

REVENUE POLICY (STATUTORY POLICY)

1. Scope

The Revenue Policy applies to revenue raised by rates, utility charges and fees and charges.

This policy applies to the making, levying, recovery and concessions for rates and utility charges and the setting of regulatory and commercial fees and charges for Council.

2. Purpose

The purpose of this Policy is to:

- a) identify the principles that Council intends to apply during the 2025-26 financial year in determining the:
 - making and levy of rates and charges;
 - exercising of its powers to grant rebates and concessions for rates and charges;
 - recovery of unpaid amounts of rates and charges; and
 - cost recovery.
- b) state the purpose for concessions that Council intends to grant; and
- c) state the extent to which physical and social infrastructure costs for a new development are to be funded by charges for the development.

3. References (legislation/related documents)

Legislative reference

Local Government Act 2009

Local Government Regulation 2012

Related documents

Revenue Statement

Debt Recovery Policy

[Guideline on equity and fairness in rating for Queensland local governments](#) – State Development, Infrastructure, Local Government and Planning

4. Definitions

All definitions are in accordance with the *Local Government Act 2009* and *Local Government Regulation 2012*.

To assist in interpretation, the following definitions shall apply:

CEO	Chief Executive Officer A person appointed under section 194 of the <i>Local Government Act 2009</i> , including a person acting in that position.
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Council	Livingstone Shire Council.
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5. Policy Statement

The *Local Government Act 2009* requires each local government to maintain a Revenue Policy which must detail the principles applied by it in relation to its relevant revenue activities for each financial year. This policy must be reviewed annually and in sufficient time to allow an annual budget to be adopted that is consistent with the policy. Accordingly, the principles contained within this policy are applied in the determination of the rates, fees and charges as detailed in the Revenue Statement.

Council makes decisions about levying rates and charges consistently with the [Local Government Principles](#):

- a) Transparent and effective processes, and decision-making in the public interest;
- b) Sustainable development and management of assets and infrastructure, and delivery of effective services;
- c) Democratic representation, social inclusion and meaningful community engagement
- d) Good governance of, and by, local government; and
- e) Ethical and legal behaviour of Councillors and local government employees.

Council also makes decisions about levying rates and charges in accordance with the principles contained within the Queensland Government's [Guideline on equity and fairness in rating for Queensland local governments](#):

- a) Equity and fairness;
- b) Equity for like properties;
- c) User pays;
- d) Meaningful contribution;
- e) Predictability; and
- f) Fairness.

Council will apply these principles when:

- a) Making and levying rates and charges;
- b) Recovering rates and charges;
- c) Granting and administering rates and charges concessions;
- d) Charging for local government services and facilities;
- e) Charging for business activities (subject to the National Competition Policy); and
- f) Funding Council infrastructure.

5.1. Principles Used for the Making and Levying of Rates and Charges

When levying rates and charges the Council will seek to achieve financial sustainability while minimising the impact of Council rates and charges upon the community and distributing the burden of payments equitably across the community having regard to the consumers of each service, the benefit to the community, and to all factors that contribute to the Council's costs.

Council will have regard to the Principles by:

- a) operating a rating system whereby land is assigned into rate categories developed by Council for differential rating purposes by having regard to such factors but not limited to, actual and potential demands placed on Council, location and use of land, the unimproved and site value of land and the land's capacity to generate revenue (*Equity*);
- b) using special and separate rates and charges and utility charges as appropriate to compensate for cost-of-service delivery (*User pays*);
- c) National Competition Policy legislation where applicable (*User pays*);

- d) establishing an appropriate number of differential rates categories and setting an appropriate level of rates for each category (*Meaningful contribution*);
- e) requiring a minimum contribution from each ratepayer towards the overall running of the Council, except where legislation prevents a minimum being set by the application of minimum general rates (*Meaningful contribution*);
- f) taking into account the timing of the levy of rates with the financial cycle of local economic activity, in order to assist the smooth running of the local economy (*Predictability*);
- g) benchmarking any variations in rates and charges from year to year against the general price movements that occur in other sectors of the community as measured by indexes such as the construction Producer Price Index, the Consumer Price Index, Council Cost Index (as calculated by the Local Government Association of Queensland) and their components.
While taking these movements into consideration, Council needs to ensure that the rates and charges made are sufficient to cover the cost of its operations and that Council is able to continue to provide services to the community at a level consistent with the growth and development of the area (*Predictability*);
- h) having in place a rating regime that is simple and efficient to administer (*Fairness*); and
- i) making it clear what are the responsibilities (Council and ratepayers) in relation to the rating process (*Fairness*).

5.2. Principles used for Recovering Overdue Rates and Charges

Council will exercise its rates recovery powers pursuant to the provisions of Chapter 4, Part 12 of the *Local Government Regulation 2012*, to reduce the overall rate burden for ratepayers. It will have regard to the Principles by:

- a) making clear the obligations of ratepayers, and the processes used by Council in assisting them to meet their financial obligations (*Fairness*);
- b) applying clarity and cost effectiveness in the processes used to recover outstanding rates and charges (*User Pays*);
- c) considering the capacity to pay in determining appropriate payment plans for different sectors of the community (*Fairness*);
- d) respecting the financial circumstances of different sectors of the community and providing the same treatment for ratepayers with similar circumstances (*Equity*); and
- e) demonstrating flexibility when responding where necessary to changes in the local economy (*Fairness*).

Council will charge interest on all overdue rates and charges. Council's Debt Recovery Policy sets out the detail of the processes used to recover outstanding rates and charges.

5.3. Principles Used for Granting Rebates and Concession for Rates and Charges

In considering the application of concessions, Council will have regard to the Principles by:

- a) applying the same treatment for ratepayers with similar circumstances (*Equity*);
- b) maintaining a connection to the different levels of capacity to pay within the local community (*Equity*);
- c) being aware and responsive to community expectations of what activities should attract assistance (*Meaningful Contribution*);
- d) making clear the requirements necessary to receive and/or retain concessions (*Predictability*); and
- e) being flexible by responding, where necessary, to local economic issues (*Fairness*).

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 Queensland Government.

5.4. Principles used for the Setting of Cost-Recovery Fees

Council considers that in almost all instances it is appropriate and in the community interest to apply full cost recovery to its water, sewerage, and waste activities, which includes obtaining a return on capital for assets used in the delivery of these services. In accordance with section 97 of the *Local Government Act 2009*, cost-recovery fees will also be set for other services and activities for which Council believes it is appropriate.

A return on capital will only be charged where permissible under the *Local Government Act 2009* or *Local Government Regulation 2012*. By imposing charges that accurately reflect the full cost of the provision of services, the Council will promote efficiency in both provision and use of the services.

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 Shire'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 cognisant 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.

Council may choose to subsidise the charges from other sources (e.g. general rate revenue) when the Council believes that is in the community interest.

Section 262(3)(c) of the *Local Government Act 2009* empowers Council to charge for a service or facility it supplies, other than a service for which a cost-recovery fee may be fixed.

Council imposes such a charge, where it is prepared to provide a (commercial) service to a party that can choose to avail itself of the service. The nature, level and standard of the service is considered by the Council when setting the charges. Council may set the charge with the aim of generating revenue.

The user pays principle is considered where Council provides the service in competition with private enterprise.

5.5. Principles used for the Funding of New Development

To minimise the impact of physical and social infrastructure charges on the efficiency of the local economy, Council will be guided by the principle of user pays in the making of physical and social infrastructure charges for new development, to the extent permissible by law. Council may depart from applying this principle if it is determined by Council that it is in the community interest to do so.

Council's infrastructure charging framework has been established in accordance with the legislative requirements of the *Planning Act 2016*. 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.

Council requires developers to pay reasonable and relevant contributions towards the cost of physical and social infrastructure required to support their development. Specific charges are detailed in the policies supporting Council's Planning Scheme and in Council's Adopted Infrastructure Charges Resolution (AICR).

These charges are intended to be based on normal anticipated growth rates. Where a new development is of sufficient magnitude to accelerate the growth rate of a specific community within the Shire, it may be necessary to bring forward physical and social infrastructure projects to accommodate the development. Where this occurs, Council expects developers to meet

sufficient costs so that the availability of facilities is not adversely affected, and so that existing ratepayers are not burdened with the cost of providing the additional infrastructure.

5.6. Delegation of Authority

5.6.1. Authority for the implementation of the Revenue Policy is delegated by Council to the CEO in accordance with section 257 of the Local Government Act 2009.

5.6.2. Authority for the day-to-day management of the Revenue Policy is to be delegated by the CEO to the Chief Financial Officer.

6. Changes to this Policy

This policy is to be reviewed at intervals of no more than one year as per section 193 of the *Local Government Regulations 2012*.

7. Repeals/Amendments

This Policy repeals the Livingstone Shire Council policy titled 'Revenue Policy (v13.0)'.

Version	Date	Action
1.0	14/01/2014	Adopted
2.0	22/07/2015	Amended Policy Adopted
3.0	24/07/2015	Amended Policy Adopted
4.0	12/07/2016	Amended Policy Adopted
5.0	27/06/2017	Amended Policy Adopted
6.0	03/07/2018	Amended Policy Adopted
7.0	24/07/2018	Amended Policy Adopted
7.1	02/10/2018	Administrative Amendments – reflect organisational restructure
8.0	04/06/2019	Amended Policy Adopted
9.0	28/07/2020	Amended Policy Adopted
10.0	29/06/2021	Amended Policy Adopted
11.0	26/07/2022	Amended Policy Adopted
12.0	13/06/2023	Amended Policy Adopted
13.0	23/07/2024	Amended Policy Adopted
14.0	09/06/2025	Amended Policy Adopted

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CHIEF EXECUTIVE OFFICER