



SPECIAL MEETING

AGENDA

24 JULY 2018

Your attendance is required at Special Meeting of Council to be held in the Council Chambers, 4 Lagoon Place, Yeppoon on 24 July 2018 commencing at 8:00AM for transaction of the enclosed business.

A handwritten signature in black ink, appearing to read "M. J. J.", is positioned above the title of the Chief Executive Officer.

CHIEF EXECUTIVE OFFICER
23 July 2018

Next Meeting Date: 07.08.18

Please note:

In accordance with the *Local Government Regulation 2012*, please be advised that all discussion held during the meeting is recorded for the purpose of verifying the minutes. This will include any discussion involving a Councillor, staff member or a member of the public.

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1 OPENING

2 ATTENDANCE

Members Present:

Mayor, Councillor Bill Ludwig (Chairperson)
Deputy Mayor, Councillor Nigel Hutton
Councillor Adam Belot
Councillor Pat Eastwood
Councillor Jan Kelly
Councillor Glenda Mather
Councillor Tom Wyatt

In Attendance:

Mrs Chris Murdoch – Chief Executive Officer
Mr Brett Bacon – Executive Director Liveability and Wellbeing
Mr Dan Toon – Executive Director Infrastructure
Mrs Andrea Ellis – Chief Financial Officer
Mr Matthew Willcocks - Chief Technology Officer
Mr Shane Weir - Acting Chief Human Resources Officer

3 LEAVE OF ABSENCE / APOLOGIES

Nil

4 PUBLIC FORUMS/DEPUTATIONS

Nil

5 MAYORAL MINUTE

Nil

6 CONFIRMATION OF MINUTES OF PREVIOUS MEETING

7 DECLARATION OF INTEREST IN MATTERS ON THE AGENDA

8 BUSINESS ARISING OR OUTSTANDING FROM PREVIOUS MEETINGS

Nil

9 PRESENTATION OF PETITIONS

Nil

**10 AUDIT, RISK AND BUSINESS IMPROVEMENT COMMITTEE
 REPORTS**

Nil

11 COUNCILLOR/DELEGATE REPORTS

Nil

12 REPORTS

12.1 OPERATIONAL PLAN 2018-19

File No:	12.5.2
Attachments:	1. Operational Plan 2018-19 ↓
Responsible Officer:	Chris Murdoch - Chief Executive Officer
Author:	Andrea Ellis - Chief Financial Officer

SUMMARY

This reports recommends the adoption of Council's Operational Plan for 2018-19. The Local Government Regulation 2012 requires the Chief Executive Officer to present to Council, the Operational Plan and its planned activities and future directions for the community and the organisation for the financial year that is consistent with its adopted Corporate Plan.

The Operational Plan 2018-19 is based on the Corporate Plan 2014-2019. The Operational Plan recognises Council's key strategies and how these and core business will be resourced in the delivery of the plan.

OFFICER'S RECOMMENDATION

THAT Council adopts its annual Operational Plan for the 2018-19 financial year in accordance with section 174 of the *Local Government Regulation 2012*.

BACKGROUND

Council developed a Corporate Plan in consultation with the community that outlines the vision and future direction of the organisation for a period of five (5) years. Each year Council is required to adopt an Operational Plan that contributes to the achievement of the outcomes and commitments outlined in the Corporate Plan.

The 2018-19 Operational Plan provides the detail of the key programs and identified outcomes to be achieved against the Corporate Plan for the 2018-19 financial year.

COMMENTARY

Each financial year Council adopts and Operational Plan with its Budget, which captures key projects, and priorities to be actioned based on the outcomes of the Corporate Plan 2014-2019. The 2018-19 Operational Plan (as attached) is provided for adoption before Council considers and accepts the 2018-19 Budget.

Section 104(5)(a) of the *Local Government Act 2009*, identifies the annual Operational Plan as one of the key financial planning documents of Council. The annual Operational Plan is required to be prepared under Section 174(1) of the *Local Government Regulation 2012* and must be consistent with the annual Budget, showing how Council will progress the implementation of the five (5) year Corporate Plan and state how Council will manage its operational risks. Section 174(5) of the *Local Government Regulation 2012* requires Council to discharge its responsibilities in a way that is consistent with its annual Operational Plan.

As such, the 2018-2019 Operational Plan is presented in accordance with the legislative requirements from the *Local Government Act 2009* and the *Local Government Regulation 2012*.

This Operational Plan has direct linkages to the Corporate Plan and directs the key initiatives to be undertaken by Council throughout the year.

The attached Operational Plan provides for the delivery of services in 2018-19 and identifies:

- what services will be delivered and how they will be funded;
 - how these programmes link with the Corporate Plan 2014-2019; and
-

- how progress of each of the services is to be measured, with respect to the delivery of that service in line with the objectives of the Corporate Plan.

There are a total of 102 key performance indicators and initiatives to be delivered in the 2018-19 year. A breakdown of the initiatives for each strategic theme (Corporate Plan) is as follows:

Theme	Total KPI's and Initiatives for 2018-19
Assets	23
Environment	8
Economy	6
Community	12
Governance	53

PREVIOUS DECISIONS

The Corporate Plan 2014-2019 was adopted by Council on 8 July 2014.

BUDGET IMPLICATIONS

Financial performance aligns with the budget and allocation of resources to deliver the outcomes of the Operational Plan. The financial allocations in the 2018-19 Budget are included in the Operational Plan against each business unit.

LEGISLATIVE CONTEXT

Section 174 of the *Local Government Regulation 2012* requires a local government to prepare and adopt an annual operational plan for each financial year.

LEGAL IMPLICATIONS

Subject to the adoption of the annual operational plan, there are no legal implications relating to this report.

STAFFING IMPLICATIONS

Detailed consultation with the leadership team has been conducted in the preparation of the 2018-19 Operational Plan to develop strong and accountable key performance indicators that are relevant and reportable.

RISK ASSESSMENT

The significant achievements of the Operational Plan 2018-19 will be regularly reported through corporate communications and media channels as required.

Overall achievements will be documented in quarterly progress reports to Council and will be incorporated into Council's Annual Report and published on Council's website.

CORPORATE/OPERATIONAL PLAN

Corporate Plan Reference: Strategy GO3: Pursue financial sustainability through effective use of the Council's resources and assets and prudent management of risk.

LOCAL GOVERNMENT PRINCIPLES

The local government principles are –

- Transparent and effective processes, and decision-making in the public interest; and
- Sustainable development and management of assets and infrastructure, and delivery of effective services; and
- Democratic representation, social inclusion and meaningful community engagement; and
- Good governance of, and by, local government; and

(e) Ethical and legal behaviour of councillors and local government employees.

CONCLUSION

The Operational Plan 2018-19 is to be adopted as part of the overall annual Budget process and it is recommended that the Operational Plan as tabled be approved.

12.1 - OPERATIONAL PLAN 2018-19

Operational Plan 2018-19

Meeting Date: 24 July 2018

Attachment No: 1

Livingstone Shire Council **Operational Plan**



2018/19

Annual Operational Plan 2018-19

The Operational Plan is a key strategic document that is developed and adopted with the annual budget. The Operational Plan captures key projects, and priorities to be actioned based on the outcomes of the Corporate Plan 2014-2019.

The Operational Plan 2018-19 sets the one-year direction for Council. It articulates Council's deliverables, areas of responsibility, addresses Council's risks and monitors the overall performance of Council.

Section 104(5)(a) of the *Local Government Act 2009*, identifies the annual Operational Plan as one of the key financial planning documents of Council. The annual Operational Plan is required to be prepared under Section 174(1) of the *Local Government Regulation 2012* and must be consistent with the annual Budget, showing how Council will progress the implementation of the five (5) year Corporate Plan and state how Council will manage its operational risks. Section 174(5) of the *Local Government Regulation 2012* requires Council to discharge its responsibilities in a way that is consistent with its annual Operational Plan.

The Operational Plan 2018-19 was prepared in response to achieving the outcomes of the Corporate Plan 2014-2019. The development process was undertaken in conjunction with the 2018-19 budget process in consultation with key Council staff.

This Operational Plan links the key initiatives to the strategic themes and strategies contained in the Corporate Plan. The Operational Plan 2018-19 breaks the organisation into business units. For each business unit the plan incorporates key projects and the significant key performance indicators associated. Progress for the plan is reported to Council every quarter.

As well as the functional key performance indicators, the following organisational key performance indicators have been identified:

1. Manage Councils budget in alignment with financial sustainability ratios;
2. Provide a safe work environment for employees and encourage a proactive approach to Work Health and Safety;
3. Ensure provision of quality innovative customer service to internal and external customers;
4. Organisational Asset Management; and
5. Organisational culture development program.

Not all business units or functions are included specifically in the Operational Plan. The following areas work across the organisation:

- » Internal Audit provides an independent and objective assurance and advisory function for the organisation. In accordance with the *Local Government Regulation 2012*, Internal Audit will follow an Annual Plan developed with consideration to organisational risk and provide reports to the Audit Committee and other key stakeholders on the overall activity of the functions and the results of reviews performed.
- » The Office of the CEO and Mayor plays a vital role in coordinating Councillors and Council meetings as well as the activities of the CEO and Mayor.

Operational Key
Performance Indicators

2018-2019

Infrastructure Directorate

Budget 2018/19	
Category	\$
Operational Expenditure	370,708

Systems & Administration

Budget 2018/19	
Category	\$
Operational Expenditure	426,260

Community Assets

Budget 2018/19	
Category	\$
Capital Expenditure	2,971,750
Operational Revenue	6,721,000
Operational Expenditure	13,990,779
Corporate Plan strategies to be delivered:	
AM1 - Develop an innovative and integrated framework for long term, cost effective asset management	
Key Performance Indicator	Annual Target
Annual review of Asset Management Plans	100% reviewed (Roads, Water & Sewer, Fleet & Buildings) and updated
AM3 - Design and implement practical infrastructure solutions	
Key Performance Indicator	Annual Target
Availability of online mapping functionality	97% uptime
AM4 - Operate, maintain and use Council assets to deliver efficient and cost effective service to the community	
Key Performance Indicator	Annual Target
Plant Replacement - Annual asset renewals program achieved in accordance with replacement guidelines	90% achieved in accordance with replacement thresholds
Council business units have met minimum plant utilisation targets	70% of business units meeting target across all vehicles or plant
Deliver Capital Program for building assets and community facilities	Allocated capital projects delivered within +/- 5% of total projects adopted/revised budget
Delivery of maintenance program (Facilities and Fleet)	95% of maintenance requirements delivered

Construction & Maintenance

Budget 2018/19	
Category	\$
Capital Revenue	3,299,770
Capital Expenditure	27,719,899
Operational Revenue	2,863,205
Operational Expenditure	17,055,066
Corporate Plan strategies to be delivered:	
AM1 - Develop an innovative and integrated framework for long term, cost effective asset management	
Key Performance Indicator	Annual Target
Development of operational works program for roads and drainage infrastructure (2019/20)	Program of works 100% completed and entered into budget
Regularly inspect roads and drainage infrastructure and prioritise maintenance works	100% as per adopted inspection frequency
AM2 - Identify infrastructure and assets requirements through community consultation and technical expertise	
Key Performance Indicator	Annual Target
2019/20 to 2028/29 Capital projects relevant to the business unit are identified and submitted for inclusion into the Corporate Project Register	100% complete prior to annual budget adoption
AM3 - Design and implement practical infrastructure solutions	
Key Performance Indicator	Annual Target
Deliver roads and drainage capital works program	Allocated capital projects delivered within +/- 5% of total projects adopted/revised budget and 100% compliance with funding agreement
AM4 - Operate, maintain and use Council assets to deliver efficient and cost effective service to the community	
Deliver annual road and stormwater maintenance program	100% complete within budget
EN4 - Actively participate in conservation and enhancement programs to ensure the preservation of natural assets and identifiable built form	
Key Performance Indicator	Annual Target
Minimise impact on the environment of all construction and maintenance activities	Zero breaches

Engineering Services

Budget 2018/19	
Category	\$
Operational Revenue	5,500
Operational Expenditure	1,368,416
Corporate Plan strategies to be delivered:	
AM2 - Identify infrastructure and assets requirements through community consultation and technical expertise	
Key Performance Indicator	Annual Target
Inspect assets 'to be contributed' at hold points identified in development Decision Notice	100% of inspections complete
AM3 - Design and implement practical infrastructure solutions	
Key Performance Indicator	Annual Target
Designs completed for projects in the Forward Works Program	95% of applications received responded to
EN1 - Apply environmentally responsible land use planning to balance environmental and development outcomes	
Key Performance Indicator	Annual Target
Development Applications responded to within statutory timeframes	10 completed and construction ready per annum

Infrastructure Planning & Design

Budget 2018/19	
Category	\$
Capital Revenue	2,353,350
Capital Expenditure	5,156,700
Operational Revenue	2,000
Operational Expenditure	902,193
Corporate Plan strategies to be delivered:	
AM2 - Identify infrastructure and assets requirements through community consultation and technical expertise	
Key Performance Indicator	Annual Target
Review Adopted Infrastructure Charges Resolution (AICR) No.3 and Schedule of Trunk Works	Adopted Infrastructure Charges Resolution (AICR) No.4

Infrastructure Project Management

Budget 2018/19	
Category	\$
Capital Revenue	2,560,000
Capital Expenditure	2,750,000
Operational Expenditure	140,588

Corporate Plan strategies to be delivered:	
AM3 - Design and implement practical infrastructure solutions	
Key Performance Indicator	Annual Target
Comprehensive project budget estimates are prepared for planning, project delivery and construction management, including contingencies	Allocated capital projects delivered within +/- 5% of total projects adopted/revised budget
Projects are delivered within established timeframes	90% of preconstruction and construction activities are completed within the project program milestones

Water & Waste

Budget 2018/19	
Category	\$
Capital Expenditure	300,000
Loan Redemption	2,214,558
Operational Revenue	34,232,918
Operational Expenditure	32,003,665
Corporate Plan strategies to be delivered:	
AM4 - Operate, maintain and use Council assets to deliver efficient and cost effective service to the community	
Key Performance Indicator	Annual Target
Provision of safe and reliable water supply	98% of samples taken to be compliant with Drinking Water Quality Management Plan
Provision of reliable sewerage service	95% of Sewerage Treatment Plant discharges to comply with environmental authority requirements
Management of trade waste discharges to sewer	Trade waste approvals for 100% of relevant businesses operating
EN3 - Minimise impact on the natural environment through effective waste management and pollution control policies and programs	
Key Performance Indicator	Annual Target
Waste and recycling service delivered across the shire	98% of bins for new services provided within 4 days of receipt of customer request and 100% of missed services rectified within 2 days
Implementation of Waste Reduction and Recycling Plan	2 community education/awareness activities

Office of the CEO & Mayor

Budget 2018/19	
Category	\$
Operational Expenditure	1,547,222

Internal Audit

Budget 2018/19	
Category	\$
Operational Expenditure	201,980

Finance & Business Excellence

Budget 2018/19	
Category	\$
Operational Revenue	183,500
Operational Expenditure	4,455,109
Corporate Plan strategies to be delivered:	
GO2 - Develop strategic plans and policies to address local and regional issues and guide service provision	
Key Performance Indicator	Annual Target
Develop and implement a service review framework	Coordinate and conduct 4 service reviews in accordance with the approved service review framework
Implementation of business unit planning for all business units to capture forward planning and business as usual activities	100% completed (for all Units)
Organisational project management capability	Project Management training and development programs delivered in the organisation
GO3 - Pursue financial sustainability through effective use of the Council's resources and assets and prudent management of risk	
Key Performance Indicator	Annual Target
2017-18 financial audit completed on program, with unmodified audit opinion	Unqualified external audit opinion on 2017-18 General Purpose Financial Statements
Sustainable financial position maintained	Strategic Financial Plan
Develop and implement a whole-of-organisational approach to quality assurance	Formal improvement framework established
Review of Council's Risk Management Framework	Undertake a Risk Management Maturity Assessment
Procurement Transformation Program	Program of improvement initiatives delivered as per approved project baseline
Development of Annual Procurement Plan	60% of total purchasing spend occurs under a buying arrangement
Debt recovery actions undertaken in accordance with Council policy and in a responsible manner to minimise outstanding balances with Council	<5% bi-annually rates outstanding as a percentage of rates levied, prior to six monthly rates billing 50% of invoices paid within 60 days (14/15 18%, 15/16 23%, 16/17 30%)
GO4 - Provide transparent and accountable decision making reflecting positive leadership to the community	
Key Performance Indicator	Annual Target
Compliance with statutory and corporate requirements for Council meetings and decision making	Implementation of Phase 1 online legislative compliance software and Implementation of authorisations and delegations software

Develop and deliver a procurement and contract management training and development program	Training program delivered
Develop and implement a project governance framework	Project Portfolio Management system and reporting
G05 - Deliver customer focused and responsive services efficiently and effectively	
Key Performance Indicator	Annual Target
Validate Council can continue business operations in the unlikely event of an event impacting the organisation	Successful test of Business Continuity Plans

ICT Services

Budget 2018/19	
Category	\$
Capital Expenditure	237,000
Operational Expenditure	3,848,886
Corporate Plan strategies to be delivered:	
G05 - Deliver customer focused and responsive services efficiently and effectively	
Key Performance Indicator	Annual Target
Develop and implement appropriate Service Level Agreements for customer requests	100% complete
ICT Services Applications are available, secure and up-to-date	100% of ICT Applications are updated in accordance with patching Service Level Agreements
ICT Improvement Initiatives are identified and scheduled for implementation	100% of Improvement Initiatives are assessed and actioned
	Server and Storage uptime to be >= 98% uptime
ICT Services will provide a resilient, scalable and high performing platform for the delivery of IT services	Successful delivery of Server and Storage Upgrade
	Successful delivery of 10G Networking across Council
AM1 - Develop an innovative and integrated framework for long term, cost effective asset management	
Key Performance Indicator	Annual Target
Develop Asset Management Plans for all ICT assets	100% complete

People and Culture

Budget 2018/19	
Category	\$
Operational Revenue	4,500
Operational Expenditure	2,194,890
Corporate Plan strategies to be delivered:	
GO3 - Pursue financial sustainability through effective use of the Council's resources and assets and prudent management of risk	
Key Performance Indicator	Annual Target
Annual Performance Reviews for Internal Staff	90% completed
Facilitate Compliance Training for all Council employees	100% of staff compliant with position requirements
Comply with Local Government WorkCover Self Insurance Audit	75% compliance achieved
Regular review of Safe Work Method Statements	80% reviewed, updated and endorsed
Workplace Hazard Inspections	90% completed to schedule per quarter
Develop Workforce Plan and identify key strategies and actions	100% complete
Development of Leadership Program	100% complete
Asbestos Health Monitoring Programme	100% complete
GO5 - Deliver customer focused and responsive services efficiently and effectively	
Key Performance Indicator	Annual Target
Approved Recruitment of Vacancies	100% completed within 30 working days of position closing date
Implement online recruitment program	100% complete

Liveability & Wellbeing Directorate

Budget 2018/19	
Category	\$
Operational Expenditure	632,869
GO2 - Develop strategic plans and policies to address local and regional issues and guide service provision	
Key Performance Indicator	Annual Target
Livingstone Shire Whole of Community Plan	The Whole of Community Strategic Plan completed that provides a blueprint for sustainability, developing a practical sustainable growth management strategy with a focus on improving quality of life, future focused and adaptable to changing circumstances

Community Wellbeing

Budget 2018/19	
Category	\$
Capital Revenue	1,625,000
Capital Expenditure	6,370,000
Operational Revenue	1,578,993
Operational Expenditure	8,056,192
Corporate Plan strategies to be delivered:	
AM4 - Operate, maintain and use Council assets to deliver efficient and cost effective service to the community	
Key Performance Indicator	Annual Target
Manage Council's property portfolio	100% of tenures issued in accordance with relevant legislation; Zero deficiencies in Councils process identified by external stakeholders; Breaches of Council tenure actioned within 5 days; Breaches rectified by client within 2 weeks of notification from Council
CO1 - Facilitate, encourage and enable self-sustainable community associations and volunteer groups to pursue their diverse aspirations	
Key Performance Indicator	Annual Target
Provide a broad range of opportunities for volunteers	Growth in number of new volunteers; Duration of volunteership (hours, years of service); Area of land maintained and number of new sites established
CO2 - Facilitate programs and support local, cultural, artistic and community building initiatives	
Key Performance Indicator	Annual Target
Delivery of community development programmes which build the capacity of Livingstone's community	100% compliance with Service Contracts (Strengthening Family Connections, Community Centre, Livingstone Loop (Emu Park and other communities) and adherence to funding agreements
CO4 - Promote and encourage community health and wellbeing through programs addressing environmental health, community safety issues, social cohesion and inclusiveness	
Key Performance Indicator	Annual Target
Maintain open spaces	Park maintenance service standards 100% achieved and 100% of works up to date
CO5 - Facilitate the provision of programmes, activities and facilities which create opportunities for the Shire's youth to develop skills and pursue endeavours to equip them for life and enable them to make a valued contribution to the community	
Key Performance Indicator	Annual Target
Plan and deliver capacity building sessions / workshops to community organisations	4 per annum
GO4 - Provide transparent and accountable decision making reflecting positive leadership to the community	
Key Performance Indicator	Annual Target
A Local Disaster Management Group and Local Disaster Co-ordination Centre staff who are trained and prepared for events	100% compliance with the <i>Disaster Management Act 2003</i> and the Inspector General Emergency Management Framework and Get Ready initiatives implemented in accordance with funding agreement

EN2 - Recognise and understand the various eco-systems of the Shire to encourage their sustainable use and appreciation through appropriate accessibility	
Key Performance Indicator	Annual Target
Deliver projects to repair or restore native ecosystems	5 projects per annum

Community Engagement

Budget 2018/19	
Category	\$
Operational Revenue	400,000
Operational Expenditure	4,006,684
Corporate Plan strategies to be delivered:	
GO1 - Inform and empower the community through ongoing engagement and communication	
Key Performance Indicator	Annual Target
Ensure provision of quality innovative customer service to internal and external customers	95% accuracy with distribution of customer request to other areas of the organisation; 80% of Average Handling Times to be under 340 seconds and Annual increase of 10% users of Council's Online Services Portal
Establish organisational Community Engagement Register	Register 100% developed, implemented and functioning
GO5 - Deliver customer focused and responsive services efficiently and effectively	
Key Performance Indicator	Annual Target
Develop a Records Management Strategy	Strategy 100% complete
Complete and implement deliverables of the Channel Management Strategy	100% of deliverables complete
Maintain compliant and effective Record Management practices at all times with overall goal of digitisation	10% reduction in costs associated with storage
Partner with internal peers to develop a website that reflects the desires of the organisation and the evolving community	50% of project scope completed
Completion of Library Service Review	Service review 100% completed and recommendations within review adopted
Provide effective monitoring regarding delivery and approval processes for Event Management and Sponsorship	80% completion achieved with post event and sponsorship evaluation surveys
EC3 - Promote Livingstone Shire as a desirable destination for investment, business, industry, tourism and living	
Key Performance Indicator	Annual Target
Utilise marketing channels to successfully support and promote the region as a destination for business, tourism and lifestyle	Develop and implement 4 dynamic marketing plans per annum which promote Council services, tourism and our economy

CO2 - Facilitate programs and support local, cultural, artistic and community building initiatives	
Key Performance Indicator	Annual Target
Provide quality social inclusion and participation activities that cater to the diversity of the community	10% increase in library membership per annum and 10% annual participation increase at all Library and Cultural Events
Assist with the development of an Event Management Strategy	100% completion of business unit tasks required

Liveability

Budget 2018/19	
Category	\$
Operational Revenue	1,651,300
Operational Expenditure	3,954,391
Corporate Plan strategies to be delivered:	
EN1 - Apply environmentally responsible land use planning to balance environmental and development outcomes	
Key Performance Indicator	Annual Target
Building and plumbing certification services comply with statutory requirements	100% of building and plumbing approvals determined within 10 business days from the commencement of the decision stage and Peer review of 12 building and plumbing approvals per annum
Development assessment services comply with statutory requirements	85% of development related approvals determined within twenty-five (25) business days. Note statutory period is thirty-five (35) business days
Planning scheme complies with legislative requirements and Council's growth management objectives	Livingstone Planning Scheme 2018 reviewed and 100% of relevant amendments initiated
GO2 - Develop strategic plans and policies to address local and regional issues and guide service provision	
Key Performance Indicator	Annual Target
Strategies are developed through the QCoast2100 programme to address the potential impacts of coastal hazards	100% compliance with funding agreement
Climate Change mitigation and adaptation strategies adopted and embedded into Council's mainstream operations	1 organisational carbon strategy produced and Governance Framework established for the organisation to address climate change
GO5 - Deliver customer focused and responsive services efficiently and effectively	
Key Performance Indicator	Annual Target
Building and plumbing certification services are client connected and outcome driven	100% of building and plumbing related customer requests responded to within two business days and 95% customer satisfaction

Development assessment services are client connected and outcome driven	100% of development related customer requests responded to within 2 business days; 95% customer satisfaction and 100% of development applications considered by the Development Control Unit within 5 business days
Environmental health services are client connected and outcome driven	100% of environmental health related customer requests are responded to within 2 business days
Pest and vector services are client connected and outcome driven	100% of pest weed contracts completed within contractual time frames and 100% of pest and vector related customer requests are responded to within 2 business days
Local law services are client connected and outcome driven	100% of local law related customer requests responded to within 2 business days and proactive patrols undertaken
Building and plumbing compliance services are client connected and outcome driven	100% of building and plumbing compliance complaints are responded to within 2 business days
CO4 - Promote and encourage community health and wellbeing through programs addressing environmental health, community safety issues, social cohesion and inclusiveness	
Key Performance Indicator	Annual Target
Undertake development compliance services	100% of development compliance complaints are risk rated in accordance with Council's Risk Based Land Use Compliance Policy
Environmental health services comply with statutory requirements	100% of food licence/permit applications completed in accordance with legislative requirements and 95% of food licence audits to be completed annually
Environmental health compliance activities are undertaken in accordance with Council's Risk Based Land Use Compliance Policy	100% of relevant environmental health compliance complaints are risk rated in accordance with Council's Risk Based Land Use Compliance Policy
Vector breeding locations identified and managed to reduce potential impacts on the community	100% of permanent vector control sites monitored weekly and 20 vector surveys undertaken each month between 1 October 2018 and 31 May 2019
Local law services comply with statutory requirements	100% of local law renewals completed within legislative or policy timeframes; 100% of licence/permit applications processed within 10 days and 2 local laws 'Work Instructions' reviewed for effectiveness
Building and plumbing compliance activities are undertaken in accordance with Council's Risk Based Land Use Compliance Policy	100% Building and Plumbing/Compliance complaints are risk rated in accordance with Council's Risk Based Land Use Compliance Policy and 5% of notifiable plumbing works (Form 4) audits are completed per annum

Economy & Places

Budget 2018/19	
Category	\$
Capital Revenue	497,000
Capital Expenditure	905,000
Operational Expenditure	1,255,846
Corporate Plan strategies to be delivered:	
EC1 - Identify and capitalise on economic opportunities for the benefit of the community	
Key Performance Indicator	Annual Target
Implement Invest Capricorn Coast Region Economic Development Plan	100% of year 2 actions implemented; 1 quarterly workshop held and attendance numbers recorded; Number of business contacts made/inquiries fielded; The Invest Capricorn Coast Leadership Alliance operating successfully; Successful grant applications and engagement with investors
EC2 - Facilitate, encourage and enable to establishment of businesses and industries and the retention, growth and diversification of existing businesses and industries in suitable locations	
Key Performance Indicator	Annual Target
Implement Capricorn Coast Smart Region Strategy (Yeppoon Town Centre Smart Lighting Project and Yeppoon Town Centre Smart Precinct Project)	90% of actions achieved
The Gateway Business and Industry Park	Achieve 3 land sales in Stages 1 and 2
EC3 - Promote Livingstone Shire as a desirable destination for investment, business, industry, tourism and living	
Key Performance Indicator	Annual Target
Capricorn Enterprise funding agreement established and yearly actions implemented	100% of year 1 actions complete
EC4 - Establish initiatives including partnerships with both government and the private sector to create enterprises and undertake projects that generate jobs, wealth creating opportunities and sustainable economic growth	
Key Performance Indicator	Annual Target
Leverage international partnerships to attract investment, progress export-readiness of local businesses and international education opportunities	Progress of the Friendship City Partnership with Yangzhong, Zhenjiang Prefecture in China; International Education Partnerships established and Australia Singapore Military Training Initiative and Shoalwater Bay Training Area Expansion realised
CO2 - Facilitate programs and support local, cultural, artistic and community building initiatives	
Key Performance Indicator	Annual Target
Yeppoon Place Making Strategy Year 2 initiatives implemented	90% of actions achieved

12.2 REVENUE POLICY

File No:	CM4.7.12
Attachments:	1. Revenue Policy
Responsible Officer:	Andrea Ellis - Chief Financial Officer
Author:	Priscilla Graham - Coordinator Revenue

SUMMARY

Pursuant to Section 193(3) of the Local Government Regulation Council's 2018/19 Revenue Policy adopted on the 5 July 2018 has been updated to reflect the current organisational structure and Delegation of Authority. The Revenue Policy identifies Council's strategic direction in regard to raising revenue and is presented for adoption to support the 2018/19 Budget.

OFFICER'S RECOMMENDATION

THAT Council resolve to adopt, pursuant to Section 193(3) of the *Local Government Regulation 2012*, the 2018/2019 Revenue Policy (Attachment 1) for inclusion in the 2018-19 Budget.

BACKGROUND

The purpose of the Revenue Policy is to identify Councils strategic vision and attitude in regard to raising revenue for the 2018/19 Financial Year. The Policy is presented to Council for adoption to support the 2018/19 Budget.

COMMENTARY

The Revenue Policy is used in developing Councils Budget for the financial period from 1 July 2018 to 30 June 2019. The Policy sets out the principals used by Council in the making and levying of rates and charges, exercising its power to grant rebates and concessions for rates and charges, recovery of unpaid amounts of rates and charges and cost recovery principles.

The Policy is prepared in accordance with section 104(5)(c) of the *Local Government Act 2009* and sections 169 and 193 of the *Local Government Regulation 2012*.

The Revenue Policy has been reviewed as part of the 2018-19 budget process and no changes, other than administrative amendments, were required to be made.

PREVIOUS DECISIONS

The reviewed policy for the 2018-19 Financial Year was adopted on the 5 July 2018 and is again presented to support the Budget reflect the Delegation of Authority in accordance with the current organisational structure.

BUDGET IMPLICATIONS

The Revenue Policy forms the strategic vision and attitude in relation to raising revenue.

LEGISLATIVE CONTEXT

This Policy is presented in accordance with section 104(5)(c) of the *Local Government Act 2009* and section 193 of the *Local Government Regulation 2012*.

Section 169(2)(c) of the *Local Government Regulation 2012* requires Council to include a Revenue State in its annual budget.

Section 193(3) of the *Local Government Regulation 2012* requires Council to 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.

LEGAL IMPLICATIONS

No legal implications are foreseen.

STAFFING IMPLICATIONS

Delegation of authority for the implementation of the Revenue Policy is given to the CEO.

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

RISK ASSESSMENT

No risks are foreseen.

CORPORATE/OPERATIONAL PLAN

Corporate Plan Reference: Strategy GO3: Pursue financial sustainability through effective use of the Council's resources and assets and prudent management of risk.

LOCAL GOVERNMENT PRINCIPLES

The Local Government principles are –

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

CONCLUSION

The 2018-19 Revenue Policy is used in the formulation of Council's 2018-19 Revenue Statement and 2018-19 Budget and must be included in the adoption of the annual budget each year. Council's annual budget must be consistent with its Revenue Policy.

12.2 - REVENUE POLICY

Revenue Policy

Meeting Date: 24 July 2018

Attachment No: 1



REVENUE POLICY (STATUTORY POLICY)

1. Scope

This Revenue Policy (this 'Policy') is effective from the date of Council's resolution and will apply for the financial period 1 July 2018 to 30 June 2019. The Council may, by resolution, amend its Revenue Policy for a financial year at any time before the year ends.

This Policy is Council's Strategic Revenue Policy, and therefore sets out Council's strategic vision and attitude in relation to raising revenue. However, there are a range of administrative policies and arrangements that make up the total Council response to revenue management.

2. Purpose

The purpose of this Policy is to provide Council with a contemporary Revenue Policy that:

- a) Complies with legislative requirements in all respects; and
- b) Sets out the principles used by Council in the 2018 Financial Year for:
 - i) the making and levy of rates and charges;
 - ii) exercising its powers to grant rebates and concessions for rates and charges;
 - iii) recovery of unpaid amounts of rates and charges; and
 - iv) cost recovery.

3. References (legislation/related documents)

Local Government Act 2009
Local Government Regulation 2012

4. Definitions

To assist in interpretation, the following definitions shall apply:

CEO	<i>Chief Executive Officer</i> A person appointed under section 194 of the <i>Local Government Act 2009</i> , including a person acting in that position.
Council	Livingstone Shire Council.
LGA	<i>Local Government Act 2009</i> .
LGR	<i>Local Government Regulation 2012</i> .

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5. Policy Statement

In accordance with the *Local Government Act 2009*, this Revenue Policy will be used in developing Council's budget for the financial period from 1 July 2018 to 30 June 2019.

Where appropriate, Council will be guided by the principles of equity and user pays in the making of rates and charges so as to minimise the impact of rating on the efficiency of the local economy.

This policy is prepared in accordance with section 104(5)(c) of the *Local Government Act 2009* and section 193 of the *Local Government Regulation 2012* which provides as follows:-

- (1) *A local government's revenue policy for a financial year must state—*
 - (a) *the principles that the local government intends to apply in the 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 methods; and*
 - (b) *if the local government intends to grant concessions for rates and charges—the purpose for the concessions; 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) *The revenue policy may state guidelines that may be used for preparing the local government's revenue statement.*
- (3) *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.*

5.1 Making and Levying Rates and Charges

In making rates and charges, Council is required to comply with the requirements of Commonwealth and State legislation. Council will also have regard to the principles of:

- a) Equity by taking into account the 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;
- b) Transparency in the making of rates and charges;
- c) Having in place a rating regime that is simple and efficient to administer;
- d) National Competition Policy legislation where applicable (user pays);
- e) Clarity in terms of responsibilities (Council's and ratepayers') in relation to the rating process; and
- f) Timing the levy of rates to take into account the financial cycle of local economic activity, in order to assist the smooth running of the local economy.

5.2 Granting Rebates and Concession for Rates and Charges

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

- a) Equity - by having regard to the different levels of capacity to pay within the local community;

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- b) Transparency - by making clear the requirements necessary to receive concessions;
- c) Flexibility – to allow Council to respond to local economic issues;
- d) Impartiality – the same treatment for ratepayers with similar circumstances; and
- e) Responsiveness - by being aware of community expectations of what activities should attract assistance.

5.2.2 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.

5.3 Recovery of Unpaid 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*, in order to reduce the overall rate burden for ratepayers. It will be guided by the following principles:

- a) Transparency – by making clear the obligations of ratepayers, and the processes used by Council in assisting them to meet their financial obligations;
- b) Clarity and cost effectiveness – in the processes used to recover outstanding rates and charges;
- c) Equity – by having regard to the financial circumstances of different sectors of the community and providing the same treatment for ratepayers with similar circumstances; and
- d) Flexibility – by responding where necessary to changes in the local economy.

5.4 Payments in Advance

Council accepts payments in advance via lump sum or instalments. Interest is not payable on any credit balances held.

5.5 Principles Used for Cost-Recovery Fees

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

5.5.2 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.

5.6 Other Matters

5.6.1 Purpose of Concessions

Statutory capability exists for Council to rebate or defer rates in certain circumstances. In considering the application of concessions, Council will be guided by the principles set out in paragraph 5.2 of this policy.

5.6.2 Physical and Social Infrastructure Costs for New Developments

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 set by the State Government pursuant to section 112 of the *Planning Act 2016* and section 52 and Schedule 16 of the *Planning Regulation 2017*.

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.

5.7 Delegation of Authority

- 5.7.1 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*.
- 5.7.2 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 remain in force until otherwise amended/replaced by resolution of the Council or as required by legislation each year at the commencement of the annual budget process.

7. Repeals

This Policy repeals the former Livingstone Shire Council Policy titled 'Revenue Policy v6' adopted 3 July 2018.

CHRIS MURDOCH
CHIEF EXECUTIVE OFFICER

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12.3 2018-19 REVENUE STATEMENT

File No:	12.5.2
Attachments:	1. 2018-19 Revenue Statement ↓
Responsible Officer:	Andrea Ellis - Chief Financial Officer
Author:	Priscilla Graham - Coordinator Revenue

SUMMARY

Council is required under Section 169(2)(b) of the Local Government Regulation 2012 to include a revenue statement in its annual budget. This report recommends the adoption of this document as part of the 2018-19 Budget as well as other key measures that Council will use to generate its rating revenue.

OFFICER'S RECOMMENDATION

THAT Pursuant to section 104(5) of the *Local Government Act 2009* and section 172 of the *Local Government Regulation 2012*, Council adopt the Revenue Statement 1 July 2018 – 30 June 2019.

BACKGROUND

The Revenue Statement is a key statutory document of Council and is required to be adopted as part of the annual budget. The Revenue Statement is reviewed every year as part of the budget development process. Changes made to the documents reflect the wishes of Council in making and levying rates for the coming year.

In accordance with Section 169(2)(b) of the *Local Government Regulation 2012*, Council's Budget for each financial year must include the adoption of a Revenue Statement. The Livingstone Shire Council's Revenue Statement has been extensively reviewed and developed to outline:

- the rates and charges that will be levied in the 2018/19 financial year;
- the differential general rating categories which will be levied;
- a description of each rating category;
- special rates and charges that will be applied;
- concessions that will be granted for rates and charges;
- criteria for cost-recovery fees; and
- criteria used to determine charges for business activities.

Council applies the principles set out in the Revenue Policy when making and levying rates and charges, granting concessions and recovering unpaid amounts.

COMMENTARY

In conjunction with the Budget preparation, Council has undertaken an extensive review of the Revenue Statement for the 2018-19 financial year. The Revenue Statement incorporates the principles and vision of the Revenue Policy and has been reviewed by both Council Officers and King and Company Solicitors to ensure the Policy and all amendments correctly reference legislation and the document meets regulatory requirements.

The Revenue Statement presented is the result of extensive rating methodology workshops undertaken by Council over several months. Council officers have spent significant time reviewing the Shire properties, land use, economic diversity and providing various revenue models in preparation and support of the 2018-19 Budget.

PREVIOUS DECISIONS

The previous Revenue Statement titled “Revenue Statement 1 July 2017 – 30 June 2018” was adopted by Council on the 27 June 2017 in conjunction with the 2017-18 Budget.

BUDGET IMPLICATIONS

Rates and charges are the largest source of revenue for Council. The adoption of the Revenue Statement 1 July 2018 to 30 June 2019 ensures that Council can rate in accordance with the proposed 2018-19 budget.

Rates and Charges applicable under the Revenue Statement contribute to more than 80% of the budgeted revenue identified within the 2018-19 Budget presented today.

Council’s Long Term Financial Forecast assumes annual rate increases on top of natural growth between 1.9% and 2.2% over the next nine years. Natural growth in assessments is estimated at 1% over the term of the plan.

Changes in future rate increases or natural growth estimates will impact the amount of rates revenue generated and will affect Council’s long term sustainability unless there are corresponding reductions in costs or increases in other revenues.

LEGISLATIVE CONTEXT

Section 169(2)(b) of the *Local Government Regulation 2012*, identifies that Councils Budget must also include the Revenue Statement.

Section 172 of the *Local Government Regulation 2012*, outlines the requirements of the Revenue Statement.

LEGAL IMPLICATIONS

The adoption of the Revenue Statement ensures Council’s compliance with the requirements of the *Local Government Regulation 2012* and provides for the basis for the levying of rates and charges for the 2018-19 financial year.

The Revenue Statement may only be adopted at the budget meeting for the year and once passed, it cannot be changed until the following year.

The Revenue Statement is consistent with Council’s 2018-19 Revenue Policy.

As a number of changes were made to the structure of the Revenue Statement a review by Council’s external legal advisors was undertaken.

STAFFING IMPLICATIONS

The Chief Executive Officer has been delegated the power to determine the category that each parcel of rateable land belongs. This delegation is exercised with regard to the definitions contained within the Revenue Statement.

All other issues arising from this report will be dealt with in accordance with existing delegations.

RISK ASSESSMENT

The policy has been reviewed by King and Company Solicitors in order to mitigate any unforeseen risks.

CORPORATE/OPERATIONAL PLAN

Corporate Plan Reference: **Strategy GO3: Pursue financial sustainability through effective use of the Council’s resources and assets and prudent management of risk.**

LOCAL GOVERNMENT PRINCIPLES

The Local Government principles are –

- (a) Transparent and effective processes, and decision-making in the public interest; and

- (b) Sustainable development and management of assets and infrastructure, and delivery of effective services; and
- (c) Democratic representation, social inclusion and meaningful community engagement; and
- (d) Good governance of, and by, local government; and
- (e) Ethical and legal behaviour of councillors and Local Government employees.

CONCLUSION

The Livingstone Shire Council 2018-9 Revenue Statement has been drafted to comply with Section 104(5) of the *Local Government Act 2009* and in accordance with Section 172 of the *Local Government Regulation 2012*. The Revenue Statement 1 July 2018 – 30 June 2019 is presented for adoption to support the 2018-19 Budget.

12.3 - 2018-19 REVENUE STATEMENT

2018-19 Revenue Statement

Meeting Date: 24 July 2018

Attachment No: 1



REVENUE STATEMENT

1 July 2018 – 30 June 2019

The Livingstone Shire Council 2018–19 Revenue Statement has been drafted to comply with section 104(5) of the *Local Government Act 2009* and in accordance with sections 169(2)(b) and 172 of the *Local Government Regulation 2012*.

1. Overview

This Revenue Statement has been developed to outline:

- the rates and charges that will be levied in the 2018-19 financial year;
- the differential general rating categories which will be levied;
- a description of each rating category;
- special rates and charges that will be applied;
- concessions that will be granted for rates and charges;
- criteria for cost-recovery fees; and
- criteria used to determine charges for business activities.

Council will apply the principles set out in the Revenue Policy when making and levying rates and charges, granting concessions and recovering unpaid amounts.

2. Applicability

This Revenue Statement applies to the financial period from 1 July 2018 to 30 June 2019. It is approved in conjunction with the Budget as presented to Council.

It is not intended that this Revenue Statement reproduce all related policies. Related adopted policies will be referred to within the Revenue Statement where appropriate.

3. Rates and Charges (s 94 *Local Government Act 2009*)

For the financial year beginning 1 July 2018, Livingstone Shire Council will make and levy rates and charges. Rates and charges to be levied will include:

- a) Differential General Rates;
- b) Special Rates and Charges;
- c) Separate Charges, and
- d) Utility Charges for Water, Sewerage and Waste Management.

4. General Rates Rationale

Council calculates and levies rates and charges utilising the rateable value of the land. This valuation is set by the Department of Natural Resources each year. The general rate charged on each parcel of land may be determined by dividing the total income needed from general rates by the rateable valuation of lands. However, there is considerable diversity in the Shire in terms of land use and location (such as between the urban and rural areas), land values, access to, and actual and potential demands for services and facilities.

Council is committed to spreading the general rates burden equitably among categories and classes of ratepayers. This does not mean the general rate is levied on a "user pays system". Instead, Council has designed the general rating system taking into account the following factors:

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- The relative rateable value of lands and the general rates that would be payable if only one general rate were levied;
- The use of the land as it relates to actual and potential demand for Council services;
- Location of the land as it relates to actual and potential demand for Council services; and
- The impact of rateable valuations on the level of general rates to be paid.

6. General Rates – Categories and Descriptions (Chapter 4, Part 5, Division 1 *Local Government Regulation 2012*)

Council adopts Differential General Rating for the following reasons:

- Council is committed to spreading the general rates burden equitably;
- The use of a single general rate would not result in an equitable distribution of the rates burden among ratepayers;
- Certain land uses and locations of lands require and/or impose greater demands on Council services relative to other land uses and locations; and
- Valuation relativities between commercial/industrial, lands used for tourist facilities, rural, islands, urban, productive and residential uses, do not reflect the intensity of land use nor the actual or potential demands on Council services and facilities.

For the purpose of making and levying Differential General Rates, Council has resolved to categorise all rateable land in its area into categories specified in Schedule 1. The Council delegates to the Chief Executive Officer the power to identify the rating category applicable to each parcel of rateable land. In undertaking this task the Chief Executive Officer will be guided by the descriptions of each category. Further:

- The identifiers for the purpose of such categories are set out within each of the categories specified hereunder in the schedule;
- In applying those identifiers to the rateable land within its area, the Chief Executive Officer may have regard to the intention expressed in relation to the description determined in respect of each such category;
- The primary land use codes supplied by the Department of Natural Resources and Mines and recorded in Council's rating files, identify the principal uses of the land as the indicators of whether rateable land falls within a particular category (until otherwise decided or amended, those land use codes shall constitute the "land use codes" for rating and charging purposes, see Schedule 2);
- In cases where there are multiple land uses; the land will be categorised with reference to its primary economic use;
- Where information becomes available that the land use code provided by the Department of Natural Resources and Mines has been superseded or is incorrect, the property may be included in another rating category by reference to the actual land use of the property and the description adopted for that rating category; and
- Subdivisions have a primary Council land use code of 72 and will be placed into the general rating category in which they would normally be situated (prior to the discounted valuation – Site Value or Unimproved Value). The value of subdivisions will be discounted by 40% for rating purposes in accordance with section 50(2) of the *Land Valuation Act 2010*.

The terms 'UV', 'Unimproved Valuation' 'SV' and 'Site Valuation' refer to the unimproved valuation and Site Valuation assigned by the Queensland Department of Natural Resources and Mines for the applicable year of valuation.

7. Link with other Council Plans

Rates and Charges have been set with Council's Long Term Financial Forecast, Corporate Plan, Operational Plan and Asset Management Plans in mind. The alignment of these plans will ensure that Council is able to deliver the services at the level expected by the community and over the long term Council will be better equipped to deliver on the aspirations of each of

the communities in the region. Council's Operational Plan, Asset Management Plans and Budget are the mechanisms used to ensure that steps towards the delivery of the Long Term Financial Forecast are being made. It is Council's assessment that the Rates and Charges set in this Revenue Statement will generate revenue for Council that will deliver the Budget as set and the first steps toward the delivery of sustainable services as documented in the long term financial plan.

Commencing with the 2018-19 Budget Council will ensure that the funds required from rates for capital renewal and replacements is determined by reference to Council's asset management plans and asset management system. Council utilises a system which determines that timing of asset renewal and replacement based on condition assessments and the life of each asset.

8. Operating Capacity

Council's current budget and long term financial goal is to increase, where possible, the operating capability of Council. Council's position is to maintain a reasonable level of services across all activities and functions. Council plans to maintain, replace and upgrade infrastructure in line with the level of revenue raised and Council's asset management plans and systems.

Council policy is to:

- (i) replace plant and equipment in accordance with the Plant Replacement Program;
- (ii) maintain and upgrade the Regional Road Network;
- (iii) improve and upgrade Water Supply infrastructure;
- (iv) improve and upgrade Waste Water infrastructure;
- (v) maintain and upgrade other infrastructure; and
- (vi) maintain and improve the current level of services to residents.

The maintenance, upgrading and improvements to services and infrastructure will be based on current revenue levels and in accordance with the current borrowing policy.

Provisions

Council will ensure cash funds are available to cover 100% of the current liability in respect of Long Service Leave and Annual Leave and the pro-rata portion of the non-current Long Service Leave Entitlements payable upon a person ceasing employment with Council.

Depreciation Policy

In order to comply with the requirements of the *Local Government Act 2009* and *Local Government Regulation 2012*, Council will fund depreciation so as to reduce significant financial outlays required to replace existing assets. In determining the extent of depreciation funding Council will give consideration to the current needs of the Region. It is Council's intention to fund major infrastructure depreciation where the replacement of the asset could not be easily undertaken with funds obtained on a year-by-year basis. In particular, this relates to water and waste water assets, and plant and machinery. In relation to other assets Council will attempt to undertake works that are either of a capital or preventative major maintenance nature to the equivalent level of depreciation so as to maintain the existing value of the asset. This particularly applies to roads and buildings.

Application of the Code of Competitive Conduct

Council will be adopting and applying the Code of Competitive Conduct to the Water and Sewerage Operations, Waste Operations, Caravan Parks, and Building Certification business activities during the 2018-19 year.

National Competition Policy

In accordance with section 47 of the *Local Government Act 2009*, the Code of Competitive Conduct shall be applied for the 2018-19 financial year to all of Council's businesses. Pursuant to section 43 and section 44 of the *Local Government Act 2009*, the following Council

businesses when combined are over the limit set to be considered as a Type 2 Significant Business Activity (\$13.96 Million 2018-19):

- Water
- Waste Water (Sewerage)

The Public Benefit Assessment of the Water and Waste Water activity recommended that Council operate this part of Council's activities by application of the Full Cost Pricing methodology of pricing the Two Part Water Tariff. Council will apply the Competitive Neutrality Principle and attempt to set rates, fees and charges on the basis of Full Cost Pricing. The implementation of the business reforms are designed to make Council activities more transparent and accountable. An assessment of the 2018-19 Charges has been made to determine whether the charges are set at a level to recover full costs or are set at a full cost price level.

GENERAL RATING CATEGORIES 2018-19

Schedule 1

No.	Category	Description	Identifiers (Land Use Codes)
L1	Commercial/ Light Industry ≤\$400,000	Lands where the dominant use or intended use is commercial and light industrial purposes and the rateable valuation is \$400,000 or less.	1,4,6,7,10 to 49 and 72 (excl. lands in any other category).
L1A	Commercial/ Light Industry >\$400,000	Lands where the dominant use or intended use is commercial and light industrial purposes and the rateable valuation is greater than \$400,000.	1,4,6,7,10 to 49 and 72 (excl. lands in any other category).
L2	Retail Warehouse, Business/Shop ping Complex or Outdoor Sales	Lands where the dominant use or intended use is a retail warehouse, business/shopping complex, or outdoor sales with an area greater than 400m2.	10,11,12,13,14,15,16,23,24,28,33, 35 inclusive and 36.
L2A	Major Shopping Centres with a floor area 0 – 10,000 sqm	Lands where the dominant use or intended use is a major shopping centre with onsite parking and a floor area of 0 – 10,000 sqm.	12 to 16 inclusive and 23.
L2B	Major Shopping Centres with a floor area 10,001 – 50,000 sqm	Lands where the dominant use or intended use is a major shopping centre with onsite parking and a floor area greater than 10,001 up to 50,000 sqm.	12 to 16 inclusive and 23.
L3	Heavy and Noxious Industry	Lands on the mainland where the purpose of use or intended use is a fuel dump or storage and oil refinery, heavy or general industry, or industry which emanates offensive noise, odour and dust and includes abattoirs.	31, 35, 37
L4	Island Commercial/ Industrial	Lands on the islands where the dominant use or intended use is commercial or light industrial.	1, 4, 6, 7, 10 to 49 (excl. lands in any other category).

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L5	Extractive	Lands on the mainland where the purpose of use or intended use extracts minerals or other substances from the ground or other environments including related activities.	40
L6	Other Rural	Lands where the use or intended use is non-residential rural, agricultural or farming purposes.	60 to 63, 67 to 89 and 93 to 94 (excl. 72 or. Lands in any other category).
L6A	Beef Cattle Production 1	Lands where the use or intended use is Cattle Breeding, Grazing or Fattening and the rateable valuation is less than \$1,000,001.	64 to 66
L6B	Beef Cattle Production 2	Lands where the use or intended use is Cattle Breeding, Grazing or Fattening and the rateable valuation is greater than \$1,000,000.	64 to 66
L8	Major Tourism/Accommodation Facilities	All lands where the dominant purpose for which it is used or intended for use is that of Accommodation – Tourist Facilities and:- a) The land is used or intended for use commercially for that purpose; and b) The land is greater than 5ha. in area; and c) The accommodation capacity is greater than 100 rooms.	18
L9	Residential 1 - Owner Occupied/Vacant Land	Lands where the dominant use or intended use is residential purposes, Owner Occupied or Vacant Land, and the rateable valuation is less than \$125,001. (excl. lands in any other category).	1, 2, 6 and 72
L10	Residential 2 - Owner Occupied/Vacant Land	Lands where the dominant use or intended use is residential purposes, Owner Occupied or Vacant Land, and the rateable valuation is more than \$125,000 and less than \$225,001. (excl. lands in any other category).	1, 2, 6 and 72
L11	Residential 3 - Owner Occupied/Vacant Land	Lands where the dominant use or intended use is residential purposes, Owner Occupied or Vacant Land, and the rateable valuation is more than \$225,000 and less than \$500,001. (excl. lands in any other category).	1, 2, 6 and 72
L12	Residential 4 - Owner Occupied/Vacant Land	Lands where the dominant use or intended use is residential purposes, Owner Occupied or Vacant and:- 1. For Owner Occupied Land – the land has a rateable valuation more than \$500,000 and less than \$750,001; and 2. For Vacant land – the land has a rateable valuation more than \$500,000 and less than \$600,001. (excl. lands in any other category).	1,2,6 and 72
L13	Residential 5 - Owner Occupied	Lands where the dominant use or intended use is residential purposes, Owner Occupied, and the rateable valuation is more than \$750,000 and less than \$1,000,001. (excl. lands in any other category).	2 and 6
L14	Residential 6 - Owner Occupied	Lands where the dominant use or intended use is residential purposes, Owner Occupied, and the rateable valuation is more than \$1,000,000. (excl. lands in any other category).	2 and 6
L9A	Residential 1 -	Lands where the dominant use or intended use is residential	2 and 6

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	Non Owner Occupied	purposes, not Owner Occupied, and the rateable valuation is less than \$125,001.	
L10A	Residential 2 - Non Owner Occupied	Lands where the dominant use or intended use is residential purposes, not Owner Occupied, and the rateable valuation is more than \$125,000 and less than \$225,001.	2 and 6
L11A	Residential 3 - Non Owner Occupied	Lands where the dominant use or intended use is residential purposes, not Owner Occupied, and the rateable valuation is more than \$225,000 and less than \$500,001.	2 and 6
L12A	Residential 4 - Non Owner Occupied	Lands where the dominant use or intended use is residential purposes, not Owner Occupied, and the rateable valuation is more than \$500,000 and less than \$750,001.	2 and 6
L13A	Residential 5 - Non Owner Occupied	Lands where the dominant use or intended use is residential purposes, not Owner Occupied, and the rateable valuation is more than \$750,000 and less than \$1,000,001.	2 and 6
L14A	Residential 6 - Non Owner Occupied	Lands where the dominant use or intended use is residential purposes, not Owner Occupied, and the rateable valuation is more than \$1,000,000.	2 and 6
L15	Large Residential 1 – Owner Occupied/Vacant Land	Lands, Owner Occupied or Vacant Land, used or intended for use for residential purposes, with a rateable valuation less than \$225,001:- <ol style="list-style-type: none"> 1. Having an area of 4000m2 or greater; or 2. Having an area of less than 4000m2 but located within a Council planning scheme zone or precinct with a preferred minimum lot size of 4000m2 or greater. (excl. lands in any other category) 	1,2,4,5,6,72 and 94
L16	Large Residential 2 – Owner Occupied/Vacant Land	Lands, Owner Occupied or Vacant Land, used or intended for use for residential purposes, with a rateable valuation is more than \$225,000 and less than \$500,001:- <ol style="list-style-type: none"> 1. Having an area of 4000m2 or greater; or 2. Having an area of less than 4000m2 but located within a Council planning scheme zone or precinct with a preferred minimum lot size of 4000m2 or greater. (excl. lands in any other category). 	1,2,4,5,6,72 and 94
L17	Large Residential 3 – Owner Occupied/Vacant Land	Lands where the dominant use or intended use is residential purposes, and having an area of 4000m2 or greater; or having an area of less than 4000m2 but located within a Council planning scheme zone or precinct with a preferred minimum lot size of 4000m2 or greater; and:- <ol style="list-style-type: none"> 1. For Owner Occupied Land – the land has a rateable valuation more than \$500,000 and less than \$1,000,001; and 2. For Vacant Land - the land has a rateable valuation more than \$500,000 and less than \$600,001. (excl. lands in any other category). 	1,2,4,5,6,72 and 94
L18	Large Residential 4 – Owner Occupied	Lands, Owner Occupied used or intended for use for residential purposes, with a rateable valuation more than \$1,000,000 and less than \$10,000,001:- <ol style="list-style-type: none"> 1. Having an area of 4000m2 or greater; or 2. Having an area of less than 4000m2 but located within a Council planning scheme zone or precinct with a preferred minimum lot size of 4000m2 or greater. (excl. lands in any other category). 	2,5 and 6
L19	Large Residential 5 –	Lands, Owner Occupied used or intended for use for residential purposes, with a rateable valuation more than	2,5 and 6

	Owner Occupied	\$10,000,000:- 1. Having an area of 4000m2 or greater; or 2. Having an area of less than 4000m2 but located within a Council planning scheme zone or precinct with a preferred minimum lot size of 4000m2 or greater. (excl. lands in any other category)	
L15A	Large Residential 1 – Non Owner Occupied	Lands, Non Owner Occupied, used or intended for use for residential purposes, with a rateable valuation is less than \$225,001: 1. Having an area of 4000m2 or greater: or 2. Having an area of less than 4000m2 but located within a Council planning scheme zone or precinct with a preferred minimum lot size of 4000m2 or greater.	2,5 and 6
L16A	Large Residential 2 – Non Owner Occupied	Lands, Non Owner Occupied, used or intended for use for residential purposes, with a rateable valuation more than \$225,000 and less than \$500,001:- 1. Having an area of 4000m2 or greater; or 2. Having an area of less than 4000m2 but located within a Council planning scheme zone or precinct with a preferred minimum lot size of 4000m2 or greater.	2,5 and 6
L17A	Large Residential 3 – Non Owner Occupied	Lands, Non Owner Occupied, used or intended for use for residential purposes, with a rateable valuation more than \$500,000 and less than \$1,000,001:- 1. Having an area of 4000m2 or greater; or 2. Having an area of less than 4000m2 within a Council planning scheme zone or precinct with a preferred minimum lot size of 4000m2 or greater.	2,5 and 6
L18A	Large Residential 4 – Non Owner Occupied	Lands, Non Owner Occupied, used or intended for use is for residential purposes, with a rateable valuation more than \$1,000,000 and less than \$10,000,001:- 1. Having an area of 4000m2 or greater; or 2. Having an area of less than 4000m2 but located within a Council planning scheme zone or precinct with a preferred minimum lot size of 4000m2 or greater.	2,5 and 6
L19A	Large Residential 5 – Non Owner Occupied	Lands, Non Owner Occupied, used or intended for use for residential purposes, with a rateable valuation more than \$10,000,000:- 1. Having an area 4000m2 or greater; or 2. Having an area of less than 4000m2 but located within a Council planning scheme zone or precinct with a preferred minimum lot size of 4000m2.	2,5 and 6
L21	Flats and Strata (residential) – Owner Occupied	Lands that are part of a community title scheme or a parcel of land for two or more self-contained dwellings (including flats, & secondary dwellings), and the dominant use or intended use is residential purposes, and dwelling/s is/are Owner Occupied. (excl. lands in any other category)	3, 8 or 9
L21A	Flats and Strata (residential) – Non Owner Occupied	Lands that are part of a community title scheme or a parcel of land for two or more self-contained dwellings (including flats, & secondary dwellings), and the dominant use or intended use is residential purposes, and dwelling/s is/are not Owner Occupied.	3, 8 or 9
L22	Strata (commercial/ industrial)	Lands that are part of a community title scheme, and the dominant use or intended use is commercial or industrial purposes.	8 or 9

L23	Strata >500sqm – Owner Occupied / Vacant Land	All land in a Community Title Scheme where the dominant use or intended use is for residential purposes, Owner Occupied or Vacant Land, and the individual lot size is not less than 500sqm.	8 or 9
L23A	Strata >500sqm - Non Owner Occupied	All land in a Community Title Scheme where the dominant use or intended use is for residential purposes, not Owner Occupied, and the individual lot size is not less than 500sqm.	8 or 9
L24	Vacant land >\$600,000	Vacant land where the valuation is greater than \$600,000.	1, 4 and 72
L26	Special uses	Lands on the mainland where the dominant use is non-commercial in nature and the land is used or intended to be used for social and community welfare, defence or education purposes.	21, 50 – 59, 92, and 96 – 100
L27	Other	All lands not included elsewhere. Including but not limited to Transformers, Stratum, and Reservoirs, Dams and Bores.	90, 91 and 95 or not elsewhere categorised.

Objections to Rate Category Classification

A landowner may object:

- a) only to the categorisation of the land; and
- b) on the sole ground that, having regard to the description decided by Livingstone Shire Council by which rateable land is categorised, the land should have been included, as at the date of issue of the relevant rate notice, in another rating category.

The objection must be made by giving notice of the objection to the Chief Executive Officer, Council's nominated Rating Decision Maker.

The official objection form is available at Council's Customer Service Centres or alternatively can be downloaded from Council's website: www.livingstone.qld.gov.au.

The notice of the objection must:

- 1) be given on the approved form within 30 days after the date of issue of the rate notice or any further period allowed by Livingstone Shire Council;
- 2) be addressed to The Chief Executive Officer, Livingstone Shire Council, PO Box 2292, Yeppoon QLD 4703;
- 3) nominate the rating category in which the owner claims the land should have been included; and
- 4) specify the facts and circumstances on which the claim is based.

On receipt of an objection the Chief Executive Officer or delegated officer will, within 60 days after the end of the period within which the objection had to be made:

- 1) consider the categorisation of the land;
- 2) consider the facts and circumstances on which the claim is based;
- 3) decide to:
 - allow the objection; or
 - disallow the objection; or
- 4) decide that the land should be included in another rating category; and
- 5) give written notice of the decision to the owner, stating the reasons for the decision.

If the owner is not satisfied with the decision an appeal may be started by filing a notice of appeal in the Land Court registry within 35 days after the owner received notice of the decision or failure, in a form approved by the Land Court.

Note that:

- the sole ground on which an owner may object is that Council has miscategorised the land with respect to the criteria for the category in which the land has been included as at the date of issue of the relevant rate notice;
- giving a notice of objection will not, in the meantime, affect the levy and recovery of rates (the rates as issued must be paid by the due date); and
- if an owner's land is included in another rating category because of the objection, an adjustment of rates will be made.

For the financial period from 1 July 2018 to 30 June 2019 the Differential General Rates and minimum general rates will be levied on the Differential General Rate categories as follows:

General Rating Categories

Category No.	Category	General Rate (cents in the Dollar of Rateable Value)	Minimum General Rate (\$)
L1	Mainland Commercial/Light Industry ≤\$400,000	1.8075	1,280
L1A	Mainland Commercial/Light Industry >\$400,000	1.9578	1,317
L2	Retail Warehouse, Business/Shopping Complex, or Outdoor Sales	2.0929	4,000
L2A	Major Shopping Centres with a floor area 0 – 10,000 sqm	2.4591	27,810
L2B	Major Shopping Centres with a floor area 10,001 – 50,000 sqm	3.1536	213,530
L3	Heavy and Noxious Industry	2.5187	2,948
L4	Island Commercial / Industrial	1.5114	2,000
L5	Extractive	6.7175	3,715
L6	Other Rural	1.2296	1,361
L6A	Beef Cattle Production 1	1.2160	1,361
L6B	Beef Cattle Production 2	1.1133	14,546
L8	Major Tourism/Accommodation Facilities	2.7832	147,289
L9	Residential 1 – Owner Occupied/Vacant Land	1.0700	669
L9A	Residential 1 - Non Owner Occupied	1.0918	682
L10	Residential 2 – Owner Occupied/Vacant Land	1.0165	1,338
L10A	Residential 2 - Non Owner Occupied	1.0373	1,365
L11	Residential 3 – Owner Occupied/Vacant Land	0.9639	2,295
L11A	Residential 3 - Non Owner Occupied	0.9823	2,341
L12	Residential 4 – Owner Occupied/Vacant Land	0.8582	4,816
L12A	Residential 4 - Non Owner Occupied	0.8757	4,914

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L13	Residential 5 – Owner Occupied	0.8025	6,442
L13A	Residential 5 - Non Owner Occupied	0.8189	6,573
L14	Residential 6 – Owner Occupied	0.7501	8,026
L14A	Residential 6 - Non Owner Occupied	0.7654	8,190
L15	Large Residential 1 – Owner Occupied/Vacant Land	1.1368	731
L15A	Large Residential 1 - Non Owner Occupied	1.1760	756
L16	Large Residential 2 – Owner Occupied/Vacant Land	1.0833	2,558
L16A	Large Residential 2 - Non Owner Occupied	1.1207	2,646
L17	Large Residential 3 – Owner Occupied/Vacant Land	0.9783	5,420
L17A	Large Residential 3 - Non Owner Occupied	1.0120	5,607
L18	Large Residential 4 – Owner Occupied	0.7856	9,785
L18A	Large Residential 4 - Non Owner Occupied	0.8127	10,122
L19	Large Residential 5 – Owner Occupied	0.5499	78,561
L19A	Large Residential 5 - Non Owner Occupied	0.5688	81,270
L21	Flats and Strata (residential) – Owner Occupied	1.2139	741
L21A	Flat and Strata (residential) - Non Owner Occupied	1.2387	756
L22	Strata (commercial/industrial)	2.1081	1,280
L23	Strata >500sqm – Owner Occupied	2.6834	1,348
L23A	Strata >500sqm - Non Owner Occupied	2.7382	1,375
L24	Vacant land >\$600,000	2.3854	1,317
L26	Special uses	1.5571	2,181
L27	Other	1.9700	1,317

Minimum General Rates will not apply to land to which Sections 49-51 of the *Land Valuation Act 2010* applies.

9. Limitation on Rate Increase (Chapter 4, Part 9, Division 3 *Local Government Regulation 2012*)

Council has determined that it is not appropriate to apply limits to increases applicable to any of the Differential Categories identified in this Revenue Statement and will not be making a resolution to limit the increases in rates and charges for the current period.

10. Special Rates/Charges (s 94 *Local Government Act 2009*)

The charges are calculated on the estimated cost to Council of providing the services, Council will make and levy upon identified land pursuant to section 94 of the *Local Government Act 2009*, special charges to defray the expense it incurs in providing identified services or facilities, or engaging in identified activities because, the land or its occupiers has especially benefited, or will especially benefit from, or will have special access to the identified services, facilities or activities, or the occupier of the land or the use made or to be made of the land especially contributes to the need for the services, facility or activity. Revenue raised from these rates will only be used to fund the implementation program for the specific services, facilities or activities. Discount in accordance with section 130 of the *Local Government Regulation 2012* will not apply to these charges.

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Rural Fire Services Levy

Pursuant to section 128A of the *Fire and Emergency Service Act 1990* and section 94 of the *Local Government Act 2009*, Council make and levy special charge for the purpose of raising revenue for each Rural Fire Brigade as set out in the table below:

Keppel Group

Rural Fire Brigade	Levy 2018-19	Rural Fire Brigade	Levy 2018-19
Adelaide Park Road	\$40	Kunwarara	-
Barmoya	-	Marlborough	\$30
Belmont	\$80	Maryvale	\$40
Bondoola	\$45	Mt Gardiner	-
Bungundarra	\$70	Nankin	\$80
Byfield	\$25	Nerimbera	\$20
Canal Creek	-	Ogmore	-
Canoona	-	Rossmoya	-
Cawarral	\$50	Stanage Bay	\$25
Cooberrie	\$25	Stockyard Point	\$50
Coowonga	\$100	Tanby	\$50
Great Keppel Island	-	The Caves	\$100
Hidden Valley	\$60	Wattlebank	-
Jardine	\$30	Woodbury	\$60
Keppel Sands	\$50		

The rateable land to which the special charge will apply is land within the areas separately described on a map titled:

Keppel Group

'Rural Fire Brigade – Adelaide Park'	'Rural Fire Brigade – Kunwarara'
'Rural Fire Brigade – Barmoya'	'Rural Fire Brigade – Marlborough'
'Rural Fire Brigade – Belmont'	'Rural Fire Brigade – Maryvale'
'Rural Fire Brigade – Bondoola'	'Rural Fire Brigade – Mount Gardiner'
'Rural Fire Brigade – Bungundarra'	'Rural Fire Brigade – Nankin'
'Rural Fire Brigade – Byfield'	'Rural Fire Brigade – Nerimbera'
'Rural Fire Brigade – Canoona'	'Rural Fire Brigade – Ogmore'
'Rural Fire Brigade – Canal Creek'	'Rural Fire Brigade – Rossmoya'
'Rural Fire Brigade – Cawarral'	'Rural Fire Brigade – Stanage Bay'
'Rural Fire Brigade – Cooberrie'	'Rural Fire Brigade – Stockyard Point'
'Rural Fire Brigade – Coowonga'	'Rural Fire Brigade – Tanby'
'Rural Fire Brigade – Great Keppel Island'	'Rural Fire Brigade – The Caves'
'Rural Fire Brigade – Hidden Valley'	'Rural Fire Brigade – Wattlebank'
'Rural Fire Brigade – Jardine'	'Rural Fire Brigade – Woodbury'
'Rural Fire Brigade – Keppel Sands'	

Rural Fire Brigade Maps are available upon request from the Rural Fire Service, Queensland Fire and Emergency Services, Rockhampton Area Office.

The overall plan for each special charge is to fund the provision of fire prevention and firefighting services, facilities and activities by the rural fire brigades identified in the special charge table in the defined benefit areas.

The time for implementing the overall plan is twelve (12) months ending 30 June 2019. However, provision of rural firefighting services is an ongoing activity, and further special charges are expected to be made in future years.

The works and services specified in the overall plan will be carried out or provided during the financial year ending on 30 June 2019.

The estimated cost of implementing the overall plan (being the cost of planned works and replacement of capital items for the period) is \$235,285.

The special charge is intended to raise all funds necessary to carry out the overall plan.

The occupier/owner of the land to be levied with the special charge has specifically benefited, or will specifically benefit, from the implementation of the overall plan, comprising firefighting services, because the rural fire brigades are charged with firefighting and fire prevention under *the Fire and Emergency Services Act 1990* and whose services could not be provided or maintained without the imposition of the special charge.

North West Emu Park Sewerage Benefited Area – Special Charge

Pursuant to section 94 of the *Local Government Act 2009*, Council will make and levy a special charge for the provision of reticulated sewerage to North West Emu Park.

The rateable land to which the charge applies is every parcel of rateable land within the areas separately described on a map titled 'North West Emu Park Sewerage Benefited Area' (see Attachment 1).

The service, facility or activity for which the special charge is made is the construction and commissioning of sewerage infrastructure necessary for providing reticulated sewerage to North West Emu Park. The construction was completed during the Financial Year 2009-10, and there are no further works to be undertaken.

The cost of implementing the overall plan is \$2,377,000 (being the cost of infrastructure constructed).

The charge is to reimburse Council \$1,244,208 of the funds expended on the project. Council funded the cost of construction of the sewerage reticulation infrastructure from its own revenue sources.

The annual implementation plan in 2018-19 comprises reimbursement to Council of part of the cost that it has incurred to construct the North West Emu Park Sewerage Scheme.

The funds have been raised per parcel to date:

2009-10	\$481.00
2010-11	\$478.00
2011-12	\$478.00
2012-13	\$478.00
2013-14	\$478.00
2014-15	\$478.00
2015-16	\$478.00
2016-17	\$478.00
2017-18	\$478.00

With the implementation of the North West Emu Park Sewerage Project, the Council has designated the area covered by the Project as a benefited area to enable the charging of a Special Charge to partially fund the costs of the reticulation system of the Project. Other funding will include contributions by developers of land within the benefited area.

The occupier of the land to be levied with the special charge has specially benefited, or will specially benefit, from the implementation of the overall plan, because they will enjoy access to an efficient convenient and healthy system for the removal and treatment of sewerage, which access to which would not have occurred if Council had not undertaken the project of constructing the sewerage reticulation infrastructure.

The charge shall apply per parcel for the duration of twenty (20) years commencing 1 July 2009. The charge being \$481 per parcel for the first year commencing 1 July 2009. The annual charge of \$478 per parcel will then apply for the remaining nineteen (19) years commencing 1 July 2010.

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Council will, pursuant to section 121(a) of the *Local Government Regulation 2012*, grant a remission of the North West Emu Park Sewerage Benefited Area – Special Charge on those assessments where the sum of \$3,264.03 is paid to Council by 30 August 2018 (which amount represents the 2018-19 per assessment cost to Council (excluding developer contributions and funding from other sources) of constructing and commissioning of the relevant sewerage infrastructure), on the grounds that to require those ratepayers that elect to make this lump sum payment, to also pay the special charge constitutes hardship.

Where the property is currently vacant land and there is a building application lodged or there is an application lodged to reconfigure the lot, the total amount outstanding would be required to be paid at the time of lodging the application.

All parcels within the 'North West Emu Park Sewerage Benefited Area' are now included within the Capricorn Coast Sewerage Service Area, and will incur, in addition to the above special charge, the Capricorn Coast Sewerage Scheme Charge.

Causeway Township Sewerage Benefited Area – Special Charge

Pursuant to section 94 of the *Local Government Act 2009*, Council will make and levy a special charge for the provision of reticulated sewerage to Causeway Township.

The rateable land to which the charge applies is every parcel of rateable land within the areas separately described on a map titled 'Causeway Township Sewerage Benefited Area' (see Attachment 2).

The service, facility or activity for which the special charge is made is the construction and commissioning of sewerage infrastructure necessary for providing reticulated sewerage to Causeway Township. The works was completed during the financial year 2009-10, and there is no further works to be undertaken.

The cost of implementing the overall plan is \$850,000 (being the cost of infrastructure constructed).

The charge is expected to reimburse Council \$386,400 of the funds expended on the project. Council funded the cost of construction of the sewerage reticulation infrastructure from its own revenue sources.

The annual implementation plan in 2018-19 comprises reimbursement to Council of part of the cost that it has incurred to construct the Causeway Township Sewerage Scheme.

The funds have been raised per parcel to date:

2009-10	\$235.50
2010-11	\$468.00
2011-12	\$468.00
2012-13	\$468.00
2013-14	\$468.00
2014-15	\$468.00
2015-16	\$468.00
2016-17	\$468.00
2017-18	\$468.00

With the implementation of the Causeway Township Sewerage Project, the Council has designated the area covered by the Project as a benefited area to enable the charging of a Special Charge to partially fund the costs of the reticulation system of the Project. Other funding will include contributions by developers of land within the benefited area.

The occupier of the land to be levied with the special charge has specially benefited, or will specially benefit, from the implementation of the overall plan, because they will enjoy access to an efficient convenient and healthy system for the removal and treatment of sewerage, which access to which would not have occurred if Council had not undertaken the project of constructing the sewerage reticulation infrastructure.

The charge shall apply per parcel for the duration of twenty (20) years commencing 1 July 2009. The charge being \$235.50 per parcel for the first year commencing 1 July 2009. The

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annual charge of \$468 per parcel will then apply for the remaining nineteen (19) years commencing 1 July 2010.

Council will, pursuant to section 121(a) of the *Local Government Regulation 2012*, grant a remission of the Causeway Township Sewerage Benefited Area – Special Charge on those assessments where the sum of \$3,492.86 is paid to Council by 30 August 2018 (which amount represents the 2018-19 per assessment cost to Council (excluding developer contributions and funding from other sources) of constructing and commissioning of the relevant sewerage infrastructure), on the grounds that to require those ratepayers that elect to make this lump sum payment, to also pay the special charge constitutes hardship.

Where the property is currently vacant land and there is a building application lodged or there is an application lodged to reconfigure the lot, the total amount outstanding would be required to be paid at the time of lodging the application.

All parcels within the 'Causeway Township Sewerage Benefited Area' are now included within the Capricorn Coast Sewerage Service Area, and will incur, in addition to the above special charge, the Capricorn Coast Sewerage Scheme Rate Charge.

Mulambin Sewerage Benefited Area – Special Charge

Pursuant to section 94 of the *Local Government Act 2009*, Council make and levy a special charge for the provision of reticulated sewerage to the identified part of Mulambin.

The rateable land to which the charge applies is every parcel of rateable land within the areas separately described on a map titled 'Mulambin Sewerage Benefited Area' (see Attachment 3).

The service, facility or activity for which the special charge is made is the construction and commissioning of trunk sewerage infrastructure necessary for providing reticulated sewerage to the Mulambin Sewerage Benefited Area. The works were completed during the financial year 2006-07, and there is no further works to be undertaken.

The cost of implementing the overall plan is approximately \$1,100,000 (being the cost of infrastructure constructed to the connection at Lammermoor). Contribution identified below is also apportioned towards the trunk infrastructure from Lammermoor back to the Yeppoon Sewerage Treatment Plant.

The charge is expected to reimburse Council \$145,314 of the funds expended on the project. Council funded the cost of construction of the sewerage reticulation infrastructure from its own revenue sources.

The annual implementation plan in 2018-19 comprises reimbursement to Council of part of the cost that it has incurred to construct the Mulambin Sewerage Scheme.

The funds have been raised per parcel to date:

2014-15	\$722.00
2015-16	\$722.00
2016-17	\$722.00
2017-18	\$722.00

With the implementation of the Mulambin Sewerage Project, the Council has designated the area covered by the Project as a benefited area to enable the charging of a Special Charge to partially fund the costs of the reticulation system of the Project. Other funding will include contributions by developers of land within the benefited area.

The occupier of the land to be levied with the special charge has specially benefited, or will specially benefit, from the implementation of the overall plan, because they will enjoy access to an efficient convenient and healthy system for the removal and treatment of sewerage, access to which would not have occurred if Council had not undertaken the project of constructing the sewerage reticulation infrastructure.

The charge shall be \$722 per annum for the balance of the ten (10) years per parcel commencing 1 July 2014.

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Council will, pursuant to section 121(a) of the *Local Government Regulation 2012*, grant a remission of the Mulambin Sewerage Benefited Area – Special Charge on those assessments where the sum of \$3,640.29 is paid to Council by 30 August 2018 (which amount represents the 2018-19 per assessment cost to Council (excluding developer contributions and funding from other sources) of constructing and commissioning of the relevant sewerage infrastructure), on the grounds that to require those ratepayers that elect to make this lump sum payment, to also pay the special charge constitutes hardship.

Where the property is currently vacant land and there is a building application lodged or there is an application lodged to reconfigure the lot, the total amount outstanding would be required to be paid at the time of lodging the application.

All parcels within the 'Mulambin Sewerage Benefited Area' are now included within the Capricorn Coast Sewerage Service Area, and will incur, in addition to the above special charge, the Capricorn Coast Sewerage Scheme Rate Charge.

Muskers Beach Revetment Wall – Special Charge

Pursuant to section 94 of the *Local Government Act 2009*, Council make and levy a special charge for the provision of a Revetment Wall to protect the identified properties adjoining Muskens Beach; 22 Kennedy Street through to 48 Reef Street in Zilzie.

The rateable land to which the charge applies is every parcel of rateable land within the area separately described on a map titled 'Muskens Beach Revetment Wall Benefited Area' (see Attachment 4).

The service, facility or activity for which the special charge is made is the design and construction of a stacked sand filled geotextile container revetment wall necessary to provide protection against erosion of the properties by wave action. The works were completed during the financial year 2015-16, and there is no further work to be undertaken.

The cost of implementing the overall plan is approximately \$1,543,252 (being the cost of investigation, design and construction of the revetment wall).

The charge is expected to reimburse Council \$1,360,450 of the funds expended on the project. Council funded the cost of construction of the Muskens Beach revetment wall from its own revenue sources.

The annual implementation plan in 2018-19 comprises reimbursement to Council of part of the cost that it has incurred to construct the Muskens Beach revetment wall.

With the implementation of the Muskens Beach revetment wall, the Council has designated the area covered by the Project as a benefited area to enable the charging of a Special Charge to partially fund the costs of the construction costs of the Project.

The occupier of the land to be levied with the special charge has specially benefited, or will specially benefit, from the implementation of the overall plan, because the revetment wall construction to be funded by the special charge will provide an increased level of protection from adverse coastal processes such as storm surge and wave action. Protection which would not have occurred if Council had not undertaken the project of constructing the revetment wall infrastructure.

The charge shall vary from property to property in accordance with the length of property frontage adjacent to the wall. The annual charge per property will be applied for the balance of the fifteen (15) years per parcel from 1 July 2016 on the basis of \$192.56 per l/m of property frontage.

Council will, pursuant to section 121(a) of the *Local Government Regulation 2012*, grant a remission of the Muskens Beach Revetment Wall – Special Charge on those assessments that elect to make a lump sum payment (value available upon request on a per property basis) prior to the 30 August 2018 (the lump sum value is representative of the 2018-19 per assessment cost to Council), on the grounds that to require those ratepayers that elect to make this lump sum payment, to also pay the special charge constitutes hardship.

The combined charges for the entire Muskery Beach revetment wall benefited area shall equate to a total of \$95,305 for the financial year commencing 1 July 2018.

11. Separate Charges (s 94 *Local Government Act 2009*, Chapter 4, Part 8 *Local Government Regulation 2012*)

Council will make and levy pursuant to section 94 of the *Local Government Act 2009* separate charges to defray the expense it incurs in providing identified services or facilities or engaging in identified activities for the benefit of its local governed area. The charges are calculated on the basis of the estimated cost to Council of providing these services. Revenue raised from these charges will only be used to fund either all or part of the costs associated with the activities.

Council considers that the benefit of each service, facility or activity is shared equally by all parcels of rateable land, regardless of their value.

Road Network Separate Charge

Council will make and levy a separate charge to defray part of the cost of maintaining the road network within the region. Council will make and levy the charge equally on all rateable land within the Livingstone Shire Council area.

The amount of the Road Network Separate Charge will be \$548 per annum per rateable assessment throughout the region.

Discount in accordance with section 130 of the *Local Government Regulation 2012* will not apply to this charge.

Natural Environment Separate Charge

Council will make and levy a separate charge to defray part of the cost of formulating and implementing initiatives for environmental protection, enhancement and conservation, including various waste management initiatives that contribute to these outcomes.

Council will make and levy the charge equally on all rateable land within the Livingstone Shire Council area.

The amount of the Natural Environment Separate Charge will be \$65 per annum per rateable assessment throughout the region.

Discount in accordance with section 130 of the *Local Government Regulation 2012* will not apply to this charge.

Disaster Response Separate Charge

The total cost of natural disasters in Queensland is increasing at a significant rate, with this rise in cost, Local Government has a responsibility to ensure measures to mitigate, prepare, respond, recover and build community resilience are implemented. The State Governments 'Queensland Strategy for Disaster Resilience 2017' states Local Government has the responsibility for building community understanding and capability to manage risk and enhance community resilience.

Council will make and levy a separate charge that will assist in the support of the State Emergency Services including the ongoing cost of maintenance of facilities and emergency equipment so vital for our volunteers to assist the community. Secondly, provide mitigation strategies based on hazards and risks from disasters in the Livingstone Shire area as well as provide funding to recover from disaster events that impact our shire.

Council will make and levy the charge equally on all rateable land within the Livingstone Shire Council area.

The amount of the Disaster Response Separate Charge will be \$20 per annum per rateable assessment throughout the region.

Discount in accordance with section 130 of the *Local Government Regulation 2012* will not apply to this charge.

12. Utility and Service Charges (s 94 *Local Government Act 2009*)

Council will make and levy utility service charges, pursuant to section 94 of the *Local Government Act 2009*, for the financial year beginning 1 July 2018 on the basis of an equitable distribution of the burden on those who utilise, or stand to benefit from, the provision of the utility services.

Water

Water charges will be set to recover all of the costs associated with the provision of water services by Council in the financial year. These costs include loan interest, depreciation, the cost of ongoing maintenance and operation of the system including treatment plant operations and the provision of infrastructure. As the water and waste water functions are a Type 3 activity under the National Competition Policy requirements, the charges are also made to recover tax equivalents, return on investment and other competitive neutrality adjustments.

Subject to any express provision to the contrary Council will charge all land connected to its water supply or capable of connection to the supply, a two-part tariff for the period 1 July 2018 to 30 June 2019, comprised of:

- a graduated single tier access charge for land connected to Council's water supply, or capable of connection to the supply; and
- a multi-tiered consumption charge for residential users and a single tier charge for non-residential users.

The following additional policy is adopted in relation to access charges:

- a) The access charge for an individual residential community title lot will be the sum payable for a 20mm water meter connection, regardless of the true size of the connection to the lot itself or to the development of which it forms part;
- b) The access charge for premises that contain residential flats or more than one self-contained residential occupancies will be the sum payable for a 20mm water meter connection multiplied by the number of flats or individual self-contained residential occupancies upon the premises, regardless of the connection of a meter or the true size of the connection to the premises. This includes secondary dwellings which may or may not have an individual meter for each self-contained dwelling;
- c) To prevent doubt, a management lot in a staged residential community titles scheme is not a residential community title lot;
- d) The access charge for an individual commercial community title lot will be:
 - (i) if the size of the water meter at the boundary of the scheme land (i.e. the meter to which the property services to individual scheme lots connect) is not greater than 50mm, then the access charge per lot shall be the sum payable for a 20mm water meter connection; and
 - (ii) if the size of the water meter at the boundary of the scheme land is greater than 50mm, the standard non-residential access charges according to the meter size will apply.
- e) Combined Fire and General (Non-Firefighting) Connections - subject to an assessment by a suitably qualified hydraulic designer and evidence of such being presented to Council, the access charge for a combined fire and general connection may be reduced to the equivalent charge for the general component of the connection. For example, the general component of a warehouse with a 100mm combined fire and general connection may be that of a 20mm connection. In this instance, Council could approve an access charge based on a 20mm connection.

The following additional policy is adopted in relation to consumption charges:

- a) Where water is supplied to premises that comprise a residential flats development, the consumption volume allowed in each tier will be multiplied by the number of flats, or self contained dwellings upon the premises;

- b) Where water is supplied to premises that comprise a community titles scheme, and;
- (i) the supply to each individual lot in the scheme is not separately metered from the supply to each other lot and from the supply to the common property; or
 - (ii) the supply to each individual lot in the scheme is separately metered from the supply to each other lot but the supply to common property is not separately metered from the supplies to the lots;
- Council will levy the consumption charges for the water supplied to the premises (the scheme) in a manner permitted by section 196 of the *Body Corporate and Community Management Act 1997*, namely;
- (i) Council will levy each lot-owner for a share of the supplied volume recorded by the water meter at the boundary of the scheme land, and that share will be equivalent to the ratio of the contribution schedule lot entitlement of the owner's lot to the aggregate of contribution schedule lot entitlements recorded in the community management statement for the community titles scheme; or
 - (ii) For a community titles scheme in which there is only a single schedule of lot entitlements rather than a contributions schedule and an interest schedule (i.e. a scheme that continues to be governed by the *Building Units and Group Titles Act 1980* rather than by the *Body Corporate and Community Management Act 1997*), Council will levy each lot-owner for a share of the supplied volume recorded by the water meter at the boundary of the scheme land, and that share will be equivalent to the ratio of the lot entitlement of the owner's lot to the aggregate of lot entitlements recorded in the building units plan or the group title plan of which the lot is part; or
 - (iii) Alternatively to levying the consumption charges on the basis of lot entitlement, Council may exercise its discretion to enter with the body corporate for a community titles scheme to which the *Body Corporate and Community Management Act 1997* applies an arrangement under which the body corporate accepts liability for the full consumption charge payable upon the supplied volume recorded on the water meter at the boundary of the scheme land, in which case Council will levy the body corporate for the full amount of the consumption charge and will make no separate levies against lots in the scheme.
- c) Where water is supplied to the common property of a community titles scheme, and that supply is metered separately from the water supplied to the individual lots in the scheme, Council will levy upon the body corporate the consumption charge for that water;
- d) Where more than one dwelling house is situated upon a single parcel of land (that is to say, the land the subject of a single valuation), Council will charge a separate two-part tariff for each dwelling house as if each were located upon a different, individually-valued parcel;
- e) Where a dwelling house is situated partly upon one parcel of land and partly upon another, Council will charge a single two-part tariff for supply to the building, and will levy the tariff against the parcel upon which the dominant portion of the house is situated. The dominant portion will be the portion of the house that has the greater floor area;
- f) The following provisions apply to premises serviced by a designated fire service:
- (i) Council will charge a separate two-part tariff for the service, in addition to the tariff/s it charges for any other water service connection/s to the land;
 - (ii) The access charge for the service will be determined upon the basis that the service connects to a 20mm water meter;
 - (iii) Standard consumption charges will apply unless Council resolves to discount the charge pursuant to this resolution;
 - (iv) The consumption charge will be, for a quarter for which the Queensland Fire and Rescue Service reports or verifies, or Council otherwise verifies, use of the service to fight a fire, either the standard consumption charge or that sum discounted by a percentage Council determines as appropriate;
 - (v) If the Queensland Fire and Rescue Service reports or verifies, or Council otherwise verifies, that the service was used during a quarter to fight a fire, and Council

- determines after the end of that quarter that a discounted consumption charge was appropriate for the quarter, Council may credit against the next quarterly consumption charge the difference between the charge paid and the discounted charge determined as appropriate; and
- (vi) To prevent doubt, Council may determine that a 100% discount is or was appropriate.
 - g) For non-licensed premises (ie premises for which there exists no liquor license) occupied or used by approved sporting bodies, or approved non-profit charitable organisations, Council will provide a remission in accordance with its remissions policy for access to Council's water supply, and water consumed from that supply will be charged at residential rates;
 - h) Council will apply section 102 of the *Local Government Regulation 2012* to calculating water consumption charges against land or premises for which consumption charges were made and levied, so that:
 - (i) Regardless of whether the meter reading for the fourth quarter of the 2017-18 financial year occurs before the end of that calendar year or after the beginning of the 2018-19 financial year, the consumption charge for that quarter is calculated in accordance with the relevant basis of charge for the 2017-18 financial year; and
 - (ii) Regardless of whether the meter reading for the fourth quarter of the 2018-19 financial year occurs before the end of that financial year or after the beginning of the 2019-20 financial year, the consumption charge for that quarter is calculated in accordance with the relevant basis of consumption charge for the 2018-19 financial year.
 - i) Council will apply section 102 of the *Local Government Regulation 2012* to the reading of water meters so that if a meter is due to be read on a particular day (e.g. the last day of a quarter) to enable Council to calculate a consumption charge to be levied, the meter will be deemed read on that particular day if it is read within 2 weeks before the day or 2 weeks after the day;
 - j) The commencing water meter reading for a quarterly consumption charge cycle (i.e. a quarter plus or minus 2 weeks at the beginning and the end of the quarter) is the reading last recorded in a quarterly charge cycle, or, in the case of a new meter connection, the reading recorded on the day of connection;
 - k) The minimum value of a debt required to raise a charge will be \$5.00. If the total charge on an Assessment is less than this amount, then the charges will not be raised and consequently a bill will not be issued. This charge is not raised at all and is effectively written off which will prevent the raising of small balances where the cost of administration, printing, postage and collection is greater than the revenue returned; and
 - l) For the purposes of making and levying water charges the following definitions apply:
 - (i) An approved sporting body is an association of persons, incorporated or not, and whether an individual association or a member of a class of association, that Council accepts or approves by resolution as a body that benefits the community by organising and conducting a sporting activity or sporting activities and whose constitution prevents the distribution of its income and assets to its members;
 - (ii) An approved charitable organisation is an organisation incorporated or not, that Council accepts or approves by resolution as a charitable organisation, and whose constitution prevents the distribution of its income and assets to its members;
 - (iii) A community title lot is a lot in a community titles scheme;
 - (iv) A community titles scheme is a community titles scheme created under the *Body Corporate and Community Management Act 1997*, or is a development similar to such a scheme but that continues to be governed by the *Building Units and Group Titles Act 1980* rather than by the *Body Corporate and Community Management Act 1997* (e.g. a development created under the *Integrated Resort Development Act 1987*);
 - (v) A contribution schedule lot entitlement is an entitlement by that name, recorded in the community management statement (or analogous instrument) for a community titles scheme;

- (vi) A designated fire service is a water supply service to premises, specifically dedicated for use in fighting fires; and
- (vii) A flat is a self-contained residential unit or module that is not a community title lot; but (to prevent doubt) the expression does not include a bedroom in a boarding house.

Capricorn Coast Water Supply

For the financial period beginning 1 July 2018 a water supply charge will apply to all land in the Capricorn Coast Water Supply Area, either rateable or non-rateable, that is connected or capable of being connected whether occupied or not occupied, including residential and commercial users, and community title lots.

The access charge for all properties located within the boundaries, and approved properties outside the boundaries of the Capricorn Coast Water Supply Area, will be as detailed in the water access charges table below per meter or per lot as appropriate for the period 1 July 2018 to 30 June 2019 and will generally be levied on a half yearly basis.

Capricorn Coast Water Supply Scheme – Residential & Non-Residential Access Charges

Meter Size	Annual Charge
20mm	\$ 652
25mm	\$ 1,018
32mm	\$ 1,668
40mm	\$ 2,606
50mm	\$ 4,072
65mm	\$ 6,882
75mm	\$ 9,398
80mm	\$ 10,693
100mm	\$ 16,290
150mm	\$ 36,652
200mm	\$ 65,158
Vacant Land	\$ 652

The access charge for unoccupied land that is capable of connection to Council's water supply will be the sum payable for a 20mm residential water meter connection.

The consumption charge for all properties located within the boundaries and approved properties outside the boundaries of the Capricorn Coast Water Supply Area shall be charged an amount per kilolitre as detailed in the consumption charges table below. The water period for the consumption charge will be for a period from 1 July 2018 to 30 June 2019 and billing will generally be in arrears on a quarterly basis.

Capricorn Coast Water Supply Scheme – Non Residential Water Consumption Charges

Billing Tier	Kilolitres (kl) Per Meter	Charge per Kilolitre
Single Tier	All consumption	\$1.99/kl

Capricorn Coast Water Supply Scheme – Residential Water Consumption Charges

Billing Tier	Kilolitres (kl) Per Meter	Charge per Kilolitre
1 st Tier	up to 75kl per quarter	\$0.87/kl
2 nd Tier	76kl to 150kl per quarter	\$1.34/kl
3 rd Tier	all usage greater than 150kl per quarter	\$2.71/kl

The Caves and Marlborough Water Supply

A water supply charge will be levied for the financial period beginning 1 July 2018 upon all land within, and approved land outside, the Caves Water Supply Area and the Marlborough Water Supply Area to which water is supplied or capable of supply, whether rateable or non-rateable, occupied or not occupied.

The access charge for all properties located within the boundaries, and approved properties outside the boundaries of The Caves Water Supply Area and the Marlborough Water Supply Area, will be as detailed in the water access charges table below per meter or per lot as appropriate for the period 1 July 2018 to 30 June 2019 and will generally be levied on a half yearly basis.

The Caves & Marlborough Water Supply Scheme – Non Residential & Residential Access Charges

Meter Size	Annual Charge
20mm	\$ 450
25mm	\$ 703
32mm	\$ 1,151
40mm	\$ 1,799
50mm	\$ 2,811
65mm	\$ 4,750
75mm	\$ 6,324
80mm	\$ 7,195
100mm	\$ 10,721
150mm	\$ 25,296
200mm	\$ 44,970
Vacant Land	\$ 450

The access charge for unoccupied land that is capable of connection to Council's water supply, will be the sum payable for a 20mm residential water meter connection.

The consumption charge for all properties located within the boundaries and approved properties outside the boundaries of the Caves Water Supply Scheme Area shall be charged an amount per kilolitre as detailed in the consumption charges table below. The water period for the consumption charge will be for a period from 1 July 2018 to 30 June 2019 and billing will generally be in arrears on a quarterly basis.

The Caves & Marlborough Water Supply Scheme – Non Residential Water Consumption Charges

Billing Tier	Kilolitres (kl) Per Meter	Charge per Kilolitre
Single Tier	All consumption	\$1.99/kl

The Caves & Marlborough Water Supply Scheme – Residential Water Consumption Charges

Billing Tier	Kilolitres (kl) Per Meter	Charge per Kilolitre
1 st Tier	up to 75kl per quarter	\$0.87/kl
2 nd Tier	76kl to 150kl per quarter	\$1.34/kl
3 rd Tier	all usage greater than 150kl per quarter	\$2.71/kl

Nerimbera Water Supply

A water supply charge will be levied by Council for the financial period beginning 1 July 2018, on all land to which water is supplied or capable of supply whether rateable or non-rateable, whether occupied or not occupied in the Nerimbera Water Supply Area.

The access charge for all properties located within the boundaries, and approved properties outside the boundaries of the Nerimbera Water Supply Area, will be as detailed in the water access charges table below per meter or per lot as appropriate for the period 1 July 2018 to the 30 June 2019 and will generally be levied on a half yearly basis.

Nerimbera Water Supply Scheme – Non Residential & Residential Access Charges

Meter Size	Annual Charge
20mm	\$ 429
25mm	\$ 670
40mm	\$ 1,715
100mm	\$ 10,721
Vacant Land	\$ 429

The access charge for unoccupied land that is capable of connection to Council's water supply will be the sum payable for a 20mm residential water meter connection.

The consumption charge detailed in the consumption charges table below will apply for all water consumed in the water period (year). This charge will apply to all properties located within the boundaries and approved properties outside the boundaries of the Nerimbera Water Supply Area. The water period (year) for the consumption charge will be for a period from 1 July 2018 to 30 June 2019 and billing will generally be in arrears on a quarterly basis.

Nerimbera Water Supply Scheme – Non Residential Water Consumption Charges

Billing Tier	Kilolitres (kl) Per Meter	Charge per Kilolitre
Single Tier	All consumption	\$1.99/kl

Nerimbera Water Supply Scheme – Residential Water Consumption Charges

Billing Tier	Kilolitres (kl) Per Meter	Charge per Kilolitre
1 st Tier	up to 75kl per quarter	\$0.87/kl
2 nd Tier	76kl to 150kl per quarter	\$1.34/kl
3 rd Tier	all usage greater than 150kl per quarter	\$2.71/kl

Ogmore Water Supply

A water supply charge will be levied for the financial period beginning 1 July 2018 upon all land within, and approved land outside, the Ogmore Water Supply Area to which water is supplied, whether rateable or non-rateable, occupied or not occupied.

The access charge for all properties located within the boundaries, and approved properties outside the boundaries of the Ogmore Water Supply Area, will be as detailed in the water access charges table below per meter or per lot as appropriate for the period 1 July 2018 to 30 June 2019 and will generally be levied on a half yearly basis.

The Ogmore Water Supply Scheme – Non Residential & Residential Access Charges

Meter Size	Annual Charge
20mm	\$ 377.00
Vacant Land	\$ 377.00

The access charge for unoccupied land that is capable of connection to Council's water supply will be the sum payable for a 20mm residential water meter connection.

The consumption charge for all properties located within the boundaries and approved properties outside the boundaries of the Ogmore Water Supply Scheme Area shall be charged an amount per kilolitre as detailed in the consumption charges table below. The water period for the consumption charge will be for a period from 1 July 2018 to 30 June 2019 and billing will generally be in arrears on a quarterly basis.

The Ogmore Water Supply Scheme – Non Residential Water Consumption Charges

Billing Tier	Kilolitres (kl) Per Meter	Charge per Kilolitre
Single Tier	All consumption	\$1.99/kl

The Ogmore Water Supply Scheme – Residential Water Consumption Charges

Billing Tier	Kilolitres (kl) Per Meter	Charge per Kilolitre
1 st Tier	up to 75kl per quarter	\$0.87/kl
2 nd Tier	76kl to 150kl per quarter	\$1.34/kl
3 rd Tier	all usage greater than 150kl per quarter	\$2.71/kl

Sewerage

For the financial period beginning 1 July 2018 Council will make and levy a sewerage charge in respect of land within the Declared Sewerage Areas of Livingstone Shire to which the Council provides or is prepared to provide sewerage services, including areas to which such services are extended from time to time during the course of the financial year. Council will make and levy the charge whether the land is rateable or not and, whether the land is occupied or not.

The sewerage charge will be set to recover all of the costs associated with the provision of sewerage reticulation services provided by Council in the financial year. These costs include loan interest, depreciation and the cost of ongoing maintenance and operation of the system, including treatment plant operations.

For occupied land, whether rateable or not, charges for the twelve (12) months ended 30 June 2019 will be made and levied on the following basis:

- (i) Generally, a sewerage charge will be levied in respect of each water closet pedestal or urinal installed;
- (ii) However, for a single dwelling, residential unit, stables property or a property subject to a residential differential rate, only the first water closet pedestal will attract the normal sewerage pedestal charge;
 - The term single dwelling is to be given its ordinary meaning as a residential property used for ordinary domestic purposes and includes home office situations such as for example, where desk or computer work may be done, phone calls made or answered from within the premises for business purposes but where there are no more than 1 (one) non-resident employee on the premises and no significant external indicia to distinguish the premises from any other domestic residence; and
 - The term single dwelling does not include premises where a distinct externally visible business activity has been established.
- (iii) In the case of flats, the sewerage charge is calculated by multiplying the number of flats by the charge for the first water closet pedestal;
- (iv) In the case of Retirement Villages or Aged/Nursing Homes incorporating independent living accommodation, the sewerage charge will be levied on the first pedestal only in each independent living unit/cottage. Sewerage charges will be levied on a per pedestal/urinal basis for pedestals/urinals installed elsewhere at the Aged/Nursing Homes properties; and
- (v) For all other premises, the sewerage charge is calculated on the number of pedestals together with the number of urinals multiplied by the charge for the first water closet pedestal. For the purpose of this paragraph, each 1200mm of a continuous style urinal or part thereof will count as one urinal.

Where there is more than one dwelling house on a land parcel, charges shall apply as if each house were on a separate land parcel. Where there is more than one commercial or industrial building upon a land parcel, charges will apply as if each building were on a separate land parcel.

Where a building is used for more purposes than one, charges will be levied by reference to the dominant use of the building, determined by Council.

For properties within the Differential General Rating Category 6, 6(a) or 6(b) (Other Rural or Beef Production 1 or 2), the sewerage utility charge is levied on the same basis as residential properties, even though to be eligible the properties must be classified as commercial use properties.

For the purpose of these charges:

- a) A community titles lot is taken to be:
 - (i) a single dwelling if it is used wholly or predominantly as a place of residence; and
 - (ii) a non-dwelling property in any other case.
- b) A community title lot is a lot in a community titles scheme;
- c) A community titles scheme is a community titles scheme created under or by virtue of the *Body Corporate and Community Management Act 1997*, or is a development similar to such a scheme but that continues to be governed by the *Building Units and Group Titles Act 1980* rather than by the *Body Corporate and Community Management Act* (e.g. a development created under the *Integrated Resort Development Act 1987*); and
- d) A contribution schedule lot entitlement is an entitlement by that name, recorded in the community management statement (or analogous instrument) for a community titles scheme.

The sewerage charges will be those shown in the following tables:

Livingstone Shire Council Sewerage Scheme – Charges

Sewered Premises	Basis	Number of Charges
Private Dwelling/Residential Unit or Stables or property subject to rural differential rate.	Each Residence (regardless of number of pedestals)	1 Charge
Flats	Each Flat	1 Charge
Aged/Nursing Home	Each Unit/Cottage	1 Charge
Plus Aged/Nursing other fixtures	Each Pedestal/Urinal	1 Charge
Other Premises	Each Pedestal / 1200mm of Urinal or part thereof	1 Charge
Vacant Land	Each rateable property	1 Vacant Land Charge

For those properties in the Declared Sewerage Area, the annual charges as per the above schedule will be:

Declared Sewered Area	Amount of Charge	Amount of Vacant Land Charge
Capricorn Coast	\$ 796.00	\$ 756.00

Waste & Recycling

For the financial period beginning 1 July 2018, Council will make and levy the following utility charges:

Schedule of Waste Collection and Recycling Charges	
Service	Annual Charge
Domestic Services	
Combined Waste and Recycling Collection	\$491
Additional Collection – Waste	\$385
Additional Collection – Recycling	\$245
Ogmore - Waste Collection	\$243
Great Keppel Island - Combined Waste and Recycling Collection	\$600
Great Keppel Island - Additional Collection - Waste	\$440
Great Keppel Island - Additional Collection - Recycling	\$220
Commercial Services	
Waste Collection	\$402
Additional Collection – Waste	\$402
Recycling Collection	\$251
Additional Collection - Recycling	\$251
Ogmore - Waste Collection	\$243
Great Keppel Island - Combined Waste and Recycling Collection	\$600
Great Keppel Island - Additional Collection – Waste	\$440
Great Keppel Island - Additional Collection – Recycling	\$220

Services to be provided

- a) At its 6 February 2018 Meeting, Council adopted Designated Waste Collection Areas in which it may conduct collection services. At the same meeting, Council also adopted the following information for each Designated Waste Collection Area:
- (i) Types of general waste collection to be provided;
 - (ii) The standard general waste container (MGB) and the quantity to be provided per premises; and
 - (iii) The frequency of collection.

This information is located in the Waste Management Schedule which is appended to Council's Waste and Recycling Collection Policy.

- b) Collection services will be provided in accordance with the Waste Management Schedule.

Application of Waste Collection and Recycling Charges

- a) Waste Collection and Recycling Charges will only be applied to properties within the Designated Waste Collection Areas which have a structure that has the potential to generate general waste.
- b) If a property has one or more residential structures or units capable of separate occupation, the relevant Waste Collection and Recycling Charges (Domestic Services) will be levied for each structure or unit.

- c) Where a collection service is provided to a residence on a property within Category 6, 6(a) or 6(b) (Other Rural or Beef Production 1 or 2), the relevant Waste Collection and Recycling Charges (Domestic Services) will be levied.
- d) For newly constructed structures, the Combined Waste and Recycling Collection charge will be applied from the plumbing/building approval or delivery of the MGB, whichever occurs first.
- e) If a collection service is cancelled in accordance with 5.6 of Council's Waste and Recycling Collection Procedure, charges will not be levied.
- f) If there is more than one commercial operator on land capable of separate occupation, the owner will be charged the appropriate fee according to the quantity of collections provided.

Domestic Services Charges

<p>Combined Waste and Recycling Collection charge: provision of one waste MGB, one recycling MGB and a collection service in accordance with the Waste Management Schedule.</p>
<p>Additional Collection – Waste and Additional Collection – Recycling charges: provision of additional collection services in accordance with 5.3 of Council's Waste and Recycling Collection Procedure. NOTE: to be provided on the same day as existing collection service</p>
<p>Ogmore - Waste Collection charge: provision of one waste MGB and a collection service in accordance with the Waste Management Schedule.</p>
<p>Great Keppel Island - Combined Waste and Recycling Collection charge: provision of one waste MGB, one recycling MGB and a collection service in accordance with the Waste Management Schedule.</p>
<p>Great Keppel Island – Additional Collection – Waste and Great Keppel Island – Additional Collection – Recycling charges: provision of additional collection services in accordance with 5.3 of Council's Waste and Recycling Collection Procedure. NOTE: to be provided on the same day as existing collection service</p>

Commercial Services Charges

<p>Waste Collection charge: provision of one waste MGB and a collection service in accordance with the Waste Management Schedule.</p>
<p>Recycling Collection charge: provision of one recycling MGB and a collection service in accordance with the Waste Management Schedule.</p>
<p>Additional Collection – Waste and Additional Collection – Recycling charges: provision of additional collection services in accordance with 5.3 of Council's Waste and Recycling Collection Procedure.</p>

13. Cost Recovery Fees (s 97 Local Government Act 2009)

Section 97 states that Council may fix a cost recovery fee for any of the following:

- a) An application for, or the issue of, an approval, consent, license, permission, registration or other authority under a local government act;
- b) Recording a change of ownership of land;

- c) Giving information kept under a local government act;
- d) Seizing property or animals under a local government act; or
- e) Performing a function other than one mentioned in paragraphs (a) to (d), imposed upon Council under the *Building Act 1975* or the *Plumbing and Drainage Act 2002*.

The principles of Full Cost Pricing are applied in calculating all cost recovery fees of the Council where applicable, but the fees will not exceed the cost to Council of providing the service or taking the action for which each fee is charged.

Cost Recovery Fees are listed in Council's Register of Fees and Charges which was last adopted at Council's Meeting held on 5 June 2018.

14. Other Fees and Charges (s 262 Local Government Act 2009)

Council has the power to conduct business activities and make business activity fees for services and facilities it provides on this basis. Business activity fees are made where Council provides a service and the other party to the transaction can choose whether or not to avail itself of the service. Business activity fees are a class of charge, which are purely commercial in application and are subject to the Commonwealth's Goods and Services Tax.

Business activity fees include but are not confined to the following: rents, plant hire, private works and hire of facilities.

15. Time for Payment (s 118 Local Government Regulation 2012)

Rates and utility charges referred to in this Revenue Statement shall generally be levied half yearly (billing periods beginning July/August and January/February) with the exception of water consumption which will be levied at quarterly intervals on a rolling basis. Such rates and utility charges shall be payable by the due date detailed on the rate notice.

All rates and charges issued will be due and payable within 35 days of the issue of a notice to pay.

16 Interest (s 133 Local Government Regulation 2012)

In accordance with the *Local Government Regulation 2012*, overdue rates will bear interest at the rate of seven (7) percent per annum compounded monthly, to be calculated from the end of the financial half year in which they fall due and charged at the end of each month or at such other time as required for the issuing of statutory notices.

17. Discount (s 130 Local Government Regulation 2012)

Discount at the rate of ten (10) percent will be allowed on gross Council rates and charges, excluding any charge specifically excluded from discount entitlement, provided payment of the full amount outstanding, including any overdue rates and interest to the date of payment, less any discount entitlement, is paid by the due date on original notice of the levy.

Charges excluded from discount entitlement include:

- Rural Fire Levy
- Emergency Services Levy
- North West Emu Park Sewerage Benefited Area Special Charge
- Causeway Township Sewerage Benefited Area Special Charge
- Mulambin Sewerage Benefited Area Special Charge
- Muskers Beach Revetment Wall – Special Charge
- Water Consumption Charges
- Natural Environment Separate Charge
- Road Network Separate Charge
- Disaster Response Separate Charge

18. Rate Concessions (s 121 *Local Government Regulation 2012*)

Council approves concessions each year prior to its budget meeting, in the form of the Rate Rebates and Remissions Policy. This will be adopted with the 2018-19 Budget. The main areas of concessions are as follows:

Pensioner Subsidy

For pensioner ratepayers of their principal place of residence, Council will offer a subsidy (upon the same terms and conditions as the Queensland Government Pensioner Rate Subsidy Scheme, a remission 20% (to a maximum of \$280) on all rates levied in respect of the property the person owns and occupies, excluding special rates/charges, water consumption charges, and rural and state fire levies/charges.

For ratepayers of their principal place of residence, a person in receipt of a Widow/ers Allowance will be entitled to a remission of twenty (20) percent (to a maximum of \$280) on all rates levied in respect of the property the person owns and occupies, excluding special rates/charges, water consumption charges, and rural and state fire levies/charges.

In both cases, the remission is offered on the basis that the ratepayers are pensioners (as defined by the *Local Government Regulation 2012*).

Permit to Occupy – Separate Charges

Council will grant a concession of all Separate Charges on those assessments that only contain a permit to occupy for pump sites provided the ratepayer as shown on the assessment is the owner of another property in the Council area on which the Separate Charges have been levied.

The concession is offered on the basis that the payment of the additional separate charge will cause the ratepayer hardship.

Permit to Occupy – General Rates

Council will grant a concession of up to \$600.00 in General Rates for properties on those assessments that only contain a permit to occupy for pump sites provided the ratepayer as shown on the assessment is the owner of another property in the Council area on which General Rates have been levied.

The remission is offered on the basis that the payment of General Rates will cause the ratepayer hardship.

Sporting Clubs and Associations

Council will grant varied levels of concessions to charitable and other Non-Profit and Charitable Community Groups, including not-for-profit Sporting Bodies, in accordance with the provisions of the Rates Rebates and Remissions Policy.

The concessions are offered on the basis that the ratepayers are entities whose objectives do not include the making of a profit.

19. Authority

It is a requirement of the *Local Government Act 2009* that for each financial year Council adopt, by resolution, a Revenue Statement.

CHRIS MURDOCH
CHIEF EXECUTIVE OFFICER

SCHEDULE 2 - Land Use Codes

- 01 Vacant Urban Land
- 02 Single Unit Dwelling
- 03 Multi Unit Dwelling (Flats, Bed & Breakfast)
- 04 Large Homesite – Vacant
- 05 Large Homesite – Dwelling
- 06 Outbuilding
- 07 Guest House/Private Hotel
- 08 Building Units
- 09 Group Titles
- 10 Combined Multi-dwellings/Shops
- 11 Shop-Single
- 12 Shops - Shopping Group (more than six shops)
- 13 Shops - Shopping Group - two to six shops
- 14 Shops - Main Retail (Central Business District)
- 15 Shops - Secondary Retail (Fringe Central Business District) presence of service industry
- 16 Drive in shopping centre
- 17 Restaurant
- 18 Special Tourist Attraction
- 19 Walkway
- 20 Marina
- 21 Residential Institutions (Non-medical care)
- 22 Car Parks
- 23 Retail Warehouse
- 24 Sales area outdoors (Dealers, boats, cars etc)
- 25 Professional Offices
- 26 Funeral Parlours
- 27 Hospitals, conv. Homes (Medical care) (Private)
- 28 Warehouse & Bulk Stores
- 29 Transport Terminal
- 30 Service Station
- 31 Oil depot & refinery
- 32 Wharves
- 33 Builders yards
- 34 Cold Stores - ice works
- 35 General Industry
- 36 Light Industry
- 37 Noxious/offensive industry (including Abattoir)
- 38 Advertising – Hoarding
- 39 Harbour Industries
- 40 Extractive
- 41 Child Care ex kindergarten
- 42 Hotel/Tavern
- 43 Motels
- 44 Nurseries (Plants)
- 45 Theatres cinemas
- 46 Drive-in Theatre
- 47 Licensed club
- 48 Sports clubs/facilities
- 49 Caravan Parks

Revenue Statement

Adopted/Approved: Draft

Version: 6

Portfolio: Office of the CEO and Mayor
Business Unit: Finance and Business Excellence

- 50 Other Clubs (non business)
- 51 Religious
- 52 Cemeteries (incl Crematoria)
- 53 not allocated
- 54 not allocated
- 55 Library
- 56 Show Grounds/Racecourse/Airfield
- 57 Parks/Gardens
- 58 Educational incl Kindergarten
- 59 not allocated
- 60 Sheep Grazing – dry
- 61 Sheep breeding
- 62 not allocated
- 63 not allocated
- 64 Cattle Grazing – Breeding
- 65 Cattle breeding & fattening
- 66 Cattle fattening
- 67 Goats
- 68 Dairy Cattle - Milk-Quota
- 69 Dairy Cattle - no quota
- 70 Dairy Cattle – cream
- 71 Oil seeds
- 72 not allocated
- 73 Agriculture – Grains
- 74 Agriculture - Turf Farms
- 75 Sugar Cane
- 76 Tobacco
- 77 Cotton
- 78 Rice
- 79 Orchards
- 80 Tropical Fruits
- 81 Pineapples
- 82 Vineyards
- 83 Small Crops & Fodder – Irrigated
- 84 Small Crops & Fodder - non irrigated
- 85 Pigs
- 86 Horses
- 87 Poultry
- 88 Forestry & Logs
- 89 Animals Special
- 90 Stratum
- 91 Transformers
- 92 Defence Force Establishment
- 93 Peanuts
- 94 Vacant Rural Land (Excl. 1 & 4)
- 95 Reservoir, Dams, Bores
- 96 Public Hospital
- 97 Welfare home/institution
- 98 not allocated
- 99 Community Protection Centre

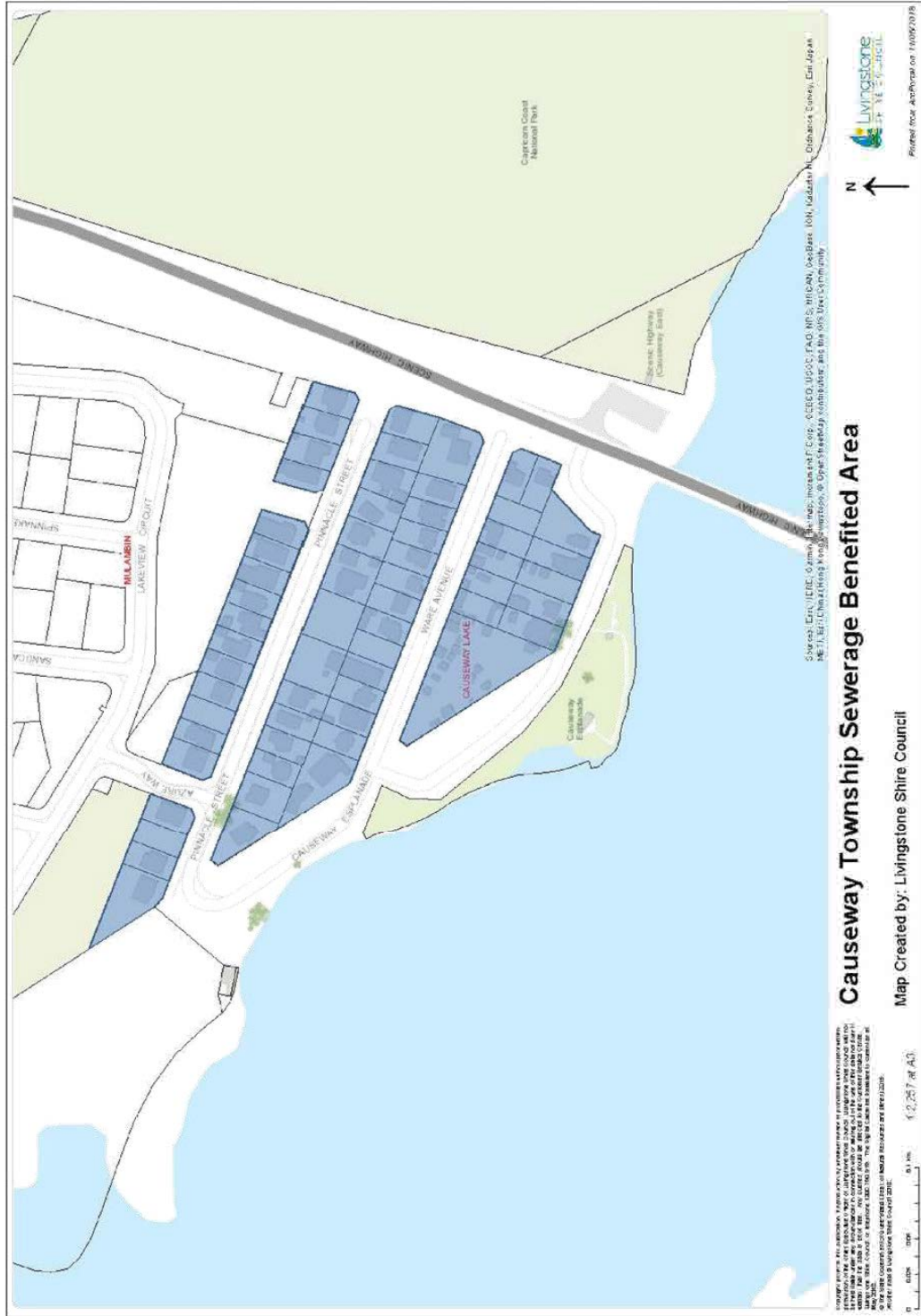
Revenue Statement

Adopted/Approved: Draft

Version: 6

Portfolio: Office of the CED and Mayor
Business Unit: Finance and Business Excellence

Attachment 1



Revenue Statement
 Adopted/Approved: Draft
 Version: 6

Portfolio: Office of the CEO and Mayor
 Business Unit: Finance and Business Excellence

Attachment 3



Revenue Statement
 Adopted/Approved: Draft
 Version: 6

Portfolio: Office of the CEO and Mayor
 Business Unit: Finance and Business Excellence

12.4 DIFFERENTIAL GENERAL RATES

File No: 12.5.2
Attachments: Nil
Responsible Officer: Andrea Ellis - Chief Financial Officer
Author: Priscilla Graham - Coordinator Revenue

SUMMARY

This report presents the differential general rates for the 2018-19 financial year for adoption to support the 2018-19 Budget.

OFFICER'S RECOMMENDATION

THAT

- (a) Pursuant to section 81 of the *Local Government Regulation 2012*, the categories in to which rateable land is categorised, the description of those categories and pursuant to sections 81(4) and 81(5) of the *Local Government Regulation 2012*, the method by which land is to be identified and included in its appropriate category is as follows:

No.	Category	Description	Identifiers (Land Use Codes)
L1	Commercial/ Light Industry ≤\$400,000	Lands where the dominant use or intended use is commercial and light industrial purposes and the rateable valuation is \$400,000 or less.	1,4,6,7,10 to 49 and 72 (excl. lands in any other category).
L1A	Commercial/ Light Industry >\$400,000	Lands where the dominant use or intended use is commercial and light industrial purposes and the rateable valuation is greater than \$400,000.	1,4,6,7,10 to 49 and 72 (excl. lands in any other category).
L2	Retail Warehouse, Business/Shop ping Complex or Outdoor Sales	Lands where the dominant use or intended use is a retail warehouse, business/shopping complex, or outdoor sales with an area greater than 400m ² .	10,11,12,13,14,15,16,23,24,28,33, 35 inclusive and 36.
L2A	Major Shopping Centres with a floor area 0 – 10,000 sqm	Lands where the dominant use or intended use is a major shopping centre with onsite parking and a floor area of 0 – 10,000 sqm.	12 to 16 inclusive and 23.
L2B	Major Shopping Centres with a floor area 10,001 – 50,000 sqm	Lands where the dominant use or intended use is a major shopping centre with onsite parking and a floor area greater than 10,001 up to 50,000 sqm.	12 to 16 inclusive and 23.

L3	Heavy and Noxious Industry	Lands on the mainland where the purpose of use or intended use is a fuel dump or storage and oil refinery, heavy or general industry, or industry which emanates offensive noise, odour and dust and includes abattoirs.	31, 35, 37
L4	Island Commercial/Industrial	Lands on the islands where the dominant use or intended use is commercial or light industrial.	1, 4, 6, 7, 10 to 49 (excl. lands in any other category).
L5	Extractive	Lands on the mainland where the purpose of use or intended use extracts minerals or other substances from the ground or other environments including related activities.	40
L6	Other Rural	Lands where the use or intended use is non-residential rural, agricultural or farming purposes.	60 to 63, 67 to 89 and 93 to 94 (excl. 72 or. Lands in any other category).
L6A	Beef Cattle Production 1	Lands where the use or intended use is Cattle Breeding, Grazing or Fattening and the rateable valuation is less than \$1,000,001.	64 to 66
L6B	Beef Cattle Production 2	Lands where the use or intended use is Cattle Breeding, Grazing or Fattening and the rateable valuation is greater than \$1,000,000.	64 to 66
L8	Major Tourism/Accommodation Facilities	All lands where the dominant purpose for which it is used or intended for use is that of Accommodation – Tourist Facilities and:- a) The land is used or intended for use commercially for that purpose; and b) The land is greater than 5ha. in area; and c) The accommodation capacity is greater than 100 rooms.	18
L9	Residential 1 - Owner Occupied/Vacant Land	Lands where the dominant use or intended use is residential purposes, Owner Occupied or Vacant Land, and the rateable valuation is less than \$125,001. (excl. lands in any other category).	1, 2, 6 and 72
L10	Residential 2 - Owner Occupied/Vacant Land	Lands where the dominant use or intended use is residential purposes, Owner Occupied or Vacant Land, and the rateable valuation is more than \$125,000 and less than \$225,001. (excl. lands in any other category).	1, 2, 6 and 72
L11	Residential 3 - Owner Occupied/Vacant Land	Lands where the dominant use or intended use is residential purposes, Owner Occupied or Vacant Land, and the rateable valuation is more than \$225,000 and less than \$500,001. (excl. lands in any other category).	1, 2, 6 and 72

L12	Residential 4 - Owner Occupied/Vacant Land	<p>Lands where the dominant use or intended use is residential purposes, Owner Occupied or Vacant and:-</p> <ol style="list-style-type: none"> 1. For Owner Occupied Land – the land has a rateable valuation more than \$500,000 and less than \$750,001; and 2. For Vacant land – the land has a rateable valuation more than \$500,000 and less than \$600,001. (excl. lands in any other category). 	1,2,6 and 72
L13	Residential 5 - Owner Occupied	Lands where the dominant use or intended use is residential purposes, Owner Occupied, and the rateable valuation is more than \$750,000 and less than \$1,000,001. (excl. lands in any other category).	2 and 6
L14	Residential 6 - Owner Occupied	Lands where the dominant use or intended use is residential purposes, Owner Occupied, and the rateable valuation is more than \$1,000,000. (excl. lands in any other category).	2 and 6
L9A	Residential 1 - Non Owner Occupied	Lands where the dominant use or intended use is residential purposes, not Owner Occupied, and the rateable valuation is less than \$125,001.	2 and 6
L10A	Residential 2 - Non Owner Occupied	Lands where the dominant use or intended use is residential purposes, not Owner Occupied, and the rateable valuation is more than \$125,000 and less than \$225,001.	2 and 6
L11A	Residential 3 - Non Owner Occupied	Lands where the dominant use or intended use is residential purposes, not Owner Occupied, and the rateable valuation is more than \$225,000 and less than \$500,001.	2 and 6
L12A	Residential 4 - Non Owner Occupied	Lands where the dominant use or intended use is residential purposes, not Owner Occupied, and the rateable valuation is more than \$500,000 and less than \$750,001.	2 and 6
L13A	Residential 5 - Non Owner Occupied	Lands where the dominant use or intended use is residential purposes, not Owner Occupied, and the rateable valuation is more than \$750,000 and less than \$1,000,001.	2 and 6
L14A	Residential 6 - Non Owner Occupied	Lands where the dominant use or intended use is residential purposes, not Owner Occupied, and the rateable valuation is more than \$1,000,000.	2 and 6
L15	Large Residential 1 – Owner Occupied/Vacant Land	<p>Lands, Owner Occupied or Vacant Land, used or intended for use for residential purposes, with a rateable valuation less than \$225,001:-</p> <ol style="list-style-type: none"> 1. Having an area of 4000m² or greater; or 2. Having an area of less than 4000m² but located within a Council planning scheme zone or precinct with a preferred 	1,2,4,5,6,72 and 94

		minimum lot size of 4000m2 or greater. (excl. lands in any other category)	
L16	Large Residential 2 – Owner Occupied/Vacant Land	Lands, Owner Occupied or Vacant Land, used or intended for use for residential purposes, with a rateable valuation is more than \$225,000 and less than \$500,001:- 1. Having an area of 4000m2 or greater; or 2. Having an area of less than 4000m2 but located within a Council planning scheme zone or precinct with a preferred minimum lot size of 4000m2 or greater. (excl. lands in any other category).	1,2,4,5,6,72 and 94
L17	Large Residential 3 – Owner Occupied/Vacant Land	Lands where the dominant use or intended use is residential purposes, and having an area of 4000m2 or greater; or having an area of less than 4000m2 but located within a Council planning scheme zone or precinct with a preferred minimum lot size of 4000m2 or greater; and:- 1. For Owner Occupied Land – the land has a rateable valuation more than \$500,000 and less than \$1,000,001; and 2. For Vacant Land - the land has a rateable valuation more than \$500,000 and less than \$600,001. (excl. lands in any other category).	1,2,4,5,6,72 and 94
L18	Large Residential 4 – Owner Occupied	Lands, Owner Occupied used or intended for use for residential purposes, with a rateable valuation more than \$1,000,000 and less than \$10,000,001:- 1. Having an area of 4000m2 or greater; or 2. Having an area of less than 4000m2 but located within a Council planning scheme zone or precinct with a preferred minimum lot size of 4000m2 or greater. (excl. lands in any other category).	2,5 and 6
L19	Large Residential 5 – Owner Occupied	Lands, Owner Occupied used or intended for use for residential purposes, with a rateable valuation more than \$10,000,000:- 1. Having an area of 4000m2 or greater; or 2. Having an area of less than 4000m2 but located within a Council planning scheme zone or precinct with a preferred minimum lot size of 4000m2 or greater. (excl. lands in any other category)	2,5 and 6
L15A	Large Residential 1 – Non Owner	Lands, Non Owner Occupied, used or intended for use for residential purposes, with a rateable valuation is less than \$225,001:	2,5 and 6

	Occupied	<ol style="list-style-type: none"> 1. Having an area of 4000m² or greater: or 2. Having an area of less than 4000m² but located within a Council planning scheme zone or precinct with a preferred minimum lot size of 4000m² or greater. 	
L16A	Large Residential 2 – Non Owner Occupied	<p>Lands, Non Owner Occupied, used or intended for use for residential purposes, with a rateable valuation more than \$225,000 and less than \$500,001:-</p> <ol style="list-style-type: none"> 1. Having an area of 4000m² or greater; or 2. Having an area of less than 4000m² but located within a Council planning scheme zone or precinct with a preferred minimum lot size of 4000m² or greater. 	2,5 and 6
L17A	Large Residential 3 – Non Owner Occupied	<p>Lands, Non Owner Occupied, used or intended for use for residential purposes, with a rateable valuation more than \$500,000 and less than \$1,000,001:-</p> <ol style="list-style-type: none"> 1. Having an area of 4000m² or greater; or 2. Having an area of less than 4000m² within a Council planning scheme zone or precinct with a preferred minimum lot size of 4000m² or greater. 	2,5 and 6
L18A	Large Residential 4 – Non Owner Occupied	<p>Lands, Non Owner Occupied, used or intended for use is for residential purposes, with a rateable valuation more than \$1,000,000 and less than \$10,000,001:-</p> <ol style="list-style-type: none"> 1. Having an area of 4000m² or greater; or 2. Having an area of less than 4000m² but located within a Council planning scheme zone or precinct with a preferred minimum lot size of 4000m² or greater. 	2,5 and 6
L19A	Large Residential 5 – Non Owner Occupied	<p>Lands, Non Owner Occupied, used or intended for use for residential purposes, with a rateable valuation more than \$10,000,000:-</p> <ol style="list-style-type: none"> 1. Having an area 4000m² or greater; or 2. Having an area of less than 4000m² but located within a Council planning scheme zone or precinct with a preferred minimum lot size of 4000m². 	2,5 and 6
L21	Flats and Strata (residential) – Owner Occupied	Lands that are part of a community title scheme or a parcel of land for two or more self-contained dwellings (including flats, & secondary dwellings), and the dominant use or intended use is residential purposes, and dwelling/s is/are Owner Occupied. (excl. lands in any other category)	3, 8 or 9

L21A	Flats and Strata (residential) – Non Owner Occupied	Lands that are part of a community title scheme or a parcel of land for two or more self-contained dwellings (including flats, & secondary dwellings), and the dominant use or intended use is residential purposes, and dwelling/s is/are not Owner Occupied.	3, 8 or 9
L22	Strata (commercial/ industrial)	Lands that are part of a community title scheme, and the dominant use or intended use is commercial or industrial purposes.	8 or 9
L23	Strata >500sqm – Owner Occupied / Vacant Land	All land in a Community Title Scheme where the dominant use or intended use is for residential purposes, Owner Occupied or Vacant Land, and the individual lot size is not less than 500sqm.	8 or 9
L23A	Strata >500sqm - Non Owner Occupied	All land in a Community Title Scheme where the dominant use or intended use is for residential purposes, not Owner Occupied, and the individual lot size is not less than 500sqm.	8 or 9
L24	Vacant land >\$600,000	Vacant land where the valuation is greater than \$600,000.	1, 4 and 72
L26	Special uses	Lands on the mainland where the dominant use is non-commercial in nature and the land is used or intended to be used for social and community welfare, defence or education purposes.	21, 50 – 59, 92, and 96 – 100
L27	Other	All lands not included elsewhere. Including but not limited to Transformers, Stratum, and Reservoirs, Dams and Bores.	90, 91 and 95 or not elsewhere categorised.

- (b) Council delegates to the Chief Executive Officer the power, pursuant to sections 81(4) and 81(5) of the *Local Government Regulation 2012*, to identify the rating category to which each parcel of rateable land belongs.
- (c) Pursuant to section 94 of the *Local Government Act 2009* and section 80 of the *Local Government Regulation 2012*, the differential general rate to be made and levied for each differential general rate category and, pursuant to section 77 of the *Local Government Regulation 2012*, the minimum general rate to be made and levied for each differential general rate category, is as follows:

Category No.	Category	General Rate (cents in the Dollar of Rateable Value)	Minimum General Rate (\$)
L1	Mainland Commercial/Light Industry ≤\$400,000	1.8075	1,280
L1A	Mainland Commercial/Light Industry >\$400,000	1.9578	1,317
L2	Retail Warehouse, Business/Shopping Complex, or Outdoor Sales	2.0929	4,000

L2A	Major Shopping Centres with a floor area 0 – 10,000 sqm	2.4591	27,810
L2B	Major Shopping Centres with a floor area 10,001 – 50,000 sqm	3.1536	213,530
L3	Heavy and Noxious Industry	2.5187	2,948
L4	Island Commercial / Industrial	1.5114	2,000
L5	Extractive	6.7175	3,715
L6	Other Rural	1.2296	1,361
L6A	Beef Cattle Production 1	1.2160	1,361
L6B	Beef Cattle Production 2	1.1133	14,546
L8	Major Tourism/Accommodation Facilities	2.7832	147,289
L9	Residential 1 – Owner Occupied/Vacant Land	1.0700	669
L9A	Residential 1 - Non Owner Occupied	1.0918	682
L10	Residential 2 – Owner Occupied/Vacant Land	1.0165	1,338
L10A	Residential 2 - Non Owner Occupied	1.0373	1,365
L11	Residential 3 – Owner Occupied/Vacant Land	0.9639	2,295
L11A	Residential 3 - Non Owner Occupied	0.9823	2,341
L12	Residential 4 – Owner Occupied/Vacant Land	0.8582	4,816
L12A	Residential 4 - Non Owner Occupied	0.8757	4,914
L13	Residential 5 – Owner Occupied	0.8025	6,442
L13A	Residential 5 - Non Owner Occupied	0.8189	6,573
L14	Residential 6 – Owner Occupied	0.7501	8,026
L14A	Residential 6 - Non Owner Occupied	0.7654	8,190
L15	Large Residential 1 – Owner Occupied/Vacant Land	1.1368	731
L15A	Large Residential 1 - Non Owner Occupied	1.1760	756
L16	Large Residential 2 – Owner Occupied/Vacant Land	1.0833	2,558
L16A	Large Residential 2 - Non Owner Occupied	1.1207	2,646
L17	Large Residential 3 – Owner Occupied/Vacant Land	0.9783	5,420
L17A	Large Residential 3 - Non Owner Occupied	1.0120	5,607
L18	Large Residential 4 – Owner Occupied	0.7856	9,785
L18A	Large Residential 4 - Non Owner Occupied	0.8127	10,122
L19	Large Residential 5 – Owner Occupied	0.5499	78,561
L19A	Large Residential 5 - Non Owner Occupied	0.5688	81,270
L21	Flats and Strata (residential) – Owner Occupied	1.2139	741
L21A	Flat and Strata (residential) - Non Owner Occupied	1.2387	756
L22	Strata (commercial/industrial)	2.1081	1,280
L23	Strata >500sqm – Owner Occupied	2.6834	1,348
L23A	Strata >500sqm - Non Owner Occupied	2.7382	1,375

L24	Vacant land >\$600,000	2.3854	1,317
L26	Special uses	1.5571	2,181
L27	Other	1.9700	1,317

BACKGROUND

Council acknowledges that there is considerable diversity in the Livingstone Shire in terms of land use and location (such as between the urban and rural areas), land values, access to, and actual and potential demands for services and facilities. Council is committed to spreading the general rates equitably among categories and classes of ratepayers. Therefore, Council adopts the differential general rating categories outlined, in a commitment to spread the general rates fairly and equitably, taking into account the following factors:

- The relative rateable value of lands and the general rates that would be payable if only one general rate were levied;
- The use of the land as it relates to actual and potential demand for Council services;
- Location of the land as it relates to actual and potential demand for Council services; and
- The impact of rateable valuations on the level of general rates to be paid.

Council also applies the principles set out in the Revenue Policy when making and levying rates and charges

- Equity by taking into account the actual and potential demands placed on Council, location and use of land, the unimproved and site value of the land, and the land's capacity to generate revenue;
- Transparency in the making of rates and charges;
- Having in place a rating regime that is simple and efficient to administer;
- National Competition Policy legislation where applicable (user pays);
- Clarity in terms of responsibilities (Council's and ratepayers') in relation to the rating process; and
- Timing the levy of rates to take into account the financial cycle of local economic activity, in order to assist the smooth running of the local economy.

COMMENTARY

Council adopts Differential General Rating for the following reasons:

- Council is committed to spreading the general rates burden equitably;
- The use of a single general rate would not result in an equitable distribution of the rates burden among ratepayers;
- Certain land uses and locations of lands require and/or impose greater demands on Council services relative to other land uses and locations; and
- Valuation relativities between commercial/industrial, lands used for tourist facilities, rural, islands, urban, productive and residential uses, do not reflect the intensity of land use nor the actual or potential demands on Council services and facilities.

Extensive review of the Differential General Rating structure for the 2018-19 financial year has seen further differentiation in both the commercial and the residential categories. The Differential Rating Categories identified are intended to recognise the contribution level of rates levied based on the services being consumed. This enables Council to ensure that the equity principle is being fairly applied to the rating system and each rating category,

reflective of the intensity of land use and/or the actual or potential demands on Council services and facilities.

PREVIOUS DECISIONS

Previous Differential General Rates were adopted in conjunction with the 2017-18 Budget on the 27th June 2017. The Separate charges identified reflect discussions had with Councillors during the 2018-19 series of Budget Workshops.

BUDGET IMPLICATIONS

Differential categories, and levies identified reflect the General Rate revenue represented within the 2018/19 Budget and Long Term Financial Forecasts.

LEGISLATIVE CONTEXT

Section 81 of the *Local Government Regulation 2012*, outlines the requirements regarding the categorisation of land for differential rating such as; the method by which land is to be identified.

Section 80 of the *Local Government Regulation 2012*, outlines the requirements in regard to identifying the rate to be made and levied per differential rate category.

Section 77 of the *Local Government Regulation 2012*, outlines the requirements in regard to identifying the minimum general rate to be made and levied per differential general rate category.

LEGAL IMPLICATIONS

The adoption of the Differential General Rates ensures Council's compliance with the requirements of the *Local Government Regulation 2012* and provides for the basis for the levying of general rates and charges for the 2018-19 financial year.

The differential rates form part of the Revenue Statement. The Revenue Statement may only be adopted at the Budget meeting for the year and once passed, it cannot be changed until the following year.

STAFFING IMPLICATIONS

The Chief Executive Officer has been delegated the power to identify the rating category applicable to each parcel of rateable land. In undertaking this task the Chief Executive Officer will be guided by the descriptions of each category.

Administration and the half-yearly levy of General Rates and Charges is managed by current staffing levels in accordance with existing delegations.

RISK ASSESSMENT

Differential Categories have been reviewed by Council's external legal advisors in order to mitigate any unforeseen risks.

CORPORATE/OPERATIONAL PLAN

Corporate Plan Reference: Strategy GO3: Pursue financial sustainability through effective use of the Council's resources and assets and prudent management of risk.

LOCAL GOVERNMENT PRINCIPLES

The local government principles are –

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

(e) Ethical and legal behaviour of councillors and local government employees.

CONCLUSION

The Livingstone Shire Council adopt the differential general rates for the 2018-19 financial year as outlined within the report and Revenue Statement 1 July 2018 - 30 June 2019 to support the 2018-19 Budget.

12.5 SEPERATE CHARGES

File No:	12.5.2
Attachments:	Nil
Responsible Officer:	Andrea Ellis - Chief Financial Officer
Author:	Priscilla Graham - Coordinator Revenue

SUMMARY

This report presents the separate charges for the 2018-19 financial year for adoption to support the 2018-19 Budget.

OFFICER'S RECOMMENDATION

THAT

- (a) Pursuant to section 94 of the *Local Government Act 2009* and section 103 of the *Local Government Regulation 2012*, Council make and levy a separate charge (to be known as the "Road Network Separate Charge"), in the sum of \$548 per annum per rateable assessment, to be levied equally on all rateable land in the region, for the purposes of defraying part of the cost of maintaining the road network for the financial year beginning 1 July, 2018.

Discount in accordance with section 130 of the *Local Government Regulation 2012*, will not apply to this charge purposes.

- (b) Pursuant to section 94 of the *Local Government Act 2009* and section 103 of the *Local Government Regulation 2012*, Council make and levy a separate charge (to be known as the "Natural Environment Separate Charge"), in the sum of \$65 per annum per rateable assessment, to be levied equally on all rateable land in the region, for the purposes of defraying part of the cost of formulating and implementing initiatives for environmental protection, enhancement and conservation, including various waste management initiatives that contribute to these outcomes for the financial year beginning 1 July, 2018.

Discount in accordance with section 130 of the *Local Government Regulation 2012*, will not apply to this charge.

- (c) Pursuant to section 94 of the *Local Government Act 2009* and section 103 of the *Local Government Regulation 2012*, Council make and levy a separate charge (to be known as the "Disaster Response Separate Charge"), in the sum of \$20 per annum per rateable assessment, to be levied equally on all rateable land in the region, for the financial year beginning 1 July 2018 for the purposes of: -

- a. assisting in the support of the State Emergency Services including the ongoing cost of maintenance of facilities and emergency equipment;
- b. Providing mitigation strategies based on hazards and risks from disasters in the Livingstone Shire area; and
- c. Providing funding to recover from disaster events that impact the Livingstone Shire area.

Discount in accordance with section 130 of the *Local Government Regulation 2012*, will not apply to this charge.

BACKGROUND

In accordance with section 94 of the *Local Government Act 2009* and section 103 of the *Local Government Regulation 2012*, Council can adopt to make and levy separate charges to

defray the expense it incurs in providing identified services or facilities or engaging in identified activities for the benefit of its local governed area. The charges are calculated on the basis of the estimated cost to Council of providing these services. Revenue raised from these charges will only be used to fund either all or part of the costs associated with the activities.

Separate charges of Livingstone Shire Council include the Road Network Charge, Natural Environment Charge, and the new Disaster Response Charge.

COMMENTARY

In conjunction with the Budget preparation, Council has undertaken an extensive review of the rates and charges for the 2018-19 financial year. Separate charges are adopted when Council considers that the benefit of each service, facility or activity is shared equally by all parcels of rateable land, regardless of their value. The following Separate charges presented reflect the decisions made and modelled throughout budget workshops conducted over several months.

Road Network Separate Charge

Council will make and levy a separate charge to defray part of the cost of maintaining the road network within the region. Council will make and levy the charge equally on all rateable land within the Livingstone Shire Council area.

The amount of the Road Network Separate Charge will be \$548 per annum per rateable assessment throughout the region.

Discount in accordance with section 130 of the Local Government Regulation 2012 will not apply to this charge.

Natural Environment Separate Charge

Council will make and levy a separate charge to defray part of the cost of formulating and implementing initiatives for environmental protection, enhancement and conservation, including various waste management initiatives that contribute to these outcomes.

Council will make and levy the charge equally on all rateable land within the Livingstone Shire Council area.

The amount of the Natural Environment Separate Charge will be \$65 per annum per rateable assessment throughout the region.

Discount in accordance with section 130 of the Local Government Regulation 2012 will not apply to this charge.

Disaster Response Separate Charge

The total cost of natural disasters in Queensland is increasing at a significant rate, with this rise in cost, Local Government has a responsibility to ensure measures to mitigate, prepare, respond, recover and build community resilience are implemented. The State Governments 'Queensland Strategy for Disaster Resilience 2017' states Local Government has the responsibility for building community understanding and capability to manage risk and enhance community resilience.

Council will make and levy a separate charge that will assist in the support of the State Emergency Services including the ongoing cost of maintenance of facilities and emergency equipment so vital for our volunteers to assist the community. Secondly, provide mitigation strategies based on hazards and risks from disasters in the Livingstone Shire area as well as provide funding to recover from disaster events that impact our shire.

Council will make and levy the charge equally on all rateable land within the Livingstone Shire Council area.

The amount of the Disaster Response Separate Charge will be \$20 per annum per rateable assessment throughout the region. It is a new Separate charge for the 2018-19 financial year.

Discount in accordance with section 130 of the Local Government Regulation 2012 will not apply to this charge.

PREVIOUS DECISIONS

Previous Separate charges were adopted in conjunction with the 2017-18 Budget on the 27th June 2017. The Separate charges identified reflect discussions had with Councillors during the 2018-19 series of Budget Workshops.

BUDGET IMPLICATIONS

Separate Charges outlined within the recommendation reflect the Separate charge revenues represented within the 2018-19 Budget and Long Term Financial Forecasts.

LEGISLATIVE CONTEXT

Section 94 of the *Local Government Act 2009* and section 103 of the *Local Government Regulation 2012*, provides Council the authority to make and levy Separate charges.

Discount in accordance with section 130 of the *Local Government Regulation 2012*, does not apply to separate charges.

LEGAL IMPLICATIONS

The adoption of the Separate charges ensures Council's compliance with the requirements of the *Local Government Regulation 2012* and provides for the basis for the levying of Separate charges for the 2018-19 financial year.

STAFFING IMPLICATIONS

The administration and half-yearly levy of Separate charges is managed by current staffing levels in accordance with current delegations.

RISK ASSESSMENT

The Revenue Statement inclusive of the Separate charges have been reviewed by King and Company Solicitors in order to mitigate and unforeseen risks.

CORPORATE/OPERATIONAL PLAN

Corporate Plan Reference: Strategy GO3: Pursue financial sustainability through effective use of the Council's resources and assets and prudent management of risk.

LOCAL GOVERNMENT PRINCIPLES

The local government principles are –

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

CONCLUSION

The separate charges are presented for adoption to support the 2018-19 Budget.

12.6 SPECIAL CHARGES

File No: 12.5.2
Attachments: Nil
Responsible Officer: Andrea Ellis - Chief Financial Officer
Author: Priscilla Graham - Coordinator Revenue

SUMMARY

This report presents the special charges for the 2018-19 financial year for adoption to support the 2018-19 Budget.

OFFICER'S RECOMMENDATION

THAT

- (a) Pursuant to section 94 of the *Local Government Act 2009* and section 94 of the *Local Government Regulation 2012*, Council make and levy a special charge (to be known as the "Rural Fire Services Levy") for the purpose of raising revenue for each Rural Fire Brigade as set out in the table below:

Keppel Group

Rural Fire Brigade	Levy 2018-19	Rural Fire Brigade	Levy 2018-19
Adelaide Park Road	\$40	Kunwarara	-
Barmoya	-	Marlborough	\$30
Belmont	\$80	Maryvale	\$40
Bondoola	\$45	Mt Gardiner	-
Bungundarra	\$70	Nankin	\$80
Byfield	\$25	Nerimbera	\$20
Canal Creek	-	Ogmore	-
Canoona	-	Rossmoya	-
Cawarral	\$50	Stanage Bay	\$25
Cooberrie	\$25	Stockyard Point	\$50
Coowonga	\$100	Tanby	\$50
Great Keppel Island	-	The Caves	\$100
Hidden Valley	\$60	Wattlebank	-
Jardine	\$30	Woodbury	\$60
Keppel Sands	\$50		

The rateable land to which the special charge will apply is land within the areas separately described on a map titled:

Keppel Group

'Rural Fire Brigade – Adelaide Park'	'Rural Fire Brigade – Kunwarara'
'Rural Fire Brigade – Barmoya'	'Rural Fire Brigade – Marlborough'
'Rural Fire Brigade – Belmont'	'Rural Fire Brigade – Maryvale'
'Rural Fire Brigade – Bondoola'	'Rural Fire Brigade – Mount Gardiner'
'Rural Fire Brigade – Bungundarra'	'Rural Fire Brigade – Nankin'
'Rural Fire Brigade – Byfield'	'Rural Fire Brigade – Nerimbera'
'Rural Fire Brigade – Canoona'	'Rural Fire Brigade – Ogmore'
'Rural Fire Brigade – Canal Creek'	'Rural Fire Brigade – Rossmoya'
'Rural Fire Brigade – Cawarral'	'Rural Fire Brigade – Stanage Bay'
'Rural Fire Brigade – Cooberrie'	'Rural Fire Brigade – Stockyard Point'

'Rural Fire Brigade – Coowonga' 'Rural Fire Brigade – Tanby'
'Rural Fire Brigade – Great Keppel Island' 'Rural Fire Brigade – The Caves'
'Rural Fire Brigade – Hidden Valley' 'Rural Fire Brigade – Wattlebank'
'Rural Fire Brigade – Jardine' 'Rural Fire Brigade – Woodbury'
'Rural Fire Brigade – Keppel Sands'

Rural Fire Brigade Maps are available upon request from the Rural Fire Service, Queensland Fire and Emergency Services, Rockhampton Area Office.

The overall plan for each special charge is to fund the provision of fire prevention and firefighting services, facilities and activities by the rural fire brigades identified in the special charge table in the defined benefit areas.

The time for implementing the overall plan is twelve (12) months ending 30 June 2019. However, provision of rural firefighting services is an ongoing activity, and further special charges are expected to be made in future years.

The works and services specified in the overall plan will be carried out or provided during the financial year ending on 30 June 2019.

The estimated cost of implementing the overall plan (being the cost of planned works and replacement of capital items for the period) is \$235,285.

The special charge is intended to raise all funds necessary to carry out the overall plan.

The occupier/owner of the land to be levied with the special charge has specifically benefited, or will specifically benefit, from the implementation of the overall plan, comprising firefighting services, because the rural fire brigades are charged with firefighting and fire prevention under *the Fire and Emergency Services Act 1990* and whose services could not be provided or maintained without the imposition of the special charge.

(b) Pursuant to section 94 of the *Local Government Act 2009* and section 94 of the *Local Government Regulation 2012*, Council make and levy a special charge (to be known as the "North West Emu Park Sewerage Benefited Area – Special Charge") of \$478 per rateable assessment for the provision of reticulated sewerage to North West Emu Park.

The rateable land to which the charge applies is every parcel of rateable land within the areas separately described on a map titled 'North West Emu Park Sewerage Benefited Area' (see Attachment 1 contained within the Revenue Statement).

The service, facility or activity for which the special charge is made is the construction and commissioning of sewerage infrastructure necessary for providing reticulated sewerage to North West Emu Park. The construction was completed during the Financial Year 2009-10, and there are no further works to be undertaken.

The overall plan for this special charge was adopted by Council at its 2009-10 Budget meeting. The cost of implementing the overall plan is \$2,377,000 (being the cost of infrastructure constructed).

The charge is to reimburse Council \$1,244,208 of the funds expended on the project. Council funded the cost of construction of the sewerage reticulation infrastructure from its own revenue sources.

The annual implementation plan in 2018-19 comprises reimbursement to Council of part of the cost that it has incurred to construct the North West Emu Park Sewerage Scheme.

The occupier of the land to be levied with the special charge has specially benefited, or will specially benefit, from the implementation of the overall plan, because they will enjoy access to an efficient convenient and healthy system for the removal and treatment of sewerage, which access would not have occurred if Council had not undertaken the project of constructing the sewerage reticulation infrastructure.

Council will, pursuant to section 121(a) of the *Local Government Regulation 2012*, grant

a remission of the North West Emu Park Sewerage Benefited Area – Special Charge on those assessments where the sum of \$3,264.03 is paid to Council by 30 August 2018 (which amount represents the 2018-19 per assessment cost to Council (excluding developer contributions and funding from other sources) of constructing and commissioning of the relevant sewerage infrastructure), on the grounds that to require those ratepayers that elect to make this lump sum payment, to also pay the special charge constitutes hardship.

- (c) Pursuant to section 94 of the *Local Government Act 2009* and section 94 of the *Local Government Regulation 2012*, Council make and levy a special charge (to be known as the “Causeway Township Sewerage Benefited Area – Special Charge”) of \$468 per rateable assessment for the provision of reticulated sewerage to Causeway Township.

The rateable land to which the charge applies is every parcel of rateable land within the areas separately described on a map titled ‘Causeway Township Sewerage Benefited Area’ (see Attachment 2 contained within the Revenue Statement).

The service, facility or activity for which the special charge is made is the construction and commissioning of sewerage infrastructure necessary for providing reticulated sewerage to Causeway Township. The works was completed during the financial year 2009-10, and there is no further works to be undertaken.

The overall plan for this special charge was adopted by Council at its 2009-10 Budget meeting. The cost of implementing the overall plan is \$850,000 (being the cost of infrastructure constructed).

The charge is expected to reimburse Council \$386,400 of the funds expended on the project. Council funded the cost of construction of the sewerage reticulation infrastructure from its own revenue sources.

The annual implementation plan in 2018-19 comprises reimbursement to Council of part of the cost that it has incurred to construct the Causeway Township Sewerage Scheme.

The occupier of the land to be levied with the special charge has specially benefited, or will specially benefit, from the implementation of the overall plan, because they will enjoy access to an efficient convenient and healthy system for the removal and treatment of sewerage, which access to which would not have occurred if Council had not undertaken the project of constructing the sewerage reticulation infrastructure.

Council will, pursuant to section 121(a) of the *Local Government Regulation 2012*, grant a remission of the Causeway Township Sewerage Benefited Area – Special Charge on those assessments where the sum of \$3,492.86 is paid to Council by 30 August 2018 (which amount represents the 2018-19 per assessment cost to Council (excluding developer contributions and funding from other sources) of constructing and commissioning of the relevant sewerage infrastructure), on the grounds that to require those ratepayers that elect to make this lump sum payment, to also pay the special charge constitutes hardship.

- (d) Pursuant to section 94 of the *Local Government Act 2009* and section 94 of the *Local Government Regulation 2012*, Council make and levy a special charge (to be known as the “Mulambin Sewerage Benefited Area – Special Charge”) of \$722 per rateable assessment for the provision of reticulated sewerage to the identified part of Mulambin.

The rateable land to which the charge applies is every parcel of rateable land within the areas separately described on a map titled ‘Mulambin Sewerage Benefited Area’ (see Attachment 3).

The service, facility or activity for which the special charge is made is the construction and commissioning of trunk sewerage infrastructure necessary for providing reticulated sewerage to the Mulambin Sewerage Benefited Area. The works were completed during

the financial year 2006-07 and there is no further works to be undertaken.

The overall plan for this special charge was adopted by Council at its 2006-07 Budget meeting. The cost of implementing the overall plan is approximately \$1,100,000 (being the cost of infrastructure constructed to the connection at Lammermoor). Contribution identified below is also apportioned towards the trunk infrastructure from Lammermoor back to the Yeppoon Sewerage Treatment Plant.

The charge is expected to reimburse Council \$145,314 of the funds expended on the project. Council funded the cost of construction of the sewerage reticulation infrastructure from its own revenue sources.

The annual implementation plan in 2018-19 comprises reimbursement to Council of part of the cost that it has incurred to construct the Mulambin Sewerage Scheme.

The occupier of the land to be levied with the special charge has specially benefited, or will specially benefit, from the implementation of the overall plan, because they will enjoy access to an efficient convenient and healthy system for the removal and treatment of sewerage, access to which would not have occurred if Council had not undertaken the project of constructing the sewerage reticulation infrastructure.

Council will, pursuant to section 121(a) of the *Local Government Regulation 2012*, grant a remission of the Mulambin Sewerage Benefited Area – Special Charge on those assessments where the sum of \$3,640.29 is paid to Council by 30 August 2018 (which amount represents the 2018-19 per assessment cost to Council (excluding developer contributions and funding from other sources) of constructing and commissioning of the relevant sewerage infrastructure), on the grounds that to require those ratepayers that elect to make this lump sum payment, to also pay the special charge constitutes hardship.

- (e) Pursuant to section 94 of the Local Government Act 2009 and section 94 of the Local Government Regulation 2012, Council make and levy a special charge (to be known as the “Muskers Beach Revetment Wall – Special Charge”) of \$192.65, per lineal metre of Muskers Beach frontage, per rateable assessment for the provision of a Revetment Wall to protect the identified properties adjoining Muskers Beach; 22 Kennedy Street through to 48 Reef Street in Zilzie.

The rateable land to which the charge applies is every parcel of rateable land within the area separately described on a map titled ‘Muskers Beach Revetment Wall Benefited Area’ (see Attachment 4).

The service, facility or activity for which the special charge is made is the design and construction of a stacked sand filled geotextile container revetment wall necessary to provide protection against erosion of the properties by wave action. The works were completed during the financial year 2015-16, and there is no further work to be undertaken.

The overall plan for this special charge was adopted by Council at its 2015-16 Budget meeting. The cost of implementing the overall plan is approximately \$1,543,252 (being the cost of investigation, design and construction of the revetment wall).

The charge is expected to reimburse Council \$1,360,450 of the funds expended on the project. Council funded the cost of construction of the Muskers Beach revetment wall from its own revenue sources.

The annual implementation plan in 2018-19 comprises reimbursement to Council of part of the cost that it has incurred to construct the Muskers Beach revetment wall.

The occupier of the land to be levied with the special charge has specially benefited, or will specially benefit, from the implementation of the overall plan, because the revetment wall construction to be funded by the special charge will provide an increased level of protection from adverse coastal processes such as storm surge and wave action. Protection which would not have occurred if Council had not undertaken the project of

constructing the revetment wall infrastructure.

The charge shall vary from property to property in accordance with the length of property frontage adjacent to the wall.

Council will, pursuant to section 121(a) of the *Local Government Regulation 2012*, grant a remission of the Musklers Beach Revetment Wall – Special Charge on those assessments that elect to make a lump sum payment (value available upon request on a per property basis) prior to the 30 August 2018 (the lump sum value is representative of the 2018-19 per assessment cost to Council), on the grounds that to require those ratepayers that elect to make this lump sum payment, to also pay the special charge constitutes hardship.

BACKGROUND

Special Rates and Charges are levied by Council to fund services or facilities that will especially benefit the owners of properties in a specific area. Revenue raised from these rates will only be used to fund the implementation program for the specific services, facilities or activities specified.

COMMENTARY

Special charges are adopted in accordance with section 94 of the *Local Government Act 2009*. The Special charges are calculated on the estimated cost to Council of providing the services, Council will make and levy upon identified land pursuant to section 94 of the *Local Government Act 2009*, special charges as outlined within the recommendation to defray the expense it incurs in providing identified services or facilities, or engaging in identified activities because, the land or its occupiers has especially benefited, or will especially benefit from, or will have special access to the identified services, facilities or activities, or the occupier of the land or the use made or to be made of the land especially contributes to the need for the services, facility or activity. Revenue raised from these rates will only be used to fund the implementation program for the specific services, facilities or activities. Discount in accordance with section 130 of the *Local Government Regulation 2012* will not apply to these charges.

Special Charges identified include the Rural Fire Services Levy, North West Emu Park Sewerage Benefited Area, Causeway Township Sewerage Benefited Area, Mulambin Sewerage Benefited Area, and the Musklers Beach Revetment Wall.

PREVIOUS DECISIONS

Previous Special charges were adopted in conjunction with the 2017-18 Budget on the 27th June 2017.

BUDGET IMPLICATIONS

Special charges outlined within the recommendation reflect the Special charges revenue represented within the 2018/19 Budget and Long Term Financial Forecasts.

LEGISLATIVE CONTEXT

Section 94 of the *Local Government Act 2009* and section 94 of the *Local Government Regulation 2012*, provides Council the authority to make and levy Special charges.

Discount in accordance with section 130 of the *Local Government Regulation 2012*, does not apply to separate charges.

LEGAL IMPLICATIONS

The adoption of the Special charges ensures Council's compliance with the requirements of the *Local Government Act 2009* and provides for the basis for the levying of Special charges for the 2018-19 financial year.

STAFFING IMPLICATIONS

The administration and half yearly levy of special charges is managed by current staffing levels in accordance with existing delegations.

RISK ASSESSMENT

The Revenue Statement inclusive of the Special charges have been reviewed by Councils external legal advisors in order to mitigate and unforeseen risks.

CORPORATE/OPERATIONAL PLAN

Corporate Plan Reference: Strategy GO3: Pursue financial sustainability through effective use of the Council's resources and assets and prudent management of risk.

LOCAL GOVERNMENT PRINCIPLES

The local government principles are –

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

CONCLUSION

The special charges are presented for adoption to support the 2018-19 Budget.

12.7 SEWERAGE UTILITY CHARGES

File No: 12.5.2
Attachments: Nil
Responsible Officer: Andrea Ellis - Chief Financial Officer
Author: Priscilla Graham - Coordinator Revenue

SUMMARY

This report presents the sewerage utility charges for the 2018-19 financial year for adoption to support the 2018-19 Budget.

OFFICER'S RECOMMENDATION

THAT

- (a) Pursuant to section 94 of the *Local Government Act 2009* and section 99 of the *Local Government Regulation 2012*, Council make and levy sewerage utility charges, for the supply of sewerage services by the Council, as follows:

<i>Declared Sewered Area</i>	<i>Amount of Charge</i>	<i>Amount of Vacant Land Charge</i>
<i>Capricorn Coast</i>	\$ 796.00	\$ 756.00

- (b) The application of the above levied sewerage charges be in accordance with the further detail provided in Council's adopted Revenue Statement 2018-2019.

BACKGROUND

The Sewerage Utility charges are set to recover all of the costs associated with the provision sewerage reticulation services provided by Council. Domestic charges are generally one charge, whilst Commercial charges are allocated per pedestal or urinal as outlined within this report.

COMMENTARY

For the financial period beginning 1 July 2018 Council will make and levy a sewerage charge in respect of land within the Declared Sewerage Areas of Livingstone Shire to which the Council provides, or is prepared to provide sewerage services, including areas to which such services are extended from time to time during the course of the financial year. Council will make and levy the charge whether the land is rateable or not and whether the land is occupied or not.

The sewerage charge will be set to recover all of the costs associated with the provision of sewerage reticulation services provided by Council in the financial year. These costs include loan interest, depreciation and the cost of ongoing maintenance and operation of the system, including treatment plant operations.

For occupied land, whether rateable or not, charges for the twelve (12) months ended 30 June 2019 will be made and levied on the following basis:

- (i) Generally, a sewerage charge will be levied in respect of each water closet pedestal or urinal installed;
 - (ii) However, for a single dwelling, residential unit, stables property or a property subject to a residential differential rate, only the first water closet pedestal will attract the normal sewerage pedestal charge;
- The term "single dwelling" is to be given its ordinary meaning as a residential property used for ordinary domestic purposes and includes home office situations such as for

example, where desk or computer work may be done, phone calls made or answered from within the premises for business purposes but where there are no more than 1 (one) non-resident employee on the premises and no significant external indicia to distinguish the premises from any other domestic residence; and

- The term single dwelling does not include premises where a distinct externally visible business activity has been established.
- (iii) In the case of flats, the sewerage charge is calculated by multiplying the number of flats by the charge for the first water closet pedestal;
- (iv) In the case of Retirement Villages or Aged/Nursing Homes incorporating independent living accommodation, the sewerage charge will be levied on the first pedestal only in each independent living unit/cottage. Sewerage charges will be levied on a per pedestal/urinal basis for pedestals/urinals installed elsewhere at the Aged/Nursing Homes properties; and
- (v) For all other premises, the sewerage charge is calculated on the number of pedestals together with the number of urinals multiplied by the charge for the first water closet pedestal. For the purpose of this paragraph, each 1200mm of a continuous style urinal or part thereof will count as one urinal.

Where there is more than one dwelling house on a land parcel, charges shall apply as if each house were on a separate land parcel. Where there is more than one commercial or industrial building upon a land parcel, charges will apply as if each building were on a separate land parcel.

Where a building is used for more purposes than one, charges will be levied by reference to the dominant use of the building, determined by Council.

For properties within the Differential General Rating Category 6, 6(a) or 6(b) (Other Rural or Beef Production 1 or 2), the sewerage utility charge is levied on the same basis as residential properties, even though to be eligible the properties must be classified as commercial use properties.

For the purpose of these charges:

- a) A community titles lot is taken to be:
 - (i) A single dwelling if it is used wholly or predominantly as a place of residence; and
 - (ii) A non-dwelling property in any other case.
- b) A community title lot is a lot in a community titles scheme;
- c) A community titles scheme is a community titles scheme created under or by virtue of the *Body Corporate and Community Management Act 1997*, or is a development similar to such a scheme but that continues to be governed by the *Building Units and Group Titles Act 1980* rather than by the *Body Corporate and Community Management Act* (e.g. a development created under the *Integrated Resort Development Act 1987*); and
- d) A contribution schedule lot entitlement is an entitlement by that name, recorded in the community management statement (or analogous instrument) for a community titles scheme.

The sewerage charges will be those shown in the following tables:

Livingstone Shire Council Sewerage Scheme – Charges

Sewered Premises	Basis	Number of Charges
Private Dwelling/Residential Unit or Stables or property subject to rural differential rate.	Each Residence (regardless of number of pedestals)	1 Charge

Flats	Each Flat	1 Charge
Aged/Nursing Home Plus Aged/Nursing other fixtures	Each Unit/Cottage Each Pedestal/Urinal	1 Charge 1 Charge
Other Premises	Each Pedestal / 1200mm of Urinal or part thereof	1 Charge
Vacant Land	Each rateable property	1 Vacant Land Charge

For those properties in the Declared Sewerage Area, the annual charges as per the above schedule will be:

Declared Sewered Area	Amount of Charge	Amount of Vacant Land Charge
Capricorn Coast	\$ 796.00	\$ 756.00

PREVIOUS DECISIONS

Previous Sewerage charges were adopted in conjunction with the 2017-18 Budget on the 27th June 2017. The Separate charges identified reflect discussions had with Councillors during the 2018-19 series of Budget Workshops

BUDGET IMPLICATIONS

Sewerage Charges outlined within the recommendation reflect the related revenue represented within the 2018-19 Budget and Long Term Financial Forecasts.

LEGISLATIVE CONTEXT

Section 94 of the *Local Government Act 2009* and section 99 of the *Local Government Regulation 2012*, provides Council the authority to make and levy sewerage utility charges, for the supply of sewerage services.

LEGAL IMPLICATIONS

The adoption of the Sewerage charges ensures Council's compliance with the requirements of the *Local Government Act 2009* and provides for the basis for the levying of Sewerage charges for the 2018-19 financial year.

STAFFING IMPLICATIONS

The administration and half-yearly levy of Separate charges is managed by current staffing levels in accordance with current delegations.

RISK ASSESSMENT

The Revenue Statement inclusive of the Sewerage charges have been reviewed by Councils' external legal advisors in order to mitigate and unforeseen risks.

CORPORATE/OPERATIONAL PLAN

Corporate Plan Reference: Strategy GO3: Pursue financial sustainability through effective use of the Council's resources and assets and prudent management of risk.

LOCAL GOVERNMENT PRINCIPLES

The local government principles are –

- (a) Transparent and effective processes, and decision-making in the public interest; and
- (b) Sustainable development and management of assets and infrastructure, and delivery of effective services; and

- (c) Democratic representation, social inclusion and meaningful community engagement;
and
- (d) Good governance of, and by, local government; and
- (e) Ethical and legal behaviour of councillors and local government employees.

CONCLUSION

The sewerage utility charges are presented for adoption to support the 2018-19 Budget.

12.8 WATER UTILITY CHARGES

File No: 12.5.2
Attachments: Nil
Responsible Officer: Andrea Ellis - Chief Financial Officer
Author: Priscilla Graham - Coordinator Revenue

SUMMARY

This report presents the water utility charges for the 2018-19 financial year for adoption to support the 2018-19 Budget.

OFFICER'S RECOMMENDATION

THAT

Capricorn Coast Water Supply Charges

- (a) Pursuant to section 94 of the *Local Government Act 2009* and section 99 of the *Local Government Regulation 2012*, Council make and levy water utility charges, for the supply of Capricorn Coast water services by the Council, as follows:

Capricorn Coast Water Supply Scheme – Residential & Non-Residential Access Charges

Meter Size	Annual Access Charge
20mm	\$ 652
25mm	\$ 1,018
32mm	\$ 1,668
40mm	\$ 2,606
50mm	\$ 4,072
65mm	\$ 6,882
75mm	\$ 9,398
80mm	\$ 10,693
100mm	\$ 16,290
150mm	\$ 36,652
200mm	\$ 65,158
Vacant Land	\$ 652

Capricorn Coast Water Supply Scheme – Non Residential Water Consumption Charges

Billing Tier	Kilolitres (kl) Per Meter	Charge per Kilolitre
Single Tier	All consumption	\$1.99/kl

Capricorn Coast Water Supply Scheme – Residential Water Consumption Charges

Billing Tier	Kilolitres (kl) Per Meter	Charge per Kilolitre
1 st Tier	up to 75kl per quarter	\$0.87/kl
2 nd Tier	76kl to 150kl per quarter	\$1.34/kl
3 rd Tier	all usage greater than 150kl per quarter	\$2.71/kl

- (b) The application of the above levied Capricorn Coast water supply charges be in accordance with the further detail provided in Council's adopted Revenue Statement 2018-2019.

The Caves and Marlborough Water Supply

- (a) Pursuant to section 94 of the *Local Government Act 2009* and section 99 of the *Local Government Regulation 2012*, Council make and levy water utility charges, for the supply of The Caves and Marlborough water services by the Council, as follows:

The Caves & Marlborough Water Supply Scheme – Non Residential & Residential Access Charges

Meter Size	Annual Access Charge
20mm	\$ 450
25mm	\$ 703
32mm	\$ 1,151
40mm	\$ 1,799
50mm	\$ 2,811
65mm	\$ 4,750
75mm	\$ 6,324
80mm	\$ 7,195
100mm	\$ 10,721
150mm	\$ 25,296
200mm	\$ 44,970
Vacant Land	\$ 450

The Caves & Marlborough Water Supply Scheme – Non Residential Water Consumption Charges

Billing Tier	Kilolitres (kl) Per Meter	Charge per Kilolitre
Single Tier	All consumption	\$1.99/kl

The Caves & Marlborough Water Supply Scheme – Residential Water Consumption Charges

Billing Tier	Kilolitres (kl) Per Meter	Charge per Kilolitre
1 st Tier	up to 75kl per quarter	\$0.87/kl
2 nd Tier	76kl to 150kl per quarter	\$1.34/kl
3 rd Tier	all usage greater than 150kl per quarter	\$2.71/kl

- (b) The application of the above levied The Caves and Marlborough water supply charges be in accordance with the further detail provided in Council's adopted Revenue Statement 2018-2019.

Nerimbera Water Supply

- (a) Pursuant to section 94 of the *Local Government Act 2009* and section 99 of the *Local Government Regulation 2012*, Council make and levy water utility charges, for the supply of Nerimbera water services by the Council, as follows:

Nerimbera Water Supply Scheme – Non Residential & Residential Access Charges

Meter Size	Annual Access Charge
20mm	\$ 429
25mm	\$ 670
40mm	\$ 1,715
100mm	\$ 10,721
Vacant Land	\$ 429

Nerimbera Water Supply Scheme – Non Residential Water Consumption Charges

Billing Tier	Kilolitres (kl) Per Meter	Charge per Kilolitre
Single Tier	All consumption	\$1.99/kl

Nerimbera Water Supply Scheme – Residential Water Consumption Charges

Billing Tier	Kilolitres (kl) Per Meter	Charge per Kilolitre
1 st Tier	up to 75kl per quarter	\$0.87/kl
2 nd Tier	76kl to 150kl per quarter	\$1.34/kl
3 rd Tier	all usage greater than 150kl per quarter	\$2.71/kl

- (b) The application of the above levied Nerimbera water supply charges be in accordance with the further detail provided in Council's adopted Revenue Statement 2018-2019.

Ogmore Water Supply

- (a) Pursuant to section 94 of the *Local Government Act 2009* and section 99 of the *Local Government Regulation 2012*, Council make and levy water utility charges, for the supply of Ogmore water services by the Council, as follows:

The Ogmore Water Supply Scheme – Non Residential & Residential Access Charges

Meter Size	Annual Access Charge
20mm	\$ 377.00
Vacant Land	\$ 377.00

The Ogmore Water Supply Scheme – Non Residential Water Consumption Charges

Billing Tier	Kilolitres (kl) Per Meter	Charge per Kilolitre
Single Tier	All consumption	\$1.99/kl

The Ogmore Water Supply Scheme – Residential Water Consumption Charges

Billing Tier	Kilolitres (kl) Per Meter	Charge per Kilolitre
1 st Tier	up to 75kl per quarter	\$0.87/kl
2 nd Tier	76kl to 150kl per quarter	\$1.34/kl
3 rd Tier	all usage greater than 150kl per quarter	\$2.71/kl

- (b) The application of the above levied Ogmore water supply charges be in accordance with the further detail provided in Council's adopted Revenue Statement 2018-2019.

BACKGROUND

Water Utility charges consist of both Water Access charges (issued half-yearly) and Water Consumption charges (issued at quarterly intervals). Water access refers to the provision of water to a property. It also covers the costs of maintenance and operation of the water system including the water treatment plant and infrastructure.

COMMENTARY

Water charges will be set to recover all of the costs associated with the provision of water services by Council in the financial year. These costs include loan interest, depreciation, the cost of ongoing maintenance and operation of the system including treatment plant operations and the provision of infrastructure. As the water and waste water functions are a Type 3 activity under the National Competition Policy requirements, the charges are also made to recover tax equivalents, return on investment and other competitive neutrality adjustments.

Subject to any express provision to the contrary, Council will charge all land connected to its water supply or capable of connection to the supply, a two-part tariff for the period 1 July 2018 to 30 June 2019, comprised of:

- a graduated single tier access charge for land connected to Council's water supply, or capable of connection to the supply; and
- a multi-tiered consumption charge for residential users and a single tier charge for non-residential users.

The application of the water supply charges (including water consumption) are in accordance with further policy and tables outlined within the Revenue Statement.

For the financial period beginning 1 July 2018 a water supply charge will apply to all land in the Livingstone Shires Water Supply Areas (further detail is contained within the Revenue Statement), either rateable or non-rateable, that is connected or capable of being connected whether occupied or not occupied, including residential and commercial users, and community title lots.

The access charge for all properties located within the boundaries, and approved properties outside the boundaries of the Shire's Water Supply Areas, will be as detailed in the water access charges tables as identified within the recommendation and contained within the

Revenue Statement. Access charges identified are applied per meter or per lot as appropriate for the period 1 July 2018 to 30 June 2019 and will generally be levied on a half yearly basis.

The access charge for unoccupied land that is capable of connection to Council's water supply will be the sum payable for a 20mm residential water meter connection.

The consumption charge for all properties located within the boundaries and approved properties outside the boundaries of the Livingstone Shire Council Water Supply Areas shall be charged an amount per kilolitre as detailed in the consumption charges table below. The water period for the consumption charge will be for a period from 1 July 2018 to 30 June 2019 and billing will generally be in arrears on a quarterly basis.

PREVIOUS DECISIONS

Previous Water Utility charges were adopted in conjunction with the 2017-18 Budget on the 27th June 2017. The Water Utility charges identified reflect discussions had with Councillors during the 2018-19 series of Budget Workshops.

Council resolved to adopt full cost pricing principles to the water, sewerage and waste activities from 1 July 2017 at its Ordinary Meeting on the 20 June 2017.

BUDGET IMPLICATIONS

Water Utility Charges outlined within the recommendation reflect the Water Utility charge revenues represented within the 2018-19 Budget and Long Term Financial Forecasts.

Long term pricing paths are being developed which will underpin the pricing of the methodology to achieve full cost pricing within the forecast period.

LEGISLATIVE CONTEXT

Section 94 of the *Local Government Act 2009* and section 99 of the *Local Government Regulation 2012*, provides the authority for Council to make and levy Utility charges, for the supply of Water services by the Council.

LEGAL IMPLICATIONS

The adoption of the Water Utility charges ensures Council's compliance with the requirements of the *Local Government Act 2009* and provides for the basis for the levying of Water Utility charges for the 2018-19 financial year.

STAFFING IMPLICATIONS

The administration and half-yearly levy of Water Access Utility charges and Quarterly Water Consumption charges is managed by current staffing levels in accordance with current delegations.

RISK ASSESSMENT

The Revenue Statement inclusive of the Water Utility charges have been reviewed by King and Company Solicitors in order to mitigate and unforeseen risks.

CORPORATE/OPERATIONAL PLAN

Corporate Plan Reference: Strategy GO3: Pursue financial sustainability through effective use of the Council's resources and assets and prudent management of risk.

LOCAL GOVERNMENT PRINCIPLES

The local government principles are –

- (a) Transparent and effective processes, and decision-making in the public interest; and
- (b) Sustainable development and management of assets and infrastructure, and delivery of effective services; and
- (c) Democratic representation, social inclusion and meaningful community engagement; and

(d) Good governance of, and by, local government; and

(e) Ethical and legal behaviour of councillors and local government employees.

CONCLUSION

The water utility charges are presented for adoption to support the 2018-19 Budget.

12.9 WASTE MANAGEMENT UTILITY CHARGES

File No:	12.5.2
Attachments:	Nil
Responsible Officer:	Andrea Ellis - Chief Financial Officer
Author:	Priscilla Graham - Coordinator Revenue

SUMMARY

This report presents the waste management charges for the 2018-19 financial year for adoption to support the 2018-19 Budget.

OFFICER'S RECOMMENDATION

THAT

- (a) Pursuant to section 94 of the *Local Government Act 2009* and section 99 of the *Local Government Regulation 2012*, Council make and levy waste management utility charges, for the supply of waste management services by the Council, as follows:

Schedule of Waste Collection and Recycling Charges	
Service	Annual Charge
Domestic Services	
Combined Waste and Recycling Collection	\$491
Additional Collection – Waste	\$385
Additional Collection – Recycling	\$245
Ogmore - Waste Collection	\$243
Great Keppel Island - Combined Waste and Recycling Collection	\$600
Great Keppel Island - Additional Collection - Waste	\$440
Great Keppel Island - Additional Collection - Recycling	\$220
Commercial Services	
Waste Collection	\$402
Additional Collection – Waste	\$402
Recycling Collection	\$251
Additional Collection - Recycling	\$251
Ogmore - Waste Collection	\$243
Great Keppel Island - Combined Waste and Recycling Collection	\$600
Great Keppel Island - Additional Collection – Waste	\$440
Great Keppel Island - Additional Collection – Recycling	\$220

- (b) The application of the above levied waste collection and recycling charges be in accordance with the further detail provided in Council's adopted Revenue Statement 2018-2019.

BACKGROUND

The Waste Management Utility Charges incorporate the general waste and recycling charges applied based on the number of bins at the property. Commercial charges are levied per bin per collection relative to the type of service outlined within the schedule of waste collection and recycling charges.

COMMENTARY**Services to be provided**

- a) At its 6 February 2018 Meeting, Council adopted Designated Waste Collection Areas in which it may conduct collection services. At the same meeting, Council also adopted the following information for each Designated Waste Collection Area:
- (i) Types of general waste collection to be provided;
 - (ii) The standard general waste container (MGB) and the quantity to be provided per premises; and
 - (iii) The frequency of collection.

This information is located in the Waste Management Schedule which is appended to Council's Waste and Recycling Collection Policy.

- b) Collection services will be provided in accordance with the Waste Management Schedule.

Application of Waste Collection and Recycling Charges

- a) Waste Collection and Recycling Charges will only be applied to properties within the Designated Waste Collection Areas which have a structure that has the potential to generate general waste.
- b) If a property has one or more residential structures or units capable of separate occupation, the relevant Waste Collection and Recycling Charges (Domestic Services) will be levied for each structure or unit.
- c) Where a collection service is provided to a residence on a property within Category 6, 6(a) or 6(b) (Other Rural or Beef Production 1 or 2), the relevant Waste Collection and Recycling Charges (Domestic Services) will be levied.
- d) For newly constructed structures, the Combined Waste and Recycling Collection charge will be applied from the plumbing/building approval or delivery of the MGB, whichever occurs first.
- e) If a collection service is cancelled in accordance with 5.6 of Council's Waste and Recycling Collection Procedure, charges will not be levied.
- f) If there is more than one commercial operator on land capable of separate occupation, the owner will be charged the appropriate fee according to the quantity of collections provided.

Domestic Services Charges**Combined Waste and Recycling Collection** charge:

provision of one waste MGB, one recycling MGB and a collection service in accordance with the Waste Management Schedule.

Additional Collection – Waste and **Additional Collection – Recycling** charges:

provision of additional collection services in accordance with 5.3 of Council's Waste and Recycling Collection Procedure.

NOTE: to be provided on the same day as existing collection service

Ogmore - Waste Collection charge:

provision of one waste MGB and a collection service in accordance with the Waste Management Schedule.

Great Keppel Island - Combined Waste and Recycling Collection charge:
provision of one waste MGB, one recycling MGB and a collection service in accordance with the Waste Management Schedule.

Great Keppel Island – Additional Collection – Waste and **Great Keppel Island – Additional Collection – Recycling** charges:
provision of additional collection services in accordance with 5.3 of Council's Waste and Recycling Collection Procedure.
NOTE: to be provided on the same day as existing collection service

Commercial Services Charges

Waste Collection charge:
provision of one waste MGB and a collection service in accordance with the Waste Management Schedule.

Recycling Collection charge:
provision of one recycling MGB and a collection service in accordance with the Waste Management Schedule.

Additional Collection – Waste and **Additional Collection – Recycling** charges:
provision of additional collection services in accordance with 5.3 of Council's Waste and Recycling Collection Procedure.

PREVIOUS DECISIONS

Previous Waste Management Utility Charges were adopted in conjunction with the 2017-18 Budget on the 27th June 2017. The Separate charges identified reflect discussions had with Councillors during the 2018-19 series of Budget Workshops

BUDGET IMPLICATIONS

Waste Management Utility Charges outlined within the recommendation reflect the related revenue represented within the 2018-19 Budget and Long Term Financial Forecasts.

LEGISLATIVE CONTEXT

Section 94 of the *Local Government Act 2009* and section 99 of the *Local Government Regulation 2012*, provides Council the authority to make and levy waste management utility charges, for the supply of waste management services

LEGAL IMPLICATIONS

The adoption of the Waste Management Utility Charges ensures Council's compliance with the requirements of the *Local Government Act 2009* and provides the basis for the levying of Waste Management Utility Charges for the 2018-19 financial year.

STAFFING IMPLICATIONS

The administration and half-yearly levy of Waste Management Utility Charges is managed by current staffing levels in accordance with current delegations.

RISK ASSESSMENT

The Revenue Statement inclusive of the Waste Management Utility Charges has been reviewed by Council's legal advisors in order to mitigate and unforeseen risks.

CORPORATE/OPERATIONAL PLAN

Corporate Plan Reference: Strategy GO3: Pursue financial sustainability through effective use of the Council's resources and assets and prudent management of risk.

LOCAL GOVERNMENT PRINCIPLES

The local government principles are –

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

CONCLUSION

The Waste Management Utility Charges are presented for adoption to support the 2018-19 Budget.

12.10 DISCOUNT

File No: 12.5.2
Attachments: Nil
Responsible Officer: Andrea Ellis - Chief Financial Officer
Author: Priscilla Graham - Coordinator Revenue

SUMMARY

This report presents for the adoption of the discount for prompt payment of rates and charges for the 2018-19 financial year for adoption to support the 2018-19 Budget.

OFFICER'S RECOMMENDATION

THAT Pursuant to section 130 of the *Local Government Regulation 2012*, Council will allow a discount of 10% on the gross differential general rates, sewerage utility charges, water utility charges and waste management utility charges made and levied, excluding the water consumption charges, emergency services levy, special and separate rates and charges, provided payment of the full amount outstanding, including any overdue rates and interest to the date of payment, less any discount entitlement, is paid by the due date on original notice of the levy.

BACKGROUND

Council offers a discount to encourage on time payment of rates and utility charges and reward ratepayers for the responsible management of their accounts. It is estimated that ninety (90) percent of ratepayers take advantage of this incentive and ensure their half-yearly rates and utility notices are paid by the due date for discount.

COMMENTARY

Discount at the rate of ten (10) percent will be allowed on gross Council rates and charges, excluding any charge specifically excluded from discount entitlement, provided payment of the full amount outstanding, including any overdue rates and interest to the date of payment, less any discount entitlement, is paid by the due date on original notice of the levy.

Charges excluded from discount entitlement include:

Rural Fire Levy

Emergency Services Levy

North West Emu Park Sewerage Benefited Area Special Charge

Causeway Township Sewerage Benefited Area Special Charge

Mulambin Sewerage Benefited Area Special Charge

Muskers Beach Revetment Wall – Special Charge

Water Consumption Charges

Natural Environment Separate Charge

Road Network Separate Charge

Disaster Response Separate Charge

PREVIOUS DECISIONS

The previous rate of discount for on time payment was adopted within the Revenue Statement 2017-18 in conjunction with the 2017-18 Budget. The discount identified reflect discussions had with Councillors during the 2018-19 series of Budget Workshops.

BUDGET IMPLICATIONS

The 2018-19 Budget estimates approximately 90% of ratepayers take advantage of the 10% prompt payment discount.

LEGISLATIVE CONTEXT

Section 130 of the *Local Government Regulation 2012*, provides the ability for Council to allow a discount for the payment of rates and charges before the due date for discount.

LEGAL IMPLICATIONS

The adoption of the discount ensures Council's compliance with the requirements of the *Local Government Regulation 2012*.

STAFFING IMPLICATIONS

The administration of the discount is managed by current staffing levels in accordance with the Revenue Statement.

Applications in regard to missed discount are processed in accordance with the Rates Payment Policy.

RISK ASSESSMENT

Risk is mitigated by the due date of payment clearly identified upon notices and additional marketing of discount dates.

CORPORATE/OPERATIONAL PLAN

Corporate Plan Reference: Strategy GO3: Pursue financial sustainability through effective use of the Council's resources and assets and prudent management of risk.

LOCAL GOVERNMENT PRINCIPLES

The local government principles are –

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

CONCLUSION

This report seeks the adoption of the discount for prompt payment of rates and charges for the 2018-19 financial year in support of the 2018-19 Budget.

12.11 INTEREST

File No: 12.5.2
Attachments: Nil
Responsible Officer: Andrea Ellis - Chief Financial Officer
Author: Priscilla Graham - Coordinator Revenue

SUMMARY

This report seeks the adoption of the rate of interest applied to all overdue rates and utilities (including water consumption) for the 2018-19 financial year.

OFFICER'S RECOMMENDATION

THAT Pursuant to section 133 of the *Local Government Regulation 2012*, overdue rates will bear interest at the rate of seven (7) percent per annum compounded monthly, to be calculated from the end of the financial half year in which they fall due and charged at the end of each month or at such other time as required for the issuing of statutory notices.

BACKGROUND

In accordance with the *Local Government Regulation 2012*, overdue rates will bear interest at the rate of seven (7) percent per annum compounded monthly, to be calculated from the end of the financial half year in which they fall due and charged at the end of each month or at such other time as required for the issuing of statutory notices.

COMMENTARY

The *Local Government Regulation 2012*, outlines the maximum statutory rate of interest being eleven (11) percent. Council has identified that this rate of interest is unintentionally increasing the difficulty of our ratepayers to pay down their arrears. Council recognises that many of these ratepayers are genuinely attempting to pay down their overdue balances. Therefore, Council has opted to reduce the level of interest applied to seven (7) percent. The seven (7) percent is compounded monthly and charged to the account at the end of each month.

PREVIOUS DECISIONS

The previous rate of interest applied to arrears was adopted within the Revenue Statement 2017-18 in conjunction with the 2017-18 Budget. The application of the interest and the rate of seven (7) percent is reflective of discussions had with Councillors during the 2018-19 series of Budget Workshops.

BUDGET IMPLICATIONS

The application of the interest on arrears outlined within the recommendation is reflected within the interest revenues represented within the 2018-19 Budget and Long Term Financial Forecasts.

The interest outlined within the recommendation reflects the related revenue represented within the 2018-19 Budget and Long Term Financial Forecasts.

LEGISLATIVE CONTEXT

Section 133 of the *Local Government Regulation 2012* identifies the maximum statutory interest rate of 11% in which a local government can charge.

LEGAL IMPLICATIONS

Adoption of the interest rate applicable for overdue rates and charges ensures compliance with the requirements of the *Local Government Regulation 2012*.

STAFFING IMPLICATIONS

The administration of the interest is managed by current staffing levels within the Revenue and Rates function.

RISK ASSESSMENT

No risk is foreseen.

CORPORATE/OPERATIONAL PLAN

Corporate Plan Reference: Strategy GO3: Pursue financial sustainability through effective use of the Council's resources and assets and prudent management of risk.

LOCAL GOVERNMENT PRINCIPLES

The local government principles are –

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

CONCLUSION

The seven (7) percent rate of interest to be applied to all overdue rates and utilities (including water consumption) for the 2018-19 financial year is presented for adoption in support of the 2018-19 Budget.

12.12 LEVY AND PAYMENT

File No: 12.5.2
Attachments: Nil
Responsible Officer: Andrea Ellis - Chief Financial Officer
Author: Priscilla Graham - Coordinator Revenue

SUMMARY

This report presents the levy and payment periods for the 2018-19 rates and charges for adoption to support the 2018-19 Budget.

OFFICER'S RECOMMENDATION

THAT;

- (a) Pursuant to section 107 of the *Local Government Regulation 2012* and section 114 of the *Fire and Emergency Services Act 1990*, Council's rates and charges, and the State Government's Emergency Management, Fire and Rescue Levy shall generally be levied half yearly (billing periods beginning July/August and January/February) with the exception of water consumption which will be levied at quarterly intervals on a rolling basis. Such rates and utility charges shall be payable by the due date detailed on the rate notice.
- (b) Council will apply section 102 of the *Local Government Regulation 2012* to the reading of water meters so that if a meter is due to be read on a particular day (e.g. the last day of a quarter) to enable Council to calculate a consumption charge to be levied, the meter will be deemed read on that particular day if it is read within 2 weeks before the day or 2 weeks after the day.
- (c) Pursuant to section 118 of the *Local Government Regulation 2012*, that Council's rates and charges, and the State Government's Emergency Management, Fire and Rescue Levy, be paid within 35 days of the date of the issue of the rate notice.

BACKGROUND

Livingstone Shire Council rates and utility charges shall generally be levied half yearly with the exception of water consumption which will be levied at quarterly intervals on a rolling basis. Such rates and utility charges issued will be provided thirty-five (35) days for payment.

COMMENTARY

Rates and utility charges are billed half yearly. Billing periods being 1 July 2018 to 31 December 2018 (issued July/August) and 1 January 2019 to 30 June 2019 (issued January/February) with the exception of water consumption which will be levied at quarterly intervals on a rolling basis. Notices become due and payable within 35 days of the issue of the rate and utility notice.

PREVIOUS DECISIONS

The previous levy and payment periods for the 2017-18 year were identified within the Revenue Statement 2017-18 and adopted on the 27th June 2017 in conjunction with the 2017-18 Budget. The Council resolved to increase payment periods for the second half of the 2017-18 in January 2018.

BUDGET IMPLICATIONS

Any extension of payment periods can adversely affect the budgeted revenue as it delays/reduces cash flow and subsequent debt recovery actions.

LEGISLATIVE CONTEXT

Section 107 of the *Local Government Regulation 2012*, outlines the requirement for Council to identify the billing periods for rates and utility charges.

Section 114 of the *Fire and Emergency Services Act 1990*, outlines the requirement for Council to identify the billing periods for the State Government's Emergency Management, Fire and Rescue Levy

Section 102 of the *Local Government Regulation 2012*, details the requirements in regard to reading of water meters.

Section 118 of the *Local Government Regulation 2012*, outlines the Councils ability to decide the date by which, rates or charges must be paid.

LEGAL IMPLICATIONS

Adoption of levy and payment periods ensures compliance with the requirements of the *Local Government Regulation 2012*.

STAFFING IMPLICATIONS

The administration of the levy and payment period is managed by current staffing levels in accordance with the Revenue Statement.

Applications in regard to missed discount are processed in accordance with the Rates Payment Policy.

RISK ASSESSMENT

Risk is mitigated by strategies to identify with ratepayers that Rates and Utility Notices have issued and the subsequent dates due for payment.

CORPORATE/OPERATIONAL PLAN

Corporate Plan Reference: Strategy GO3: Pursue financial sustainability through effective use of the Council's resources and assets and prudent management of risk.

LOCAL GOVERNMENT PRINCIPLES

The local government principles are –

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

CONCLUSION

The levy and payment periods for the 2018-19 rates and charges are presented for adoption in support of the 2018-19 Budget.

12.13 RATING REBATES AND CONCESSIONS

File No: 12.5.2
Attachments: 1. Rates Rebates and Remissions Policy [↓](#)
Responsible Officer: Andrea Ellis - Chief Financial Officer
Author: Priscilla Graham - Coordinator Revenue

SUMMARY

This report presents the Rates Rebates and Remissions policy for the 2018-19 financial year for adoption to support the 2018-19 Budget.

OFFICER'S RECOMMENDATION

THAT

- (a) Pursuant to sections 120, 121 and 122 of the *Local Government Regulation 2012*, Council adopt the Rates Rebates and Remissions policy.
- (b) Pursuant to sections 120, 121 and 122 of the *Local Government Regulation 2012*, Council will offer a subsidy (upon the same terms and conditions as the Queensland Government Pensioner Rate Subsidy Scheme), a 20% remission (to a maximum of \$280) on all rates levied in respect of the property the person owns and occupies, excluding special rates/charges, water consumption charges, and rural and state fire levies/charges. The Council Pensioner Subsidy includes a person in receipt of a Widow/ers Allowance.

The remission is offered on the basis that the ratepayers are pensioners (as defined by the *Local Government Regulation 2012*).
- (c) Pursuant to sections 120, 121 and 122 of the *Local Government Regulation 2012*, Council will grant varied levels of concessions to approved charitable and other not-for-profit Community Groups, including not-for-profit Sporting Bodies, in accordance with the provisions of the Rates Rebates and Remissions Policy. The concessions are offered in accordance with eligibility criteria outlined within the Rates Rebates and Remissions Policy and are offered on the basis that the ratepayers are entities whose objectives do not include the making of a profit.
- (d) General Rate Remissions - In accordance with Part 10 of the *Local Government Regulation 2012*, the properties where 100% remission of general rates applies may be exempted from payment of general rates in lieu of the provision of a remission.
- (e) Permits to Occupy (Pump Sites)
Council will grant a remission on the following basis for those assessments that only contain a permit to occupy for pump sites provided the ratepayer as shown on the assessment is the owner of another property in the Council area on which the rate or charge has been levied:
 - (a) Separate Charges – 100% remission
 - (b) General Rates – Maximum remission of \$600.00

BACKGROUND

In accordance with sections 120,121 and 122 of the *Local Government Regulation 2012*, Council will offer rebates and remissions in accordance with the Rates Rebates and Remissions Policy and strict eligibility criteria. The Policy identifies target groups and

establishes guidelines to assess requests for rates and utility charge remissions in order to alleviate the impact of Local Government rates and charges, particularly in relation to not-for-profit/community organisations and ratepayers who are in receipt of an approved government pension or land holders with approved Nature Refuge Agreements.

COMMENTARY

The Rates Rebates and Remissions Policy is generally reviewed annually in conjunction with the Budget. The Policy may be reviewed at any stage throughout the financial year upon resolution of Council.

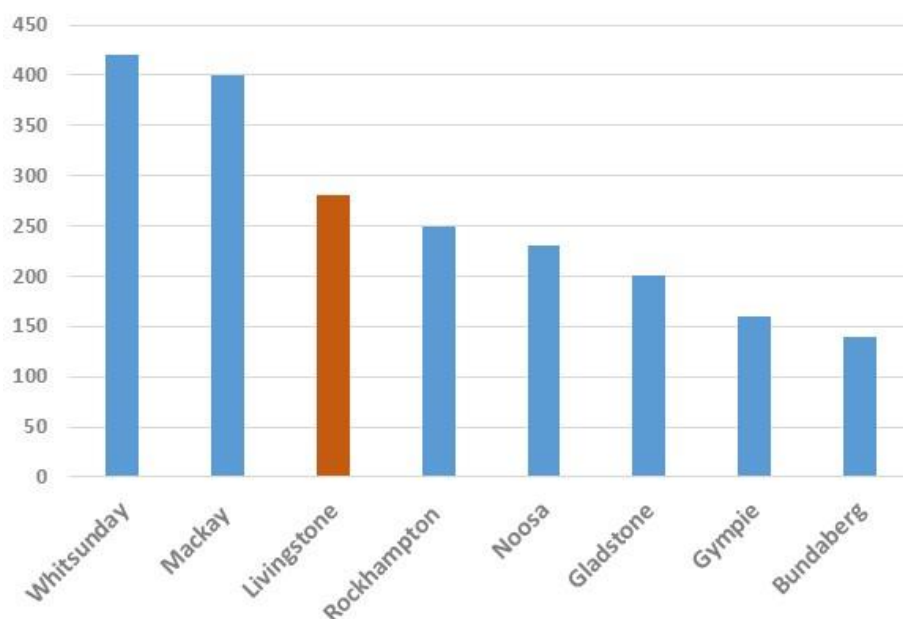
Council provides various levels of remissions for the following categories of ratepayers.

Approved Government Pensioners

The pensioner remission is intended to encourage and assist pensioners to be independent and continue to live in their own homes where possible.

Eligible pensioners will receive a remission of 20% (to a maximum of \$280) on all rates levied in respect of the property in which they both own and reside. This is in addition to the 20% of the gross rates and charges (up to a maximum of \$200) available under the Queensland State Government Pension Rebate. The total cost of providing the Council's pensioner remission is an estimated \$560,000 for 2018-19.

The below graph provides a comparison of Council's pensioner remission compared to a selection of other local governments, with Council's remission offered ranking 3rd highest out of the eight sampled.



Not-For-Profit/Charitable Organisations

Council grants varied levels of concessions to charitable and other not-for-profit organisations including charitable community groups, the Surf Life Saving Clubs, Community Showgrounds, Community Kindergartens, Rural Fire Brigades, Community Art Associations, Charitable Organisations assisting the Aged/Disadvantaged and Sporting Clubs and Associations.

The estimated total value of remissions offered to the Not-For-Profit/Charitable Organisations for the 2018-19 Financial year is an estimated \$240,000. This excludes any additional grants, in kind donations or other funding the organisations may obtain from Livingstone Shire Council.

Nature Refuge Agreements

Providing assistance for the conservation of significant natural resources in private landholdings in rural areas is an action which can be taken to address the problems of land degradation and loss of natural resources. The broader community benefits associated with natural area conservation include; improvements to overall catchment health, retention of critical habitats, reduced erosion and improved water quality.

To address these issues, Council has introduced a rates rebate scheme to encourage the conservation of high value vegetation and wildlife habitat on private land. A rate rebate recognises the landowners' commitment to maintain the nature refuge area of their land. The use of the nature refuge agreement as a condition of a rate rebate has been determined as the most appropriate method of identifying suitable properties as they offer the highest level of protection and are automatically transferred with ownership of the land. The amount of rebate is proportional to the area of land covered by the nature refuge agreement.

It is estimated that by offering this remission, Council is supporting the management of one thousand and eighty-six (1,086) hectares of land protected by Nature Refuge Agreements for a cost of approximately \$5,600 per annum.

General Rate Remissions

In accordance with Part 10 of the *Local Government Regulation 2012*, the properties where 100% remission of general rates applies under the acts. These properties may be exempted from the payment of general rates in lieu of the provision of a remission.

Permits to Occupy

Council grants a 100% remission on separate charges and a maximum of remission of \$600 of General rates upon assessments that only contain a permit to occupy for a pump site provided the ratepayer as shown on the assessment is the owner of another property in the Council area on which the rate or charge has been levied.

PREVIOUS DECISIONS

The previous Rates Rebates and Remissions Policy was adopted by Council on the 27th June 2017 in conjunction with the 2017-18 Budget. The remissions identified reflect discussions had with Councillors during the 2018-19 series of Budget Workshops.

The remission for Nature Refuge Agreements was addressed at the Planning, Finance, Innovation and Business Excellence Committee Meeting held on the 18th June 2018.

BUDGET IMPLICATIONS

Remissions provided under the Rates Rebates and Remissions Policy are in accordance with the remissions allocated in accordance within the 2018-19 Budget.

LEGISLATIVE CONTEXT

Sections 120, 121 and 122 of the *Local Government Regulation 2012*, identify the provisions made to allow Council the ability to apply remissions to certain categories of ratepayers.

The Rates Rebates and Remissions Policy may be reviewed at any time throughout the year upon resolution of Council.

LEGAL IMPLICATIONS

The adoption of the Rates Rebates and Remissions Policy ensures compliance with the requirements of the *Local Government Regulation 2012* and provides the guidelines and levels of remission required in order to assess requests for rates and utility charges remissions.

STAFFING IMPLICATIONS

The application of the Rates Rebates and Remissions policy is managed by current staffing levels in accordance with current delegations.

RISK ASSESSMENT

Risk is mitigated by the application of strict eligibility criteria to ensure the appropriate target groups meet criteria.

CORPORATE/OPERATIONAL PLAN

Corporate Plan Reference: Strategy GO3: Pursue financial sustainability through effective use of the Council's resources and assets and prudent management of risk.

LOCAL GOVERNMENT PRINCIPLES

The local government principles are –

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

CONCLUSION

The Rates Rebates and Remissions Policy is presented for adoption to support the 2018-19 Budget.

12.13 - RATING REBATES AND CONCESSIONS

Rates Rebates and Remissions Policy

Meeting Date: 24 July 2018

Attachment No: 1



RATES, REBATES AND REMISSIONS POLICY (COMMUNITY POLICY)

1. Scope

The Rates, Rebates and Remissions Policy (this 'Policy') applies to any person, group or organisation seeking remissions for rates and/or utility charges.

2. Purpose

To identify target groups and establish guidelines to assess requests for rates and utility charge remissions in order to alleviate the impact of Local Government rates and charges, particularly in relation to not-for-profit/community organisations, ratepayers who are in receipt of an approved Government pension or land holders with approved Nature Refuge Agreements.

3. References (legislation/related documents)

Legislative reference

Local Government Act 2009

Local Government Regulation 2012

Related documents

Revenue Policy

Revenue Statement

4. Definitions

To assist in interpretation, the following definitions shall apply:

Council	Livingstone Shire Council.
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5. Policy Statement

Rate Remissions will be considered for the following categories of ratepayers, also noting that Council's prompt payment discount shall be calculated on gross rates prior to remission.

5.1 Approved Government Pensioners

Rate remissions/subsidies are available to approved pensioners who are in receipt of a pension for entitlements from Centrelink or the Department of Veterans' Affairs or Widow's allowance.

The Scheme is directed to the elderly, invalid or otherwise disadvantaged citizens of the community whose principal or sole source of income is a pension or allowance paid by Centrelink or the Department of Veterans' Affairs and who are the owners of property in which they reside and have responsibility for payment of Council rates and charges thereon.

Rates, Rebates and Remissions Policy

Adopted/Approved: Draft
Version: 6 (when adopted)

Portfolio: Office of the CEO and Mayor
Business Unit: Finance and Business Excellence

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5.1.1 Eligibility

Approved Pensioner, is a person who:

- a) Is and remains an eligible holder of a Queensland "Pensioner Concession Card" issued by Centrelink or the Department of Veterans' Affairs, or a Queensland "Repatriation Health Card - For All Conditions" issued by the Department of Veterans Affairs; and
- b) Is the owner or life tenant (either solely or jointly) of the property which is his/her principal place of residence; and
- c) Has, either solely or jointly with a co-owner, the legal responsibility for the payment of rates and charges which are levied in respect of the property; or
- d) A person who is and remains in receipt of a Widow's or Widower's Allowance.

5.1.2 Close of Applications

Applications for remissions will be considered at any time during the rating period (i.e. half yearly). Applications received after the date of levy will be considered only from the commencement of the current rating period. Rebates will not be granted retrospectively without prior approval from the State Government Concessions Unit.

Applications must be made in writing using Council's approved form and a new application will need to be submitted where a change of address occurs.

5.1.3 Amount of Remission

For an approved ratepayer, Council remissions will apply as per the Revenue Statement adopted by Council each year.

Should an applicant/person be entitled to only part of the State Subsidy, because of part ownership of the property, or other relevant reason, the Council remission would be similarly reduced.

5.2 Not-For-Profit/Charitable Organisations

Rate remissions are available to approved organisations whose objectives do not include the making of profit and who provide services to their membership and the community at large.

5.2.1 Eligibility

Not-For-Profit/Community Organisation, is an incorporated body who:

- a) Does not include the making of profit in its objectives;
- b) Does not charge a commercial fee for service;
- c) Is located within the Livingstone Shire Council area and the majority of its members reside in the Council area;
- d) Does not receive income from gaming machines and/or from the sale of alcohol in an organised manner (e.g. bar with regular hours of operation with permanent liquor license);
- e) Is the owner, lessee or life tenant of the property;
- f) The property is the incorporated body's main grounds/base/club house or residence;
- g) Has, either solely or jointly with a co-owner, the legal responsibility for the payment of rates and charges which are levied in respect of the property;

- h) Is not a religious body or entity or educational institution recognised under State or Federal statute or law; and
- i) Is not a State and Federal entity whose activities are controlled or Governed by State or Federal statute or law.

Should an applicant only have part ownership of the property the Council remission would be similarly reduced.

5.2.2 Close of Applications

Eligibility for a remission will be assessed by Council on an annual basis prior to issue of the first rate notice each financial year (generally June/July). Organisations that are not automatically provided with a remission, and believe that they meet the relevant criteria, may apply for approval at any time. If an application is approved by Council, remissions will be applied from the beginning of the current rating period (remissions will not be applied retrospectively).

5.2.3 Amount of Remission

(a) Category One (1) – Surf Life Saving Organisations

- Remission Level General Rates – 100%
- Remission Level Road Network Separate Charge – 100%
- Remission Level Environment Levy Separate Charge – 100%
- Remission Level Disaster Response Levy – 0%
- Remission Level Special Rates/Charges – 0%
- Remission Level Water Access Charges – 100%
- Remission Level Water Consumption Charges – Charged at residential rates
- Remission Level Sewerage Charges – 100%
- Remission Level Waste Charges – 100%
- Cap – N/A

(b) Category Two (2) - Showground Related Organisations

- Remission Level General Rates – 100%
- Remission Level Road Network Separate Charge – 100%
- Remission Level Environment Levy Separate Charge – 100%
- Remission Level Disaster Response Levy – 0%
- Remission Level Special Rates/Charges – 0%
- Remission Level Water Access Charges – 50%
- Remission Level Water Consumption Charges – Charged at residential rates
- Remission Level Sewerage Charges – 50%
- Remission Level Waste Charges – 50%
- Cap – N/A

Identified Assessments

- 132506 65 Barmoya Road, THE CAVES
- 139271 65 Racecourse Road, BARMOYA
- 135459 26 Morris Street, YEPPOON

(c) Category Three (3) – Kindergartens

- Remission Level General Rates – 50%
- Remission Level Road Network Separate Charge – 50%
- Remission Level Special Rates/Charges – 0%

Rates, Rebates and Remissions Policy

Adopted/Approved: Draft
Version: 6 (when adopted)

Portfolio: Office of the CEO and Mayor
Business Unit: Finance and Business Excellence

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- Remission Level Environment Separate Charge – 0%
 - Remission Level Disaster Response Levy – 0%
 - Remission Level Water Access Charges – 50%
 - Remission Level Water Consumption Charges – Charged at residential rates
 - Remission Level Sewerage Charges – 50%
 - Remission Level Waste Charges – 50%
 - Cap - \$ 1,000.00
- (d) Category Four (4) – Charitable Organisations Benefiting the Aged/Disadvantaged
- Remission Level General Rates – 100%
 - Remission Level Road Network Separate Charge – 100%
 - Remission Level Environment Levy Separate Charge – 100%
 - Remission Level Disaster Response Levy – 0%
 - Remission Level Special Rates/Charges – 0%
 - Remission Level Water Access Charges – 50%
 - Remission Level Water Consumption Charges – 0%
 - Remission Level Sewerage Charges – 50%
 - Remission Level Waste Charges – 50%
 - Cap - \$ 1,000.00 for Service Charges only
- (e) Category Five (5) – Sporting Clubs & Associations – Without Liquor & Gaming Licenses
- Remission Level General Rates – 100%
 - Remission Level Road Network Separate Charge – 100%
 - Remission Level Environment Levy Separate Charge – 100%
 - Remission Level Disaster Response Levy – 0%
 - Remission Level Special Rates/Charges – 0%
 - Remission Level Water Access Charges – 50%
 - Remission Level Water Consumption Charges – Charged at residential rates
 - Remission Level Sewerage Charges – 50%
 - Remission Level Waste Charges – 50%
 - Cap - \$ 2,000.00 for Service Charges only
- (f) Category Six (6) – Sporting Clubs & Associations – With Liquor Licenses but No Gaming Licenses
- Remission Level General Rates – 50%
 - Remission Level Road Network Separate Charge – 50%
 - Remission Level Environment Separate Charge – 0%
 - Remission Level Disaster Response Levy – 0%
 - Remission Level Special Rates/Charges – 0%
 - Remission Level Water Access Charges – 50%
 - Remission Level Water Consumption Charges – Charged at residential rates
 - Remission Level Sewerage Charges – 50%
 - Remission Level Waste Charges – 50%
 - Cap - \$ 2,000.00

- (g) Category Seven (7) – Not for Profit Co-operatives/Organisations providing stand-alone Aged/Disadvantaged and at risk accommodation facilities within the Livingstone Shire Council Boundaries. (Criteria 5.2.1(f) does not apply to this Category)
- Remission Level General Rates – 25%
 - Remission Level Road Network Separate Charge – 25%
 - Remission Level Environment Separate Charge – 0%
 - Remission Level Disaster Response Levy – 0%
 - Remission Level Special Rates/Charges – 0%
 - Remission Level Water Access Charges – 25%
 - Remission Level Sewerage Charges – 25%
 - Remission Level Waste Charges – 25%
 - Cap – N/A
- (h) Category Eight (8) – Sporting Clubs & Associations – With Liquor & Gaming Licenses
- Remission Level General Rates – 0%
 - Remission Level Road Network Separate Charge – 100%
 - Remission Level Environment Levy Separate Charge – 100%
 - Remission Level Disaster Response Levy – 0%
 - Remission Level Special Rates/Charges – 0%
 - Remission Level Water Access Charges – 0%
 - Remission Level Water Consumption Charges – 0%
 - Remission Level Sewerage Charges – 0%
 - Remission Level Waste Charges – 0%
 - Cap – N/A
- (i) Category Nine (9) - All Other Not For Profit/Charitable Organisations
- Remission Level General Rates – 100%
 - Remission Level Road Network Separate Charge – 100%
 - Remission Level Environment Levy Separate Charge – 100%
 - Remission Level Disaster Response Levy – 0%
 - Remission Level Special Rates/Charges – 0%
 - Remission Level Water Access Charges – 50%
 - Remission Level Water Consumption Charges – Charged at residential rates
 - Remission Level Sewerage Charges – 50%
 - Remission Level Waste Charges – 50%
 - Cap - \$ 2,000.00 for Service Charges only
- (j) Category Ten (10) - Rural Fire Brigade
- Remission Level General Rates – 100%
 - Remission Level Separate Rates/Charges – 100%
 - Remission Level Special Rates/Charges – 0%
 - Remission Level Water Access Charges – 100%
 - Remission Level Water Consumption Charges – 100%
 - Remission Level Sewerage Charges – 100%
 - Remission Level Waste Charges – 100%
 - Cap - N/A

- (k) Category Eleven (11) – Identified Not for Profit Integrated Retirement/Aged Care Facilities or stand-alone Aged Care Facilities within the Livingstone Shire Council area (Criteria 5.2.1(f) and 5.2.1(h) above does not apply to this Category)

Remission Level General Rates – 100%
Remission Level Road Network Separate Charge – 100%
Remission Level Environment Levy Separate Charge – 100%
Remission Level Disaster Response Levy – 0%
Remission Level Special Rates/Charges – 0%
Remission Level Sewerage Charges – 20%
Cap - N/A

Identified Assessments

141391 44 Svendsen Road, ZILZIE
135661 150 Rockhampton Road, YEPPOON
135730 26 Magpie Street, YEPPOON
135553 24 Birdwood Avenue, YEPPOON
127621 118-126 Pattison Street, EMU PARK

NOTE for all categories: Sewerage charges are not to be levied in respect of public amenities blocks that are locked and controlled by the clubs.

5.3 General Rate Remissions

In accordance with Part 10 of the *Local Government Regulation 2012*, the properties where 100% remission of general rates applies may be exempted from payment of general rates in lieu of the provision of a remission.

5.4 Permits to Occupy (Pump Sites)

Council will grant a remission on the following basis for those assessments that only contain a permit to occupy for pump sites provided the ratepayer as shown on the assessment is the owner of another property in the Council area on which the rate or charge has been levied:

- (a) Separate Charges – 100% remission
(b) General Rates – Maximum remission of \$600.00.

5.5 Nature Refuge Agreements

Providing assistance for the conservation of significant natural resources in private landholdings in rural areas is an action which can be taken to address the problems of land degradation and loss of natural resources. The broader community benefits associated with natural area conservation include; improvements to overall catchment health, retention of critical habitats, reduced erosion and improved water quality.

To address these issues Council has introduced a rates rebate scheme to encourage the conservation of high value vegetation and wildlife habitat on private land.

A rate rebate recognises the landowners' commitment to maintain the nature refuge area of their land. The use of the nature refuge agreement as a condition of a rate rebate has been determined as the most appropriate method of identifying suitable properties as they offer the highest level of protection and are automatically transferred with ownership of the land. The amount of rebate is proportional to the area of land covered by the nature refuge agreement.

5.5.1 Eligibility

General requirements for attracting the rebate include:

- (a) A Nature Refuge Agreement exists over the property or that part of the property subject to the rates reduction application, between the owner and the Queensland Department of Environment and Science; and
- (b) An application is submitted by the land owner/s.

5.5.2 Close of Applications

Applications may be made at any time and approved properties will receive the rebate from the next rates notice.

5.5.3 Amount of Remission

Rates discount will apply as follows:

Less than 10% of the assessment area	10% of overall general rates to a maximum of \$324 per annum.
10% to less than 20% of the assessment area	15% of overall general rates to a maximum of \$540 per annum.
20% to less than 40% of the assessment area	20% of overall general rates to a maximum of \$810 per annum.
40% or greater of the assessment area	25% of overall general rates to a maximum of \$1,080 per annum.

6. Changes to this Policy

This Policy is to remain in force until otherwise amended/replaced or other circumstances as determined from time to time by the Council.

7. Repeals

This Policy repeals the former Livingstone Shire Council Policy titled 'Rates Rebates and Remission Policy v5' adopted 27 June 2017.

CHRIS MURDOCH
CHIEF EXECUTIVE OFFICER

12.14 2017-18 STATEMENT OF ESTIMATED FINANCIAL POSITION

File No: 12.5.2
Attachments: 1. [Estimated Financial Position](#)
Responsible Officer: Andrea Ellis - Chief Financial Officer
Author: Damien Cross - Coordinator Accounting Services

SUMMARY

This report presents the Estimated Statement of Financial Position as at 30 June 2018 for Council's adoption in accordance with Section 205 of the Local Government Regulation 2012.

OFFICER'S RECOMMENDATION

THAT pursuant to Section 205 of the *Local Government Regulation 2012*, Council resolve to receive the Statement of Estimated Financial Position as at 30 June 2018 as contained in attachment one.

COMMENTARY

In accordance with Section 205 of the *Local Government Regulation 2012* the Chief Executive Officer must present to the Local Governments' annual Budget Meeting a statement of the Council's estimated financial position as at 30 June for the immediate previous financial year. The attached document is comprised of a Statement of Estimated Income and Expenditure, Statement of Estimated Financial Position and Statement of Estimated Cash Flows for the year ended 30 June 2018.

The attached provides a comparison between Council's Estimated Financial Position as at 30 June 2018 and the Quarter 2 2017-18 Revised Budget (18Q2) as adopted by Council on 20 March 2018. It should be noted that the attached estimated results are an estimate only and the final Financial Position will be subject to the completion and external audit of Council's 2017-18 general purpose financial statements.

Consistent with the Quarter 2 2017-18 Revised Budget (18Q2), Council is expected to have an operational budget deficit for the year ended 30 June 2018. However due mostly to savings in operational expenditure, the operational deficit for the 2017-18 financial year is expected to be approximately \$730K being \$2.9M lower than the \$3.6M operational deficit as adopted by Council in the Quarter 2 2017-18 Revised Budget.

PREVIOUS DECISIONS

No previous decisions have been made by Council in relation to the attached 2017-18 Estimated Statement of Financial Position.

BUDGET IMPLICATIONS

The attached outlines the Estimated Financial Position of Council as at 30 June 2018. This estimated position is subject to change following the completion and external audit of Council's 2017-18 general purpose financial statements.

LEGISLATIVE CONTEXT

The Chief Executive Officer must present to the Local Governments annual Budget Meeting a statement of the Estimated Financial Position for the previous financial year in accordance with Section 205 of the *Local Government Regulation 2012*.

LEGAL IMPLICATIONS

There are no foreseen legal implications associated with the adoption of the attached 2017-18 Statement of Estimated Financial Position.

STAFFING IMPLICATIONS

There are no staffing implications associated with the adoption of the attached 2017-18 Statement of Estimated Financial Position.

RISK ASSESSMENT

Regular robust reporting of Council's Financial Policies assists in creating a framework of financial responsibility within the Council and providing sound long term financial management of Council's operations.

CORPORATE/OPERATIONAL PLAN

Corporate Plan Reference: Strategy GO3: Pursue financial sustainability through effective use of the Council's resources and assets and prudent management of risk.

LOCAL GOVERNMENT PRINCIPLES

The local government principles are –

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

CONCLUSION

Pursuant to Section 205 of the *Local Government Regulation 2012* the Chief Executive Officer must present to the Local Governments' annual Budget Meeting a statement of the Council's Estimated Financial Position as at 30 June for the immediate previous financial year. The attached provides a comparison between Council's Estimated Financial Position as at 30 June 2018 and the Quarter 2 2017-18 revised Budget as adopted by Council on 20 March 2018.

12.14 - 2017-18 STATEMENT OF ESTIMATED FINANCIAL POSITION

Estimated Financial Position

Meeting Date: 24 July 2018

Attachment No: 1

LIVINGSTONE SHIRE COUNCIL
STATEMENT OF ESTIMATED INCOME AND EXPENDITURE
 FOR THE YEAR ENDING 30 JUNE 2018

	2017-18 Quarter 2 Revised Budget \$'000	2017-18 Estimated Actuals \$'000	Variance Estimated Actual vs Revised Budget \$'000	Variance Estimated Actual vs Revised Budget %
Operating Revenue				
Rates and utility charges	68,355	69,159	804	1.2%
Fees and charges	4,216	4,505	289	6.9%
Rental income	276	339	63	22.8%
Interest Revenue	1,389	1,201	(188)	-13.5%
Sales revenue	4,251	2,280	(1,971)	-46.4%
Operational grants and subsidies	6,286	6,676	390	6.2%
Other revenues	428	575	147	34.3%
Total Operating Revenue	85,201	84,735	(466)	-0.5%
Operating Expenses				
Employee benefits	32,695	31,176	(1,519)	-4.6%
Materials and services	26,976	25,572	(1,404)	-5.2%
Finance costs	4,127	4,126	(1)	0.0%
Depreciation and amortisation	23,567	22,923	(644)	-2.7%
Other expenses	1,498	1,668	170	11.3%
Total Operating Expenditure	88,863	85,465	(3,398)	-3.8%
Operating Surplus/(Deficit)	(3,662)	(730)	2,932	-80.1%
Underlying Operating Surplus/(Deficit)	(4,704)	(1,902)	2,932	-59.6%
Capital Revenue and Expenses				
Infrastructure Cash Contributions	2,852	1,720	(1,132)	-39.7%
Capital grants and subsidies	47,032	44,879	(2,153)	-4.6%
Other capital income	200	-	(200)	-100.0%
Other capital expenditure	140	988	848	605.7%
Total Capital Revenue and Expenses	49,944	45,611	(4,333)	-8.7%
Net Result	46,282	44,881	(1,401)	-3.0%

LIVINGSTONE SHIRE COUNCIL STATEMENT OF ESTIMATED FINANCIAL POSITION FOR THE YEAR ENDING 30 JUNE 2018				
	2017-18 Quarter 2 Revised Budget \$'000	2017-18 Estimated Actuals \$'000	Variance Estimated Actual vs Revised Budget \$'000	Variance Estimated Actual vs Revised Budget %
Assets				
Current Assets				
Cash and cash equivalents	34,330	26,595	(7,735)	-22.5%
Trade and other receivables	7,503	8,025	522	7.0%
Inventories	9,029	8,540	(489)	-5.4%
Other Current Assets	1,374	1,374	-	0.0%
Total Current Assets	52,236	44,534	(7,702)	-14.7%
Non Current Assets				
Inventories	6,699	6,699	-	0.0%
Property, Plant and Equipment	983,437	974,674	(8,763)	-0.9%
Other Non-Current Assets	686	829	143	20.8%
Total Non Current Assets	990,822	982,202	(8,620)	-0.9%
Total Assets	1,043,058	1,026,736	(16,322)	-1.6%
Liabilities				
Current Liabilities				
Trade and other payables	8,522	3,968	(4,554)	-53.4%
Borrowings	5,117	4,766	(351)	-6.9%
Provisions	3,627	3,627	-	0.0%
Other Current Liabilities	345	345	-	0.0%
Total Current Liabilities	17,611	12,706	(4,905)	-27.9%
Non Current Liabilities				
Borrowings	90,151	80,501	(9,650)	-10.7%
Provisions	11,489	11,154	(335)	-2.9%
Other Current Liabilities	521	521	-	0.0%
Total Non Current Liabilities	102,161	92,176	(9,985)	-9.8%
Total Liabilities	119,772	104,882	(14,890)	-12.4%
Net Community Assets	923,286	921,854	(1,432)	-0.2%
Community Equity				
Asset revaluation surplus	40,990	40,960	(30)	-0.1%
Retained surplus	882,296	880,894	(1,402)	-0.2%
Total Community Equity	923,286	921,854	(1,432)	-0.2%

LIVINGSTONE SHIRE COUNCIL
STATEMENT OF ESTIMATED CASH FLOWS
 FOR THE YEAR ENDING 30 JUNE 2018

	2017-18 Quarter 2 Revised Budget \$'000	2017-18 Estimated Actuals \$'000	Variance Estimated Actual vs Revised Budget \$'000	Variance Estimated Actual vs Revised Budget %
Cash Flows from Operating Activities				
Receipts from customers	78,466	78,218	(248)	-0.3%
Payments to suppliers and employees	(66,169)	(68,305)	(2,136)	3.2%
Payments for land held as inventory	(6,922)	(5,922)	1,000	-14.4%
Proceeds from sale of land held as inventory	2,828	1,346	(1,482)	-52.4%
Interest received	1,389	1,201	(188)	-13.5%
Rental income	284	346	62	21.8%
Non-capital grants and contributions	6,457	6,814	357	5.5%
Borrowing costs	(3,962)	(3,961)	1	0.0%
Net Cash Inflow from Operating Activities	12,371	9,738	(2,633)	-21.3%
Cash Flows from Investing Activities				
Payments for property, plant and equipment	(88,043)	(80,326)	7,717	-8.8%
Proceeds from sale of property, plant and equipment	300	767	467	155.8%
Grants, subsidies, contributions and donations	49,884	46,599	(3,285)	-6.6%
Other cash flows from investing activities	16	16	-	0.0%
Net Cash Outflow from Investing Activities	(37,843)	(32,944)	4,899	-12.9%
Cash Flows from Financing Activities				
Proceeds from borrowings	20,000	10,000	(10,000)	-50.0%
Repayment of borrowings	(4,190)	(4,191)	(1)	0.0%
Net Cash Inflow from Financing Activities	15,810	5,809	(10,001)	-63.3%
Total Cash Flows				
Net decrease in cash and cash equivalents held	(9,662)	(17,397)	(7,735)	80.1%
Opening cash and cash equivalents	43,992	43,992	-	0.0%
Closing cash and cash equivalents	34,330	26,595	(7,735)	-22.5%

12.15 2018-19 DEBT POLICY

File No: 12.5.1
Attachments: 1. [2018-19 Debt Policy](#)
Responsible Officer: Andrea Ellis - Chief Financial Officer
Author: Damien Cross - Coordinator Accounting Services

SUMMARY

This report presents the 2018-19 Debt Policy for Council's adoption in accordance with Section 192 of the Local Government Regulation 2012.

OFFICER'S RECOMMENDATION

THAT pursuant to Section 192 of the *Local Government Regulation 2012*, Council adopts the 2018-19 Debt Policy.

COMMENTARY

Council's current Debt Policy was adopted on 27 June 2017 as part of the special Council meeting held to adopt the 2017-18 Budget. Council is required per Section 192 of the *Local Government Regulation 2012* to adopt a Debt Policy on an annual basis. The attached Policy provides Council with a contemporary Debt Policy for responsible financial management on the loan funding of infrastructure capital projects by ensuring the level of Council indebtedness is within acceptable limits to Council, its ratepayers and interested external parties. Council will restrict all borrowings to expenditure on identified capital projects that are considered by Council to be of the highest priority and which cannot be funded from revenue, as identified by the adopted Budget.

In accordance with Council's 2018-19 Long Term Financial Plan, no debt is budgeted to be borrowed during the 2018-19 financial year. Council has identified alternative funding sources for the 2018-19 Capital Works Program. Over the forecast 10 year period of the 2018-19 Long Term Financial Plan through until the 2027-28 financial year, this Policy outlines that debt will only be used as a funding source in the 2024-25 financial year.

PREVIOUS DECISIONS

The attached Debt Policy reflects discussions had with Councillors during the 2018-19 series of Budget Workshops.

BUDGET IMPLICATIONS

Table 1 in the attached outlines the total debt repayments to be paid over the forecast 10 years of the 2018-19 Long Term Financial Plan. Table 2 in the attached outlines that the total interest expense and administration fees payable during the 2018-19 financial year is approximately \$4.1M.

LEGISLATIVE CONTEXT

Adoption of this Policy is required in accordance with Section 192 of the *Local Government Regulation 2012*. In accordance with Section 199 of the *Local Government Regulation 2012*, Council must allow the public to inspect the Debt Policy at the Local Government's Public Office, on the Local Government's website and to purchase copies of this Policy if desired.

LEGAL IMPLICATIONS

There are no foreseen legal implications associated with the adoption of this Policy.

STAFFING IMPLICATIONS

There are no foreseen staffing implications associated with the adoption of this Policy.

RISK ASSESSMENT

Regular robust reporting of Council's financial policies assists in creating a framework of financial responsibility within the Council and providing sound long term financial management of Council's operations.

CORPORATE/OPERATIONAL PLAN

Corporate Plan Reference: Strategy GO3: Pursue financial sustainability through effective use of the Council's resources and assets and prudent management of risk.

LOCAL GOVERNMENT PRINCIPLES

The local government principles are –

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

CONCLUSION

In accordance with Section 192 of the *Local Government Regulation 2012* Council is required to adopt a Debt Policy on an annual basis. The attached Policy provides Council with a contemporary Debt Policy for responsible financial management on the loan funding of infrastructure capital projects by ensuring the level of Council indebtedness is within acceptable limits to Council, its ratepayers and interested external parties.

In accordance with Council's 2018-19 Long Term Financial Plan no debt is budgeted to be borrowed during the 2018-19 financial year. Over the forecast 10 year period of the 2018-19 Long Term Financial Plan, debt is forecasted to only be used as a funding source in the 2024-25 financial year.

12.15 - 2018-19 DEBT POLICY

2018-19 Debt Policy

Meeting Date: 24 July 2018

Attachment No: 1



DEBT POLICY
(STATUTORY POLICY)

1. Scope

The Debt Policy (this 'Policy') applies to the use of loan borrowings to fund infrastructure and other important capital projects.

2. Purpose

This Policy provides Council with a contemporary Debt Policy for responsible financial management on the loan funding of infrastructure capital projects by ensuring the level of Council indebtedness is within acceptable limits to Council, its ratepayers and interested external parties.

3. Related Documents

Local Government Act 2009
Local Government Regulation 2012
Statutory Bodies Financial Arrangements Act 1982

4. Definitions

To assist in interpretation, the following definitions shall apply:

CEO	Chief Executive Officer A person who holds an appointment under section 194 of the <i>Local Government Act 2009</i> . This includes a person acting in this position.
Council	Livingstone Shire Council.
The Act	<i>Local Government Act 2009</i> .
The Regulation	<i>Local Government Regulation 2012</i> .
SBFAA	<i>Statutory Bodies Financial Arrangements Act 1982</i> .

5. Policy Statement

As a general principle, Council recognises that loan borrowings for capital works are an important funding source for Local Government and that the full cost of infrastructure should not be borne entirely by present-day ratepayers, but be contributed to by future ratepayers who will also derive benefits (i.e. intergenerational equity). Whilst recognising the importance of loan borrowings, Council should not place undue reliance upon loans as a source of income.

Debt Policy

Adopted/Approved: Draft
Version: 6

Portfolio: Office of the Mayor and CEO
Business Unit: Finance & Business Excellence

Council will restrict all borrowings to expenditure on identified capital projects that are considered by Council to be of the highest priority and which cannot be funded from revenue, as identified by the adopted budget. Under no circumstances should Council use long-term debt to finance operating activities or recurrent expenditure. A working capital facility or overdraft may be utilised to assist in funding short term cash flow requirements that may arise.

The basis for determination of the utilisation of loan funds will be as follows:

- Borrowings are considered to be a financial funding last resort and only as a tool to be used in a strategic perspective to achieve the provision of services to the community;
- Borrowings for infrastructure that provides a return on assets will take priority over borrowing for other assets. Where a capital project for a service that is funded by utility or user charges e.g. water, sewer, waste, is determined to be funded by way of loans, the user charge should reflect the cost of providing the service including the loan servicing costs.
- Other specific capital projects, not funded by user charges, should only be considered for loan funding where the project is considered by Council to be of long term benefit to the majority of ratepayers.
- Prior to undertaking any borrowing, Council shall assess its capacity to repay the loan, to ensure that the community is not burdened with unnecessary risk and rate/charge increases.
- The term of any loan should not exceed the expected life of the asset being funded.
- All borrowings will be considered in line with Council's long term financial forecast.

TEN YEAR LOAN PROGRAMME FORECAST

Council utilises loan borrowings to fund major capital and infrastructure works. Repayments are spread over a long period of up to twenty years (20) as the Capital Works Projects funded all have long useful lives. This Policy includes the following information:

- 1) New borrowings for the current and the next nine (9) financial years; and
- 2) Repayment schedule for new and existing borrowings.

The following ten (10) year program is proposed by Council, although allocations in future years are revised on an annual basis in conjunction with the review of its short and long term budgets:

**TABLE (1)
TEN YEAR BORROWING AND REPAYMENT SCHEDULE**

Financial year	New borrowing amount (\$)	Loan redemption amount (\$)	Repayment period (years)
2018-19	-	4,751,000	-
2019-20	-	4,989,000	-
2020-21	-	5,261,000	-
2021-22	-	5,537,000	-
2022-23	-	5,827,000	-
2023-24	-	6,126,000	-
2024-25	2,000,000	6,495,000	20
2025-26	-	6,864,000	-
2026-27	-	7,224,000	-
2027-28	-	7,601,000	-

Debt Policy

Adopted/Approved: Draft
Version: 6

Portfolio: Office of the Mayor and CEO
Business Unit: Finance & Business Excellence

REPAYMENT SCHEDULE

The loan portfolio of Council is raised solely with the Queensland Treasury Corporation. The Queensland Treasury Corporation maintains Council debt as the Book Debt plus a market provision, to market value the total liability outstanding. The provision is principally a result of past movements in the market value of the liabilities within each debt pool. If the Council was to liquidate this debt it would be required to pay the market value of the loan portfolio.

Council intends maintaining a repayment schedule consistent with an interest and principal repayment calculation so that the exposure to interest rate fluctuations are minimised. The budgeted loan portfolio of Council for 2018-19 is as follows:

**TABLE (2)
BUDGETED INTEREST AND REDEMPTION
FOR THE PERIOD TO 30 JUNE 2019**

	A	B	C	D	E
					(A - C + D)
FUNCTION DESCRIPTION	EST BALANCE 01-07-2018	ADMIN & INTEREST	REDEMPTION	NEW ADVANCES	EST BOOK DEBT BALANCE 30-06-2019
Water and Sewerage	27,728,295	1,325,881	1,479,810	0	26,248,485
Waste	11,213,970	620,283	734,748	0	10,479,222
Other Infrastructure	46,325,710	2,162,836	2,536,442	0	43,789,268
TOTAL	85,267,975	4,109,000	4,751,000	0	80,516,975

6. Changes to this Policy

This Policy will be reviewed when any of the following occur:

1. As required by legislation - this Policy is to be reviewed at least annually in conjunction with the budget;
2. The related information is amended or replaced; or
3. Other circumstances as determined from time to time by the Council.

7. Repeals

This Policy repeals the former Livingstone Shire Council Policy titled 'Debt Policy' adopted 27 June 2017.

CHRIS MURDOCH
CHIEF EXECUTIVE OFFICER

Debt Policy

Adopted/Approved: Draft
Version: 6

Portfolio: Office of the Mayor and CEO
Business Unit: Finance & Business Excellence

Page 3 of 3

12.16 2018-19 SIGNIFICANT AND OTHER BUSINESS ACTIVITIES

File No: 12.5.2
Attachments: 1. 2018-19 Estimated Business Activity Statements [↓](#)
Responsible Officer: Andrea Ellis - Chief Financial Officer
Author: Damien Cross - Coordinator Accounting Services

SUMMARY

This report identifies the Business Activities that will be conducted by Council during the 2018-19 financial year and recommends that Council resolve to apply the Code of Competitive Conduct to Council's Water & Sewerage, Waste and Caravan Parks operations during the 2018-19 financial year pursuant to Section 47(7) of the Local Government Act 2009. This report also outlines that Council's Water & Sewerage operations for the 2018-19 financial year are a significant business activity under Section 43 of the Local Government Act 2009.

OFFICER'S RECOMMENDATION

THAT:

1. Council note that the following are all business activities that are to be conducted by Council during the 2018-19 financial year:
 - Water and Sewerage Operations
 - Building Certification
 - Waste Operations
 - Caravan Parks
 - Car Parking
 - Car Wash Operations
 - Cemetery Operations
 2. Council note that for the 2018-19 financial year Council's combined Water & Sewerage Operations is identified as a significant business activity which is subject to the National Competition Policy Arrangements under Section 43 of the *Local Government Act 2009*.
 3. Council note that for the 2018-19 financial year, the competitive neutrality principal will be applied to the significant business activity of Water & Sewerage Operations. The level of reform applied to this significant business activity is full cost pricing.
 4. Council note that for the 2018-19 financial year, Council will not conduct any significant business activity that was not conducted in the preceding financial year, that is, there are no new significant business activities to be conducted in the 2018-19 financial year.
 5. Council note that Council's Building Certification activities are a prescribed business activity under Section 38 of the *Local Government Regulation 2012* meaning that the Code of Competitive Conduct will mandatorily apply to Council's building certification activities in the 2018-19 financial year in accordance with Section 47 of the *Local Government Act 2009*.
 6. Council note that for the 2018-19 financial year Council's combined Water & Sewerage Operations and Waste Operations are prescribed business activities under Section 39 of the *Local Government Regulation 2012*.
-

7. Council resolve for the 2018-19 financial year that the following prescribed business activities apply the Code of Competitive Conduct under Section 47(7) of the *Local Government Act 2009*:
 - Water & Sewerage Operations
 - Waste Operations
 - Caravan Parks
8. Council note that for the 2018-19 financial year the Code of Competitive Conduct will not apply to the Car Parking, Car Wash or Cemetery Operations of Council, all of which are not prescribed business activities under Section 39 of the *Local Government Regulation 2012*, as all have expenditure under the prescribed business activity threshold.

BACKGROUND

Pursuant to Sections 45 and 47 of the *Local Government Act 2009*, each financial year Council is required to identify those activities that are business activities and determine whether competition reform needs to be applied to assist in removing anti-competitive conduct, encourage greater transparency in the operation of Council's business activities and improve the allocation of Council's limited resources. Activities of Council will be identified as business activities if they trade in goods and services to clients and could potentially be delivered by a private sector firm for the purposes of earning profits in the absence of Council's involvement. They do not include activities of Council considered non-competitive.

Each year Council is required to determine whether competition reform needs to be applied to assist in removing anti-competitive conduct, encourage greater transparency in the operation of such activities and improve the allocation of Council's limited resources.

Each financial year Council is required to decide by resolution whether the Code of Competitive Conduct is to apply to each of its business activities which are prescribed under the *Local Government Regulation 2012* (a prescribed business activity). Council may also voluntarily elect to apply the Code of Competitive Conduct to business activities that are not prescribed business activities in accordance with Section 47(9) of the *Local Government Act 2009*.

COMMENTARY

Identification of Business Activities

Council has reviewed its operations and lists below all of the business activities that it conducts. Council reviews all business activities to identify any new significant business activities and to ensure any previous identified significant business activities continue to meet the regulated threshold.

The following are all business activities that are to be conducted by Council during the 2018-19 financial year:

1. Water and Sewerage Operations
2. Building Certification
3. Waste Operations
4. Caravan Parks
5. Car Parking
6. Car Wash Operations
7. Cemetery Operations

Significant Business Activities

Pursuant to Section 43(4) of the *Local Government Act 2009*, Council's combined Water and Sewerage Operations is a significant business activity for the 2018-19 financial year. Council is required to apply the Code of Competitive Conduct to Council's Water & Sewerage Operations as these operations are above the significant business activity threshold of \$13.96M for combined water and sewerage services.

Prescribed Business Activities

Building Certification Activities

Pursuant to Section 47(3) of the *Local Government Act 2009*, the Code of Competitive Conduct will mandatorily apply to the Business Certification activities of Council.

Waste Operations

Since the 1 January 2014 Council has resolved to apply the Code of Competitive Conduct to its Waste Operations. Section 19 of the *Local Government Regulation 2012*, states that any business activity, other than combined water and sewerage activities, that has expenditure

of at least \$9.35M for the previous financial year is a significant business activity for the current financial year. Whilst Council's Waste Operations in the 2017-18 financial year had expenditure of less than the significant business activity threshold of \$9.35M, the 2017-18 expenditure of Council's Waste Operations was over the prescribed business activity threshold of \$328,000. On this basis it is recommended that Council continue to apply the Code of Competitive Conduct to its Waste Operations.

Caravan Parks

Council should note that the Code of Competitive Conduct has been applied to Council's Caravan Park Operations since 1 January 2014. During November 2017, Council entered into lease arrangements for two of Council's three caravan parks. The terms of the leases are that the lessee's are responsible for the operational expenditure associated with the day-to-day management of these caravan parks. The terms and conditions of these leases have reduced the operational expenditure budgeted to be incurred by Council on caravan park activities in the 2018-19 financial year when compared to the actual expenditure incurred in the 2017-18 financial year.

In determining if a business activity is a prescribed business activity in accordance with Section 47 of the *Local Government Act 2009* for the 2018-19 financial year, the amount of expenditure for the business activity for the immediate previous financial year must be \$328,000 or more. Council's expenditure on Caravan Park Operations for the 2017-18 financial year was over this prescribed threshold. Despite the fact that Council's budgeted expenditure on Caravan Park Operations in 2018-19 has reduced, it is recommended that the Code of Competitive Conduct be applied to Caravan Park Operations in the 2018-19 financial year.

Other Business Activities

The other identified business activities of Council listed above are Car Parking, Car Wash and Cemetery Operations.

The recommendations in relation to these business activities below are based on the following:

- The suitability of applying the Code of Competitive Conduct with regard to Council's primary purpose of conducting the business activity with the primary purpose being either of a commercial or a community service nature.
- The amount of actual or potential competition that exists.
- The effect the Council business activity will have on the actual or potential competition.
- The cost to be borne by ratepayers of applying the Code of Competitive Conduct.

It is recommended that Council does not apply the Code of Competitive Conduct to the business activities listed immediately below for the reasons outlined:

Business Activity	Comment
Car Parking	Principle purpose is to increase availability of parking in the Yeppoon Central Business District and the costs of applying competition reforms to the activity outweigh any realisable benefits.
Car Wash Operations	Expenditure is under the prescribed business activity threshold and the costs of applying competition reforms to the activity outweigh any realisable benefits.
Cemetery Operations	Primarily undertaken as a community service with little or no competition.

Estimated Activity Statements

Pursuant to Section 34 of the *Local Government Regulation 2012*, the estimated activity statements for the business activities of Waste & Sewerage Operations, Building Certification activities, Waste and Caravan Parks Operations are presented in Attachment 1 to this report.

BUDGET IMPLICATIONS

There is a relatively small administrative effort required to apply the Code of Competitive Conduct to Council's Water & Sewerage Operations, Building Certification, Waste Operations and Caravan Park Operations in the 2018-19 financial year. This administrative effort is to be delivered within existing human resources.

LEGISLATIVE CONTEXT

Pursuant to Sections 45 and 47 of the *Local Government Act 2009*, Council must identify activities that are business activities and resolve whether the Code of Competitive Conduct should or should not be applied to each of its prescribed business activities for the financial year. Pursuant to Section 43 of the *Local Government Act 2009*, Council must apply the Code of Competitive Conduct to a significant business activity. In accordance with Section 34 of the *Local Government Regulation 2012* Council's Budget is required to contain an estimated activity statement of each business activity.

LEGAL IMPLICATIONS

There are no foreseen legal implications regarding the application of the Code of Competitive Conduct to the business activities of Council for the 2018-19 financial year.

STAFFING IMPLICATIONS

There are no foreseen staffing implications associated with the application of the Code of Competitive Conduct to the prescribed business activities of Water and Sewerage Operations, Waste, Building Certification activities and Caravan Park Operations.

RISK ASSESSMENT

There are regulatory risks involved with implementing National Competition Policy. Council is legally required to make certain resolutions and disclosures as part of its annual Budget and annual General Purpose Financial Statements respectively regarding its business activities. These obligations have been reviewed to ensure Council has discharged all of its legal requirements.

CORPORATE/OPERATIONAL PLAN

Corporate Plan Reference: **Strategy GO3: Pursue financial sustainability through effective use of the Council's resources and assets and prudent management of risk.**

LOCAL GOVERNMENT PRINCIPLES

The Local Government principles are –

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

CONCLUSION

Pursuant to Sections 45 and 47 of the *Local Government Act 2009*, each financial year Council is required to identify those activities that are business activities and determine whether competition reform needs to be applied. Pursuant to Section 47(4) of the *Local Government Act 2009*, the Code of Competitive Conduct mandatorily applies to Council's

business certification activities. Council's combined Water & Sewerage Activities are over the significant business activity threshold and it is recommended that Council resolve to apply the Code of Competitive Conduct to Council's prescribed business activities of Water & Sewerage and Waste Operations and also to Caravan Park Operations. The estimated activity statements for each business activity are presented pursuant to Section 34 of the *Local Government Regulation 2012* for adoption as outlined in attachment 1 to this report.

12.16 - 2018-19 SIGNIFICANT AND OTHER BUSINESS ACTIVITIES

2018-19 Estimated Business Activity Statements

Meeting Date: 24 July 2018

Attachment No: 1

2018-19 ESTIMATED ACTIVITY STATEMENTS

Council has decided by resolution that the Code of Competitive Conduct is to be applied to the following Business Activities for the 2018-19 Financial Year:

Budget Report	SIGNIFICANT BUSINESS ACTIVITY	OTHER BUSINESS ACTIVITIES		
	Water & Sewerage Operations \$	Waste Operations \$	Building Certification \$	Caravan Parks \$
Operational Revenues for services provided to Council	\$16,000	\$350,000	\$0	\$0
Operational Revenues for services provided to External Clients	\$26,557,694	\$7,034,724	\$205,000	\$277,310
Community Service Obligations	\$0	\$294,500	\$0	\$0
Total Operational Revenue	\$26,573,694	\$7,679,224	\$205,000	\$277,310
Less: Operational Expenditure	\$23,123,599	\$6,814,843	\$129,302	\$324,551
Estimated Operational Surplus before Dividend	\$3,450,095	\$864,381	\$75,698	-\$47,241
List of Community Service Obligations (CSO)				
Charity Waste and Green Waste Disposal Vouchers	\$0	\$294,500	\$0	\$0
Total	\$0	\$294,500	\$0	\$0

The CSO value is determined by Council and represents an activity's costs which would not be incurred if the activity's primary objective was to make a profit. The Council provides funding from general revenue to the business activity to cover the cost of providing non-commercial community services or costs deemed to be CSO's by the Council. The 2018-19 Budget provides \$294,500 of CSO's by Council to the Waste Operations Business Activity comprised as follows:

Disposal of unwanted materials by approved charities at Council's waste facilities	\$20,000
Green waste disposal vouchers provided to residential ratepayers for disposal of eligible green waste materials at Council's waste facilities	\$274,500
	<u>\$294,500</u>

**12.17 ADOPTION OF 2018-19 BUDGET AND LONG TERM FINANCIAL FORECAST
2018-19 TO 2017-28**

File No:	12.5.1
Attachments:	<ol style="list-style-type: none">1. Budget 2018-19 and Long Term Financial Forecast 2018-19 to 2027-28↓2. Measures of Financial Sustainability 2018-19↓3. Percentage of Change in Rates Levied from 2017-18↓
Responsible Officer:	Chris Murdoch - Chief Executive Officer
Author:	Andrea Ellis - Chief Financial Officer

SUMMARY

This report presents the 2018-19 Budget and long term financial forecast for the Livingstone Shire Council for adoption as part of the 2018-19 budget process.

OFFICER'S RECOMMENDATION

THAT Council resolve to adopt pursuant to Section 107A of the *Local Government Act 2009* and Sections 169 and 170 of the *Local Government Regulation 2012* the Budget for the financial year 2018-19 and the long term financial forecast for the financial years 2018-19 to 2027-28 as contained in the document entitled 2018-19 Budget and Long Term Financial Forecast (Attachment 1) and set out in the pages contained therein:

- Statement of Financial Position (Attachment 1)*
- Statement of Cash Flows (Attachment 1)*
- Statement of Income and Expenditure (Attachment 1)*
- Statement of Changes in Equity (Attachment 1)*
- Long-Term Financial Forecast (Attachment 1)*
- Relevant Measures of Financial Sustainability (Attachment 2)*
- Percentage of Change in Rates & Utility Charges (Attachment 3)*

BACKGROUND

Sections 169 and 170 of the *Local Government Regulation 2012* prescribe the requirements for the adoption of Council's budget. This report complies with the disclosure requirements of the *Local Government Regulation 2012*.

Under the *Local Government Regulation 2012*, Council must prepare an accrual based budget for each financial year which is consistent with the 5-year Corporate Plan and Annual Operational Plan. To comply with the *Local Government Regulation 2012*, Council must also publish results against a series of measures of financial sustainability for the budget and the next nine (9) years.

To meet legislative requirements, included in the 2018-19 Budget (Attachment 1) are the following financial statements:

- Statement of Financial Position;
 - Statement of Cash Flows;
-

- Statement of Income and Expenditure; and
- Statement of Changes in Equity.

Additional disclosures required are:

- Relevant Measures of Financial Sustainability (Attachment 2)
- Percentage of Change in Rates Levied from 2017-18 (Attachment 3)

The Statement of Income and Expenditure, Statement of Financial Position, Statement of Cash Flows and Statement of Changes in Equity have all been prepared on an accrual basis and contain Council's budget for 2018-19 and the next two financial years and Council's long term financial forecast.

The budget must also contain Council's Revenue Policy and Revenue Statement which due to the complex nature of the Revenue Statement will be adopted via separate reports.

The Statement of Estimated Financial Position for 2017-18 and the estimated costs of Council's significant and other business activities will be adopted via separate reports.

COMMENTARY

The 2018-19 Budget presents the overall position of a deficit of \$1.356 million, with expenditure on Council operations of \$87.12 million and a capital works program of \$48.27 million. Total budgeted revenues for the year are \$97.885 million which includes capital revenue of \$12.121 million.

Brief discussions on each of the major line items of the budget are outlined below.

Revenue

Rates and utility charges

Full details of Council's rates and utility charges are outlined in Council's Revenue Statement which is the subject of a separate report. Total budgeted rates and utility charges for the year is \$77.763 million with estimated discounts and remissions of \$6.264 million.

The increase in the yield from general rates for 2018-19 compared to the previous year is 2.2%. When the changes to the levies, charges and other rates are taken into account the overall increase in yield is 3.5%. The increase in yield from 2017-18 is a combination of the natural growth in assessments, changes in categorisation, changes in rating categories and the general increase to the minimum charges and rates in the dollar and other charges applied by Council. An average residential property will see a combined increase of all rates and charges which equates to approximately \$132.90 for the year.

Fees and charges

Budgeted fees and charges are \$3.714 million which is around \$0.791million less than the estimated position for the previous financial year. A conservative approach has been taken to estimating the level of development activity within the region, and this will be monitored throughout the year and updated as part of the regular budget review process.

Sales, contract and recoverable Works

General recoverable works have been reduced based on known contracting opportunities and level of Council's infrastructure workloads. This line item also includes profit on sale of land at the Gateway Business and Industry Park and the Capricorn Homemaker Centre.

Operating grants and subsidies

Grants and subsidies have been reduced due to the reduction in the QRA revenue for works associated with ex-Tropical Cyclone Debbie.

The majority of the remaining grant funding relates to the Commonwealth Government's financial assistance grant estimated at \$3.748 million and other minor grants and subsidies received for community support and development programs, libraries, youth programs, Regional Arts Development Fund and fuel tax credits.

Interest received

Interest from investments will be approximately \$0.146 million more than the estimated 2017-18 financial position due to changes in the timing of capital works cash flows and a reduction in overall operating cash flows. The estimated interest rate on investments is 2.5% per annum which is reflective of the current average investment rate on Council's term deposits.

Expenditure**Employee benefits**

Employee benefits represent the operational employee costs, including Councillors remuneration of the organisation and includes all employee related expenditure including items such as superannuation, fringe benefits tax, training, and worker's compensation insurance.

Employee costs have been increased by \$0.553 million or 1.8% to \$31.729 million in the 2018-19 Budget. The increase is mainly related to recruitment for vacant positions and accounting adjustments to leave provisions. As with previous years, the capital works program has a significant day labour component. The operating budget assumes the capital program will be completed as planned.

Materials and Services

The budget for materials and services has increased by \$1.291 million in 2018-19 to \$27.075 million. Council has reduced contingency funding, reductions in funding for one-off operational projects and an increased understanding of the actual amounts required to provide current services. The budget reflects the anticipated changes in applicable allows for growth and price.

Finance Costs

Finance costs are made up primarily of interest on Council's loans from Queensland Treasury Corporation. Finance costs have increased by \$0.148 million due to Council borrowing \$10 million in 2017-18 to partly fund the construction of the Yeppoon Sewerage Treatment Plant Augmentation.

Council's debt is forecast to reduce from \$80.517 million to \$26.593 million at the end of 2027-28. This assumes an additional borrowing estimated for 2024-25 of \$2.0 million for an additional cell at the Yeppoon Landfill.

Depreciation

Depreciation expenses of \$22.777 million are included in the 2018-19 Budget. There may be some change in this line item during the year as the ongoing reviews of Council Asset Management Plans, asset replacement values and useful lives are completed.

Capital

The main sources of capital funding are internal sources of \$29.383 million, grants and subsidies of \$14.684 million, disposal proceeds from asset sales \$8.057 million and application of contributions from developers of \$0.898 million.

These funding sources will be used for the construction or acquisition of assets worth \$48.27 million and loan principal repayments of \$4.751 million.

Financial Sustainability

Under the *Local Government Regulation 2012*, Council must prepare an accrual based budget for each financial year which is consistent with the 5-year Corporate Plan and Annual Operational Plan. To comply with the *Local Government Regulation 2012*, Council must also publish results against a series of measures of financial sustainability for the budget year and the next nine (9) years.

The 2018-19 Budget results against each measure of financial sustainability are given in the following table:

Relevant Measure of Financial Sustainability	Result	Recommended Target
Asset Sustainability Ratio	51%	Greater than 90%
Net Financial Liabilities Ratio	78.6%	Less than 60%
Operating Surplus Ratio	-1.6%	Between 0% and 10%

The Asset Sustainability Ratio is less than the recommended target, this is mainly due to the value of new infrastructure required to be constructed as existing assets have reached capacity (Yeppoon Sewerage Treatment Plan and Yeppoon Cemetery).

Whilst the Net Financial Liabilities Ratio is greater than the recommended target, this is forecast to drop below the upper level target by 2020-21.

Whilst the Operating Surplus Ratio is less than the recommended range for 2018-19, it is forecast to remain within the target parameters for the next nine (9) years.

The results of the full ten years are included in Attachment 2 and show that on average the Net Financial Liabilities Ratio and the Operating Surplus Ratio are within the indicators over the long term. The Asset Sustainability Ratio improves over the long term and is forecast to achieve the recommended target in 2025-26.

PREVIOUS DECISIONS

Council adopted the 2017-18 Revised Budget on 20 March 2018. This formed the basis of the 2018-19 Budget and long term forecast.

BUDGET IMPLICATIONS

The budgeted operating deficit is largely contingent upon containing estimated costs within the budgeted amount. There is limited scope for new projects and additional funding for services in the short term whilst working towards achieving a balanced budget in 2019-20. Should the need arise for additional funds during the year, offset savings and re-prioritisation of resources will be required and these will be addressed through regular budget reviews.

The use of Council's day labour on capital projects will need to be maintained and any diversion from capital projects to operational projects will impact on the operating result.

If Council can contain its costs and maintain revenue at the level outlined in the 2018-19 Budget and forward estimates, Council is forecasted to maintain operating surpluses for the life of the long term financial forecast.

Changes in accounting standards which come into effect over the next three financial years will impact on the timing of revenues being brought to account. The largest impact will be in relation to rates paid in advance which are currently brought to account at the time of receipt. Under the new standards the revenue will need to be treated as received in advance and therefore a timing issue will arise in the first year.

LEGISLATIVE CONTEXT

Sections 169 and 170 of the *Local Government Regulation 2012* prescribe the requirements for the adoption of council's budget.

LEGAL IMPLICATIONS

Under the *Local Government Regulation 2012* Council must prepare an accrual based budget for each financial year which is consistent with Council's 5-year Corporate Plan and Annual Operational Plan. To comply with the *Local Government Regulation 2012*, council must also publish against a series of measures of financial sustainability for the budget year and the next nine (9) years.

STAFFING IMPLICATIONS

Matters arising from this report will be dealt with in accordance with existing delegations.

RISK ASSESSMENT

Council manages financial risk by:

- the use of planning, project and program management and risk management methodologies;
- developing and maintaining operational plans for the delivery of projects and services;
- regular reporting on all key projects funded by the Annual Operational Plan and Budget;
- monitoring the efficiency and effectiveness of services delivered within the Annual Operational Plan and Budget both quarterly and annual reporting by the CEO to Council;
- monthly reporting on financial position and performance on operating activities and capital projects to Councillors, executives and staff.
- ensuring executives and staff within Council are both appropriately skilled and accountable for identifying and effectively managing costs within their area of responsibility; and
- providing tools, training and advice to the organisation to ensure effective management of costs and financial obligations.

CORPORATE/OPERATIONAL PLAN

Corporate Plan Reference: **Strategy GO3: Pursue financial sustainability through effective use of the Council's resources and assets and prudent management of risk.**

LOCAL GOVERNMENT PRINCIPLES

The local government principles are –

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

CONCLUSION

Section 107A of the *Local Government Act 2009* and Sections 169 and 170 of the *Local Government Regulation 2012* prescribe the requirements for the adoption of Council's budget. This report complies with the requirements of the regulation.

**12.17 - ADOPTION OF 2018-19 BUDGET
AND LONG TERM FINANCIAL
FORECAST 2018-19 TO 2017-28**

**Budget 2018-19 and Long Term
Financial Forecast 2018-19 to 2027-28**

Meeting Date: 24 July 2018

Attachment No: 1

STATEMENT OF FINANCIAL POSITION										
2018-19 BUDGET AND LONG TERM FINANCIAL FORECAST 2018-19 TO 2027-28										
	BUDGET	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets										
Current Assets										
Cash and cash equivalents	14,945	16,496	21,192	22,707	17,469	14,728	10,883	11,054	11,637	13,443
Trade and other receivables	8,069	8,101	8,286	8,707	8,945	8,970	9,290	9,787	10,112	10,227
Inventories	8,222	7,546	6,595	5,253	5,253	5,253	5,253	5,253	5,253	5,253
Other current assets	1,374	1,374	1,374	1,374	1,374	1,374	1,374	1,374	1,374	1,374
Total Current Assets	32,609	33,517	37,447	38,040	33,041	30,325	26,801	27,468	28,376	30,298
Non-Current Assets										
Land held for development or sale	256	256	256	256	256	256	256	256	256	256
Property, plant & equipment	1,026,380	1,028,673	1,026,593	1,044,681	1,078,983	1,084,132	1,090,617	1,099,357	1,125,080	1,159,393
Other non-current assets	458	87	-	-	-	-	-	-	-	-
Total Non-Current Assets	1,027,094	1,029,016	1,026,849	1,044,937	1,079,239	1,084,388	1,090,873	1,099,613	1,125,336	1,159,649
Total Assets	1,059,703	1,062,533	1,064,296	1,082,978	1,112,281	1,114,713	1,117,673	1,127,081	1,153,712	1,189,946
Liabilities										
Current Liabilities										
Trade and other payables	4,070	3,930	4,016	4,104	4,222	4,332	4,482	4,624	4,771	4,903
Borrowings	4,989	5,261	5,537	5,827	6,126	6,455	6,864	7,224	7,601	8,005
Provisions	3,020	4,789	5,614	5,982	3,160	3,163	3,166	3,169	3,172	3,170
Other current liabilities	46	46	46	46	46	46	46	46	46	46
Total Current Liabilities	12,126	14,026	15,213	15,959	13,554	13,996	14,558	15,064	15,590	16,124
Non-Current Liabilities										
Trade and other payables	-	-	-	-	-	-	-	-	-	-
Borrowings	75,527	70,266	64,730	58,903	52,777	46,322	41,419	34,194	26,593	18,588
Provisions	12,044	10,571	8,266	5,606	5,781	5,966	6,161	6,366	6,581	6,798
Other non-current liabilities	351	351	351	351	351	351	351	351	351	351
Total Non-Current Liabilities	87,922	81,188	73,347	64,860	58,909	52,639	47,931	40,911	33,525	25,737
Total Liabilities	100,048	95,215	88,560	80,819	72,463	66,635	62,488	55,975	49,116	41,861
NET COMMUNITY ASSETS	959,655	967,319	975,736	1,002,159	1,039,818	1,048,077	1,055,185	1,071,106	1,104,596	1,148,085
Community Equity										
Retained surplus	918,695	926,359	930,540	937,706	944,818	953,078	960,185	971,341	982,349	992,037
Asset revaluation surplus	40,960	40,960	45,196	64,453	94,999	94,999	94,999	99,765	122,247	156,048
TOTAL COMMUNITY EQUITY	959,655	967,319	975,736	1,002,159	1,039,818	1,048,077	1,055,185	1,071,106	1,104,596	1,148,085

STATEMENT OF CASH FLOWS										
2018-19 BUDGET AND LONG TERM FINANCIAL FORECAST 2018-19 TO 2027-28										
	BUDGET	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities										
Receipts from customers	78,053	78,545	79,988	84,034	86,600	87,214	89,891	94,769	98,210	99,781
Payment to suppliers and employees	(59,951)	(58,200)	(58,937)	(60,128)	(61,843)	(63,647)	(65,611)	(67,683)	(69,813)	(71,908)
Payments for land held as inventory	(1,860)	-	-	-	-	-	-	-	-	-
Proceeds from sale of land held as inventory	7,824	1,102	1,012	2,034	-	-	-	-	-	-
Interest received	1,347	1,254	1,401	1,497	1,478	1,396	1,336	1,364	1,403	1,467
Borrowing costs	(4,109)	(3,871)	(3,599)	(3,323)	(3,033)	(2,734)	(2,451)	(2,142)	(1,781)	(1,405)
Non-capital grants and contributions	6,006	6,097	6,191	6,296	6,401	6,511	6,623	6,743	6,869	6,999
Payment of provision	-	-	(1,789)	(2,614)	(2,982)	(160)	(163)	(166)	(169)	(172)
Cash inflow (outflow) from Operating Activities	27,311	24,926	24,267	27,796	26,621	28,580	29,625	32,885	34,718	34,762
Cash Flows from Investing Activities										
Payments for property, plant and equipment	(46,410)	(25,842)	(17,822)	(23,516)	(29,548)	(29,940)	(31,561)	(29,734)	(29,816)	(28,435)
Grants and contributions received	12,158	7,456	3,512	2,771	3,515	4,745	2,586	3,883	2,906	3,080
Proceeds from the sale of assets	233	-	-	-	-	-	-	-	-	-
Other investing activities	(191)	-	-	-	-	-	-	-	-	-
Cash inflow (outflow) from Investing Activities	(34,210)	(18,386)	(14,309)	(20,745)	(26,032)	(25,195)	(28,975)	(25,850)	(26,911)	(25,355)
Cash Flows from Financing Activities										
Proceeds from borrowings	-	-	-	-	-	-	2,000	-	-	-
Repayment of borrowings	(4,751)	(4,989)	(5,261)	(5,537)	(5,827)	(6,126)	(6,495)	(6,864)	(7,224)	(7,601)
Cash inflow (outflow) from Financing Activities	(4,751)	(4,989)	(5,261)	(5,537)	(5,827)	(6,126)	(4,495)	(6,864)	(7,224)	(7,601)
Net (decrease) / Increase in Cash Held	(11,650)	1,551	4,697	1,514	(5,238)	(2,741)	(3,844)	171	582	1,807
Cash at the beginning of the financial year	26,595	14,945	16,496	21,192	22,707	17,469	14,728	10,883	11,054	11,637
Cash at the end of the financial year	14,945	16,496	21,192	22,707	17,469	14,728	10,883	11,054	11,637	13,443

STATEMENT OF INCOME AND EXPENDITURE										
2018-19 BUDGET AND LONG TERM FINANCIAL FORECAST 2018-19 TO 2027-28										
	BUDGET	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Income										
Gross rates and utility charges	77,763	79,407	81,108	83,549	86,063	88,654	91,864	95,190	98,733	102,408
Less discounts & remissions	(6,264)	(6,617)	(6,992)	(7,358)	(7,771)	(8,211)	(8,722)	(9,270)	(9,854)	(10,475)
Net rates and utility charges	71,498	72,789	74,116	76,191	78,293	80,443	83,142	85,920	88,879	91,933
Fees and charges	3,714	4,832	5,032	5,212	5,433	5,664	5,910	6,167	6,414	6,699
Rental Income	339	397	450	469	479	488	499	509	520	532
Interest revenue	1,347	1,254	1,401	1,497	1,478	1,396	1,336	1,364	1,403	1,467
Sales revenue	2,448	602	240	2,871	2,220	220	224	2,224	2,266	266
Operational grants and subsidies	6,009	6,105	6,202	6,306	6,412	6,520	6,636	6,754	6,881	7,010
Other income	408	419	429	440	451	462	474	486	498	510
Total Operating Income	85,764	86,397	87,869	92,986	94,765	95,193	98,220	103,424	106,861	108,417
Capital Income										
Contributions from developers	1,823	1,932	2,048	2,171	2,301	2,440	2,586	2,741	2,906	3,080
Capital grants and subsidies	10,335	5,524	1,464	600	1,214	2,305	-	1,142	-	-
Other capital income	(37)	-	-	-	-	-	-	-	-	-
Total Capital Income	12,121	7,456	3,512	2,771	3,515	4,745	2,586	3,883	2,906	3,080
Total Income	97,885	93,853	91,381	95,757	98,281	99,938	100,806	107,307	109,766	111,497
Operating expenses										
Employee benefits	31,729	30,485	30,632	31,028	31,954	32,905	33,891	34,903	35,947	36,889
Materials and services	27,075	26,308	27,103	27,878	28,676	29,497	30,489	31,516	32,578	33,676
Depreciation and amortisation	22,777	23,920	24,225	24,685	25,791	24,791	25,077	25,758	26,576	27,923
Finance Costs	165	170	176	181	187	193	199	206	212	219
External Loan interest expense	4,109	3,871	3,599	3,323	3,033	2,734	2,451	2,142	1,781	1,405
Other operating expenses	1,266	1,290	1,315	1,344	1,372	1,399	1,430	1,463	1,497	1,531
Total Operating Expenses	87,120	86,043	87,050	88,439	91,013	91,520	93,538	95,988	98,591	101,643
Capital Expenses										
Restoration and rehabilitation provision	143	146	149	152	155	158	161	164	167	167
Total Capital Expenses	143	146	149	152	155	158	161	164	167	167
Net Result	10,622	7,664	4,182	7,166	7,113	8,260	7,107	11,156	11,008	9,688
Operating Result	(1,356)	353	818	4,546	3,752	3,673	4,682	7,436	8,269	6,775

STATEMENT OF CHANGES IN EQUITY										
2018-19 BUDGET AND LONG TERM FINANCIAL FORECAST 2018-19 TO 2027-28										
	BUDGET	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Retained Surplus										
Opening balance	908,073	918,695	926,359	930,540	937,706	944,818	953,078	960,185	971,341	982,349
Net Result	10,622	7,664	4,182	7,166	7,113	8,260	7,107	11,156	11,008	9,688
Closing Balance	918,695	926,359	930,540	937,706	944,818	953,078	960,185	971,341	982,349	992,037
Asset Revaluation Surplus										
Opening balance	40,960	40,960	40,960	45,196	64,453	94,999	94,999	94,999	99,765	122,247
Change in asset revaluation surplus	-	-	4,236	19,257	30,546	-	-	4,765	22,483	33,801
Closing Balance	40,960	40,960	45,196	64,453	94,999	94,999	94,999	99,765	122,247	156,048
Total Community Equity	959,655	967,319	975,736	1,002,159	1,039,818	1,048,077	1,055,185	1,071,106	1,104,596	1,148,085

12.17 - ADOPTION OF 2018-19 BUDGET AND LONG TERM FINANCIAL FORECAST 2018-19 TO 2017-28

Measures of Financial Sustainability 2018-19

Meeting Date: 24 July 2018

Attachment No: 2

Measures of Financial Sustainability 2018-19

In accordance with section 169 of the *Local Government Regulation 2012*, the Council is required to disclose in the budget certain measures of financial sustainability.

The Queensland Government defines a sustainable local government as being 'able to maintain its financial capital and infrastructure capital over the long term' (*Local Government Act 2009, section 104(2)*).

To ensure the Council continues along the path of financial sustainability into the future, key long term strategic plans are developed and integrated, demonstrating a strategy is in place to manage the financial implications of its long term planning.

The three financial sustainability measures cover the period of the annual budget plus the next nine financial years (10 years in total).

The target indicated in each graph are sourced from the 'Financial management (sustainability) guideline 2013' which is available from the website of The Department of Local Government, Racing and Multicultural Affairs.

Asset Sustainability Ratio

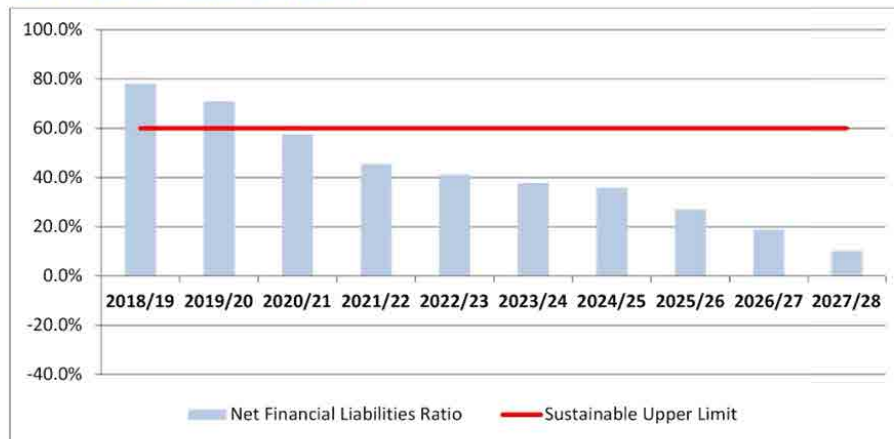


Description	Measure	Target
Demonstrates the extent to which the infrastructure assets managed by Council are being replaced as they reach the end of their useful lives.	<u>Capital Expenditure on Replacement Assets</u> Depreciation Expense	Greater than 90% (on average over the long term)
Commentary		
Capital expenditure can broadly be classified as New (building something entirely new) or renewal (replacing an old asset with a new one). This ratio measures how much capital expenditure goes toward replacing existing assets each year when divided by depreciation expense. As the ten year forecast indicates Council's ratio is below the target of 90% or better improves significantly which reflects Council's commitment in investing in existing assets over new assets.		

BUDGET 2018-19

MEASURES OF FINANCIAL SUTAINABILITY 2018-19

Net Financial Liabilities Ratio

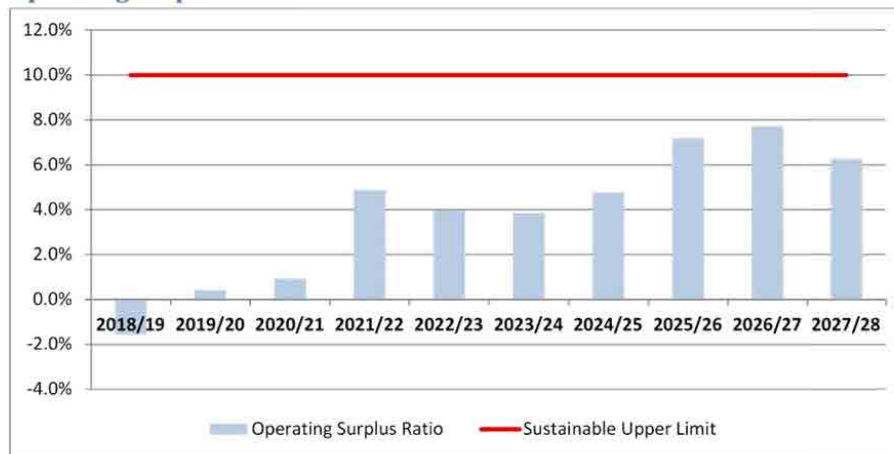


Description	Measure	Target
Demonstrates the extent to which the net financial liabilities of Council can be serviced by its operating revenues	$\frac{\text{Total Liabilities less Current Assets}}{\text{Operating Revenue}}$	Not greater than 60% (on average over the long term)
Commentary		
Council is forecasting high (greater than 60%) for the first two (2) years in the ten year forecast period. This is indicative of the significant reduction in planned borrowings that Council had previously forecast and a transition towards using its own cash to fund capital projects.		

BUDGET 2018-19

MEASURES OF FINANCIAL SUTAINABILITY 2018-19

Operating Surplus Ratio



Description	Measure	Target
Demonstrates the extent to which revenues raised cover operational expenses only or are available for capital funding purposes or other purposes	<u>Net Operating Surplus/(Deficit)</u> Operating Revenue	Between 0% and 10% (on average over the long term)
Commentary		
Council is forecasting a positive (greater than 0%) operating surplus ratio in nine (9) out of the ten years. A positive ratio indicates that recurring operating revenue exceeds recurring operating expenses and this assists in funding capital expenditure. This can result in less reliance on borrowing money to fund capital expenditure and thus reduces Council debt. The positive operating surplus ratio of Council for the majority of the ten year period is a good indicator of long term sustainability.		

12.17 - ADOPTION OF 2018-19 BUDGET AND LONG TERM FINANCIAL FORECAST 2018-19 TO 2017-28

Percentage of Change in Rates Levied from 2017-18

Meeting Date: 24 July 2018

Attachment No: 3

BUDGET 2018/19

PERCENTAGE OF CHANGE IN RATES LEVIED FROM 2017-18

Percentage of Change in Rates Levied from 2017-18

In accordance with section 169 of the *Local Government Regulation 2012*, the Council is required to report the total value of the change, expressed as a percentage in the rates and utility charges levied for the financial year (2018-19) compared with the rates and utility charges levied in the previous budget (2017-18). Council has also included the total value of change based on the estimated position for 2017-18. The calculation of this percentage for a financial year excludes rebates and discounts applicable on rates and utility charges.

	2017-18	2017-18	2018-19	2017-18 Original		2017-18 Forecast	
	Original	Forecast	Proposed	vs 2018-19		vs 2018-19	
	Budget	Budget	Budget	Proposed	Proposed	Proposed	Proposed
				Budget	Budget	Budget	Budget
	\$000	\$000	\$000	Variance	Variance	Variance	Variance
				\$000	%	\$	%
General Rates	32,176	31,081	31,772	(404)	(1.3%)	690	2.2%
Separate Charges	10,430	10,430	11,292	862	8.3%	862	8.3%
Special Charges	162	162	151	(12)	(7.2%)	(12)	(7.2%)
Water Utility and consumption charges	15,518	16,868	17,102	1,584	10.2%	234	1.4%
Waste charges	6,288	6,288	6,644	357	5.7%	357	5.7%
Sewerage Charges	10,291	10,291	10,802	511	5.0%	511	5.0%
Total Rates and Charges Levied	74,864	75,120	77,763	2,898	3.9%	2,642	3.5%

**13 QUESTIONS/STATEMENT/MOTIONS ON NOTICE FROM
COUNCILLORS**

Nil

14 URGENT BUSINESS/QUESTIONS

Urgent Business is a provision in the Agenda for members to raise questions or matters of a genuinely urgent or emergent nature, that are not a change to Council Policy and can not be delayed until the next scheduled Council or Committee Meeting.

15 CLOSURE OF MEETING