

PURPOSE

- 1) Pursuant to section 193 of the *Local Government Regulation 2012* a local government 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, stating the guidelines that may be used for preparing the local government's revenue statement.
- 2) The policy sets out the principles Council will use to set its budget and identifies in broad terms the general strategy to be used for raising revenue.

SCOPE

- 3) A local government's Revenue Policy for a financial year must state:
 - a) The principles Council intends to apply in the preparation and adoption of the budget include:
 - i) Levying rates and charges
 - ii) Granting concessions for rates and charges
 - iii) Recovering overdue rates and charges
 - iv) Cost-recovery methods.
 - b) The following matters:
 - i) If Council grant concessions for rates and charges, the purpose for the granting of concessions.
 - ii) The extent to which physical and social infrastructure costs for a new development are to be funded by charges for the development.

DEFINITIONS

Term	Definition
Council	Means North Burnett Regional Council (NBRC)

POLICY

PRINCIPLES

- 4) The principles to apply in the financial year include:

Levying Rates and Charges

In general Council will be guided by the principle of user pays in the making of rates and charges to minimise the impact of rating on the efficiency of the local economy.

Council will have regard to the principles of:

- a) Transparency in the making of rates and charges
- b) Having in place a rating regime that is simple and inexpensive to administer
- c) Responsibility in achieving the objectives, actions and strategies in Council's Corporate and Operational Plans
- d) Equity via a differential rating category
- e) Flexibility to take account of changes in the local economy, adverse seasonal conditions and extraordinary circumstances
- f) Maintaining valuation relativities within the council
- g) Maintaining council services to an appropriate standard
- h) Meeting the needs and expectations of the general community
- i) Assessing availability of other revenue sources.

In levying rates Council will apply the principles of:

- a) Making clear what is the Council's and each ratepayer's responsibility to the rating system
- b) Making the levying system simple and inexpensive to administer
- c) Timing the levy of rates to assist with the financial sustainability of the region's economy
- d) Equity through clear and transparent flexible payment arrangements for ratepayers with a lower capacity to pay.

Granting concessions for rates and charges

In considering Council's powers to grant rebates and concessions, Council will be guided by the following principles:

- a) Equitable treatment of ratepayers with similar circumstances
- b) Transparency by making clear the requirements necessary to receive rebates and concessions
- c) Flexibility to allow Council to respond to local economic issues, adverse seasonal conditions and extraordinary circumstances
- d) Fairness in considering the provision of rebates and concessions for properties used for community use, not for profit organisations, community halls and to encourage economic development in the region.

The predominant purposes for which Council grants concessions is:

a) Community Concessions

Remission to religious organisations, sporting groups, community groups and community halls who provide a public service or community benefit throughout the region or encourage economic development – outlined in Policy 1255 - Rates and Charges Concessions and Exemptions.

b) Water Consumption Charges

Concessions for Partial Relief from Water Consumption Charges in accordance with Policy 1211 - Partial Relief from Water Consumption Charges.

c) Natural Disaster or Drought Relief

Council may at its discretion grant some relief to rural and commercial ratepayers who are financially stressed by drought or have been affected by natural disaster.

d) Other

Other remission or rate deferral requests will be assessed on their individual merits.

Recovering overdue rates and charges

Council will exercise its rate recovery powers to reduce the overall rate burden on ratepayers. It will be guided by the following principles:

- a) Transparency by making clear the obligations of ratepayers and the processes used by Council
- b) Assisting ratepayers to meet their financial obligations
- c) Making the processes used to recover outstanding rates and charges clear, simple to administer and cost effective
- d) Equity by having regard to capacity to pay in determining appropriate arrangements for different sectors of the community
- e) Equitable treatment of ratepayers with similar circumstances
- f) Flexibility by responding where necessary to changes in the local economy and environmental conditions (including recovery from drought and floods).

Cost recovery methods

Section 97 of the *Local Government Act 2009* allows Council to set cost-recovery fees. In making Cost-Recovery Fees Council will apply the principles of:

- a) Endeavouring to recover the full cost of the service provided for which the cost recovery fee is remitted to minimise the effect on ratepayers
- b) Making the levying of cost-recovery fees simple, efficient, and inexpensive to administer to minimise costs
- c) Clarity in the method of calculating the amounts payable by a user.

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.

Principles used for Funding of Physical and Social Infrastructure Costs

Pursuant to the mechanisms contained in the *Planning Act 2016*, Council requires the developer of a property to pay reasonable and relevant contributions as infrastructure charges towards the cost of infrastructure required to support a 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 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.

APPLICABLE LEGISLATION AND REGULATION

- 5) Applicable legislation and regulation:
- a) *Local Government Act 2009*
 - b) *Local Government Regulation 2012*

RELATED DOCUMENTS

- 6) Related documents are:
- a) Council Annual Budget 2024-2025
 - b) Council Annual Financial Statements 2024-2025
 - c) Operational Plan 2024-2025
 - d) Policy 2233 - Debt Recovery
 - e) Policy 1211 - Partial Relief from Water Consumption Charges
 - f) Policy 1255 - Rates and Charges Concessions and Exemptions

RESPONSIBLE OFFICER

General Manager Corporate and Community

APPROVAL DATE

10 July 2024

REVIEW DATE

June 2025 (Annual Review)

REVISION HISTORY

Version	Meeting	Approval Date	History
7	Budget Meeting	07/07/2014	Revised for 2014/2015
8	Budget Meeting	07/07/2015	Revised for 2015/2016
9	Budget Meeting	06/07/2016	Revised for 2016/2017
10	Budget Meeting	05/07/2017	Revised for 2017/2018
11	Budget Meeting	27/06/2018	Revised for 2018/2019
12	General Meeting	26/06/2019	Revised for 2019/2020
13	General Meeting	24/06/2020	Revised for 2020/2021
14	Budget Meeting	30/06/2021	Revised for 2021/2022
15	Budget Meeting	27/06/2022	Revised for 2022/2023
16	Budget Meeting	28/06/2023	Revised for 2023/2024
17	Budget meeting	10/07/2024	Revised for 2024/2025