Council's budget for each year must include a revenue policy.
- (3) Pursuant to Section 193(3) of the *Local Government Regulation 2012*, Council must review its revenue policy annually and in sufficient time to allow an annual budget that is consistent with the revenue policy to be adopted for the next financial year.

5.2 Levying of Rates and Charges

Council's application of the above principles in levying of rates and charges for the 2023/24 financial year is detailed as follows:

5.2.1 General Rates

- (1) General rates shall be set in the 2023/2024 financial year to assist Council in raising sufficient revenue for services, facilities and activities that are supplied or undertaken for the benefit of the community in general (rather than a particular person).
- (2) Council recognises that different categories of land use will generate different needs and requirements for Council services, facilities and activities. Council also recognises that it will incur a different level of resources expenditure to provide the necessary services, facilities and activities and therefore has opted for a system of differential General Rating to meet its needs.

5.2.1.1 Differential General Rates

- (1) Council considers that levying differential general rates allows the following factors to be taken into account in determining how the general rate revenue is to be raised which would not be possible if only one general rate were adopted:
 - (a) the relative effects of various land uses on the requirements for, level of, and the cost of, Council supplying or undertaking services, facilities and activities;
 - (b) movements and variations in the rateable value of land and land use between differential rating categories which affect the level of rates and issues such as 'fairness' and 'equity';

- (c) location and access to services; and
 - (d) amount of the rateable value of land and the rate payable.
- (2) To ensure that owners of land across all differential rating categories contribute equitably to the cost of Council services, facilities and activities supplied or undertaken for the benefit of the community in general (rather than a particular person), Council will apply a minimum rate to each differential rating category.

5.2.2 Utility Charges – Water, Sewerage and Waste Management Services

- (1) In general, Council will be guided by the principle of *user pays* in the levying of utility charges for a service, facility or activity for water, sewerage, and waste management utilities.
- (2) Wherever possible, those receiving the benefits of a utility service, facility or activity will pay for the cost of Council supplying or undertaking the relevant utility service, facility or activity through the relevant utility charge. Council will annually review its utility charges to ensure that revenues are meeting intended program goals and are keeping pace with the cost of supplying or undertaking the relevant utility service, facility or activity.

5.2.3 Special and Separate Rates and Charges

- (1) Council may consider levying special rates and charges for services, facilities and activities that have a special association with particular land in terms of section 92(3) of the *Local Government Act 2009*, to recover the cost of supplying or undertaking that service, facility or activity.
- (2) Council may also consider levying separate rates and charges for any other service, facility or activity, when appropriate, to recover the costs associated with supplying or undertaking that service, facility or activity.

5.3 Granting Concessions for Rates and Charges

5.3.1 Guiding Principles

- (1) In accordance with Chapter 4 Part 10 of the *Local Government Regulation 2012* Council may grant a ratepayer a concession for rates or charges. In exercising that concession power Council will be guided by the principles of equity and transparency by:
- (a) applying the same treatment to ratepayers with similar circumstances; and
 - (b) making clear the requirements necessary to receive concessions.
- (2) Consideration may be given by Council to granting a concession to a ratepayer who is a member of a stated class of ratepayers in the event that all or part of the Council's local government area is declared a natural disaster area by the State Government.

5.3.2 The Purpose of Concessions

- (1) Council may grant a concession for rates or charges in the 2023/2024 financial year only if it is satisfied of one or more of the criteria set out in Section 120(1) of the *Local Government Regulation 2012*, which include (in summary):
- (a) **Pensioner Concession**

Council may grant a concession for general rates if it is satisfied in terms of Section 120(1)(a) of the *Local Government Regulation 2012*, that the land is owned or occupied by an eligible *pensioner* as defined in Schedule 8 of the *Local Government Regulation 2012*.
 - (b) **Non-Profit Community Organisation Concession**

Council may grant a concession if it is satisfied in terms of Section 120(1)(b) of the *Local Government Regulation 2012*, that the land is owned by an entity whose objects do not include making a profit; or an entity that provides assistance or encouragement for arts or cultural development.
 - (c) **Hardship Concession**

Council may grant a concession if it is satisfied in terms of Section 120(1)(c) of the *Local Government Regulation 2012*, that the payment of the rates or charges will cause hardship to the land owner.
 - (d) **Other Concessions**

Council may grant a concession if it is satisfied of another criteria set out in Section 120(1) of the *Local Government Regulation 2012*. All applications for a concession for rates or charges will be considered and determined by Council on a case by case basis.

5.4 Recovery of Overdue Rates and Charges

- (1) Council will exercise its rates recovery powers pursuant to the provisions of Chapter 4 Part 12 of the *Local Government Regulation 2012* in order to reduce the overall rate burden on ratepayers, and will be guided by the principles of:
- (a) fairness & Equity – by treating all ratepayers in similar circumstances in the same manner; and by making every attempt to follow-up on overdue rates and charges prior to bringing court proceedings;
 - (b) transparency – by making clear the obligations of ratepayers and the processes used by Council in assisting them to meet their obligations;
 - (c) efficiency – by making the process used to recover outstanding rates and charges simple to administer and cost effective; and
 - (d) flexibility – by providing ratepayers with a number of options to meet their rate obligations.

5.5 Cost-recovery methods

With the exception of fees and charges associated with Council's Business Activities, there are broadly two types of fees and charges:

5.5.1 Cost -Recovery ('Regulatory') Fees and Charges (s97 of the *Local Government Act 2009*)

- (1) These are fees under a local law or resolution, which involve:
 - (a) an application for the issue or renewal of a licence, permit, registration or other approval under a Local Government Act (an application fee); or
 - (b) recording a change of ownership of land; or
 - (c) giving information kept under a Local Government Act; or
 - (d) seizing property or animals under a Local Government Act; or
 - (e) the performance of another responsibility imposed on the local government under the *Building Act* or the *Plumbing and Drainage Act*.
- (2) In accordance with Section 97(4) of the *Local Government Act 2009*, in setting cost recovery fees Council will seek to recover no more than the cost of providing the service or of taking the action for which the fee is charged.
- (3) Whilst Section 97(5) of the *Local Government Act 2009*, permits Council to include a tax component in any such cost-recovery fees in order to achieve a social or other objective, it is not presently intended by Council to do so.
- (4) In accordance with Section 98 of the *Local Government Act 2009*, Council will keep a register of its cost-recovery fees available for inspection by the public.

5.5.2 Other ('Commercial') Fees & Charges

- (1) Council will apply, as a minimum and as far as practicable, the principle of full cost recovery (including overheads) in setting charges for other commercial services, facilities, supplied or undertaken, including to community or non-profit organisations.
- (2) Council may give consideration to charging at less than the full cost of the service, facility or activity when it considers it appropriate to do so in order to achieve social, economic or environmental goals.
- (3) When the service, facility or activity supplied or undertaken is of a commercial nature, then Council will give consideration to including a 'return on investment' element in the charge. Such consideration will be made on a case by case basis.

5.6 Fees & Charges for Business Activities (Subject to National Competition Policy)

- (1) In setting fees and charges for Council supplying or undertaking a relevant business activity under the *National Competition Policy reforms*, Council's pricing strategy will be to apply *full cost pricing* by charging for the relevant goods or services at the full cost of supplying or undertaking the goods or services, subject to the following—
 - (a) the pricing provisions in Schedule 4 of the Local Government Regulation 2012;
 - (b) the removal of any competitive advantage or disadvantage, whenever possible and appropriate;

- (c) if a competitive advantage or disadvantage cannot be removed—the taking of the competitive advantage or disadvantage into account when pricing the goods or services.
- (2) Council may decide to apply fees and charges for a relevant business activity at less than full cost pricing in order to achieve social, economic, environmental or other objectives. In making any such decision the reason for the decision will be clearly set out in the resolution together with the estimated amount of revenue to be foregone in the subject year.
- (3) When any such decision is applied to a Commercialised Business Unit, the direction to the Commercialised Business Unit will be recognised as a 'community service obligation' and a subsidy shall be paid to the Commercialised Business Unit and that subsidy shall be recognised in the accounts of the Commercialised Business Unit.

5.7 Funding Infrastructure Costs for New Development

- (1) The extent to which infrastructure costs for new development are to be funded by charges for the development are set out in Council's current relevant *Adopted Infrastructure Charges Resolutions*.
- (2) Council levies infrastructure charges through its current relevant *Adopted Infrastructure Charges Resolutions*, for the water supply, sewerage, stormwater, transport (roads, including footpaths) and parks and land for community facilities networks managed by Council.

6. Special Provisions

N/A

7. Related Policies and Legislation

- The *Local Government Act 2009*
- The *Local Government Regulation 2012*
- Rates and Charges Rebates and Concession Policy
- Adopted Infrastructure Charges Resolutions

8. Associated Documents

- Revenue Statement
- Fees and Charges Schedule