



Mid-Year Budget Review

Acknowledgment of Country

Townsville City Council acknowledges the Traditional Owners and Custodians of Townsville – the Wulgurukaba of Gurambilbarra and Yunbenun; and Bindal people. We pay our respects to their cultures, their ancestors and their Elders – past and present – and all future generations.

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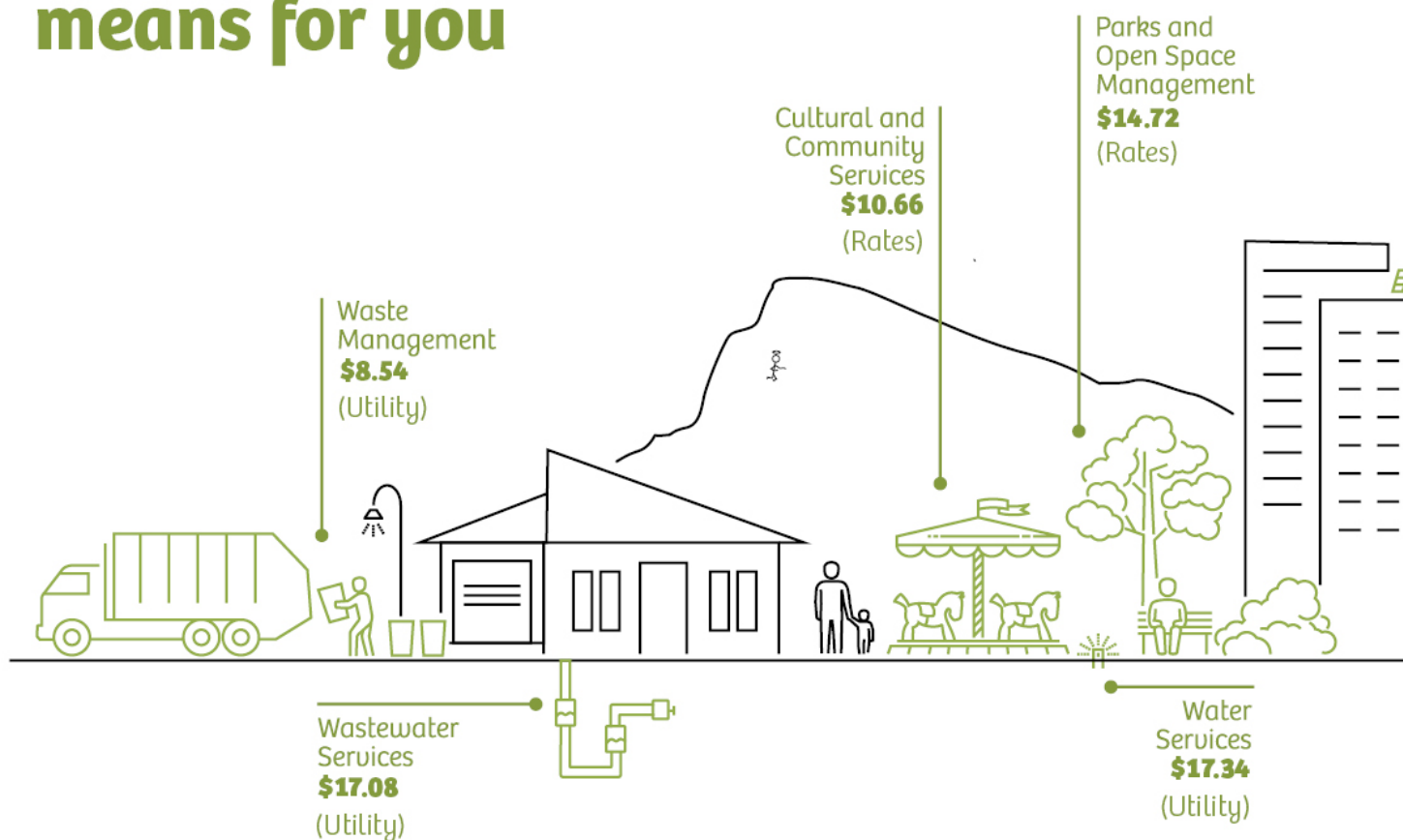
Our Vision:

Townsville, Capital of Northern Australia, a City of Opportunity and Great Lifestyle.

Our Mission:

We are committed to delivering quality services to facilitate sustainable growth through inspired leadership, community engagement, and responsible financial management.

What this budget means for you



Mid-Year Budget Review 2020/21

Townsville City Council has undertaken a mid-year budget review. This review provides an update of Council's financial position to the community following the 2020/21 adopted budget in June. The primary driver of the mid-year review is to realign the budget to Council's operating and capital requirements.

The mid-year budget review is consistent with the Corporate Plan 2019-2024 and incorporates actual data to November 2020 plus forecast data for the remaining months of the 2020/21 financial year.

\$661.1m TOTAL BUDGET SPEND

Invested in infrastructure and operations.

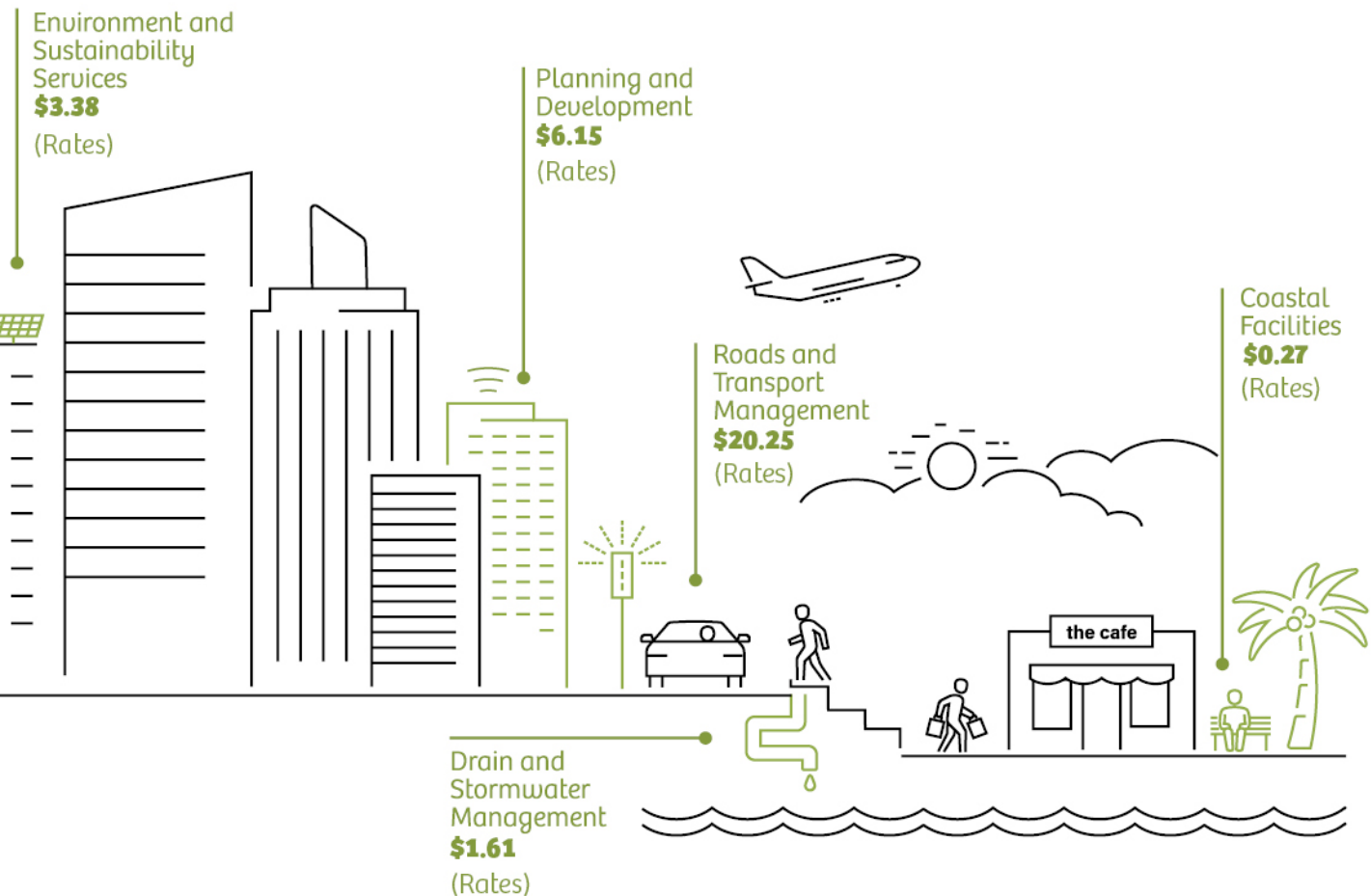
FUNDED BY

\$561.2m TOTAL BUDGET REVENUE

Including rates, utility charges, capital grants and capital contributions.

\$100.6m COUNCIL INVESTMENT

Council savings and Borrowings invested in Long term infrastructure assets.



Mayor's Message

I am pleased to present Townsville City Council's mid-year review of the 2020/21 budget – providing a clear indication of Council's financial position during a period of great challenge.

Council, like all levels of Government has faced a period of uncertainty during 2020, with the full economic implications of COVID-19 yet to be fully understood. The 2020/21 budget was adopted in isolation of the State and Federal Budgets, using the best information available to us at the time of delivery. We faced this period however on a position of stability; attributed to Council's fiscal responsibility.

Council's mid-year review allows the organisation to realign forecast expectations for the financial year with our operational and capital deliverables.

Over the past six months, Council's CEO has led our staff on a renewed push to find greater efficiencies and reduce operational costs.

During this time, we continue to deliver on our core services and strategic deliverables including key operating and capital works programs for the years ahead.

We remain focussed on delivering jobs for our community through capital investment and have a solid plan for renewing public assets and infrastructure and maintaining our levels of services to our community, all while supporting Townsville's continued growth.

When Council released this year's budget, I made a commitment to the people of Townsville that there would be no rise to general rates to owner occupiers for a 6-month period.

As part of our Mid-Year Review, we have identified a need to introduce a small increase of 2% to general rates off the back of our 6-month rates freeze to ensure essential services are maintained in the short and longer term. This equates to an increase of around 56 cents per week for the average household.

There will be no increase to utility charges.

Council is forecasting to deliver a small operating surplus.

Townsville City Council remains dedicated to creating a liveable city for our community, by delivering vital infrastructure across Townsville, from the city to the suburbs through our \$235.02 million capital investment. This includes investing heavily in our unseen infrastructure such as water main renewals, our water and wastewater system and treatment facilities, as well as upgrading roads and footpaths throughout the city.

The year 2020 has been one of many challenges, but one of adaptation and innovation. I'd like to thank the Council and staff for their contribution to the first half of the 2020/21 financial year and look forward to continuing the good work.



CR JENNY HILL
MAYOR OF TOWNSVILLE



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Mid-Year Budget Review Snapshot



\$661.1m Total Budget

Total investment in community service delivery.



\$235.0m Infrastructure Investment

Capital investment in Townsville Infrastructure.



\$7.0m Haughton Stage 2

Grant funding received for design of Stage 2 of the Haughton Pipeline.



\$1.8m Douglas Water Pipeline Stage 1 - Critical spares and design

Increasing the reliability of Townsville's water supply.



\$8.8m Cleveland Bay Recycled Water Plant Stage 1

Commencement of Recycled Water Plant inline with Council's 3-point water security program.



\$82.3m Underground infrastructure

Upgrading water, wastewater and stormwater assets.



Additional \$6.6m in Local Roads Community Infrastructure Funding

Grant funding received for roads, stormwater, parks, and irrigation.



Additional \$4.7m Disaster Recovery Projects

Funding for roadworks, pump station switchboards and flood warning assets.



Reef Assist Program

\$1.3m grant funding received to invest in land management activities.



First Home Buyers Incentive Extended

Up to \$1,000 off rates for first home buyers in the first 12 months.



Owner-Occupier Benefits

Council provides a general rates discount of 17.5% off general rates for homeowners who are owner occupiers.



No Change for Utility Charges

No increases for Council's Water, Sewerage and Waste charges.

Note: commercial waste charges have increased with the State Waste Levy.



2% Rates Rise

Equates to an increase of 56 cents per week for general rates for the average household.

Mid-Year Budget Review Snapshot

Table 1 – Statement of Income and Expenditure (Budget Comparison)

	Adopted Budget 2020/21 \$'000	Mid -Year Budget Review 2020/21 \$'000	Movement 2020/21 \$'000
Revenue			
General rates	176,250	176,257	7 ¹
Utility charges	209,655	209,593	(62)
<i>Water</i>	97,646	96,565	(1,081)
<i>Wastewater</i>	88,990	89,995	1,005
<i>Refuse and recycling</i>	23,019	23,033	14
Discounts and concessions	(23,211)	(25,114)	(1,903)
Fees and charges	27,640	28,051	411
Interest received	2,176	2,493	317
Contributions from developers	116	200	84
Grants and subsidies	20,908	23,202	2,294
Other revenue	13,429	13,137	(292)
Total revenue	426,963	427,819	856
Expenses			
Employee costs	138,720	137,763	957
Materials and services	139,584	140,846	(1,263)
Depreciation and amortisation	126,143	126,209	(67)
Finance costs	20,804	19,853	950
Other expenses	1,597	1,419	179
Total expenses	426,848	426,091	756
Operating surplus/(deficit)	115	1,728	1,613
Operating surplus ratio	0.03%	0.40%	
Capital income			
Grants, subsidies, contributions, and donations	120,311	133,371	13,060
Total capital income and expenses	120,644	133,371	12,727
Net result	120,759	135,099	14,340

¹ 2% rates increase offset by lower realised growth.

Operating Budget Summary













2020/21 Budget Operating Revenue					
	General rates	\$176.3m		Grants and subsidies	\$23.2m
	Utility charges	\$209.6m		Interest received	\$2.5m
	Less: discounts and concessions	(\$25.1m)		Contributions from developers and other revenue	\$13.3m
	Fees and charges	\$28.0m			
Total Operating Revenue \$427.8m					
2020/21 Budget Operating Expenditure					
	Employee costs	\$137.8m		Depreciation and amortisation	\$126.2m
	Materials and services	\$140.8m		Other expenses	\$1.4m
	Finance costs	\$19.9m			
Total Operating Expenditure \$426.1m					
Operating Surplus \$1.7m					

Table 2 - Operating Budget Summary

Capital Budget Summary














2020/21 Budget Capital Revenue					
		Grants, donations and contributions			\$133.4m
Total Capital Revenue \$133.4m					
2020/21 Budget Capital Expenditure					
	Water network	\$74.7m		Buildings and facilities	\$6.4m
	Roads and transport management	\$63.9m		Drain and stormwater management	\$6.9m
	Wastewater network	\$38.3m		Information and communications technology	\$5.6m
	Open spaces	\$11.7m		Laboratory	\$3.3m
	Waste landfill	\$11.8m		Coastal facilities	\$1.1m
	Fleet	\$10.0m		Other projects	\$1.3m
Total Capital Expenditure \$235.0m					

Table 3 - Capital Budget Summary

Mid-Year Budget Review Financial Statements

The following financial statements have been included in accordance with Section 169 of the Local Government Regulation 2012:

Statement of Income and Expenditure

The Statement of Income and Expenditure included at Table 4 is a financial statement that measures Council's financial performance over a specific accounting period.

Financial performance is assessed by giving a summary of how Council incurs its revenue and expenditure through both operating and non-operating activities.

It also shows the net result incurred over a specific accounting period, typically over a financial year.

Statement of Financial Position

The Statement of Financial Position included at Table 5 is a financial statement that summarises Council's assets, liabilities and equity at a specific point in time. It presents what Council owns and owes, as well as the value of community equity utilised by Council.

Statement of Cash Flows

The Statement of Cash Flows included at Table 6 is a financial statement that provides an overview of the cash inflows and outflows of Council, typically over a financial year.

Council maintains a closing cash balance that represents sufficient cash reserves to fund day to day operations and respond effectively to unforeseen events that may occur during the year.

Statement of Changes in Equity

The Statement of Changes in Equity included at Table 7 is a summary of the changes in equity of Council that have occurred during a specific accounting period, typically over a financial year.

Statement of Business Activities

The Statement of Business Activities included at Table 8 summarises the activities of Council to which the competitive code of conduct applies. Council applies full cost pricing to these activities, identifying the cost of community service obligations and eliminating the advantages and disadvantages of public ownership within that activity.

Table 4 - Statement of Income and Expenditure

	2020/21	2021/22	2022/23
	\$'000	\$'000	\$'000
Revenue			
General rates	176,257	179,782	183,377
Utility charges	209,593	216,136	223,439
<i>Water</i>	96,565	101,773	107,474
<i>Wastewater</i>	89,995	90,319	90,815
<i>Refuse and recycling</i>	23,033	24,044	25,149
Discounts and concessions	(25,114)	(25,873)	(26,724)
Fees and charges	28,051	29,269	35,833
Interest received	2,493	3,066	2,992
Contributions from developers	200	204	208
Grants and subsidies	23,202	10,713 ¹	10,713
Other revenue	13,137	13,459	13,803
Total revenue	427,819	426,756	443,641
Expenses			
Employee costs	137,763	139,616	143,305
Materials and services	140,846	126,582 ¹	138,281
Depreciation and amortisation	126,209	115,386 ²	116,403
Finance costs	19,853	20,003	18,786
Other expenses	1,419	1,341	1,388
Total expenses	426,091	402,928	418,163
Operating surplus/(deficit)	1,728	23,828³	25,478
Operating surplus ratio	0.40%	5.58%	5.74%
Capital income			
Grants, subsidies, contributions, and donations	133,371	89,537	144,363
Total capital income and expenses	133,371	89,537	144,363
Net result	135,099	113,365	169,841

¹ Reduction in grant funded expenditure specific to 2020/21.

² Forecast change in asset valuation methodology impacting depreciation.

³ Includes non-cash depreciation savings.

Table 5 - Statement of Financial Position

	2020/21	2021/22	2022/23
	\$'000	\$'000	\$'000
Current assets			
Cash and cash equivalents	97,500	78,942	60,366
Receivables	59,494	50,509	45,470
Inventories	2,187	2,187	2,187
Other assets	4,684	4,684	4,684
Total current assets	163,865	136,322	112,707
Non-current assets			
Property, plant and equipment	5,269,194	5,416,749	5,593,748
Right of use assets	10,015	7,675	6,239
Intangible assets	5,297	3,029	1,575
Other assets	3,343	3,343	3,343
Total non-current assets	5,287,849	5,430,796	5,604,905
Total assets	5,451,714	5,567,118	5,717,612
Current liabilities			
Payables	86,035	82,266	87,245
Borrowings	36,389	40,370	38,871
Lease liabilities	2,510	1,581	1,610
Provisions	20,363	20,916	19,653
Other current liabilities	363	363	363
Total current liabilities	145,660	145,496	147,742
Non-current liabilities			
Borrowings	350,325	355,002	336,151
Lease liabilities	8,247	6,666	5,057
Provisions	42,562	38,927	26,431
Other non-current liabilities	1,623	1,623	1,623
Total non-current liabilities	402,757	402,218	369,262
Total liabilities	548,417	547,714	517,003
Net community assets	4,903,297	5,019,404	5,200,608
Community equity			
Asset revaluation reserve	897,619	900,361	911,724
Retained surplus	4,005,678	4,119,043	4,288,884
Total community equity	4,903,297	5,019,404	5,200,608

Table 6 - Statement of Cash Flows

	2020/21	2021/22	2022/23
	\$'000	\$'000	\$'000
Cash flows from operating activities			
Receipts from customers	417,317	429,168	444,474
Payments to suppliers and employees	(297,240)	(280,512)	(294,371)
Interest received	2,493	3,066	2,992
Borrowing costs	(18,802)	(17,721)	(16,537)
Net cash provided by operating activities	103,768	134,001	136,558
Cash flow from investing activities			
Payments for property, plant and equipment	(206,343)	(218,914)	(203,403)
Net movement in loans and advances	1	2,336	-
Proceeds from sale of property, plant and equipment	563	526	226
Grants, subsidies, contributions and donations	71,276	54,836	68,392
Net cash used in investing activities	(134,503)	(161,216)	(134,785)
Cash flows from financing activities			
Proceeds from borrowings	50,000	45,000	20,000
Repayment of borrowings	(32,115)	(36,343)	(40,349)
Net cash provided by financing activities	17,885	8,657	(20,349)
Net increase/(decrease) in cash held	(12,850)	(18,558)	(18,576)
Cash at beginning of reporting period	110,350	97,500	78,942
Cash at end of reporting period	97,500	78,942	60,366

Table 7 - Statement of Changes in Equity

	2020/21	2021/22	2022/23
	\$'000	\$'000	\$'000
Asset revaluation reserve			
Opening balance	897,619	897,619	900,361
Increase in asset revaluation reserve		2,742	11,363
Closing balance	897,619	900,361	911,724
Retained surplus			
Opening Balance	3,870,579	4,005,678	4,119,043
Net result for the period	135,099	113,365	169,841
Closing balance	4,005,678	4,119,043	4,288,884
Total community equity	4,903,297	5,019,404	5,200,608

Table 8 - Statement of Business Activities

Account Classification	Townsville Water 2020/21 \$'000	Townsville Waste 2020/21 \$'000	Performing Arts 2020/21 \$'000
Revenue			
Utility charges	200,757	23,289	-
Discount and concessions	(2,768)	(112)	-
Fees and charges	3,428	26,470	281
Interest received	973	116	-
National Competition Policy revenue / recovery	4,525	596	-
Grants and subsidies	359	-	216
Other revenue	11,833	2,309	1,105
Total revenue	219,106	52,668	1,602
Operating expenses			
Employee costs	23,487	8,565	2,971
Materials and services	51,350	28,609	3,886
Finance costs	14,727	663	-
Depreciation and amortisation	44,412	3,492	53
National Competition Policy expense / charges	548	350	-
Other expenses	107	165	0
Total operating expenses	134,630	41,845	6,911
Operating surplus/(deficit) before income tax	84,476	10,823	(5,309)
Income tax	26,014	3,633	-
Operating surplus/(deficit)	58,462	7,190	(5,309)
Capital income			
Contributions capital	6,139	-	-
Contributions non-cash capital	8,613	-	-
Grants and subsidies capital	47,960	-	-
Total capital income	62,712	-	-
Net result	121,174	7,190	(5,309)
Capital works			
Capital works	99,646	7,209	-
Restoration and rehabilitation work	-	4,580	-
Donated assets	8,613	-	-
Total capital works	108,259	11,789	-

Table 8 - Statement of Business Activities (Continued)

Account Classification	Townsville Water 2020/21 \$'000	Townsville Waste 2020/21 \$'000	Performing Arts 2020/21 \$'000
Revenue			
Services provided to local government	27,302	13,779	-
Services provided to clients other than local government	188,080	38,550	1,602
Community service obligations	3,724	338	-
Total Revenue	219,106	52,668	1,602
Expenses	134,630	41,845	6,911
Other capital amounts	62,712	-	-
Net result before tax	147,188	10,823	(5,309)
Income tax	26,014	3,633	-
Net result after tax	121,174	7,190	(5,309)

Table 9 - Community Service Obligations

Community Service Obligations	Townsville Water 2020/21 \$'000	Townsville Waste 2020/21 \$'000
Concessions on wastewater utility charges	602	-
Concessions on water utility charges	3,608	-
Arcadia Surf Life Saving Club (sewerage pump out)	5	-
Concessions on landfill fees for charity organisations	-	60
Costs of provision of dead animal collection services	-	36
Costs of provision of infirmed services	-	41
Clean-up Australia Day	-	1
Free dump weekends	-	160
Community clean up events	-	15
Stadium remediation works	-	500
Total community service obligations	4,215	813

Table 10 - Change in Rates and Utilities Levied

In accordance with Section 169 (6) and (7) of the Local Government Regulation 2012 (noting the below changes do not reflect an adjustment to the rate in a dollar charged this financial year).

	19/20 - 20/21	20/21 - 21/22	20/22 - 21/23
Increase in rates and utility changes revenue <u>before</u> discounts and concessions ¹	2.81%	2.61%	2.75%
Increase in rates and utility changes revenue <u>after</u> discounts and concessions ¹	3.04%	2.58%	2.72%

¹Increases include year on year growth in number of rateable properties

Mid-Year Budget Review Long-term Update

Long-Term Financial Forecast

The Long-Term Financial Forecast is informed by Council's Corporate Plan. The forecast is an indicator of Council's long-term financial sustainability and allows Council to understand its future financial commitments for the nine years beyond 2020/21.

These Long-Term Forecasts inform Council's approach to service provision and service levels, required infrastructure, how Council manages its debt, how Council addresses key strategic priorities, and from where Council sources its revenue, including rates and charges.

The following reports are required under section 171 of the Local Government Regulation 2012:

- ▶ Income and Expenditure of Council (Table 11: Statement of Income and Expenditure)
- ▶ Value of assets, liabilities and equity of Council (Table 12: Statement of Financial Position).

Measures of Financial Sustainability

Measures of Financial Sustainability (Table 15) are required under section 169 of the Local Government Regulation 2012. Whilst these ratios are important, they should not be viewed in isolation. It is important to consider the long-term financial objectives of Council and other measures that reflect Council's commitment to operating in a prudent manner while maintaining its financial management objectives including:

- ▶ the maturity of Council's asset management functions,
- ▶ the level of debt compared to the size and value of long-life income producing assets; and
- ▶ Council's ability to maintain adequate service levels.

Operating Surplus Ratio

The ratio demonstrates the extent to which revenues raised cover operational expenses or are available for capital funding purposes or other purposes.

A positive ratio indicates that surplus revenue is available. This may be used to support the funding of capital expenditure or used to offset past or future operating deficits. If the surplus is not required for this purpose in a particular year, it can be held to support future capital expenditure funding as a financial asset or used to reduce current debt levels.

Net Financial Asset / Liability Ratio

The Net Financial Asset / Liability Ratio indicates Council's ability to repay its liabilities and debt with its revenue and cash holdings.

A positive value less than 60 per cent indicates Council has the capacity to fund the financial liabilities and appears to have the capacity to increase its loan borrowings if required.

A positive value greater than 60 per cent indicates that Council has limited capacity to increase its loan borrowings.

Whilst in the short-term this ratio is outside the target range, Council recognises that this ratio does not reflect the significant asset base supporting Council Operations.

Asset Sustainability Ratio

The Asset Sustainability Ratio is an indicator of the extent to which the infrastructure assets managed by Council are being replaced as these reach the end of their useful lives. It can assist in identifying the potential decline or improvement in asset condition and standards.

Council recognises that whilst this ratio is important detailed Asset Management Plans (AMPs), prepared on an annual basis for a 10-year period, specify how much should be spent on proposed maintenance, renewal, and replacement of our assets rather than relying on accounting depreciation.

Table 11 - Statement of Income and Expenditure (Long-Term)

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue										
General rates	176,257	179,782	183,377	189,409	194,936	200,882	208,313	215,221	222,642	232,368
Utility charges	209,593	216,136	223,439	232,003	240,401	249,814	260,024	271,042	282,372	293,534
Water	96,565	101,773	107,474	113,519	120,016	126,941	134,680	143,418	151,944	161,039
Wastewater	89,995	90,319	90,815	91,334	91,993	92,658	93,648	94,897	95,736	96,847
Refuse and recycling	23,033	24,044	25,149	27,151	28,392	30,214	31,696	32,727	34,692	35,648
Discounts and concessions	(25,114)	(25,873)	(26,724)	(27,675)	(28,738)	(29,920)	(31,231)	(32,682)	(34,290)	(36,075)
Fees and charges	28,051	29,269	35,833	36,884	37,975	39,106	40,379	41,596	42,858	44,517
Interest received	2,493	3,066	2,992	3,814	4,415	4,508	4,179	4,096	4,641	4,693
Contributions from developers	200	204	208	212	216	221	225	230	234	239
Grants and subsidies	23,202	10,713	10,713	10,713	10,713	10,713	10,713	10,713	10,713	10,713
Other revenue	13,137	13,459	13,803	14,162	14,536	14,928	15,243	15,565	15,894	17,789
Total revenue	427,819	426,756	443,641	459,522	474,454	490,252	507,845	525,781	545,064	567,778
Expenses										
Employee costs	137,763	139,616	143,305	147,527	151,832	156,745	161,980	167,351	173,460	180,358
Materials and services	140,846	126,582 ¹	138,281	143,781	147,888	155,566	162,907	171,412	178,799	182,477
Depreciation and amortisation	126,209	115,386 ²	116,403	121,950	123,434	122,418	123,648	124,646	128,388	131,439
Finance costs	19,853	20,003	18,786	16,885	15,002	13,376	12,026	10,836	9,203	7,987
Other expenses	1,419	1,341	1,388	1,406	1,448	1,493	1,545	1,596	1,650	1,714
Total expenses	426,091	402,928	418,163	431,549	439,604	449,598	462,106	475,841	491,500	503,975
Operating surplus/(deficit)	1,728	23,828³	25,478	27,973	34,850	40,654	45,739	49,940	53,564	63,803
Operating surplus ratio	0.40%	5.58%	5.74%	6.09%	7.35%	8.29%	9.01%	9.50%	9.83%	11.24%
Capital income										
Grants, subsidies, contributions and donations	133,371	89,537	144,363	91,898	78,567	121,175	111,168	152,671	157,771	145,703
Total capital income and expenses	133,371	89,537	144,363	91,898	78,567	121,175	111,168	152,671	157,771	145,703
Increase/(decrease) in operating capability	135,099	113,365	169,841	119,871	113,417	161,829	156,907	202,611	211,335	209,506

¹ Reduction in grant funded expenditure specific to 2020/21.

² Forecast change in asset valuation methodology impacting depreciation.

³ Includes non-cash depreciation savings.

Table 12 - Statement of Financial Position (Long-Term)

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Current assets										
Cash and cash equivalents	97,500	78,942	60,366	82,803	103,099	102,628	89,216	98,419	114,292	114,466
Trade and other receivables	59,494	50,509	45,470	46,892	48,496	50,114	51,962	53,671	55,747	58,087
Inventories	2,187	2,187	2,187	2,187	2,187	2,187	2,187	2,187	2,187	2,187
Other current assets	4,684	4,684	4,684	4,684	4,684	4,684	4,684	4,684	4,684	4,684
Total current assets	163,865	136,322	112,707	136,566	158,466	159,613	148,049	158,961	176,910	179,424
Non-current assets										
Property, plant and equipment	5,269,194	5,416,749	5,593,748	5,664,858	5,748,896	5,929,968	6,102,612	6,283,415	6,483,279	6,672,755
Right to use assets	10,015	7,675	6,239	4,810	3,381	1,952	893	180	-	-
Intangible assets	5,297	3,029	1,575	1,553	1,531	1,508	1,486	1,464	1,442	1,420
Other non-current assets	3,343	3,343	3,343	3,343	3,343	3,343	3,343	3,343	3,343	3,343
Total non-current assets	5,287,849	5,430,796	5,604,905	5,674,564	5,757,151	5,936,771	6,108,334	6,288,402	6,488,064	6,677,518
Total assets	5,451,714	5,567,118	5,717,612	5,811,130	5,915,617	6,096,384	6,256,383	6,447,363	6,664,974	6,856,942
Current liabilities										
Trade and other payables	86,035	82,266	87,245	89,775	92,363	95,931	99,406	102,900	106,933	110,490
Borrowings	36,389	40,370	38,871	30,877	32,491	34,702	33,046	34,634	34,345	18,591
Lease liabilities	2,510	1,581	1,610	1,650	1,691	1,245	703	-	-	-
Provisions	20,363	20,916	19,653	21,149	24,036	25,976	27,101	28,846	29,762	29,633
Other current liabilities	363	363	363	363	363	363	363	363	363	363
Total current liabilities	145,660	145,496	147,742	143,814	150,944	158,217	160,619	166,743	171,403	159,077
Non-current liabilities										
Borrowings	350,325	355,002	336,151	305,274	272,783	253,098	240,074	205,441	191,119	172,528
Lease liabilities	8,247	6,666	5,057	3,407	1,717	472	1	1	1	-
Provisions	42,562	38,927	26,431	27,407	35,169	38,311	38,601	39,659	37,803	30,845
Other non-current liabilities	1,623	1,623	1,623	1,623	1,623	1,623	1,623	1,623	1,623	1,623
Total non-current liabilities	402,757	402,218	369,262	337,711	311,292	293,504	280,299	246,724	230,546	204,996
Total liabilities	548,417	547,714	517,003	481,525	462,235	451,721	440,917	413,467	401,949	364,073
Net community assets	4,903,297	5,019,404	5,200,608	5,329,605	5,453,381	5,644,663	5,815,466	6,033,896	6,263,025	6,492,869
Community equity										
Asset revaluation reserve	897,619	900,361	911,724	920,850	931,209	960,662	974,558	990,377	1,008,171	1,028,509
Retained surplus	4,005,678	4,119,043	4,288,884	4,408,755	4,522,172	4,684,001	4,840,908	5,043,519	5,254,854	5,464,360
Total community equity	4,903,297	5,019,404	5,200,608	5,329,605	5,453,381	5,644,663	5,815,466	6,033,896	6,263,025	6,492,869

Table 13 - Statement of Cash Flows (Long-Term)

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities										
Receipts from customers	417,317	429,168	444,474	453,056	467,172	482,822	500,461	518,575	536,896	559,230
Payments to suppliers and employees	(297,240)	(280,512)	(294,371)	(290,317)	(298,508)	(310,203)	(323,337)	(335,480)	(351,470)	(368,672)
Interest received	2,493	3,066	2,992	3,814	4,415	4,508	4,179	4,096	4,641	4,693
Borrowing costs	(18,802)	(17,721)	(16,537)	(14,663)	(12,809)	(11,212)	(9,890)	(8,717)	(7,096)	(5,881)
Net cash provided by operating activities	103,768	134,001	136,558	151,890	160,270	165,915	171,413	178,474	182,971	189,370
Cash flow from investing activities										
Payments for property, plant and equipment	(206,343)	(218,914)	(203,403)	(134,494)	(149,661)	(209,504)	(214,273)	(200,116)	(241,564)	(219,132)
Net movement in loans and advances	1	2,336	-	-	-	-	-	-	-	-
Proceeds from sale of property, plant and equipment	563	526	226	488	31	56	327	586	740	10
Grants, subsidies, contributions and donations	71,276	54,836	68,392	43,424	40,533	60,536	43,800	63,305	88,337	64,271
Net cash used in investing activities	(134,503)	(161,216)	(134,785)	(90,582)	(109,097)	(148,912)	(170,146)	(136,225)	(152,487)	(154,851)
Cash flows from financing activities										
Proceeds from borrowings	50,000	45,000	20,000	-	-	15,000	20,000	-	20,000	-
Repayment of borrowings	(32,115)	(36,343)	(40,349)	(38,871)	(30,877)	(32,474)	(34,679)	(33,046)	(34,611)	(34,345)
Net cash provided by financing activities	17,885	8,657	(20,349)	(38,871)	(30,877)	(17,474)	(14,679)	(33,046)	(14,611)	(34,345)
Net increase/(decrease) in cash held	(12,850)	(18,558)	(18,576)	22,437	20,296	(471)	(13,412)	9,203	15,873	174
Cash at beginning of reporting period	110,350	97,500	78,942	60,366	82,803	103,099	102,628	89,216	98,419	114,292
Cash at end of reporting period	97,500	78,942	60,366	82,803	103,099	102,628	89,216	98,419	114,292	114,466

Table 14 - Statement of Changes in Equity (Long-Term)

	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000
Asset revaluation reserve										
Opening balance	897,619	897,619	900,361	911,724	920,850	931,209	960,662	974,558	990,377	1,008,171
Increase in asset revaluation reserve		2,742	11,363	9,126	10,359	29,453	13,896	15,819	17,794	20,338
Closing balance	897,619	900,361	911,724	920,850	931,209	960,662	974,558	990,377	1,008,171	1,028,509
Retained surplus										
Opening balance	3,870,579	4,005,678	4,119,043	4,288,884	4,408,755	4,522,172	4,684,001	4,840,908	5,043,519	5,254,854
Net result for the period	135,099	113,365	169,841	119,871	113,417	161,829	156,907	202,611	211,335	209,506
Closing balance	4,005,678	4,119,043	4,288,884	4,408,755	4,522,172	4,684,001	4,840,908	5,043,519	5,254,854	5,464,360
Total community equity	4,903,297	5,019,404	5,200,608	5,329,605	5,453,381	5,644,663	5,815,466	6,033,896	6,263,025	6,492,869

Table 15 - Summary of Council's Financial Sustainability

Table 15 is a summary of Council's financial sustainability and indicates the relevant measures of financial sustainability as well as the identified target ranges as described in the Financial Management (Sustainability) Guideline 2013. In addition, it outlines Council's performance against each of the measures over the forecast period.

	Target Ratio	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Operating surplus ratio (Net operating surplus / total operating revenue)	0% - 10%	0.4%	5.6%	5.7%	6.1%	7.3%	8.3%	9.0%	9.5%	9.8%	11.2%
Net financial asset / liability ratio (Total liabilities less current assets / total operating revenue)	<60%	89.9%	96.4%	91.1%	75.1%	64.0%	59.6%	57.7%	48.4%	41.3%	32.5%
Asset sustainability ratio (Capital expenditure on the replacement of assets (renewals) / depreciation)	>90%	77.6%	66.3%	75.3%	76.3%	81.6%	74.8%	76.7%	77.0%	91.1%	76.5%

Mid-Year Review Appendices



Appendix A: Revised Revenue Statement 2020/21

Overview

This revenue statement explains the revenue raising measures adopted in Council's 2020/21 budget.

Applicability

It is not intended that this Revenue Statement reproduce all related policies. Related policies will be referred to where appropriate and will take precedence if clarification is required.

Making and Levying of General Rates Rationale

General rates are for services, facilities and activities that are supplied or undertaken for the benefit of the community in general (rather than a particular person). Council is required to raise an appropriate amount of revenue to maintain assets and provide services to the region as a whole.

Under Queensland legislation, land valuation is used as the basis for levying general rates in Queensland. The general rate could be determined by dividing the income needed from general rates by the rateable valuation of lands; however that would be inequitable because of the considerable diversity in the Townsville region in terms of land use and location, land values, access to, and actual and potential demands for, services and facilities. To provide a more equitable and reasonable basis for its revenue raising, Council has adopted a general rating system that takes into account a combination of specific user charges, separate charges, special rates and charges and differential general rates.

In summary, rates and charges are determined after consideration of:

- ▶ Council's legislative obligations
- ▶ the needs and expectations of the general community
- ▶ the expected cost of providing services
- ▶ equity – that is, ensuring the fair and consistent approach of lawful rating and charging principles, taking account of all relevant considerations, and disregarding irrelevancies such as the perceived personal wealth of individual ratepayers or ratepayer classes.

Differential General Rating

Council levies differential general rates, which means the amount of general rates payable for any property depends upon:

- ▶ the land's unimproved capital or site value as advised by the Department of Natural Resources Mines and Energy (DNRME)
- ▶ the Differential General Rating Category that Council gives to the land.

All land within Townsville is given a Differential General Rating Category based upon the primary Land Use Code assigned by DNRME and the additional criteria of:

- ▶ the City Plan (that is, the current Planning Scheme)
- ▶ the availability of services to the land
- ▶ whether the land is occupied as a principal place of residence

- ▶ whether any attribute of the land (including the status of the land under the Planning Scheme) is likely to contribute to increased costs for Council, whether at the land or elsewhere.

In accordance with Chapter 4 of the Local Government Regulation 2012, Council has decided that:

- ▶ there will be 23 categories of rateable land for 2020/21 as stated and described in Appendix K – Differential Rating Categories
- ▶ the description of each of the rating categories of rateable land in the local government area is set out in Appendix K – Differential Rating Categories
- ▶ the rates and charges to be levied for each of the 23 differential general rating categories are detailed in Appendix L – Differential Rates, Limitations on Increases, Minimum General Rates.

Rateable Value of Land

To determine the rateable value of land, Council uses the unimproved capital or site valuation as advised by the Department of Natural Resources, Mines and Energy. The last valuation of the city was carried out on 1 October 2019 with the valuation being applied from 1 July 2020.

Limitation of Increase in Rates

Council applies capping to all owner-occupied residential lands which ensures that lands categorised as Category 1 as at 1 July 2020 will not exceed the amount of general rates levied for the property for the previous financial year (year ending 30 June 2019) plus a percentage increase resolved by Council.

The differential general rate for eligible land will not exceed the higher of:

- ▶ the relevant minimum rate for the property; or
- ▶ the amount of general rates levied for the property for the year ending 30 June 2019, plus an increase of 30%.

This is subject to a minimum rate for each category and the following conditions:

- ▶ capping will apply only to general rates
- ▶ capping will apply only to category 1 land
- ▶ capping is not available retrospectively and will only apply from the beginning of a financial year
- ▶ if ownership of the land to which capping applies is transferred in the period after 1 July of any year, then capping will cease to apply for the following year
- ▶ if a dwelling is completed during 2020/21, on vacant land purchased during 2019/20, the owner will be eligible for capping from 1 July 2021.

Nelly Bay Harbour Development Special Rate

The Nelly Bay Harbour Development Special Rate levy is applied to maintaining water quality in the canals, dredging the canals, maintaining the rock walls around the canal area and maintaining the sediment basin in Gustav Creek. The Operational Plan for the Nelly Bay Harbour Development Special Rate for 2020/21 is detailed in Appendix P – Nelly Bay Harbour Development Operational Plan.

Rural Fire Brigades Special Charge

The Rural Fire Brigade Special Charge is levied on rateable lands serviced by the rural fire brigades detailed in Appendix Q - Rural Fire Levy. The funds raised from this charge are provided to the voluntary rural fire services so they can acquire and maintain fire-fighting equipment; provide training to volunteers and to enable them to operate throughout the rural areas of the region.

The overall plan for the Rural Fire Brigades Special Charge is to provide financial assistance to the brigades to enable provision of a rural fire service in each area on an ongoing basis. The amount of the charge is based upon the 3-year budget for each brigade that has been provided to Council by the Queensland Fire and Rescue Service.

The annual implementation plan is to remit to the respective brigades the levy collected, twice a year.

Rural Water Supply Schemes

Council has resolved that because of the nature of the schemes, annual water charges will only apply to clients of the Jensen, Hencamp Creek and Black River Rural Water Supply scheme areas once water has been connected to individual properties. This is a departure from the policy of Council that all properties capable of being connected to a water supply shall pay the uniform water rate as from the water main becoming serviceable.

A network contribution may be payable prior to a water connection being made.

Commercial Business Activity - Water Utility Charges

Council conducts water services as a business activity on a commercial basis. The utility charges and other fees and charges for this business activity are set in accordance with full cost recovery principles outlined in the Local Government Regulation 2012.

Non-residential water customers, including commercial, industrial and government agencies will be levied a fixed charge together with a consumption-based charge.

Council offers residential customers a choice between the Standard Plan and the Water Watchers Plan.

Standard Plan customers will be charged for a fixed allocation of water, plus a charge for any consumption in excess of the allocation. Water Watchers Plan residential consumers will be charged a two-part tariff which includes a fixed service charge and consumption-based charge. All developed and undeveloped residential properties within the water supply area connected to the water supply are placed on the Standard Plan. Residential property owners can opt into the Water Watchers Plan by application.

All undeveloped residential land within the water supply area not connected to the water supply is placed on the Water Watchers Plan.

Undeveloped residential and undeveloped non-residential land in a declared water service area will incur an undeveloped land charge as a contribution towards the cost of water infrastructure available for connection.

The fees charged for the Water Services Activity are detailed in Council's Schedule of Rates and Charges 2020/21, and the utility charges for this activity are detailed in Appendix M – Utility Charges – Water.

Commercial Business Activity – Wastewater and Trade Waste Utility Charges

Council conducts wastewater (sewerage) services as a business activity on a commercial basis. The utility charges and other fees and charges for this business activity are set in accordance with full cost recovery principles outlined in the Local Government Regulation 2012.

A fixed service charge will be levied for each dwelling, home unit, flat or lot.

Non-residential wastewater customers, including commercial, industrial and government agencies will be levied a fixed service charge each pedestal.

An additional wastewater charge is levied on applicable non-residential customers in respect of liquid trade waste in accordance with Council's Trade Waste Policy.

Undeveloped residential and undeveloped non-residential land in the declared sewer service area will incur an undeveloped land charge each lot as a contribution towards the cost of wastewater infrastructure available for connection.

Where a property is in a declared sewered area but is not connected to a sewer that property will be levied sewerage utility charges as if it were connected. This acts as an incentive for property owners to connect their premises to the sewerage system.

The fees charged for the wastewater activity are detailed in Council's Schedule of Rates and Charges 2020/21 and the utility charges for this activity are detailed in Appendix N – Utility Charges –Wastewater and Trade Waste.

Commercial Business Activity – Waste Management and Recycling Utility Charges

Council conducts the waste management and recycling services as a business activity on a commercial basis. The utility charges and other fees and charges for this business activity are set in accordance with full cost recovery principles outlined in the Local Government Regulation 2012.

Residential properties will be levied each dwelling, home unit or flat for a combined waste and recycling service for domestic waste disposal at Council's landfill sites.

For non-residential premises, separate charges will apply on the basis of:

- ▶ waste collection charge based upon each waste collection service provided
- ▶ recycling collection charge based upon each recycling collection service provided
- ▶ all additional or special waste services are charged on a user-pays basis each service provided.

The Queensland Government has developed a resource, recovery and waste strategy to help reduce the disposal of waste to landfill, increase recycling rates and recover valuable resources. The focus of the strategy is the Queensland Government Waste Levy, which came into effect 1 July 2019.

In order to ensure there will be no direct impact on household, the State Government is providing Council with an annual payment to offset the cost of the Queensland Government Waste Levy on households.

The Queensland Government Waste Levy will be payable on the disposal of commercially generated waste.

Local Waste Management Levy

A fixed annual Waste Management Levy will be charged for the provision of one hard rubbish collection for each eligible property, access to free green waste disposal, and free recyclables drop-off at Council's waste facilities and wheelie bin repairs/replacements.

The levy will apply to each dwelling, home unit or flat which is:

- ▶ classified as Category 1, 2 and 3a to 3k for rating purposes
- ▶ is inside or outside the defined waste collection area.

The Levy does not apply to undeveloped land.

The fees charged for the waste management and recycling activities are detailed in Council's *Schedule of Rates and Charges 2020/21*, and the utility charges for this activity are detailed in Appendix O – Utility Charges – Waste Management and Recycling.

Hardship Concession

Council has adopted to allow concessions as set out in Council's Hardship Concession Policy to eligible ratepayers in accordance with section 120(1)(c) of the Local Government Regulation 2012.

Pensioner Rates Concessions

Council has adopted a Pensioner Rates Concession Policy in accordance with section 120(1)(a) of the Local Government Regulation 2012 that grants certain pensioners who own and occupy their property as their principal place of residence, a concession of 85% of the general rate, with a maximum limit as resolved as part of Council's annual budget. A pro-rata concession applies to ratepayers who receive a part pension. Council's Pensioner Rates Concession Policy outlines the details of eligibility and application of this concession. Any pensioner concession allowed in the financial year will be reversed if rates and charges due for the financial year are not paid in full by 31st May 2021.

General Rates and Utility Charges Concessions

Concessions for general rates, water and sewerage charges as set out in Council's Concessions Policy will be granted to certain organisations and ratepayers that satisfy Council that they meet the eligibility criteria set out in Part 10 of Chapter 4 of the Local Government Regulation 2012. Concessions will not be considered for undeveloped land.

First Home Buyers Concession

Council has adopted to allow concessions as out in Council's First Home Buyers Concession Policy to eligible ratepayers in accordance with section 120(1)(d) of the Local Government Regulation 2012.

Prompt Payment Discount

Council acknowledges that the failure to pay rates when due can increase the level of future rate increases and offers a prompt payment discount of 10% on certain rates and charges when full payment of all rates and charges, including any arrears, is received by the due date.

Interest Charges on Overdue Rates

Unpaid rates are considered overdue after midnight on the designated due date on the notice. Interest will be charged from 30 days after the designated due date of each charge until the date of payment, at the rate of 8.53% each year in accordance with section 133 of the Local Government Regulation 2012.

Interest, at the rate of 8.53% each year, will also be charged from 1 July of the new financial year, on approved Pensioner rates, charges and fire levies, which are in arrears as at 30 June of the previous financial year.

Cost-Recovery and Other Fees and Charges

In setting cost-recovery and other fees and charges, Council will apply the following criteria:

- ▶ Regulatory fees will be set at no more than the full cost of providing the service or taking the action for which, the fee is charged. Council may choose to subsidise the fee from other sources (e.g. general rate revenue) when Council considers that it would not be reasonable to charge the full cost.
- ▶ Charges for commercial services will be set to recover the full cost of providing the service and, if provided by a business of Council, may include a component for return on capital.

Council's adopted fees and charges include a mixture of cost recovery and commercial user-pays fees. The cost-recovery (regulatory) charges are identified as such in Council's Fees and Charges Schedule. Council's Fees and Charges Register contains full details of fees and charges adopted by Council for 2020/21 and is available on Council's website.

Appendix B: Revised Revenue Policy 2020/21

1.0 Policy Statement

In 2020/21 Council will levy rates and charges in compliance with this policy.

2.0 Principles

Council makes decisions about levying rates and charges consistently with the *Local Government Principles*:

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

3.0 Scope

The Revenue Policy demonstrates the principles that Council intends to apply in the preparation and adoption of the 2020/21 budget. This policy identifies the principles Council intends to apply for: -

- ▶ the making and levying of rates and charges
- ▶ granting concessions for rates and charges
- ▶ recovering overdue rates and charges
- ▶ setting of cost-recovery fees and methods.

This Policy also addresses:

- ▶ the purpose for concessions; and
- ▶ infrastructure charges for Council.

4.0 Responsibility

Councillors, the Chief Executive Officer and the General Manager Finance are responsible for ensuring that this policy is understood and followed.

5.0 Definitions

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

6.0 Policy

6.1. Principles used for the levying of rates and charges

When levying rates and charges the Council will seek to achieve financial sustainability while minimising the impact of Council rates and charges upon the community, and distributing the burden of payments equitably

across the community having regard to the consumers of each service, the benefit to the community, and to all factors that contribute to the Council's costs.

Council accepts that land valuations are generally an appropriate basis to achieve the equitable imposition of general rates, with differential rating categories determined by land use, ownership, availability of services, consumption of and demand for services, and whether any attribute of the land (including the status of the land under the Planning Scheme) gives rise to, or is likely to give rise to, increased costs for the Council, whether at that land or elsewhere.

When levying the rates and charges, Council will:

- ▶ have regard to its long-term financial forecast when setting rates and charges;
- ▶ seek to minimise the revenue required to be raised from rates and charges by:
 - maximising income from available grants and subsidies
 - imposing cost-recovery fees in respect of services and activities for which it believes cost recovery is appropriate
- ▶ have regard to the prevailing local economic conditions, and when possible, limit increases in an attempt to avoid significant price escalation in any one year; and
- ▶ offer an early payment discount to provide an incentive for the timely payment of rates and charges.

Council will levy special rates and charges to minimise the extent to which the general community subsidises the unique costs arising from the provision of local government benefits or services to particular land.

6.2. Principles used for recovering overdue rates and charges

Council will exercise its rate recovery powers in order to reduce the overall rate burden upon ratepayers while:

- ▶ making clear the obligations of ratepayers and the process used by Council in assisting them to meet their financial obligations
- ▶ making the processes used to recover outstanding rates and utility charges clear, simple to administer and cost effective
- ▶ considering the capacity to pay in determining appropriate payment plans for different sectors of the community
- ▶ endeavouring to treat ratepayers with similar circumstances in a consistent way
- ▶ flexibility to ratepayers experiencing financial hardship through concessional arrangements
- ▶ flexibility responding when necessary to city wide events such as natural disasters or changes in the local economy.

6.3. Principles used for granting concessions for rates and charges

Council will support desirable community objectives by providing concessions for certain categories of landowners and in respect of properties used for certain purposes when those concessions:

- ▶ reduce the financial burden of rates and charges payable by pensioners
- ▶ support the community activities of not-for-profit organisations encourage the economic or development of all or part of the local government area; or

- ▶ support entities that provide assistance or encouragement for arts or cultural development
- ▶ encourage the preservation, restoration or maintenance of land that is of cultural, environmental, historic, heritage or scientific significance to the local government area.

6.4. Setting of cost-recovery fees

Council considers that in almost all instances it is appropriate and in the community interest to apply full cost recovery to its water, sewerage, and refuse and recycling utility charges, which includes obtaining a return on capital for assets used in the delivery of these services. In accordance with Section 97 of the *Local Government Act 2009*, cost-recovery fees will also be set for other services and activities for which council believes it is appropriate. A return on capital will only be charged where permissible under the *Local Government Act 2009* or Local Government Regulation 2012. By imposing charges that accurately reflect the full cost of the provision of services, the Council will promote efficiency in both provision and use of the services.

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

6.5. Funding of new development to support job creation

To the fullest extent permissible by law, the Council will fund the physical and social costs of any new development by levying charges upon that development. The Council considers that the current law strikes a reasonable balance between minimising costs for new developments and managing the burden of new developments upon existing ratepayers. In particular the Council considers that this approach promotes efficiency by and competition between developers and achieves development at the least overall cost to the community.

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

To assist Townsville's economic recovery from the impact of COVID-19 control measures Council will encourage development that provides local jobs through the reduction of infrastructure charges for eligible applicants as set out in Council's *Coronavirus Response New Local Jobs Policy*.

7.0 Legal parameters

- ▶ *Local Government Act 2009*
- ▶ Local Government Regulations 2012

8.0 Associated Documents

- ▶ Charitable and Community Organisation General Rate and Utility Charges Concessions Policy
- ▶ Revenue Statement
- ▶ Pensioner Rates Concession Policy
- ▶ Debt Recovery Policy
- ▶ Rate Discount Policy
- ▶ Financial Hardship Policy

Appendix C: Debt Policy

1.0 Policy Statement

Council will utilise a debt management strategy based on sound financial management guidelines.

2.0 Principles

The purposes of establishing an annual debt policy are to:

- ▶ comply with legislative requirements
- ▶ establish when borrowings will be made by Council and for what purpose
- ▶ provide a view of the city's long-term debt requirements
- ▶ demonstrate to lending institutions that Council adopts a disciplined approach to borrowing.

3.0 Scope

This policy applies to all Councillors and Council staff.

4.0 Responsibility

The Chief Executive Officer and General Manager Finance are responsible for ensuring that this policy is understood and adhered to by all personnel.

5.0 Definitions

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

6.0 Policy

Borrowings are only available for capital investment purposes.

- ▶ Council may meet capital investment requirements by first using any surplus cash available (even if these are surplus only for a short term) before undertaking a new borrowing. This is the case even if using existing funds only defers the need to borrow for a short period of time.
- ▶ Council cannot use long-term debt to finance operating activities or recurrent expenditure. A working capital facility or overdraft may be utilised to help fund short term cash flow requirements that may arise from time to time.
- ▶ Council recognises and accepts that infrastructure demands placed upon Council can often only be met through borrowings but will always be mindful of the additional cost incurred by the community when assets are acquired through borrowings, which increases the cost of providing capital infrastructure.
- ▶ Council will endeavour to fund all capital renewal projects from operating cash flows in the first instance and borrow for new and upgrade capital projects.
- ▶ Where borrowing is constrained, borrowings for infrastructure that provides a return on capital will take precedence over borrowings for other assets.

- ▶ When Council finances capital projects through borrowings, it will repay the loans in a term not exceeding the life of those assets and in accordance with Queensland Treasury Corporation's borrowing guidelines.
- ▶ Council will maintain close scrutiny of its level of debt to ensure its relevant financial sustainability indicators will not exceed the minimum limits recommended by the Queensland Treasury Corporation.
- ▶ Council will use as its basis for determining funding options the Strategic Asset Management Plan, together with the Long-Term Financial Plan.
- ▶ The amount of new debt to be borrowed in a year must be approved as part of the annual budget process, excluding working capital and bank overdraft facilities. New borrowing applications must also be approved by the Department of Local Government, Racing and Multicultural Affairs.
- ▶ In accordance with section 192 of the Local Government Regulation 2012, details of the planned borrowings for the budget year and the following nine (9) financial years will be presented at Council's annual budget meeting. The details will include the planned borrowings for each year, the purpose of the borrowings and the term of repayment of existing and planned borrowings.

Planned borrowings are as follows:

Year and Purpose of Borrowing	Amount \$'000
Year ended 30/6/2021 – New and upgrade infrastructure	50,000
Year ended 30/6/2022 – New and upgrade infrastructure	45,000
Year ended 30/6/2023 – New and upgrade infrastructure	20,000
Year ended 30/6/2024	-
Year ended 30/6/2025	-
Year ended 30/6/2026 – New and upgrade infrastructure	15,000
Year ended 30/6/2027 – New and upgrade infrastructure	20,000
Year ended 30/6/2028	-
Year ended 30/6/2029 – New and upgrade infrastructure	20,000
Year ended 30/6/2030	-

Repayment term of new loans is up to 20 years with existing loans at 30 June 2021 having repayment terms between 3 and 20 years. The amount projected to be outstanding at 30 June 2021 is \$385.4 million.

Anticipated loan principal repayments for the year ended 30 June 2021 is \$32.6 million.

A temporary working capital facility has been established for Council's COVID-19 response specifically to manage the due date deferral of rates and charges for impacted ratepayers.

The facility limit is \$100 million and is available for use until 31 July 2021.

7.0 Legal parameters

- ▶ *Local Government Act 2009*
- ▶ Local Government Regulation 2012
- ▶ *Statutory Bodies Financial Arrangements Act 1982*

8.0 Associated documents

- ▶ Adopted Budget
- ▶ Revenue Statement
- ▶ Revenue Policy
- ▶ Strategic Asset Management Plan
- ▶ Long Term Financial Plan
- ▶ Treasury Management Administrative Directive

Appendix D: Investment Policy

1.0 Policy statement

Council will manage its investments on a corporate basis and in a centralised manner in accordance with Council's Treasury Management Administrative Directive.

2.0 Principles

This policy identifies Council's overall financial risk philosophy and objectives.

3.0 Scope

This policy applies to all staff that are responsible for transactions which may affect Council's investment accounts.

4.0 Responsibility

The Chief Executive Officer and General Manager Finance are responsible for ensuring this policy is understood and adhered to by staff.

5.0 Definitions

- ▶ **At call** – an investment that can be redeemed and the moneys invested can be retrieved by the investor from the financial institution within 30 days without penalty.
- ▶ **Counterparty** – a legal and financial term that refers to the other individual or institution to an agreement or contract.
- ▶ **Credit risk** – the risk of loss due to the failure of the counterparty of an investment to meet its financial obligations in a timely manner.
- ▶ **Financial institution** – an authorised deposit-taking institution within the meaning of the *Banking Act 1959 (Cwlth)*.
- ▶ **Interest rate risk** – is the risk of a change in the market value of the investment portfolio, which arises due to a change in interest rates.
- ▶ **Investment portfolio** – a collection of short, medium- and long-term cash deposit investment accounts.
- ▶ **Liquidity risk** – the risk that Council will have insufficient cash available to meet its working capital needs.
- ▶ **Market average rate of return** – for performance purposes, the investment portfolio will be compared to the Bloomberg Bank Bill Index.
- ▶ **Transaction risk** – the risk of a direct or indirect loss resulting from inadequate or failed internal processes, people or systems.
- ▶ **Preservation of capital** – An investment strategy with the primary goal of preventing losses in an investment's total value. In modern portfolio theory terms, it refers to a guaranteed investment of principal, which would provide a return of at least inflation.

- ▶ **Responsible officer** – Council officers who are responsible for activity directly related to the transfers of cash between Council's investment accounts e.g. Finance Officers.

6.0 Policy

Council's investment portfolio will be managed centrally on a corporate basis and a conservative investment approach will be applied. Council will:

- ▶ endeavour to preserve capital through the effective management of the investment portfolios exposure to credit risk, interest rate risk, liquidity risk and transaction risk
- ▶ maintain sufficient liquidity of its investment portfolio to meet all reasonably anticipated cash flow requirements, as and when they fall due
- ▶ maintain an investment portfolio which is expected to achieve a market average rate of return.

6.1. Reporting and Performance Measurement

Reporting will be undertaken on a monthly basis reviewing all investment related exposures, specifically detailing information on the investment portfolio in terms of interest rate, counterparty percentage exposure and year to date running yield.

Regular cash management reports (weekly) will be prepared by the Financial Reporting and Budgets Team.

6.2. Documentation and Approval

Any transaction occurring between Council's transactional bank account and at call cash deposit accounts will require approval from an authorised account signatory.

Any transactions occurring between Council's at call cash deposit accounts and cash deposit accounts, with a term to maturity of one month or more, will require approval from the Chief Executive Officer.

Each transaction will require written confirmation by the approved financial institution. Council will maintain the necessary documents related to all transactions with approved financial institutions.

7.0 Legal parameters

- ▶ *Statutory Bodies Financial Arrangement Act 1982*
- ▶ *Statutory Bodies Arrangements Regulations 2007*
- ▶ *Local Government Regulation 2012*
- ▶ *Banking Act 1959 (Cwlth)*

8.0 Associated documents

- ▶ List of Authorised Deposit-taking Institutions (<http://www.apra.gov.au/adi>)
- ▶ Treasury Management Administrative Directive

Appendix E: Hardship Concession Policy

1.0 Policy statement

Council has an ability to provide concessions when payment of the rates or charges will cause hardship to the landowner. Those concessions will be made in accordance with this policy.

2.0 Principles

The payment of rates and charges may cause hardship to:

- ▶ the whole or a sizeable portion of the community because of a disaster – for example, a cyclone or flood
- ▶ a particular landowner because of that landowner's circumstances.

The granting of concessions has the potential to adversely impact upon the Council's services and burden other ratepayers.

The Council will deal with applications for concessions under this policy on the grounds of hardship in a way that is:

- ▶ compassionate
- ▶ equitable
- ▶ transparent
- ▶ responsive to the landowner's capacity to pay
- ▶ financially responsible, having regard to the demand for the Council's services and the obligation upon Council to maintain its financial sustainability
- ▶ otherwise in accordance with the requirements of applicable legislation.

3.0 Scope

This policy applies to the granting of concessions on the grounds that payment of the rates or charges will cause hardship to certain landowners.

4.0 Responsibility

The Chief Executive Officer and the General Manager Finance are responsible for ensuring that this policy is understood and adhered to by all staff involved in the recovery of rates and charges.

5.0 Key Concepts and Definitions

Any term used in this policy that is defined in the *Local Government Act 2009* or *Local Government Regulation 2012* has that definition. The term 'hardship' is not specifically defined in this legislation and will be interpreted according to its ordinary and plain meaning.

What is Hardship?

Explanatory Note: Hardship may arise in a variety of situations, including in – a situation where payment of rates and charges by a landowner will cause the landowner an appreciable detriment of some form, whether that be financial, personal or otherwise.

Each situation affecting a landowner needs to be assessed on a case by case basis, and consider a range of matters affecting the landowner including but not limited to:

- ▶ loss of employment of the landowner or family member
- ▶ family breakdown, including domestic violence
- ▶ physical and mental health issues, including illness, physical incapacity, hospitalization, or mental illness of the landowner or landowner's family member
- ▶ a disaster within the Townsville Local Government Area affecting the landowner or their dependants
- ▶ a death in the family of the landowner
- ▶ other factors resulting in unforeseen change in the landowner's capacity to meet their payment obligations, whether through a reduction in income or through an increase in non-discretionary expenditure.

What is a Disaster? – has the same meaning as “disaster” under the *Disaster Management Act 2003*

Explanatory Note: This means a serious disruption to the community caused by a cyclone, flood, storm, bushfire, earthquake, public health emergency including a pandemic, or other event within the meaning of the term “disaster” in that Act.

6.0 Policy

6.1. Classes of Hardship Concession

The Council resolves to provide concessions under this policy to landowners in the following classes:

Class 1 - Hardship Arising Because Property Directly Affected by a Disaster

- ▶ Eligibility
 - (a) All landowners within Townsville Local Government Area.
- ▶ Concession criteria
 - (a) Landowner's property located within the Townsville Local Government Area has been substantially and directly impacted by a disaster
 - (b) Landowner provides sufficient information to demonstrate that it will suffer Hardship if required to pay rates and charges when due.
- ▶ Assessment material

The Chief Executive Officer is to assess the provision of Concessions to Class 1 Landowners using any information that he or she believes to be relevant.

- ▶ Types of Concessions provided:
 - a 3-month (interest-free) deferral of the due date (and discount date) for the rates and charges; and/or
 - an interest -free payment plan for the overdue rates or charges under which the overdue rates and charges and any accruing rates and charges will be paid within 12 months of the date of the agreement.

The Council intends that the provision of Class 1 Landowner concessions will be a comprehensive response to a disaster and applications for additional concessions will be considered only when the applicant establishes that the disaster impacted upon them in a unique and exceptionally severe way.

Class 2 - Hardship Arising Because of Circumstances Outside Landowner's Control.

- ▶ Eligibility includes:
 - (a) a natural person resident in Townsville Local Government Area
 - (b) concession relates to the person's principal place of residence in Townsville, and
 - (c) the landowner's capacity to pay rates and charges on that property when due has been substantially compromised by circumstances outside the landowner's control that have arisen from a disaster or emergency situation (i.e. not over time).
- ▶ Concession Criteria:
 - (a) Landowner provides sufficient information to demonstrate that they will suffer Hardship if required to pay rates and charges when due.
- ▶ Assessment material:

The Chief Executive Officer is to assess the provision of Concessions to Class 2 Landowners using any information that he or she believes to be relevant. To assist in that assessment the Chief Executive Officer may require the provision of a statutory declaration detailing:

- (a) the event that impacted upon the landowner's ability to pay the rates and charges
- (b) the landowner's estimated income and expenditure from all sources for the year in which the application is made and the previous financial year
- (c) The current balances of any bank accounts and investment accounts held by or for the landowner
- (d) the landowner's assets - whether the asset is owned by the landowner or a by a company in which the landowner has a controlling interest - including the estimated value of each asset. For clarity, "assets" includes:
 - all real property
 - all other assets such as share-holdings, vehicles, boats, livestock etc.
 - and estimated value; including information on the listing of any property for sale
- (e) the landowner's financial circumstances, including details about amount of funds held in accounts and a description of all loans including balances owing and an explanation about the extent to which any loan payment is overdue (Note that account numbers must not be provided or requested)
- (f) Details of any refusal of loan or credit applications that have been sought to assist in paying the landowner's debts
- (g) Details of superannuation fund balances and if an early release has been sought to assist in paying the debts
- (h) Any other information that the landowner believes to be relevant to the application.

► Types of Concessions provided:

- a 3-month (interest-free) deferral of the due date (and discount date) for the rates and charges; and/or
- an interest free payment plan for the overdue rates or charges under which the overdue rates and charges and any accruing rates and charges will be paid within 12 months of the date of the agreement.

The Chief Executive Officer is delegated authority to assess applications and grant concessions to Class 1 and 2 landowners.

6.2. Individual Hardship Applications

Nothing in this policy prevents any landowner making an application for an individual hardship concession under section 120(1)(c) of the Local Government Regulation 2012.

Landowners applying for a concession on the grounds of individual hardship must do so by providing the Council with a statutory declaration detailing:

- a) Estimated income and expenditure from all sources for the year in which the application is made and the previous financial year
- b) The current balances of bank accounts and, if applicable, investment accounts
- c) the landowner's assets - whether owned by the landowner or a by a company in which the landowner has a controlling interest - including the estimated value of each asset. For clarity, "assets" includes:
 - all real property
 - all other assets such as share-holdings, vehicles, boats, livestock etc.
 - and estimated value; including information on the listing of any property for sale
- d) the landowner's financial circumstances, including details about amount of funds held in accounts and a description of all loans including balances owing and an explanation about the extent to which any loan payment is overdue (Note that account numbers must NOT be provided);
- e) Details of any refusal of loan or credit applications that have been sought to assist in paying the landowner's debts
- f) Details of superannuation fund balances and if an early release has been sought to assist in paying the debts; and
- g) Any other information that the landowner believes to be relevant to the application.

The Council may request additional information or may agree to accept an application that does not contain all of the listed information.

The Council will determine individual hardship concession applications.

► Types of Concessions provided:

- a 3-month (interest-free) deferral of the due date (and discount date) for the rates and charges; and/or
- an interest-free payment plan for the overdue rates or charges under which the overdue rates and charges and any accruing rates and charges will be paid within 12 months of the date of the agreement
- a rebate of all or part of the rates or charges
- an agreement to accept a transfer of unencumbered land in full or part payment of rates or charges.

6.3. Payment Plans and Interest

Payment plans under this policy will be interest free for a maximum period of 12 months from the date the plan is approved by Council. Interest accrued prior to this date will not be reversed. Interest will accrue again from the date of any default in making a payment under the plan.

Council's usual debt recovery action will be suspended while a payment plan is in place and being followed.

6.4. Further Applications for Concessions

After applying for a concession under this policy, a landowner is not eligible to make another application for one year unless the applicant:

- a) has been granted a concession and complied with the terms of the concession; or
- b) demonstrates in the fresh application that he or she has made significant progress in reducing the value of arrears (generally a one-third reduction in the debt will be regarded as a significant reduction); or
- c) demonstrates that he or she has exhausted all other avenues to alleviate the situation – for example by seeking additional finance and financial advice and making real efforts to sell the property and other assets.

7.0 Legal Parameters

- ▶ *Local Government Act 2009*
- ▶ Local Government Regulation 2012

8.0 Associated Documents

- ▶ Revenue Policy
- ▶ Revenue Statement
- ▶ Pensioner Rates Concession Policy
- ▶ Debtor Management Administrative Directive
- ▶ Payment Plan application form
- ▶ Rates Relief application form

Appendix F: Pensioner Rates Concession Policy

1.0 Policy Statement

Council will provide rates concession to assist approved pensioner ratepayers.

2.0 Principles

Pensioners occupying their own homes should be supported.

3.0 Scope

This policy applies to the levying of rates upon residential properties of approved pensioners.

4.0 Responsibility

General Manager Finance is responsible for ensuring this policy is understood and followed by all staff involved in administering pensioner rates concessions.

5.0 Definitions

Approved pensioner is a person who:

- ▶ is and remains throughout the rating period, the holder of a Queensland “Pensioner Concession Card” issued by Centrelink or Department of Veterans’ Affairs Health Card (All Conditions within Australia) or Department of Veterans’ Affairs Health Card (Totally and Permanently Incapacitated); and
- ▶ is the owner or life tenant (either jointly or solely) of the property which is his/her principal place of residence; and
- ▶ is either solely or jointly with a co-owner, legally responsible for the payment of rates and charges for the specified property as defined in this policy.

Owner - as defined in the *Local Government Act 2009*.

Spouse - a person’s partner in marriage or a de facto relationship as recognised by the *Acts Interpretation Act 1954* S. 32DA (1) and (5) (a).

Pension - a pension, allowance or benefit paid under a law of the Commonwealth or State.

6.0 Policy

Council will provide rates concessions to approved pensioners as follows.

6.1. The Rates Concession

The maximum pensioner rates concession available is \$800 each year. The amount of pensioner rates concession available to each approved pensioner will be calculated by reference to the proportion of a full pension that the ratepayer receives. That is if an approved pensioner ratepayer receives:

- (a) a full pension, they will qualify for the maximum pensioner rates concession

- (b) a part-pension, they will qualify for a pro rata portion of the maximum pensioner rates concession equivalent to the percentage of a full pension that they receive in the form of a part-pension, excluding any additional benefit or allowance
- (c) an allowance or benefit (other than under the *Military Rehabilitation and Compensation Act 2004*) and not a pension or part-pension, they will qualify for a pro rata portion of the maximum pensioner rates concession equivalent to the percentage of a full pension that they receive in the form the additional benefit or allowance
- (d) a payment under the *Military Rehabilitation and Compensation Act 2004*, then:
 - they will qualify for a pro rata portion of the maximum pensioner rates concession calculated by reference to their assessed impairment points as advised by Department of Veteran Affairs, on the basis of 60 impairment points being equivalent to 75% of a qualifying pension and 80 impairment points being equivalent to 100% of a qualifying pension; and
 - if they also receive a qualifying pension, then the pensioner rates concession will be calculated by adding the *Military Rehabilitation and Compensation Act 2004* based concession to the pension-based concession, (up to 100% of the maximum pensioner rates concession).
- (e) if an approved pensioner ratepayer receives an Australian qualifying supplementary pension payment in addition to a qualifying foreign pension payment, the concession of general rates will be assessed according to the total amount of Australian dollar being received, after converting the foreign pension payment to \$ Australian at the current conversion rate applicable at the date of concession application, and adding that to the Australian dollar qualifying supplementary pension payment being received.

No pensioner rates concession is applicable where only a foreign pension payment is being received.

All annual applications must be confirmed by written advice by the Department of Human Services.

6.2. Ownership

In cases of co-ownership, the pensioner rates concession will apply only to the approved pensioner's proportionate share of the general rates as recorded on the title for the property as registered at the Titles Office and advised to council on the Property Transfer Information for change of ownership and rates purposes.

This method of determining an approved pensioner's proportionate share will apply except when the co-owners are:

- ▶ an approved pensioner and a bank, other financial institution, or government department where the latter holds joint title for debt security purposes and has no responsibility for rates, charges or other costs of maintaining the property. In this situation, the tenure is to be treated as sole ownership and the pensioner rates concession processed as if the pensioner were the sole owner
- ▶ an approved pensioner and his/her spouse, but the spouse does not reside at the property. In these circumstances it must be established that the approved pensioner is wholly responsible for the payment of all rates and charges levied in respect of the property. The approved pensioner's responsibility for payment of all rates and charges in this circumstance must be established to the satisfaction of Council by sighting and placing on file a copy of a Court Order or statutory

declaration completed by the applicant. In this situation, the tenure is to be treated as sole ownership and the pensioner rates concession processed as if the pensioner were the sole owner.

Under no circumstances is a pensioner to be regarded as an owner or co-owner unless:

- ▶ he or she is listed by name as an owner on the registered Title for the property; or
- ▶ it can be clearly established that the title to the property is held in the name of a bank, other financial institution or government department for debt security reasons and the pensioner has not been relieved of the responsibility to pay all rates and charges levied in respect of the property; or
- ▶ the pensioner is eligible as a life tenant to receive the pensioner rates concession as set out in the next part of this policy.

The criteria for determining eligible life tenants will be that:

- ▶ the pensioner must not have a major ownership interest in any other residential property (in Townsville or elsewhere); and
- ▶ the life tenancy must be created by a valid Will which applies to the property in question, or by a Supreme or Family Court Order; and
- ▶ there must be no provision in the Will or Court Order which would relieve the life tenant of the obligation to pay the rates and charges levied in respect of the property.

6.3. Tenancies

With the exception of life tenancies as described in Clause 6.2 of this policy, tenancies of any other sort (including life-time leases) are not regarded as the type of tenure that would entitle the pensioner to the pensioner rates concession even though he/she might be responsible for payment of rates and charges. Strict adherence to this principle is important to avoid breaking into areas which are, or are very close to, normal lease or rental.

6.4. Residential Requirements

The pensioner rates concession is available only in respect of rates levied on an approved pensioner's principal place of residence located in Townsville, and while the pensioner is actually residing on the property.

For the purpose of determining whether an approved pensioner's residence constitutes his/her principal place of residence Council will give consideration to the following:

- ▶ the address shown on any driver's licence held by the pensioner
- ▶ the address of the pensioner as recorded on any State Electoral Roll
- ▶ the Branch and State where his/her Department of Human Services or Department of Veterans' Affairs file is held
- ▶ the State and the address shown on his/her Pensioner Concession Card
- ▶ whether or not the residence to which the application refers is rented or how otherwise occupied during his/her absences
- ▶ whether or not he/she receives any pensioner rating concessions on other property/s in Australia and if so the type and level of concessions being received.

The words 'principal' and 'residence' are to be given their normal meaning. The principal place of residence must be located in the Council area. Under no circumstance is an approved pensioner to receive a pensioner concession in respect of the same period for more than one property that is his/her principal place of residence, within or outside the Council area.

When a pensioner, for reasons of ill health or infirmity does not permanently reside in the principal place of residence but instead resides in a nursing home or similar type accommodation where personal care is available on site and provided as required, or with family or friends, a pensioner rates concession may be allowed in respect of the pensioner's principal place of residence if it is not occupied on a paid tenancy basis during the absence of the approved pensioner owner/s. The pensioner must satisfy Council that the residence is not occupied on a paid tenancy basis and that the approved pensioner, as property owner, is responsible for the payment of rates and charges levied in respect of the property.

In cases where a pensioner owns a multi-unit property, commercial property or a rural property which is his/her principal place of residence, the pensioner rates concession may be applied to that property. The provision of the maximum pensioner rates concession has been included to prevent unduly large concessions being granted in such cases.

Notwithstanding these ownership requirements, when the sole registered owner dies and is, at the time of death, an approved pensioner in receipt of the pensioner rates concession, the surviving spouse will be entitled to the pensioner rates concession on a pro-rata basis from the date of his/her spouse's death, provided that:

- ▶ he/she is eligible to be an approved pensioner at the time of his/her spouse's death
- ▶ title to the property has been or will be recorded with the surviving spouse as the registered owner
- ▶ Council is satisfied that the transmission of the title occurs within a reasonable time. The surviving spouse is to be encouraged to expedite the transfer of the property's title.

6.5. Trusteeships

In the case of property held in trust, in order to be considered for eligibility the applicant must be considered by Council to have legal responsibility for payment of all rates and charges levied in respect of the property, regardless of whether the applicant is the trustee or the beneficiary of the trust.

6.6. Withdrawal or Cessation of Pensioner Rates Concession

Pensioner rates concessions will only be allowed if the rates and charges for the period to which the concession relates are paid in full by 31 May of each financial year. Council will reverse the pensioner rates concession for the current financial year if rates remain outstanding after 31 May.

If rates, charges and fire levies are in arrears as at 30 June, compound interest at the rate of 8.53% each year will apply from 1 July.

Pension concessions will cease when:

- ▶ approved pensioners no longer meet the required eligibility criteria
- ▶ on the date of death of the approved pensioner
- ▶ on the date that the approved pensioner's property is sold.

Upon the sale of the property, it is the pensioner's responsibility to ensure that usual conveyancing practice is applied and an adjustment (based on the pensioner concession entitlement at the time of sale and normal rate charges thereafter) made at settlement. The Council will not make refunds or allow further concessions as a consequence of this adjustment not being performed.

6.7. Administration

Unless otherwise provided under this policy, pensioner rates concessions will apply only to rates actually levied subsequently to the application being received by Council.

Late Applications

Council may accept late applications when the applicant met all the eligibility requirements at the commencement of the rating period but had not applied at that time. When a late application is accepted, the pensioner rates concession will apply to the rates levied in the rating period in which the application was received and future rates periods only.

A concession will not be applied retrospectively to previous rating periods other than in exceptional circumstances, in which case a concession may be applied to the immediately prior rates period. The applicant must make a written request advising the reason for the late application. Applicants may be required to obtain payment details and documentation from the Department of Human Services or the Department of Veteran Affairs to support their application. The application will be reviewed by the General Manager Finance or delegated officer, who will decide if backdating to the maximum period will apply.

Confirmation of Eligibility

An application is required:

- ▶ when applying for the pensioner rates concession for the first time; or
- ▶ when Council needs to re-establish eligibility (e.g.: after having a qualifying pension or concession card re-granted, changing the address of the principal place of residence, etc.)
- ▶ or as instructed by relevant Commonwealth Agency (the Department of Human Services or The Department of Veterans' Affairs).

Initial or Re-established Eligibility

Council will only allow a pensioner rates concession when there are no rates arrears on the property as at the date the application is received.

Application for the pensioner rates concession must be made on the prescribed form and be supported by a statement from the Department of Human Services or the Department of Veterans' Affairs containing details of the type and amount of pension received along with a copy of both sides of the applicant's current qualifying pension or concession card.

When interstate pensioners move permanently to Queensland, the Department of Human Services and the Department of Veterans' Affairs may not immediately issue a Queensland card. In the interim, an application may be accepted if Council is satisfied that the pensioner's permanent place of residence is now located in Townsville. For example, proof of residence could be met by the pensioner providing a letter of confirmation of payment from the Department of Human Services or the Department of Veterans' Affairs listing the address of the property on which the pensioner concession is being claimed.

Continuing Eligibility

Council will verify continuing eligibility for the pensioner rates concession on at least an annual basis by obtaining from the pensioner:

- ▶ authority for Council to verify with the relevant Commonwealth Agency (the Department of Human Services or Department of Veterans' Affairs) either by electronic data matching; or
- ▶ authority for Council to use the Department of Human Services Confirmation eServices (online enquiry) to perform a Department of Human Services/Department of Veteran's Affairs enquiry to confirm eligibility and status of your current concession; or
- ▶ a copy of a written verification from the relevant Commonwealth agency.

If Council is unable to confirm continuing eligibility, the pensioner rates concession will cease and the pensioner will have to re-apply if they wish to receive the concession.

Pro-Rata Calculations

When pensioner concessions applies to rates on a property during only part of a rating period – such as upon the death of a pensioner or the purchase or the sale of the property – Council will calculate rates having regard to the dates of change evidenced by the Property Transfer Information or other official advice forwarded to Council regarding change of ownership.

7.0 Legal Parameters

- ▶ *Local Government Act 2009*
- ▶ *Local Government Regulation 2012*

8.0 Associated Documents

- ▶ Pensioner Rates Concession Application Form
- ▶ Revenue Policy
- ▶ Rate Discount Policy
- ▶ Debt Recovery Policy

Appendix G: First Home Buyers Concession Policy

1.0 Policy Statement

To encourage the economic development of Townsville the Council will provide a concession to first home buyers by way of a rebate of general rates.

2.0 Principles

Under section 120(1)(d) of the Local Government Regulation 2012 the Council has an ability to provide concessions for rates and charges when the Council is satisfied that will encourage the economic development of all or part of the local government area.

The Council recognises that the granting of concessions has the potential to adversely impact upon the Council's services and burden other ratepayers. The Council is satisfied that supporting first home buyers to acquire homes in Townsville will encourage development of the Townsville economy and provide a many-fold return upon that investment.

3.0 Scope

This policy applies to the granting of concessions to first home buyers. It is intended to support and does not replace the support provided to first home buyers by other levels of government.

4.0 Responsibility

The Chief Executive Officer and the General Manager Finance are responsible for ensuring that this policy is understood and adhered to by all staff involved in the levying of rates and charges.

5.0 Definitions

Any term used in this policy that is defined in the *Local Government Act 2009* or Local Government Regulation 2012 has that definition.

6.0 Policy

6.1 The Concession

The First Home Buyers Concession of \$1,000 will be provided to eligible persons who acquire their first home in the period commencing on 1 July 2020 and ending on the earlier of:

- ▶ 30 June 2021; or
- ▶ the time that the budget allocation for this concession is fully allocated.

The concession will be provided by a rebate of the first \$1000 of the general rates that are levied on the property after the date of acquisition. Under no circumstances will the concession be provided in or convertible to a cash payment or refund to the ratepayer.

6.2. Eligibility

Eligibility for the rebate is restricted to people who meet the following criteria:

- ▶ the application must be made by all property owners
- ▶ all applicants must be natural persons (e.g. not a company, trust or other legal construct)
- ▶ all applicants must be at least 18 years of age
- ▶ at least one applicant must be an Australian citizen or permanent resident
- ▶ all applicants must be eligible first home-owners, meaning all applicants do not currently own a home in Australia and have not previously owned a home in Australia
- ▶ all applicants must be buying or building a new or established home in the Townsville local government area
- ▶ the contract for the purchase of an existing property, or the construction of a new home, must be signed by the applicants on a date between 1 July 2020 and 30 June 2021
- ▶ the value of the home, including the land, must be less than \$450,000
- ▶ the home must be legally and physically occupiable as a private residence before 1 July 2021
- ▶ the home is occupied as the principal place of residence of all applicants for a continuous period of at least 6 months before 31 December 2021.

6.3. Determining the Value

For applicants who purchase an existing home, the 'value' will be determined by the price listed on the contract of sale.

For applicants who are building their first home, the 'value' will be determined by the price of the land listed on the contract of sale plus the price to build the home.

7.0 Legal Parameters

- ▶ *Local Government Act 2009*
- ▶ Local Government Regulation 2012

8.0 Associated Documents

- ▶ Revenue Policy
- ▶ Revenue Statement

Appendix H: Coronavirus Response New Local Jobs Policy

1.0 Policy Statement

To assist the Townsville economy's recovery from the impacts of the coronavirus pandemic control measures Council will encourage development that provides new Townsville jobs.

2.0 Principles

The creation of a new job has a multiplier effect across the local economy. Investment in the creation of new jobs is the most cost-effective measure the Council can take to support the Townsville economy to recover from the impacts of the coronavirus pandemic control measures.

Council is satisfied that the investment will encourage Townsville's economic development.

3.0 Scope

This policy applies to development anywhere in Townsville that meets the eligibility criteria stated in this policy.

4.0 Responsibility

The Chief Executive Officer and the Director Planning, Environmental and Cultural Services are responsible for ensuring that this policy is understood and adhered to by all staff involved in the collection of infrastructure charges.

5.0 Definitions

Any term used in this policy that is defined in the *Local Government Act 2009* or Local Government Regulation 2012 has that definition.

6.0 Policy

6.1 Eligibility

This policy supports the creation of new jobs in Townsville, being jobs that do not currently exist in Townsville and are likely to be sustained. A new job is not the relocation of an existing Townsville job, or the provision of an additional service unless it is substantially proven that there is unmet demand for that service.

Council will provide a reduction of Infrastructure Charge for developments that:

1. demonstrate to the Council's satisfaction that the development will create at least 4 new jobs in Townsville because of the facilities that become available in Townsville upon the completion of the development
2. demonstrate that at least 90% of the workforce engaged for the development will be Townsville residents (*defined as a person resident in Townsville full-time for not less than 3 months prior to their engagement on the project – short periods of absence from Townsville for work, holidays or any other reason will be disregarded*)

3. are not developments by or for any level of government, a government entity or a government owned corporation
4. are a single development with a project value of at least \$4 million
5. demonstrate to the Council's satisfaction:
 - ▶ the number of direct jobs that will be created during the conduct of the development
 - ▶ the number of new direct jobs that will be created by the use of the developed property.
6. demonstrate that traineeships – which may include indigenous traineeships - will be provided during the development and that the number of traineeships offered is reasonable having regard to the value and nature of the development (*Council believes that any development likely to qualify under this policy will provide at least one traineeship*)
7. demonstrate that the development will provide opportunities for indigenous business
8. at the due date pay for payment of infrastructure charges:
 - ▶ lodge with Council a Bank Guarantee for the portion of the infrastructure charges that the Council proposes to waive under this policy; and
 - ▶ pay the balance of the infrastructure charges
9. after 1 July 2020 and before 31 December 2020 commence on-the-ground construction of the development; and
10. by 31 December 2020 demonstrate that
 - ▶ on-the-ground construction work has commenced
 - ▶ work to a value of at least 20% of the project value has been carried out (note that the on-the-ground construction
 - ▶ work has been carried out using a workforce that comprised at least 90% Townsville residents
 - ▶ the traineeship/s has (or have) commenced
 - ▶ the development has provided opportunities for indigenous business.

6.2. The Support

The Council will reduce Infrastructure Charges for qualifying developments by the lesser of:

- ▶ the number of direct new jobs the development generates in Townsville multiplied by \$25,000; or
- ▶ 25% of the assessed Infrastructure Charges for the development; or
- ▶ \$250,000.

If the development creates more than 25 new jobs, the Council will reduce the Infrastructure Charges by the lesser of:

- ▶ the full value of the assessed Infrastructure Charges for the development; or
- ▶ \$250,000.

6.3. Securing Compliance

The bank guarantee for the value of the support that the Council proposes to grant to a development is intended to secure compliance with the eligibility conditions.

When the developer demonstrates compliance with the eligibility criteria – and specifically with criterion 10 – the Council will release the bank guarantee back to the developer.

If the developer fails to demonstrate compliance with the eligibility criteria by 31 December 2020, the Council may draw upon the bank guarantee to effect payment of the balance of the assessed infrastructure charge.

The Chief Executive Officer has delegated authority to:

- ▶ accept substantial compliance with the eligibility criteria; and
- ▶ extend the period for achieving that compliance.

6.4. Other Support Packages

This *Coronavirus Response New Local Jobs Policy* is complementary to and does not replace other development incentive packages.

If a development qualifies for support under this policy and any other development incentive package offered by the Council, the development is to receive only the incentive that is available under the policy or package that provides the highest level of support for the development. That is, in no circumstances will support be provided to a development under both this policy and another development incentive package.

7.0 Legal Parameters

- ▶ *Local Government Act 2009*
- ▶ *Local Government Regulations 2012*

8.0 Associated Documents

- ▶ Revenue Policy
- ▶ Revenue Statement

Appendix I: Charitable and Community Organisations Rates and Charges Concession Policy

1.0 Policy Statement

Council will allow a concession of rates and utility charges to not-for-profit charitable groups in recognition of the contribution their activities make to the community, and will allow certain other targeted concessions where the granting of the concession encourages:

- ▶ economic development of all or part of the Townsville local government area; or
- ▶ the preservation, restoration and maintenance of land that is of cultural, environmental, historical, heritage or scientific significance to Townsville.

2.0 Principles

The Council's power to provide targeted concessions will be used when the concessions benefit the general community, either directly by encouraging certain activities, or indirectly by supporting not-for-profit charitable groups the activities of which benefit the community generally.

The Council is unlikely to grant a concession to a group that has a primary focus upon social interaction between members unrelated to preserving cultural links or activities, for example a workers' social club or a business persons' association is unlikely to be granted a concession.

In making its assessment the Council will look to a range of factors including the extent to which the group:

- ▶ creates or provides facilities or services for the community that are not generally available from commercial providers
- ▶ does not restrict eligibility for membership and the criteria upon which membership is available – it is unlikely that Council will grant concessions to groups that restrict membership, and
- ▶ the group engages in activities of interest to the general community (including sectors of the community) that are not primarily social interaction.

3.0 Scope

This Policy applies to all concessions for rates and charges that the Council has power to make under Part 10 of Chapter 4 of the Local Government Regulation 2012 other than concessions granted to pensioners (which are dealt with in a separate Pensioner Rates Concession Policy).

4.0 Responsibility

The General Manager Finance and General Manager Townsville Water and Waste are responsible for this policy.

5.0 Definitions

Words in this policy have the same meaning as those words in the *Local Government Act 2009* and the *Local Government Regulation 2012*.

In addition, the following definitions apply:

- ▶ **Not-for-profit** – means:
 - the organisation is incorporated under *Queensland's Associations Incorporations Act 1981* and listed as a non-profit community organisation, as determined by the Australian Taxation Office (ATO)
 - there is no profit or gain by individual members of the group
 - its constitution or governing documents prevent it from distributing profits or assets for the benefit of particular persons, both while it is operating and on winding up
 - whilst a surplus or revenue can be made, all profits must be used to carry out the purpose and functions of the organisation.
- ▶ **Charitable purposes** – means that the land is used on a not-for-profit basis for purposes relating to:
 - Education, or
 - assistance to the ill or infirm, or
 - assistance to the poor, or
 - other purposes of benefit to the community generally.

6.0 Policy

Council will allow a concession of rates, and utility charges (as set out in Appendix J) to eligible groups and organisations in recognition of their activities and contribution to the community, and to encourage:

- ▶ economic development of all or part of the Townsville local government area; or
- ▶ the preservation, restoration and maintenance of land that is of cultural, environmental, historical, heritage or scientific significance to Townsville.

6.1. Application

Applications for concession must:

- ▶ be lodged in writing on the prescribed form, addressed to The Chief Executive Officer; and
- ▶ include a copy of the Constitution or Memorandum and Articles of Association of the organisation which must clearly detail that the organisation is not-for-profit; and
- ▶ if available, include any other supporting documentation such as a Taxation Exemption certificate that confirms that the organisation is not-for-profit; and
- ▶ identify the principal use of the land for which the concession is being requested.

The council will decide about the application within 45 days of receipt of the application. Additional evidence to support the application may be requested in some circumstances. Decisions regarding the outcome of the application will be advised to the owner in writing.

6.2. Effective Date

The concession will commence from the beginning of the current half-year rating period in which the application is received and will apply to rates and charges included on the current half-year rate notice issued or, on a pro-rata basis from the date from which the eligible activity commenced. The concession will not be applied retrospectively to rates and charges included in rate notices issued previously.

6.3. Eligibility

To be eligible for a concession the land against which the rates and charges have been levied must be:

- ▶ owned by an entity whose objects do not include making a profit, and that does not hold a gaming licence at the premises for greater than 25 gaming machines; and
- ▶ must be solely used for a purpose detailed in the constitution or memorandum and articles of association of the entity, and which meets a definition in Council's Concessions Schedule.

Concessions will not be provided in respect of utility charges levied upon State or Commonwealth property.

If an applicant might qualify for a concession under more than one of the categories in the attached Concessions Schedule, the concession will be provided only for the most specifically applicable category. For example, concessions will provide consistency to all schools regardless of whether or not the school is owned by a church or other religious entity.

6.4. Transparency

The approved concession will be displayed on rate notices issued to the owner of the land. A listing of owners receiving a concession detailing the value of the concession will be presented to Council as part of the annual budget process.

Council will maintain a Concessions Schedule. The schedule will include concessional categories, description of purpose and the percentage of concession granted. It will also note that some land is exempt from rating but may be eligible for a concession of charges.

The schedule will be reviewed and updated periodically by Financial Services and will be adopted by Council each year at the budget meeting.

The Concessions Schedule may be amended at any time during a financial year by Council resolution.

6.5. Dispute

Any dispute regarding a decision to not grant a concession must be lodged in writing addressed to the Chief Executive Officer within 14 days of the date of notification of the decision and must include all reasons relied upon to dispute the decision. All disputed decisions will be reviewed by the General Manager Finance. The General Manager Finance's decision regarding the dispute will be advised to the applicant in writing within 45 days from the date of receipt of the objection.

7.0 Legal Parameters

- ▶ *Local Government Act 2009*
- ▶ Local Government Regulation 2012

8.0 Associated Documents

- ▶ Concessions Schedule
- ▶ Application Form for General Rates and Utility Charges Concession

Appendix J: General Rates and Utility Charges Concession Schedule

Category	Description and Purpose	Considerations for Granting Concession	Exclusions	% Concession (Non-Gaming Licenced Premises)	% Concession (Gaming Licenced Premises Up To 25 Machines)
Not-for-profit and charitable organisations	Land is owned or leased (registered lease with DNRM) by a not-for-profit and charitable organisation and is being used to provide benefit to the community.	<p>Concession granted by Council resolution under Local Government Regulation 2012.</p> <ul style="list-style-type: none"> S.120(1)(b)(i) – <i>land owned by not-for-profit entity - for owned land</i> S.120(1)(c) – <i>Payment will cause hardship to the Landowner for leased land, so as to treat not-for-profit lessees equitably with not-for-profit landowners</i> 	<p>The land must not be used for any other purpose.</p> <p>The land must not be commercially leased to any other entity.</p> <p>Concessions for Utility Charges for Sports field Irrigation are set out elsewhere in this policy.</p>	100% General Rates	50% General Rates
Clubhouses and halls for not-for-profit and charitable organisations	Land is owned or leased (registered lease with DNRM) by an entity whose objects do not include making a profit and is being used for clubhouse purposes.	<p>Concession granted by Council resolution under Local Government Regulation 2012.</p> <ul style="list-style-type: none"> S.120(1)(b)(i) – <i>land owned by not-for-profit entity - for owned land</i> S.120(1)(c) – <i>Payment will cause hardship to the Landowner for leased land, so as to treat not-for-profit lessees equitably with not-for-profit landowners</i> 	<p>The land must be used only for not-for-profit or charitable purposes.</p> <p>The land must not be commercially leased to any other entity.</p> <p>Concessions for Utility Charges for Sports field Irrigation are set out elsewhere in this policy.</p>	<p>100% General Rates</p> <p>73% Volumetric Water Charges up to a \$100,000 each year cap</p> <p>50% Sewerage charges</p>	<p>50% General Rates</p> <p>36% Volumetric Water Charges up to a \$100,000 each year cap</p>
Not-for-profit and charitable aged care facilities	Land is owned or leased (registered lease with DNRM) by an entity whose objects do not include making a profit and the land is being used for the care of the aged.	<p>Concession granted by Council resolution under Local Government Regulation 2012.</p> <ul style="list-style-type: none"> S.120(1)(b)(i) – <i>land owned by not-for-profit entity - for owned land</i> S.120(1)(c) – <i>Payment will cause hardship to the Landowner for leased land, so as to treat not-for-profit lessees equitably with not-for-profit landowners</i> 	<p>The land must not be used for any other purpose.</p> <p>The land must not be commercially leased to any other entity.</p>	<p>100% General Rates</p> <p>55% Volumetric Water Charges up to a \$100,000 each year cap.</p>	N/A

Category	Description and Purpose	Considerations for Granting Concession	Exclusions	% Concession (Non-Gaming Licenced Premises)	% Concession (Gaming Licenced Premises Up To 25 Machines)
Sports field irrigation – restricted public access	Land is owned or leased (registered lease with DNRM) by a not-for-profit and charitable organisation and is being used for sports purposes.	Concession granted by Council resolution under Local Government Regulation 2012. <ul style="list-style-type: none"> S.120(1)(b)(i) – <i>land owned by not-for-profit entity - for owned land</i> S.120(1)(c) – <i>Payment will cause hardship to the Landowner for leased land, so as to treat not-for-profit lessees equitably with not-for-profit landowners</i> 	The land must not be used for any other purpose. The land must not be commercially leased to any other entity. Schools, tertiary institutions and other higher education facilities – whether owned by a church or religious entity, or by the State or Commonwealth - are not eligible for utility concessions under this category.	73% Volumetric Water Charges up to a \$100,000 each year cap.	36% Volumetric Water Charges up to a \$100,000 each year cap.
Sports field irrigation – no restriction of public access	Land is owned or leased (registered lease with DNRM) by a not-for-profit and charitable organisation and is being used for sports purposes.	Concession granted by Council resolution under Local Government Regulation 2012. <ul style="list-style-type: none"> S.120(1)(b)(i) – <i>land owned by not-for-profit entity - for owned land</i> S.120(1)(c) – <i>Payment will cause hardship to the Landowner for leased land, so as to treat not-for-profit lessees equitably with not-for-profit landowners</i> 	An approved water efficiency management plan must be in place to be eligible for this benefit. If a plan is not in place the concession would be the same as for restricted public access grounds. The land must not be commercially leased to any other entity. Schools, tertiary institutions and other higher education facilities – whether owned by a church or religious entity, or by the State or Commonwealth - are not eligible for utility concessions under this category.	95% Volumetric Water Charges up to a \$100,000 each year cap.	45% Volumetric Water Charges up to a \$100,000 each year cap.
Churches and church halls	Land used by a Church or Religious entity and is being used for one or more of the following purposes; a) religious purposes including public worship, b) the provision of education, health or community services, c) the administration of the religious entity d) housing incidental to any of the above purposes.	If the land is owned by a religious entity the land is exempt from General rates under the <i>Local Government Act 2009</i> Section 93(3)(j)(ii) and the <i>Local Government Regulation 2012</i> , S.73(a)(i) – <i>used for religious purposes</i> . Utilities concession granted by Council resolution under Local Government Regulation 2012 S.120(1)(b)(i) – <i>land owned by not-for-profit</i> .	The land must not be used for any other purpose. The land must not be commercially leased to any other entity. Schools, tertiary institutions and other higher education facilities are not eligible for utility concessions under this category. Concessions for Utility Charges for Sports field Irrigation are set out elsewhere in this policy.	General Rates Exempt 15% Sewerage Charges 55% Volumetric Water Charges up to a \$100,000 each year cap.	N/A

Category	Description and Purpose	Considerations for Granting Concession	Exclusions	% Concession (Non-Gaming Licenced Premises)	% Concession (Gaming Licenced Premises Up To 25 Machines)
Schools and educational institutions including not-for-profit day care facilities and kindergartens	Land is being used for childcare and/or educational purposes.	<p>If the land is owned by a religious entity and used for educational purposes, the land is exempt from General rates under the <i>Local Government Act 2009</i> Section 93(3)(j)(ii) and the Local Government Regulation 2012 S.73(a)(ii) – <i>provision of education</i>.</p> <p>State schools are exempt from General rates under the <i>Local Government Act 2009</i> S.93(3)(b) – <i>land occupied by State</i>.</p> <p>Not-for-profit organisations that are not religious entities the concession is granted by Council resolution under the Local Government Regulation 2012, S.120(1)(a) – <i>land owned by not-for-profit</i>; or</p> <p>S.120(1)(c) – <i>Payment will cause hardship to the Landowner</i>.</p>	<p>The land must not be used for any other purpose.</p> <p>The land must not be commercially leased to any other entity.</p>	General Rates Exempt (No utility concessions)	N/A (No utility concessions)
War Graves	Land is owned or leased (registered lease with DNRM) and is being used for historic purposes.	<p>Land is exempt from General rates under the <i>Local Government Act 2009</i> S.93(3)(j)(ii) - <i>exempted by regulation</i> and Local Government Regulation 2012 S.73(e) – <i>cemetery</i>.</p> <p>Concession granted by Council resolution under Local Government Regulation 2012.</p> <p>S.120(1)(e) – <i>preservation of cultural, historic or heritage land</i>.</p>	<p>The land must not be used for any other purpose.</p> <p>The land must not be commercially leased to any other entity.</p>	General Rates Exempt 5% Volumetric Water Charges up to a \$100,000 each year cap.	N/A
Historic Society	Land is owned or leased (registered lease with DNRM) and is being used to preserve and maintain the historic and heritage significance to the Council area.	<p>Land is being used to preserve and maintain land of historic and heritage significance to the Council area and a concession is granted by</p> <p>Council resolution under the Local Government Regulation 2012.</p> <p>S.120(1)(e) – <i>preservation of cultural, historic or heritage land</i>.</p>	<p>The land must not be used for any other purpose.</p> <p>The land must not be commercially leased to any other entity.</p>	100% General Rates	N/A
Caravan Parks	Land is used for the purpose of a Caravan Park.	<p>Use of land is considered by Council to benefit the community in the promotion of tourism to the area and a concession is granted by Council resolution under the Local Government Regulation 2012.</p> <p>S.120(1)(d) – <i>encourage economic development</i></p>	<p>The land must not be used for any other purpose.</p> <p>The land must not be commercially leased to any other entity (does not apply to Council-owned caravan parks).</p>	30% Volumetric Water Charges up to a \$100,000 each year cap. 30% Sewerage Charges	N/A

Category	Description and Purpose	Considerations for Granting Concession	Exclusions	% Concession (Non-Gaming Licenced Premises)	% Concession (Gaming Licenced Premises Up To 25 Machines)
Retirement / Lifestyle Villages	Land is being used as a retirement village catering for the aged.	Use of land is considered by Council to benefit the aged in the city in providing a comfortable lifestyle in retirement, and a concession is granted by Council resolution under the Local Government Regulation 2012. S.120(1)(a) – land occupied by pensioner or 1.1. S.120(1)(c) – hardship	The land must not be used for any other purpose.	55% Volumetric Water Charges up to a \$100,000 each year cap.	N/A
Boarding and lodging houses	Land is being used for the provision of reasonably priced accommodation.	Council considers that the land is being used to provide for the benefit of less privileged in the community, and a concession is granted by Council resolution under the Local Government Regulation 2012. S.120(1)(a) – land occupied by pensioner or S.120(1)(c) – hardship	The land must not be used for any other purpose.	20% Volumetric Water Charges up to a \$100,000 each year cap. 20% Sewerage Charges	N/A
Showgrounds / Horseracing	Land is owned or leased (registered lease with DNRM) by a not-for-profit and charitable organisation and is being used primarily for showgrounds or horseracing purposes.	General Rate Exemption in accordance with the <i>Local Government Act 2009</i> , S.93(3)(h) – <i>Land used primarily for showgrounds or horseracing and exempted by local government resolution.</i> Concession granted by Council resolution under the Local Government Regulation 2012: S.120(1)(e) – <i>preservation of cultural, historic or heritage land;</i> or S.120(1)(d) – <i>encourage economic development;</i> or S.120(1)(c) – <i>Payment will cause hardship to the landowner</i>	The land must not be used for any other purpose. The land must not be commercially leased to any other entity.	General Rates Exempt 73% Volumetric Water Charges up to a \$100,000 each year cap. 62% Sewerage Charges	General Rates Exempt 36% Volumetric Water Charges up to a \$100,000 each year cap. 31% Sewerage Charges

Category	Description and Purpose	Considerations for Granting Concession	Exclusions	% Concession (Non-Gaming Licenced Premises)	% Concession (Gaming Licenced Premises Up To 25 Machines)
Special consideration for sale of Council owned lands	Lands included in Riverside Ridge subdivision while it is held in the name of Riverside Ridge (Qld) Pty Limited.	<p>All lands in the subdivision in the name of Riverside Ridge (Qld) Pty Limited have been granted the concession as part of the sale contract negotiated at the time of the sale of Council owned land.</p> <p>Council Resolution 20/09/2005 authorised that a concession of the general rates, vacant land water services charges and vacant land sewerage services charges will apply in accordance with the specific contract terms and for a period of and until the earlier of:</p> <p>(a) 90 days after that land has been reconfigured to create a new lot from that land; or</p> <p>(b) that land has been reconfigured to create a new lot and that lot is sold.</p> <p>Concession granted by Council resolution under the Local Government Regulation 2012, S.120(1)(d) – to encourage economic development.</p>	N/A	<p>100% General Rates</p> <p>100% Water Service Charges</p> <p>100% Sewerage Charges</p>	N/A
Water supplied for irrigation purposes	Land is being used for Commercial and Industrial purposes.	<p>Subject to the application and installation of a separate irrigation water meter and reticulation system.</p> <p>The number of irrigation meters allowed must not exceed the number of commercial meters.</p> <p>Concession granted by Council resolution under the Local Government Regulation 2012, S.120(1)(d) – to encourage economic development.</p>	The land must be used for commercial and industrial purposes only.	15% Volumetric Water Charges up to a \$100,000 each year cap.	N/A
Water supplied for irrigation purposes	Land is being developed, however a proportion is retained as open space and irrigated in preparation for donating to Council.	Concession granted by Council resolution under the Local Government Regulation 2012, S.120(1)(d) – to encourage economic development.	The land must be under development and a concession may be applied to the land parcel that will be donated to Council as open space.	15% Volumetric Water Charges up to a \$100,000 each year cap.	N/A

Appendix K: Revised Differential Rating Categories

Council levies differential general rates, which means the amount of general rates payable for any property depends upon:

- ▶ the land's unimproved capital or site value as advised by the Department of Natural Resources Mines and Energy (DNRME); and
- ▶ the Differential General Rating Category that the Council gives to the land.

All land within Townsville is given a Differential General Rating Category based upon the primary Land Use Code assigned by DNRME and the additional criteria of:

- ▶ where indicated, the City Plan (that is, the current Planning Scheme);
- ▶ the availability of services to the land;
- ▶ whether the land is occupied as a principal place of residence; and
- ▶ whether any attribute of the land (including the status of the land under the Planning Scheme) is likely to contribute to increased costs for the Council, whether at the land or elsewhere.

Differential General Rating Category (DGR Category)	Land Use	Criteria by which land is assigned to a DGR Category	
		Additional Criteria	
Category 1 Residential Principal Place of Residence	1, 2, 4, 5, 6, 8, 9 and 94.	<ul style="list-style-type: none"> ▶ The predominant use of the land is, or having regard to any improvements or activities conducted upon the land, the potential predominant use of the land is, a principal place of residence; ▶ The land is used by the landowner as their principal place of residence; and ▶ The land is within any of the following zone codes within the Townsville City Plan: Low Density Residential – Medium Density Residential High Density Residential – Character Residential Sport and Recreation – Emerging Community Open Space – Environmental Management/ Conservation Rural Residential – Rural 	
Category 2 Residential Non-Principal Place of Residence	1, 2, 4, 5, 6, 8, 9, 72 and 94.	<ul style="list-style-type: none"> ▶ The predominant use of the land is, or having regard to any improvements or activities conducted upon the land, the potential predominant use of the land is, a principal place of residence; ▶ The land is used for a residential purpose; ▶ The land is not the landowner's principal place of residence; and ▶ The land is within any of the following zone codes within the Townsville City Plan: Low Density – Medium Density Residential High Density Residential – Character Residential Sport and Recreation – Emerging Residential Open Space – Environmental Management/Conversion Rural Residential - Rural 	
Category 3a Multi-Unit Dwelling 2-4 Units	3 and 3/98	Land with building(s): <ul style="list-style-type: none"> ▶ comprised of 2-4 individual residential accommodation units, and ▶ not registered on a building units plan or group titles plan and/or within a community title scheme under the <i>Body Corporate and Community Management Act 1997</i>; ▶ predominately used for a residential purpose; and ▶ that is not within DGR Categories 1 or 2. 	

Differential General Rating Category (DGR Category)	Criteria by which land is assigned to a DGR Category	
	Land Use	Additional Criteria
Category 3b Multi-Unit Dwelling 5-9 Units	3 and 3/98	Land with building(s): <ul style="list-style-type: none"> comprised of 5-9 individual residential accommodation units; and not registered on a building units plan or group titles plan and/or within a community title scheme under the <i>Body Corporate and Community Management Act 1997</i>; predominately used for a residential purpose; and that is not within DGR Categories 1 or 2.
Category 3c Multi-Unit Dwelling 10-14 Units	3 and 3/98	Land with building(s): <ul style="list-style-type: none"> comprised of 10-14 individual residential accommodation units; and not registered on a building units plan or group titles plan and/or within a community title scheme under the <i>Body Corporate and Community Management Act 1997</i>; predominately used for a residential purpose; and that is not within DGR Categories 1 or 2.
Category 3d Multi-Unit Dwelling 15-19 Units	3 and 3/98	Land with building(s): <ul style="list-style-type: none"> comprised of 15-19 individual residential accommodation units; and not registered on a building units plan or group titles plan and/or within a community title scheme under the <i>Body Corporate and Community Management Act 1997</i>; predominately used for a residential purpose; and that is not within DGR Categories 1 or 2.
Category 3e Multi-Unit Dwelling 20-29 Units	3 and 3/98	Land with building(s): <ul style="list-style-type: none"> comprised of 20-29 individual residential accommodation units; and not registered on a building units plan or group titles plan and/or within a community title scheme under the <i>Body Corporate and Community Management Act 1997</i>; predominately used for a residential purpose; and that is not within DGR Categories 1 or 2.
Category 3f Multi-Unit Dwelling 30-39 Units	3 and 3/98	Land with building(s): <ul style="list-style-type: none"> comprised of 30-39 individual residential accommodation units; and not registered on a building units plan or group titles plan and/or within a community title scheme under the <i>Body Corporate and Community Management Act 1997</i>; predominately used for a residential purpose; and that is not within DGR Categories 1 or 2.
Category 3g Multi-Unit Dwelling 40-49 Units	3 and 3/98	Land with building(s): <ul style="list-style-type: none"> comprised of 40-49 individual residential accommodation units; and not registered on a building units plan or group titles plan and/or within a community title scheme under the <i>Body Corporate and Community Management Act 1997</i>; predominately used for a residential purpose; and that is not within DGR Categories 1 or 2.
Category 3h Multi-Unit Dwelling 50-59 Units	3 and 3/98	Land with building(s): <ul style="list-style-type: none"> comprised of 50-59 individual residential accommodation units; and not registered on a building units plan or group titles plan and/or within a community title scheme under the <i>Body Corporate and Community Management Act 1997</i>; predominately used for a residential purpose; and that is not within DGR Categories 1 or 2.

Differential General Rating Category (DGR Category)	Criteria by which land is assigned to a DGR Category	
	Land Use	Additional Criteria
Category 3i Multi-Unit Dwelling 60-69 Units	3 and 3/98	Land with building(s): <ul style="list-style-type: none"> comprised of 60-69 individual residential accommodation units; and not registered on a building units plan or group titles plan and/or within a community title scheme under the <i>Body Corporate and Community Management Act 1997</i>; predominately used for a residential purpose; and that is not within DGR Categories 1 or 2.
Category 3j Multi-Unit Dwelling 70+ Units	3 and 3/98	Land with building(s): <ul style="list-style-type: none"> comprised of 70 or more individual residential accommodation units; and not registered on a building units plan or group titles plan and/or within a community title scheme under the <i>Body Corporate and Community Management Act 1997</i>; predominately used for a residential purpose; and that is not within DGR Categories 1 or 2.
Category 3k Retirement Villages/Boarding Houses	7 and 21	Does not include premises involving supervised accommodation where the use includes medical and other support facilities for residents who cannot live independently and require regular nursing or personal care, i.e. a convalescent home or nursing home.
Category 4a Commercial	8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 55, 56, 57, 58, 91, 92, 95, 96, 97 and 99.	<ul style="list-style-type: none"> the predominant use of the land is, or having regard to any improvements or activities conducted upon the land, the potential predominant use of the land is, a non-residential purpose; and the land is not within DGR categories 4b-c, 5a, 5b, 5c, 5d and 5e
	1, 4, 6, 72 and 94.	<ul style="list-style-type: none"> the predominant use of the land is, or having regard to any improvements or activities conducted upon the land, the potential predominant use of the land is, a non-residential purpose; and the land is zoned within any of the following zone codes within the Townsville City Plan: <ul style="list-style-type: none"> Low Impact Industry - Medium Impact Industry High Impact Industry - Community Facilities Local Centre - District Centre Major Centre - Neighbourhood Centre Principal Centre (CBD) - Specialised Centre Special Purpose - Mixed Use
Category 4b Heavy Industry	31, 32, 35, 37, 39 and 40.	<ul style="list-style-type: none"> the predominant use of the land is, or having regard to any improvements or activities conducted upon the land, the potential predominant use of the land is, an industrial

Differential General Rating Category (DGR Category)	Criteria by which land is assigned to a DGR Category	
	Land Use	Additional Criteria
		<p>activity or activities that include manufacturing, producing, processing, altering, recycling, refining, storing, distributing, transferring or treating of any, or any combination of, products, raw materials (excluding livestock), minerals, chemicals, oils, gases or metals, and includes such premises when they are under care and maintenance; and</p> <p>► the land has an area of 50 Hectares or more.</p>
Category 4c Special Development >10ha	1, 4, 5, 18, 35, 37, 65 and 66.	The Land parcels are greater than 10 Hectares in area and are wholly within the Townsville State Development Area or the Elliott Springs master planned community.
Category 4d Land not otherwise defined		The Land is not included in DGR categories 1, 2, 3a-k, 4a-c, 5a-e and 6
Category 5a Large Retail greater than 2,000 but less than 20,000 sqm	10, 11, 12, 13, 14, 15, 16, 23 and 28	<p>► the predominant use of the land is, or having regard to any improvements or activities conducted upon the land, the potential predominant use of the land is, retail; and</p> <p>► the building or buildings upon the land have a gross floor area of greater than 2,000sqm but less than 20,000sqm.</p>
Category 5b Large Retail 20,000 sqm or more, but less than 30,000 sqm	10, 11, 12, 13, 14, 15, 16, 23 and 28	<p>► the predominant use of the land is, or having regard to any improvements or activities conducted upon the land, the potential predominant use of the land is, retail; and</p> <p>► the building or buildings upon the land have a gross floor area of greater than 20,000sqm but less than 30,000sqm.</p>
Category 5c Large Retail 30,000 sqm or more, but less than 40,000 sqm	10, 11, 12, 13, 14, 15, 16, 23 and 28	<p>► the predominant use of the land is, or having regard to any improvements or activities conducted upon the land, the potential predominant use of the land is, retail; and</p> <p>► the building or buildings upon the land have a gross floor area of greater than 30,000sqm but less than 40,000sqm.</p>
Category 5d Large Retail 40,000 sqm or more, but less than 50,000 sqm	10, 11, 12, 13, 14, 15, 16, 23 and 28	<p>► the predominant use of the land is, or having regard to any improvements or activities conducted upon the land, the potential predominant use of the land is, retail; and</p> <p>► the building or buildings upon the land have a gross floor area of greater than 40,000sqm but less than 50,000sqm.</p>
Category 5e Large Retail 50,000 sqm or more	10, 11, 12, 13, 14, 15, 16, 23 and 28	<p>► the predominant use of the land is, or having regard to any improvements or activities conducted upon the land, the potential predominant use of the land is, retail; and</p> <p>► the building or buildings upon the land have a gross floor area of greater than 50,000sqm.</p>
Category 6 Agriculture and Grazing	60, 61, 64, 65, 66, 67, 68, 69, 70, 71, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 93.	

Dictionary

Any term that is not defined in this dictionary, unless the context or subject matter otherwise indicates or requires, is to have a meaning given to it by the following:

- (a) *The Local Government Act 2009* and that Act's subordinate legislation
- (b) if not defined in the *Local Government Act 2009* and that Act's subordinate legislation, the *Macquarie Dictionary*
- (c) if (a) and (b) do not apply, the *Oxford English Dictionary*.

gross floor area means the total floor area of all storeys of a building, Council deems appropriate (measured from the outside of the external walls or the centre of a common wall) other than areas used for the following:

- (a) building services, plant and equipment
- (b) access between levels
- (c) ground floor public lobby
- (d) a mall
- (e) the parking, loading and manoeuvring of motor vehicles; and
- (f) unenclosed private balconies, whether roofed or not

as determined by Council from any information source

multi unit dwelling means a property which contains more than one self-contained dwelling house/unit, either detached, semi-detached or integrated, whether for use by the same family or by unrelated occupants, with the exception of:

- (a) self-contained accommodation, either detached, semi-detached or integrated, for the care and shelter of an aged or infirm family member of the occupant/s; or
- (b) a hotel, motel/motor inn/motor lodge
- (c) a property that is within the Council's Differential Rates Category 3k.

In determining whether a property meets this definition, consideration may be given, but not restricted to:

- (i) the existence of separate or multiple:
 - ▶ kitchens/food preparation areas (identified by the presence of a stove and/or oven) or
 - ▶ metered water, electricity or gas supplies or
 - ▶ waste collection services or
 - ▶ mailboxes or
 - ▶ displayed house/unit numbers or
 - ▶ pedestrian or vehicular entrances; or
- (ii) the existence of dividing walls that prohibit free internal access from one living unit to another; or
- (iii) the number of occupants' residing at the property.

predominant use means the single use, or in the case of multiple uses the main use, for which in the opinion of Council the property is being used or could potentially be used by virtue of improvements or activities conducted upon the property.

principal place of residence means a single dwelling house or dwelling unit that is the place of residence at which at least one person who constitutes the owner(s) of the land predominantly resides. In establishing principal place of residence, Council may consider (but is not limited to) the owner's declared address for electoral, taxation, government social security or national health registration purposes, or any other form of evidence deemed acceptable by Council.

A single dwelling house or dwelling unit will not be a principal place of residence, if it is:

- (a) a premises fully or partially held in other than the name of an individual or more than one individual (for example, where the land is owned or partially owned by companies, trusts, organisations or any other entity other than an individual);
- (b) not occupied by at least one person/s who constitute the owner(s), but occupied by any other person/s, whether in return for rent or remuneration or not, including members of the owner's family.

retail means the offering of goods or services by means of any combination of sale, hire, supply, membership, subscription or other method of trade or commerce, and includes premises used wholly or predominantly for a retail business

retail business has the meaning in the Retail Shop Leases Regulation 2016 as at 30 June 2020.

storey means that part of a building between floor levels and if there is no floor above, it is the part between the floor level and the ceiling.

Appendix L: Revised Differential Rates, Limitations on Increases, Minimum General Rates 2020

Consistent with S118A(1)(a) the below information is effective from 27 January 2021

Category	Description	Rate-in-\$	Minimum (\$)	Limitation (cap)
1	Residential - Principal Place of Residence	0.010323	1,125	30%
2	Residential - Non-Principal Place of Residence	0.012130	1,322	No Limit
3a	Multi-Unit Dwelling 2-4 Units	0.013420	2,250	No Limit
3b	Multi-Unit Dwelling 5-9 Units	0.013420	5,625	No Limit
3c	Multi-Unit Dwelling 10-14 Units	0.013420	11,251	No Limit
3d	Multi-Unit Dwelling 15-19 Units	0.013420	16,876	No Limit
3e	Multi-Unit Dwelling 20-29 Units	0.013420	22,501	No Limit
3f	Multi-Unit Dwelling 30-39 Units	0.013420	33,752	No Limit
3g	Multi-Unit Dwelling 40-49 Units	0.013420	45,002	No Limit
3h	Multi-Unit Dwelling 50-59 Units	0.013420	56,253	No Limit
3i	Multi-Unit Dwelling 60-69 Units	0.013420	67,504	No Limit
3j	Multi-Unit Dwelling 70+ Units	0.013420	78,754	No Limit
3k	Retirement Villages/Boarding Houses	0.013420	1,407	No Limit
4a	Commercial	0.018582	1,407	No Limit
4b	Heavy Industry	0.027874	2,109	No Limit
4c	Special Development > 10 ha	0.035970	19,848	No Limit
4d	Land not otherwise defined	0.018582	1,407	No Limit
5a	Large Retail greater than 2,000 but less than 20,000 sqm	0.026015	1,407	No Limit
5b	Large Retail 20,000 sqm or more, but less than 30,000 sqm	0.033448	225,073	No Limit
5c	Large Retail 30,000 sqm or more, but less than 40,000 sqm	0.033448	337,518	No Limit
5d	Large Retail 40,000 sqm or more, but less than 50,000 sqm	0.033448	450,024	No Limit
5e	Large Retail 50,000 sqm or more	0.033448	562,530	No Limit
6	Agriculture and Grazing	0.012130	1,407	No Limit

Appendix M: Utility Charges – Water

Council, trading as Townsville Water, is a registered water service provider under the *Water Supply (Safety and Reliability) Act 2008*. It supplies potable and non-potable water to properties within the Townsville local government area. The declared water area is the area to which Council is able to offer a potable water service to properties. Not all properties within the local government area will have access to a potable water service.

Residential

Residential properties are:

- ▶ those properties categorised as Category 1, 2 and 3a to 3k for rating purposes, unless the property has been approved for a non-residential use.
- ▶ those properties not categorised because they are exempt from general rates that are used for residential purposes.

When charging for the supply and consumption of water at a residential property, Council offers a choice between (1) a Standard Plan water billing option and (2) a Water Watchers Plan water billing option.

Standard Plan

For each dwelling, home unit, flat or lot:

- ▶ the fixed annual charge for access to the water service and an allocation of up to 772kL of water will be \$823 each year
- ▶ an excess water charge of \$3.15 each kL will apply for all consumption over the allowance of 772kL during the consumption year.

Water Watchers Plan

For each dwelling, home unit, flat or lot, including undeveloped residential land:

- ▶ the fixed annual access residential water service charge will be \$376 each year
- ▶ the residential consumption charge will be \$1.51 each kL of water used during the consumption year.

All developed and undeveloped residential properties that are within the declared water supply area and that are connected to the water supply are placed on the Standard Plan. Residential property owners can opt into the Water Watchers Plan by application.

All undeveloped residential properties that are within the declared water supply area but not connected to the water supply are placed on the Water Watchers Plan.

Election of Water Billing Option

When applying for a water meter to be connected to a residential property, the property owner or their agent may choose the water billing option that will apply to the property by completing an Authorisation for Residential Water Pricing Plan form. The Standard Plan will be applied if the property owner or their agent does not indicate a preference at the time of applying for a water meter to be connected.

A residential property owner can change the water billing option for their property during a Water Opt-in period each year. Only the body corporate / managing agent can change the billing method for residential properties with shared water meters, e.g. units, duplexes. All multiple dwellings / units connected to the same meter/s must be on the same plan.

Upon being notified that a residential property has been purchased, Council will send a letter to the owner giving them an option to change their water billing option. The owner has four weeks from the date of the letter to make an election to change their water billing option. The change will be effective from the next scheduled meter read.

Non-residential

When charging for the supply and consumption of water at a non-residential property, for each lot including undeveloped land:

- ▶ the fixed annual access water service charge will be \$391 each year; and
- ▶ the consumption charge will be \$3.08 each kL of water used during the consumption year.

Commencement Date for Charges

Additional fixed charges will apply from the date the water meter is connected and will be based upon the proposed development of the land as set out in the Building/Development Application; and Water consumption charges will apply from the date the water meter is connected.

- ▶ for land within the declared water supply area
- ▶ fixed charges will apply from the date of registration of the land.

Additional Connections

It is Council's preference that only one connection be made to each property. Additional connections will only be granted at Council's discretion and additional charges may apply for each additional connection.

Metered Standpipes

A hire fee and bond deposit will apply for standpipes at the rate detailed in Council's Fees and Charges Register. For water consumed, a charge of \$3.08 each kL will apply.

Bulk Water

There is no fixed charge for bulk water supply. Bulk water consumed will be charged at \$2.44 each kL.

Non-Potable Supply

There is no fixed charge for a non-potable water supply. Non-potable water consumed will be charged at \$2.44 each kL.

Non-Contributing Consumers

Where the applicable contribution to Council's Water Supply, under Council's Planning Policies, has not been received, a surcharge of \$0.57 each kL on the actual consumption from Council's Water Supply Scheme will apply. The surcharge will be added to the Water Watchers Plan charge or the Standard Plan charge.

Water Restrictions

Use of water is subject to water restrictions which may apply during the financial year. See Council's website for further information.

Reading of Water Meters and Notification of High Usage

Water meters are read by Council four times each year. As a courtesy to residential water users, high usage alert letters are issued after the property's quarterly read when usage exceeds 2.5 kL each day. It is the owner's responsibility to monitor and manage water consumption at the property.

Appendix N: Utility Charges – Wastewater and Trade Waste

Council, trading as Townsville Water, is a registered water service provider under the *Water Supply (Safety and Reliability) Act 2008*. Council collects and treats sewage and trade waste from properties within the Townsville local government area and supplies recycled water for irrigation purposes only.

The declared sewer area is the area to which Council is able to offer a sewerage service to properties. Not all properties within the local government area will have access to a sewerage service.

Residential

Residential properties are:

- ▶ those properties categorised as Category 1, 2 and 3a to 3k for rating purposes, unless the property has been approved for a non-residential use.
- ▶ those properties not categorised because they are exempt from general rates that are used for residential purposes.

The sewerage utility charge for residential properties is \$806 each year. Each dwelling, home unit, flat or lot is a separate sewerage service.

The sewerage utility charge for each undeveloped residential lot is \$724 each year.

For the purpose of sewerage charges only, aged care facilities and retirement and/or lifestyle villages/communities will be levied at the residential sewerage utility charge each pedestal.

Non-Residential

The sewerage utility charge for each non-residential customer is \$945 each pedestal, each year.

The sewerage utility charge for each undeveloped non-residential lot is \$851 each year.

Where a separate habitation space on a non-residential property is occupied as a principal place of residence, the owner may request that the pedestals within that space be charged at the residential sewerage utility charge. If approved, the change will commence from the financial year in which the application is received, unless Council decides it should apply from a later date.

Unconnected Premises

A sewerage utility charge applies to each property in a declared sewer area that is not connected to the sewerage service. The charge will be at the residential or non-residential rate depending upon use of the property.

Commencement Date for Charges

Sewerage charges will be imposed from the earlier of the:

- ▶ date of inspection of the installation of sewerage pedestals by Council's Hydraulic Services section; or
- ▶ date of the final inspection certificate and/or certification of classification.

Undeveloped land sewerage charges will apply from the date of registration of the land where the land is within the declared sewer area.

Properties outside the Declared Sewer Area

Council may provide services outside the declared sewer area upon application. The decision as to whether services will be supplied is entirely at Councils' discretion. Individual charging arrangements will apply to each service.

Sewerage Infrastructure Alternative Access Fee

Where the applicable contribution to Council's Sewer Network, under Council's Planning Policies, has not been received, an additional surcharge of \$597 each lot applies.

Trade Waste Charges

Liquid trade waste charges will be:

- ▶ an annual access fee for each liquid trade waste approval each year. The amount of the annual access fee will be dependent on the risk rating of the approval holder
- ▶ a volume charge for the trade waste discharge
- ▶ a pollutant charge may apply to liquid trade waste approval holders in discharge category 2.0.

Charges will apply for liquid trade waste discharge in accordance with Council's Trade Waste Policy.

Trade Waste Management Plan and will be effective from the date the trade waste approval is issued.

The annual access fee will apply based on the risk rating of the approval holder as set out in the table below:

Risk Rating	Annual Access Fee (\$)
1	1,359.00
2	724.00
3	527.00
4	285.00
5	187.00
6	89.00

The trade waste volume discharged to sewer will be levied in accordance with the table below:

Discharge Category	Volume Charge (\$/kL)
Category 1.1	2.07
Category 1.2	1.83
Category 1.3	1.69
Category 1.4	1.47
Category 1.5	2.07

Discharge Category	Volume Charge (\$/kL)	Pollutant Charges (\$)		
		Chemical Oxygen Demand (COD) (kg)	Suspended Solids (Kg)	SO4
Category 2.0	2.23	1.19	1.12	0.64

Note: Trade Waste discharge volume = (Water consumption – Allowances) x discharge factor.

Allowance Type	Allowance Volume (kL)	Measure
Pedestal	60	Each pedestal

Commencement Date

For Trade Waste Charges, Trade Waste charges will be effective from the date of issue of a trade waste discharge approval.

Appendix O: Utility Charges – Waste Management and Recycling

Council provides waste collection and disposal services to properties within the Townsville local government area.

The defined waste collection area is the area to which Council routinely provides waste collection services. Council provides waste collection services outside of the defined collection area by special arrangement.

Residential

Residential properties are:

- ▶ those categorised as Category 1, 2 and 3a to 3k for rating purposes, unless the property has been approved for a non-residential use
- ▶ those properties not categorised because they are exempt from general rates that are used for residential purposes.

Wheelie Bin Service Charge

Council imposes an annual fixed charge for each residential dwelling, home unit or flat within the defined waste collection area for the collection of one waste bin each week and one recycling bin each fortnight:

Description	Annual Charge (\$)
240L waste and 240L recycle wheelie bin	217.00
240L waste and 360L recycle wheelie bin	245.00
140L waste and 240L recycle wheelie bin	208.00
140L waste and 360L recycle wheelie bin	236.00

Additional waste collection services can be requested. One waste collection service is one waste bin collected each week.

Description	Annual Charge (\$)
Additional permanent 240L waste wheelie bin	152.00
Additional permanent 140L waste wheelie bin	143.00

Additional recycling collection services can be requested. One recycling collection service is one recycling bin collected each fortnight.

Description	Annual Charge (\$)
Additional permanent 240L recycle wheelie bin	62.00
Additional permanent 360L recycle wheelie bin	90.00

Council imposes an annual fixed charge for each residential dwelling, home unit or flat within the Paluma area, and for waste collection services that Council provides outside the defined waste collection area. One waste collection service is one waste bin collected each week. This service will be provided at Council's absolute discretion.

Defined Paluma Area and Non-Defined Areas	Annual Charge (\$)
240L waste wheelie bin	154.00
140L waste wheelie bin	145.00

Council may choose to supply a bulk bin to a customer instead of a wheelie bin where multiple collections are required each week.

Commencement Date for Full Charges

Developed properties within the defined waste collection area will be charged waste and recycling collection charges from the earlier of:

- ▶ the date collection services are requested or commenced; or
- ▶ the date of the final inspection certificate.

Local Waste Management Levy

A fixed annual Waste Management Levy of \$43 will be charged for the provision of one hard rubbish collection for each eligible property and access to free green waste disposal at Council's waste facilities.

The levy will apply to each dwelling, home unit or flat which is:

- ▶ classified as Category 1, 2 and 3a to 3k for rating purposes; and
- ▶ is inside or outside the defined waste collection area.

The levy does not apply to undeveloped land.

Non-Residential

Non-residential waste collections services within the defined waste collection area are provided upon request.

All non-residential disposed waste will incur a Waste Levy Service Fee due to Queensland Government's Waste Levy that was introduced on 1 July 2019.

Council imposes an annual fixed charge for each non-residential waste collection service:

Description	Annual Charge (\$)	Queensland Government Waste Levy Service Fee (\$)	Total Annual Charge (\$)
Waste 140L wheelie bin	185.00	58.24	243.24
Waste 240L wheelie bin	195.00	99.84	294.84
Recycling 240L wheelie bin	95.00	-	95.00
Recycling 360L wheelie bin	142.00	-	142.00

The waste service charge is for one waste bin collection each week.

The recycling service charge is for one recycling bin collection each fortnight.

Council can supply a range of container sizes to meet specific waste management needs. Prices are available on application.

Appendix P: Nelly Bay Harbour Development

Operational Plan

Council plans to levy a special rate on identified properties in the Nelly Bay Harbour Development in 2020/21, in accordance with section 94 of the Local Government Regulation 2012.

The Annual Operational Plan detailed in this report sets out the actions and processes to be carried out the actions and processes to be carried out in 2020/21 for the Nelly Bay Harbour.

2020/21 Annual Operational Plan for Nelly Bay Harbour is as follows:

Gross Pollutant Traps

- ▶ Pre and post wet season inspections
- ▶ Pre and post wet season pollutant removal
- ▶ Disposal and barge costs.

Rock Revetment Walls

- ▶ Annual inspection and condition rating

Gustav Creek

- ▶ Annual inspections of sediment loading (during the wet season)
- ▶ Extraction of sediment out of sediment basin
- ▶ Implementation of Gustav Creek Management Plan – extract sediment loading to reduce future dredging requirements.

Canals

- ▶ Water quality monitoring/floating booms where required
- ▶ Dredging activities may include:
 - bed levelling and dredging to remove sediment from the harbour
 - survey of new bed level
 - dispersal costs.

Appendix Q: Rural Fire Levy

Rural Fire Brigade Area	Annual Charge for each Property (\$)
Black River and Districts	35.00
Bluewater	55.00
Bluewater Estate*	35.00
Clevedon	40.00
Crystal Creek	10.00
Cungulla	40.00
Horseshoe Bay	30.00
Lime Hills-Elliott	30.00
Majors Creek*	25.00
Oak Valley	20.00
Paluma	35.00
Purono Park	15.00
Rangewood*	55.00
Reid River*	18.00
Rollingstone	50.00
Rupertswood	40.00
Saunders Beach	30.00
Toolakea	-
West Point	15.00

*Annual Charge has been revised for Mid-Year Budget Review.

