



TOWNSVILLE CITY COUNCIL

BUDGET AND OPERATIONAL PLAN 22/23

TOWNSVILLE.QLD.GOV.AU



OUR VISION

A globally connected community
driven by lifestyle and nature

OUR PURPOSE

Grow Townsville

OUR MISSION

Add 6,400 new jobs by 2026



CONTACT US

 103 Walker Street, Townsville City
 PO Box 1268, Townsville QLD 4810
 13 48 10
 enquiries@townsville.qld.gov.au
 townsville.qld.gov.au

ACKNOWLEDGMENT OF COUNTRY

The Townsville City Council acknowledges the Wulgurukaba of Gurambilbarra and Yunbenun, Bindal, Gugu Badhun and Nywaigi as the Traditional Owners of this land. We pay our respects to their cultures, their ancestors and their Elders - past and present – and all future generations.

Townsville City Council is a proud White Ribbon accredited organisation.

Table of Contents

Mayor's Message	6
Chief Executive Officer's Message.....	7
Budget Highlights	8
Our Council	9
What This Budget Means For You.....	14
Our Strategy	18
Our Services.....	21
Roads and Transport Management.....	23
Drain and Stormwater Management.....	24
Water Services	25
Wastewater Services	26
Resource Recovery	27
Parks and Open Space Management	28
Cultural and Community Services	29
Environment and Sustainability Services	30
Planning and Development.....	31
Service Partners	32
Water Performance Plan.....	33
Resource Recovery Performance Plan	38
Our Budget	43
Statement of Income and Expenditure	44
Statement of Financial Position	44
Statement of Cash Flows.....	44
Statement of Changes in Equity	44
Statement of Business Activities	45
Sources of Funding.....	45
Rates.....	45
Utility Charges	46
Fees and Charges	46
Borrowings	46
Our Financial Sustainability	47
Events	57
Financial Policies	58
Index of Tables.....	110

Glossary of Terms

Term	Definition
Asset condition assessment	An assessment that details the condition of assets at a point in time.
Asset reliability	The ability of an asset to perform as required, without failure, for a given time interval, under given conditions.
Asset renewal	An activity that results in restoring an asset so it can perform at its original function and capacity.
Asset sustainability ratio	An indicator of the extent to which the infrastructure assets managed by Council are being replaced as they reach the end of their useful lives. It can assist in identifying the potential decline or improvement in asset condition and standards.
Business case	A business case will identify the specific business requirement, and the costs and benefits of the project or task.
Capital expenditure	An amount spent to construct, purchase, or improve long-term assets such as roads, parks, buildings, equipment or infrastructure.
Carbon neutral	Achieving net-zero carbon dioxide emissions.
Circular economy	An economic system that eliminates waste and the continual use of resources. The circular economy aims to keep products, equipment, and infrastructure in use for longer, improving the productivity of these resources.
City Plan	The Townsville City Plan (planning scheme) sets the vision for how Townsville should grow over the next 25 years. It is Council's key document for deciding development applications.
Concept	Concept is the early phase of the design process.
Consumer Price Index (CPI)	A CPI is a measure of the average change over time in the prices paid by households for a fixed basket of goods and services.
Development infrastructure	Development infrastructure is land and/or works for water cycle management (including water supply, sewage and drainage), transport, public parks and land for community facilities.
Dry tropics	A tropical sub-humid climate characterises the region's coastal areas with relatively high temperatures all year round. Townsville is dominated by two distinct seasons: <ul style="list-style-type: none"> • The wet season, summer (November to April); and • The dry season, winter (May to October).
Energy from waste	The process of generating energy in the form of electricity and/or heat from the primary treatment of waste, or the processing of waste into a fuel source.
Feasibility study	An assessment of the practicality of a proposed project or system. A feasibility study analyses the viability of a project to determine whether the project or venture is likely to succeed.
Food Organics and Garden Organics (FOGO)	Food Organics and Garden Organics are items of food waste and garden waste.
Grants	An amount of money or in-kind value that is contributed to achieve a specific purpose or outcome.
Key activities	Activities for the year which support the delivery of operational services to the city or contribute to key plans and strategies.
Levels of Service	The agreed and documented expected service quality and/or regularity.
Local Government Infrastructure Plan (LGIP)	Identifies the local shared infrastructure required to support planned urban development in the local community.
Liveability	A combination of factors that contribute to quality of life. These include the impact of built and natural environment, economic, social and cultural factors.
Maintenance program – Planned Work	Work required to deliver maintenance to ensure our assets and equipment remain in serviceable condition.

Measure of success	Desired outcome of the key activity.
Net financial asset / liability ratio	An indicator of the extent to which the net financial liabilities of Council can be serviced by its operating revenues. A ratio greater than zero (positive) indicate that total financial liabilities exceed current assets. These net financial liabilities must be serviced using available operating revenues.
Operating expenditure	The amount spent to operate and maintain assets and to deliver services to the community.
Operating surplus ratio	An indicator of the extent to which revenues raised cover operational expenses or are available for capital funding purposes or other purposes.
Parks and open space	<p>Parcels of land under the control of, or managed by Council for the community.</p> <p>Types of parks include:</p> <ul style="list-style-type: none"> • Regional – Large open space parklands that offer a wide variety of both active and passive recreation opportunities to a broad section of the community. • District – Much bigger than local sized parks that can service several suburbs, or a whole community, and or a community event. • Local – Moderately small open space parklands that offer local residents a communal open space to complement their own backyards. • Amenity/Pocket – Small open space parklands that offer a limited range of recreational activities for local residents. • Corridor – Usually a linear open space that follows creeks, drainage channels, service corridors or green belts.
Potable water	Known as drinking water, supplied to end users via a reticulation network.
Real time digital information	A business computer system that responds to transactions by immediately updating the appropriate databases.
Recycled water	Wastewater that is treated for reuse.
Recycling	Converting waste materials into new materials and objects.
Rate In The Dollar (RID)	Rate in the dollar, used in the calculation of General Rates.
Seasonal	Dividing the year by the weather variation – wet season and dry season.
Service	<p>A group of activities provided to the city, including:</p> <ul style="list-style-type: none"> • Roads and Transport Management • Drain and Stormwater Management • Water Services • Wastewater Services • Resource Recovery • Parks and Open Space Management • Cultural and Community Services • Environment and Sustainability Services • Planning and Development • Service Partners
Service partners	<p>Provide a wide range of professional services, policy implementation and advice to both internal and external customers, including:</p> <ul style="list-style-type: none"> • Asset Management • Buildings and Facilities Management • Customer Experience • Marketing and Communications • Emergency Management • Executive • Financial Management • Procurement • Fleet Management • Governance and Legal Services • Information Communication Technology • People and Culture • Health, Safety and Wellbeing • Project Management Office
Service standards	Service standards set targets to meet customer requirements via people, systems, assets and technology.
Trunk infrastructure	Larger, significant infrastructure that supports growth and benefits several development sites.

Mayor's Message

I am proud to present Townsville City Council's Budget and Operational Plan for 2022/2023. These documents detail our strategy to - maintain the services and standards our community expect, continue to invest for our future prosperity and growth, and minimise any cost increases for households, while maintaining our sound credit rating from the Queensland Treasury Corporation.

Our 2020 and 2021 budgets were keenly focussed on overcoming the impacts of the COVID-19 global pandemic. We chose to forego income; we froze rates and we rolled out much needed support for our community. This budget sees us moving into the next phase of living with COVID, but in an environment where continued interruptions to global supply chains, skill shortages and other factors are driving up costs of commodities, good and services.

For Council, like other public and private sector organisations, the cost of doing business has risen sharply. The cost of projects, infrastructure and asset management has, in some cases, nearly doubled. But just as importantly, we understand increasing costs of living are also hurting households. No-one is immune and it is our challenge, as a council, to find the right balance. That means implementing a financially sustainable budget that supports the city to grow while, at the same time, minimising the impacts of rising costs of living and the recent positive state government land valuations for ratepayers.

An enormous amount of work has gone into achieving this balance in our 2022/23 Budget. Thanks to my Council's responsible financial management over the past 10 years, we have delivered with 6 budgets in surplus, one balanced budget and only 3 minor budget deficits. That means we can absorb a minor deficit for budget 2022/23.

Our \$957.5 million budget delivers the right balance of delivery and maintenance of services and infrastructure our community expects, plus assets, investment in projects and events that help our city grow and reducing the impact land valuations could have potentially had on ratepayers right across the city.

This balanced approach to fiscal operations is critical as we face the immediate challenges, and as we deliver against our long-term plans to support a robust and resilient economy in our vibrant and growing city.

This budget ensures we are allocating the money that is needed to maintain upgrade and manage the vital services our community expect. It focusses on the role council can play in keeping our community safe. It delivers programs, events and services to support community connection and wellbeing. It invests in culture and the arts to ensure we are a liveable and vibrant place where people want to stay and live. It considers the longer-term plan for how we will achieve our ambitious zero waste and green economy targets including investments to attract future industry growth. And it delivers all of this with the fiscal responsibility required to guarantee the sustainability of council.

This Budget responds to the immediate challenges of rising costs while also ensuring we continue to look ahead. The "here and now" matters, but so too does tomorrow. This Budget is about both - a careful balance to provide economic security into the future, and make sure we invest and make decisions for what is needed now.

We continue with our three-year capital investment plan through \$498.7million for services infrastructure and major projects like Lansdown, NQ Spark and the Haughton Pipeline and have allocated \$274.4 million toward upgrading, improving and managing our water and wastewater services for Townsville.

We are also serious about the role we can play in supporting a safe city which is why we have invested \$33.8 million in safety services, programs and infrastructure to support our frontline agencies and our neighbourhoods. Just as importantly I know how proud our residents are of this city and how important it is to keep it neat and tidy – which is why we have allocated \$96million to ensuring we keep our open spaces looking great.

As Mayor, I believe this budget demonstrates that we have listened to the community's feedback to ensure money is spent efficiently, and on the things that matter most to you. Safety, cleanliness, services, infrastructure and connection and lifestyle. I look forward to continuing to provide the Townsville community with the high-quality services, facilities and infrastructure that it expects in 2022/23 and beyond.



A handwritten signature in black ink that reads "Jenny Hill".

Cr Jenny Hill
Mayor of Townsville

Chief Executive Officer's Message

Built on the successes of the first year of Council delivering the goals of its Corporate Plan and Growing Townsville, the city's sustainable future is strong.

Townsville is experiencing record low unemployment, a thriving property market and record investment in the city.

As cities across the world grapple with positioning themselves for future prosperity, Council's vision to grow Townsville into a globally connected community driven by lifestyle and nature has never been more important. It is through growth that we will achieve longer term security for our community amidst global uncertainty.

The 2022/23 Budget and Operational Plan outlines the important record investment of \$957.5 million Council will make into the community through major projects, new and enhanced infrastructure, providing services and cultural, events and lifestyle initiatives which are critical to growing a connected and vibrant city.

I would like to thank Councillors and our Council team for their collaboration and continued focus on delivering outstanding services to the community which has culminated in the 2022/23 budget and operational plan.

Through Council's considered planning and strategic foresight specifically around green energy production and advanced manufacturing, Townsville has attracted significant investment from both government and industry over the past 12 months.

The 2022/23 budget has been developed against a backdrop of rising costs, as we continue to experience the impacts of the COVID-19 global pandemic and other world affairs.

These challenges are not unique to Townsville. Local government authorities across Australia have had to evolve and move with intention to protect both the health of their communities and their economies.

Through considered investigation, efficiencies and effort, we have been able to develop a budget model that will minimise the combined impacts to ratepayers of the recent state government land valuations and increasing costs of living.

Council is heavily invested in assuring a bright future for our community.

The 2022/23 budget prioritises:

- \$274.4 million investment in water security and wastewater infrastructure for our Dry Tropics city
- \$201 million investment in roads and drains to improve transport routes and manage stormwater
- \$498.7 million for major projects, and critical infrastructure that supports our lifestyle and businesses
- \$96 million investment in keeping our city clean and tidy
- \$33.8 million investment to support a safer city
- \$33 million investment in affordability supports and innovations
- \$39.5 million investment in arts, culture, events and lifestyle

I look forward to another year of delivery for the people of Townsville as we work to make our city a great place to invest, live, learn and earn for a sustainable and prosperous future.



A handwritten signature in black ink that reads "Prins Ralston".

Prins Ralston
Chief Executive Officer



BUDGET

HIGHLIGHTS



\$957.5m

Total Budget

Total investment in community service delivery and infrastructure.



\$33.8m

Safe City Investment

Investment in operating security and surveillance, CCTV systems and street lighting, Community Response Vehicle and youth services.



\$498.7m

Infrastructure Investment

Capital investment to deliver services and infrastructure across Townsville.



2% + 2021 Land Valuations

General Rate Rise

Increase applied to the rate in the dollar across Council's rating categories, plus land valuations. Rates increase capped at 10% for category 1 residential principal place of residence.



\$274.4m

Water and Wastewater Investments

Capital investment in water and wastewater infrastructure.



\$201m

Roads, Transport and Drains Investment

Managing and improving roads, kerb and channeling and stormwater drains.



\$33m

Affordability Investment

Investment in concessions, grants, sponsorships, partnerships, solar power and community peppercorn leases.



\$39.5m

Culture, Lifestyle and Wellbeing Investment

Investing in events, arts, community facilities, culture and community programs.



\$96m

Parks and Open Spaces

Upgrading and maintaining 372 parks and open spaces, beach cleaning, and sand replenishment, street cleaning, graffiti and rubbish removal.



Utility Charges

Water utility charges increase 4%
Waste utility charges increase 2%
Wastewater utility charges increase 0%

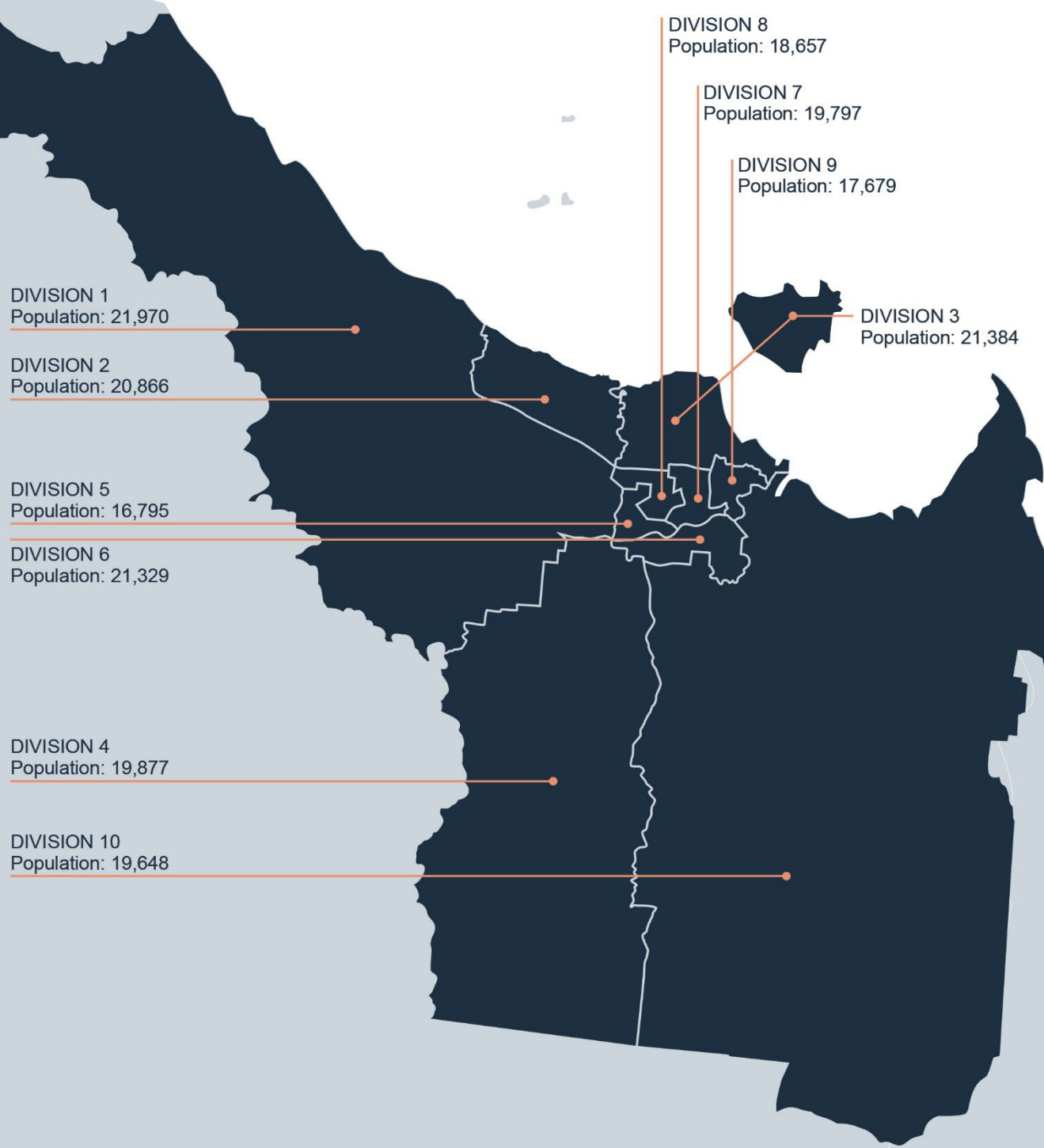
*Please note some expenditure may appear in multiple categories above.

OUR COUNCIL



TOWNSVILLE PROFILE AND DEMOGRAPHICS

Total Land Area: 374,201 ha
Estimated Resident Population: 198,002
Population Density: 0.53 persons per hectare



Source: Profile ID, Community Profile, Population Summary by Division, ABS Estimated Resident Population 2021

Our Councillors



Mayor Jenny Hill



Cr Mark Molachino
Division 4
Deputy Mayor



Cr Margie Ryder
Division 1



Cr Sue Blom
Division 2



Cr Ann-Maree Greaney
Division 3



Cr Russ Cook
Division 5



Cr Suzy Batkovic
Division 6



Cr Kurt Rehbein
Division 7



Cr Maurie Soars
Division 8



Cr Liam Mooney
Division 9



Cr Fran O'Callaghan
Division 10



Cleveland Bay Wastewater Treatment Plant

KEY PROJECTS

Council has a range of capital projects planned for the coming year to support our purpose to Grow Townsville.

Lansdown Eco-Industrial Precinct*

\$80.0m

Investing in activating the economy to create jobs.

Raw Water Pipeline Duplication*

Year 2 of 3

\$34.9m

Investing in duplication of raw water pipeline from Ross River Dam to Douglas Water Treatment Plant to ensure continuous supply.

*Projects are fully or partially funded by external sources

Haughton Pipeline Duplication Stage 2*

Year 2 of 4

\$74.7m

Investing to secure Townsville's long-term water security.

Cleveland Bay Purification Plant
Effluent Re-Use Project*

Year 2 of 3

\$22.0m

Investing in water reuse to reduce the demand in potable water supply as part of integrated water strategy.



Cleveland Bay Wastewater Treatment Plant

Douglas Water Treatment Plant Clarifier
Year 2 of 2

\$9.6m

Clarifiers act as barriers by removing solids from raw water to improve the treatment capacity.

Stuart Landfill Cell 3B and 3C
Year 2 of 2

\$7.7m

Investing in creation of new landfill space to support the growing Townsville population.

Wulguru Sewer Upgrades
Year 2 of 2

\$8.1m

Upgrade is necessary to reduce the likelihood of overflows in the wet weather and to ensure future needs are met to grow Townsville.

Fulham Road / Hugh Street
Intersection Upgrade*

\$6.9m

Intersection upgrade to promote cycle and pedestrian friendly signalised crossing.

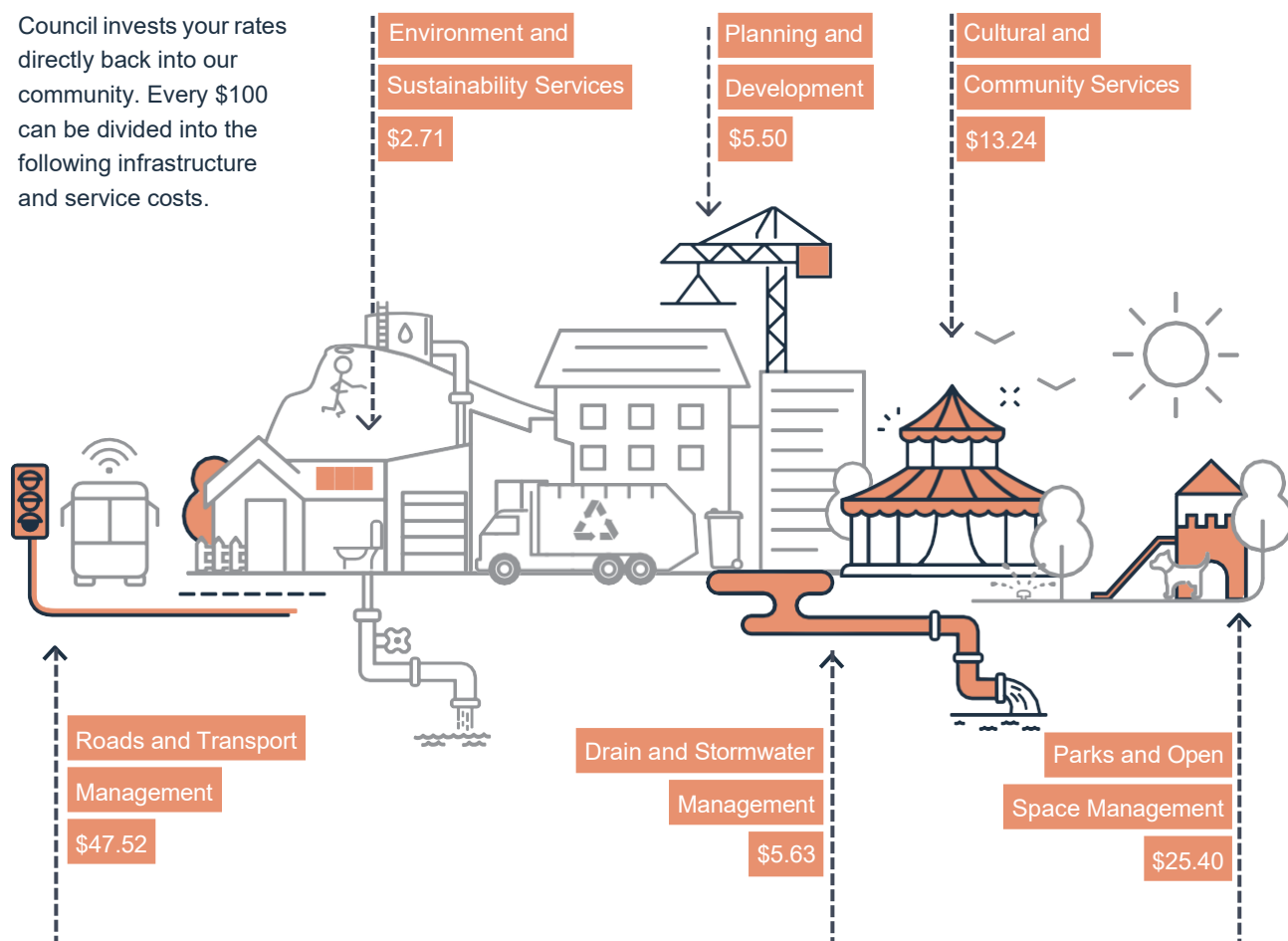
*Projects are fully or partially funded by external sources

WHAT THIS BUDGET MEANS FOR YOU

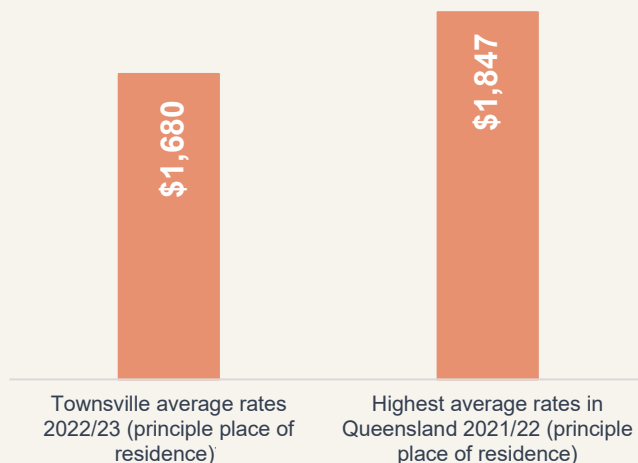
For every \$100 – where your rates go.

Rates

Council invests your rates directly back into our community. Every \$100 can be divided into the following infrastructure and service costs.



Rates Comparison



Discounts and Concessions

\$23.3m of support in discounts and general, utility and pensioner concessions.

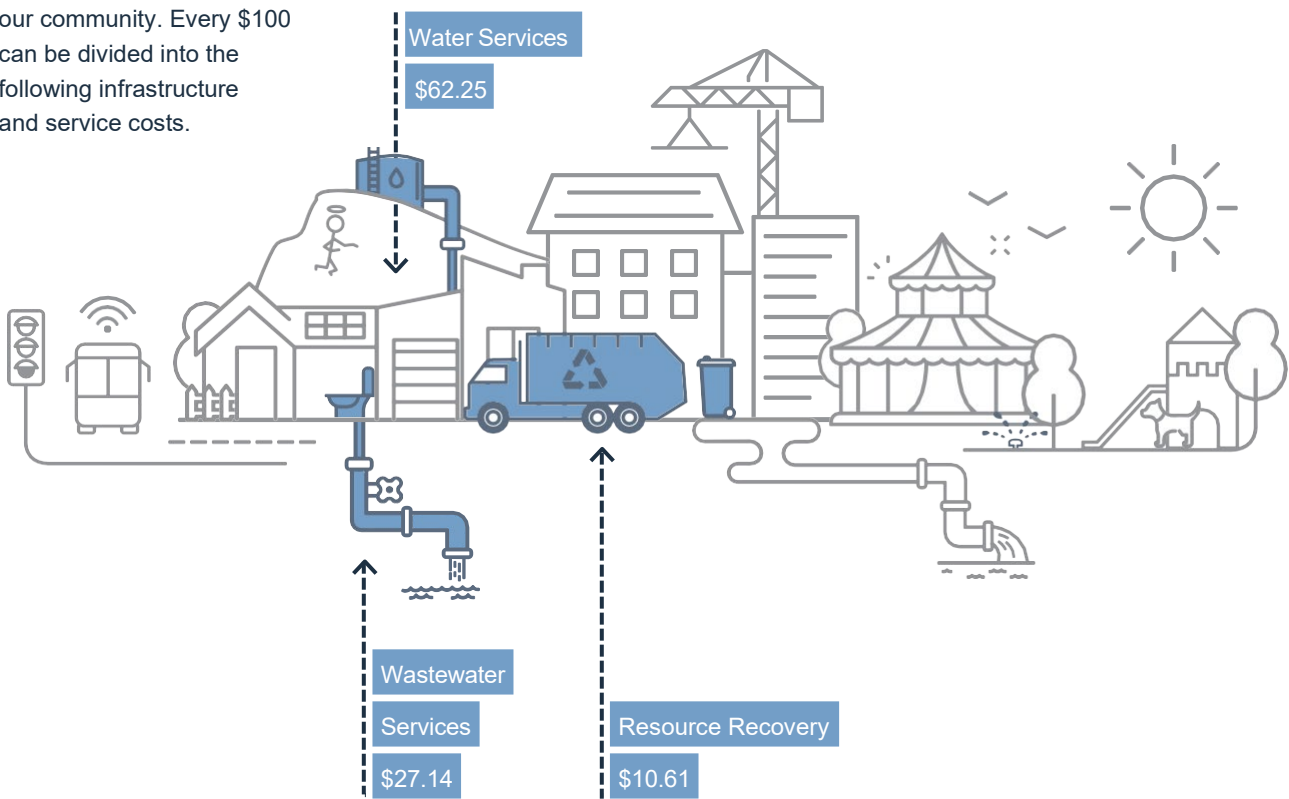
Council's pensioner concession is one of the most generous in Queensland with up to \$800 available to eligible pensioners.



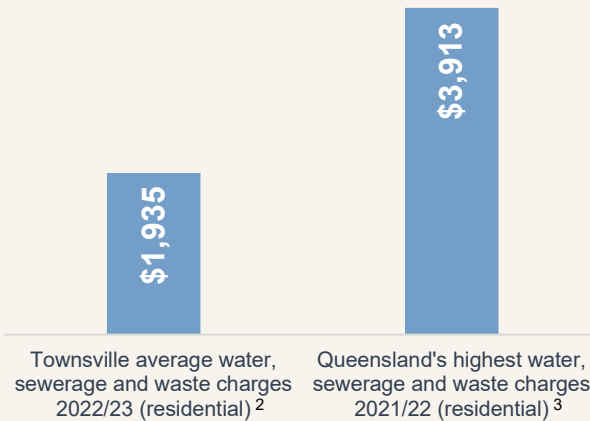
For every \$100 – where your utilities go.

Utilities

Council invests your utility charges directly back into our community. Every \$100 can be divided into the following infrastructure and service costs.



Utilities Comparison

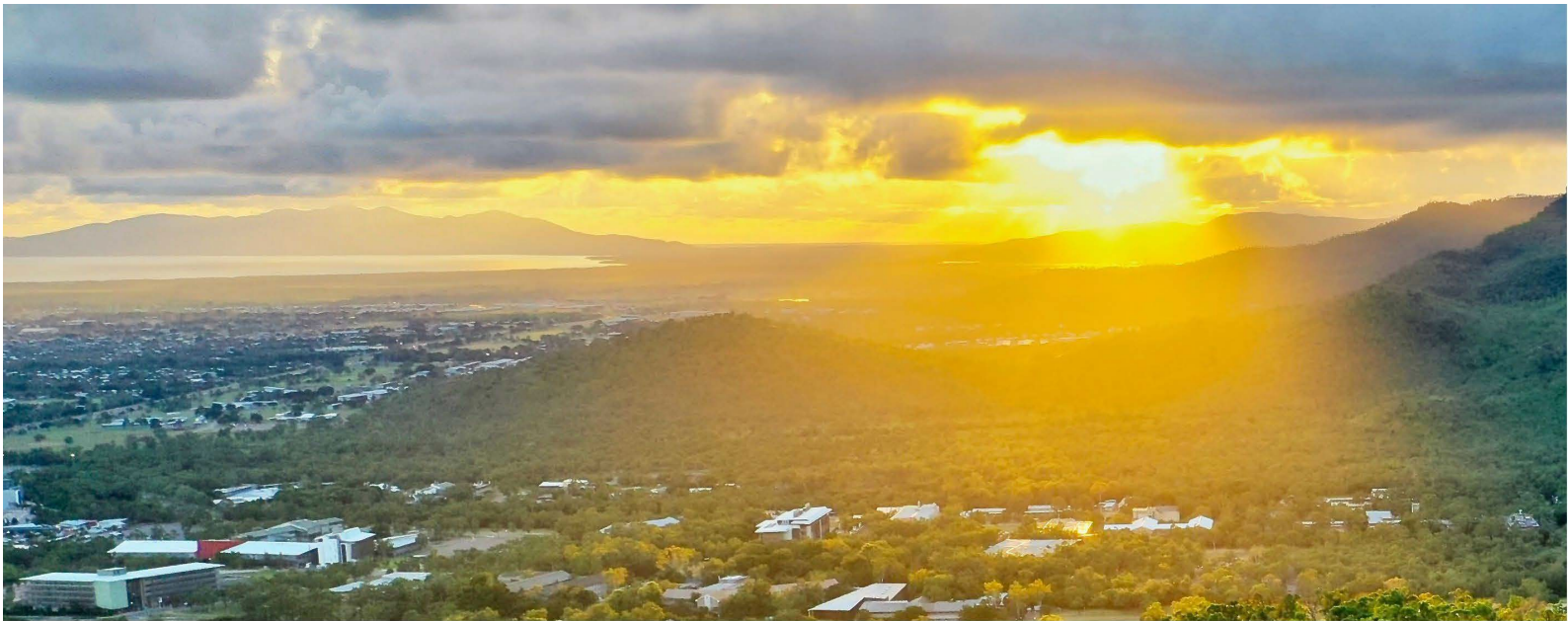


² Based on residential standard plan (772KL).
³ Based on 400KL water consumption.



Capital Investment

\$289.3m planned investment into water and wastewater networks, and resource recovery facilities.



\$957.5M

TOTAL INVESTMENT

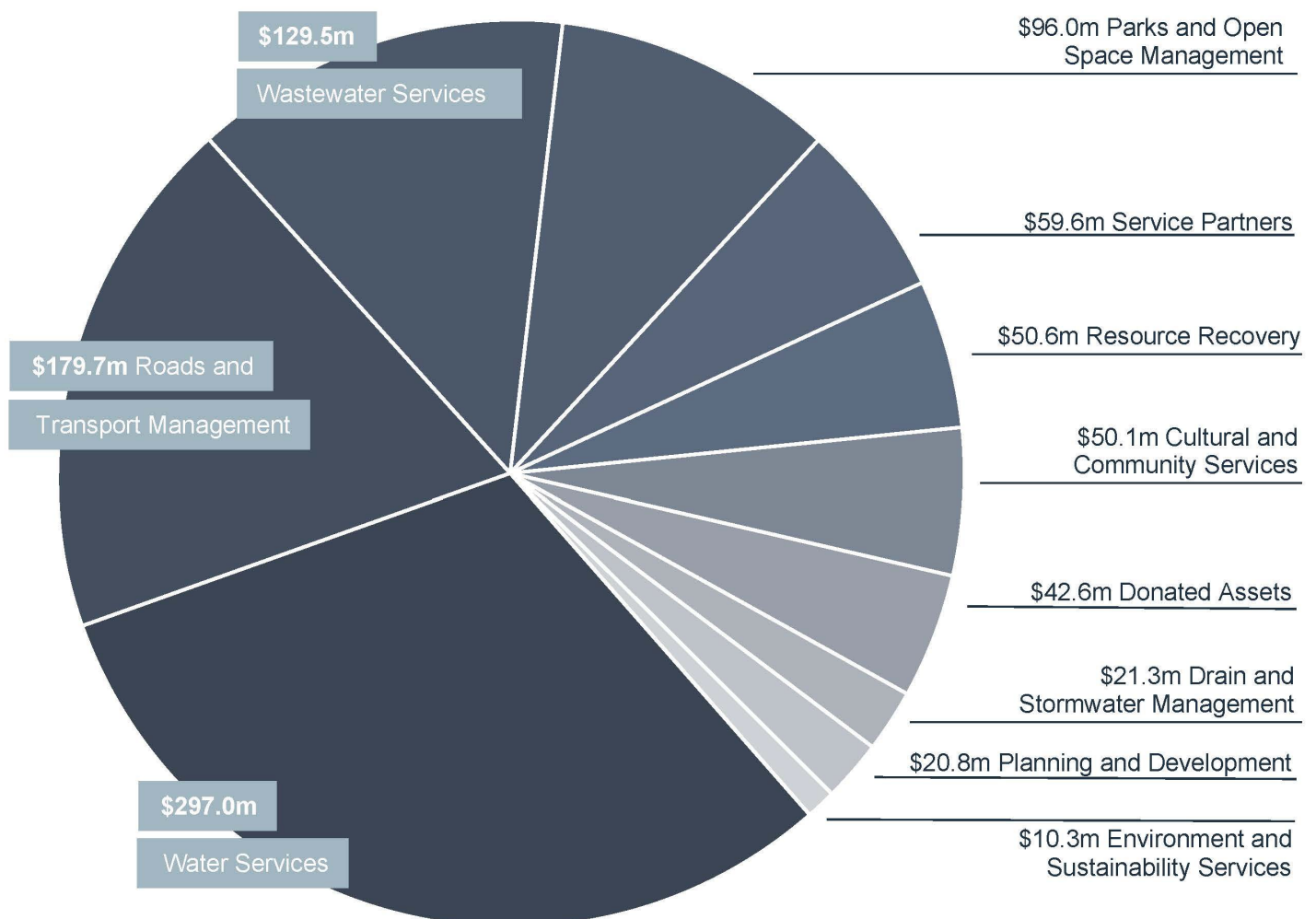
FUNDED BY

\$728.5m TOTAL BUDGET REVENUE

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













\$229.0m COUNCIL INVESTMENT

Council savings and borrowings invested into long term infrastructure assets.















Operating Budget Summary

Table 1 – Operating Budget Summary

2022/23 Budget Operating Revenue					
	General Rates	\$198.0m		Grants and Subsidies	\$10.3m
	Utility Charges	\$224.6m		Other Revenue	\$11.7m
	Discounts and Concessions	(\$23.3m)		Interest Received	\$3.1m
	Fees and Charges	\$33.6m			
Total Operating Revenue \$458.0m					
2022/23 Budget Operating Expenditure					
	Workforce Costs	\$149.1m		Finance Costs	\$19.1m
	Materials and Services	\$160.6m		Other Expenses	\$0.5m
	Depreciation and Amortisation	\$129.5m			
Total Operating Expenditure \$458.8m					
Operating Deficit \$0.8m					

Capital Budget Summary

Table 2 – Capital Budget Summary

2022/23 Budget Capital Revenue					
	Grants, Donations and Contributions				\$270.6m
Total Capital Revenue \$270.6m					
2022/23 Budget Capital Expenditure					
	Water Services	\$214.9m		Resource Recovery	\$14.9m
	Roads and Transport Management	\$97.8m		Fleet	\$12.7m
	Wastewater Services	\$59.5m		Drain and Stormwater Management	\$7.4m
	Donated Assets	\$42.6m		Information Communication Technology	\$5.6m
	Parks and Open Space Management	\$22.1m		Cultural and Community Services	\$0.6m
	Buildings and Facilities	\$20.6m			
Total Capital Expenditure \$498.7m					

OUR STRATEGY



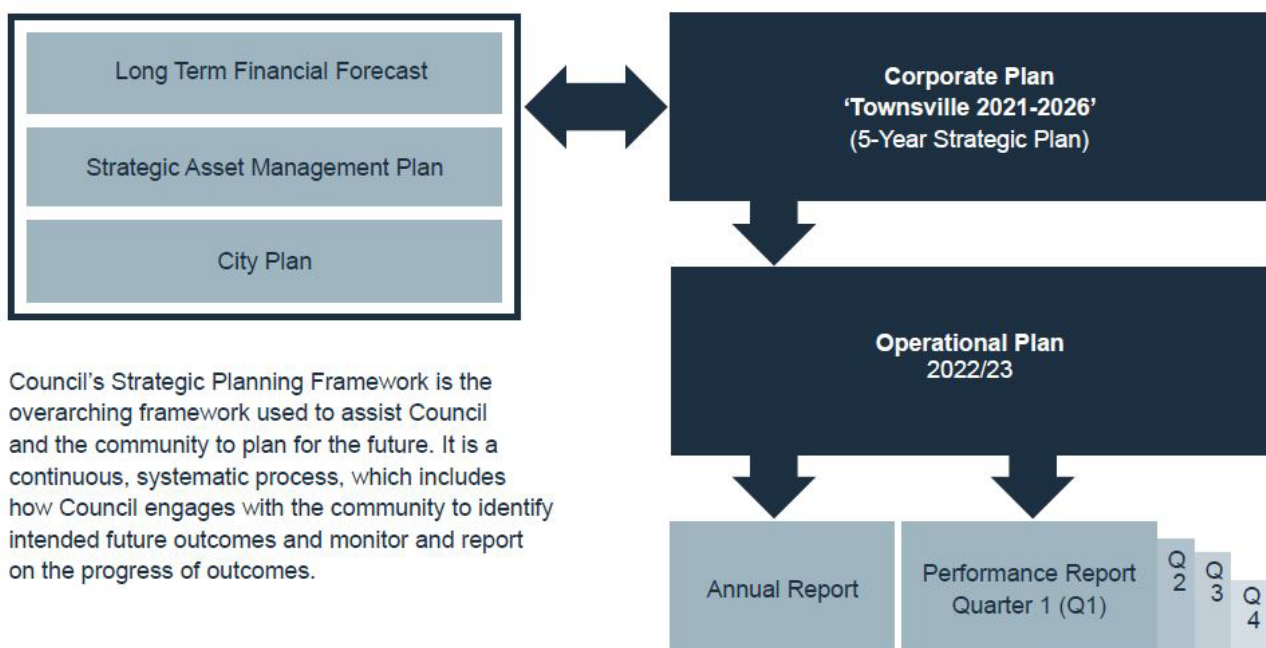
Our Strategic Planning Framework

The Strategic Planning Framework ensures that efficiencies are achieved through coordinated planning and budgeting, and that systems and arrangements are undertaken in an integrated manner to inform a well-considered investment and strategic financial direction for Council.

The Framework comprises a hierarchy of cascading and interconnecting documents, which, when taken together, allows Council to turn its long-term aspirations, goals and plans into reality. The Framework assists in planning, delivering and progressing our services, programs and capital works for the benefit of the community, the environment and the economy. It also ensures methodologies are in place for measuring performance against corporate goals.

Our Strategic Planning Framework

Our Strategic Planning Framework



Our Governance Framework

Council's Corporate Governance Framework is based on the local government principles identified in the *Local Government Act 2009*. An effective Governance Framework provides the following benefits, which have also been applied in the development of the Operational Plan and Budget:

- quality decision making founded on adequate, timely and relevant information disclosure,
- assurance of desired outcomes or results,
- effective management of risk and opportunities,
- effective and widespread stakeholder commitment and support for good corporate governance,
- the system of corporate governance is streamlined and flexible to meet emerging demands or needs,
- strong ethical, performance and values-based culture, and
- transparency and disclosure.

The Corporate Governance Framework can be found on Council's [website](#).

Our Operational Plan

Council's Operational Plan and Budget sets the direction for the 2022/23 financial year and identifies how Council will measure its performance. Legislation requires that the annual Operational Plan provides transparency and accountability of the organisation's financial management and operational activities.

Council's budget funds the Operational Plan derived from the Strategic Asset Management Plan and Long Term Financial Forecast for sustainable management of the city.

The Operational Plan addresses the organisation's operational risks and how Council will progress the implementation of its Townsville 2021-2026 (5-year Corporate Plan). It is a valuable management tool detailing the services Council will deliver to the community during the financial year.

Council's Operational Plan is consistent with the local government principles according to section 4(2) of the *Local Government Act 2009*:

- transparent and effective processes and decision-making in the public interest,
- sustainable development and management of assets and infrastructure, and delivery of effective services,
- democratic representation, social inclusion and meaningful community engagement,
- good governance of, and by, local government, and
- ethical and legal behaviour of councillors, local government employees and councillor advisors.

Quarterly performance reports will provide details on the progress of the deliverables achieved each quarter.

Managing Our Operational Risks

Section 175(1) of the Local Government Regulation 2012 requires the management of risk to be included in Council's Operational Plan.

Risk management is governed by the Enterprise Risk Management (ERM) Policy and Framework, which are integral to the overarching Corporate Governance Framework. Council's approach is aligned with ISO 31000:2018 Risk Management Guidelines.

Council's strategic and operational risk assessments align with its Risk Management Framework. Strategic risks, operational risks, emerging risks, risk tolerance levels and mitigation strategies have been considered in developing the Budget and Operational Plan for 2022/23.

The risk management process provides an integrated and systematic application of Council's policies, procedures, systems and strategies that focus on an effective and continuous improvement approach to risk management. The Risk Management System allows Council to capture, manage risk and generate real-time reports.

Senior management meet regularly to ensure risks are managed effectively to a level as low as reasonably practicable, taking into consideration emerging issues, global trends, threats and opportunities.

Risks are also reviewed regularly through the engagement of the Business Services and Finance Committee, the Work Health and Safety Committee and the Audit and Risk Committee. These Committees support good governance through consultation and engagement with senior management and staff to ensure Council is implementing an integrated risk management framework.

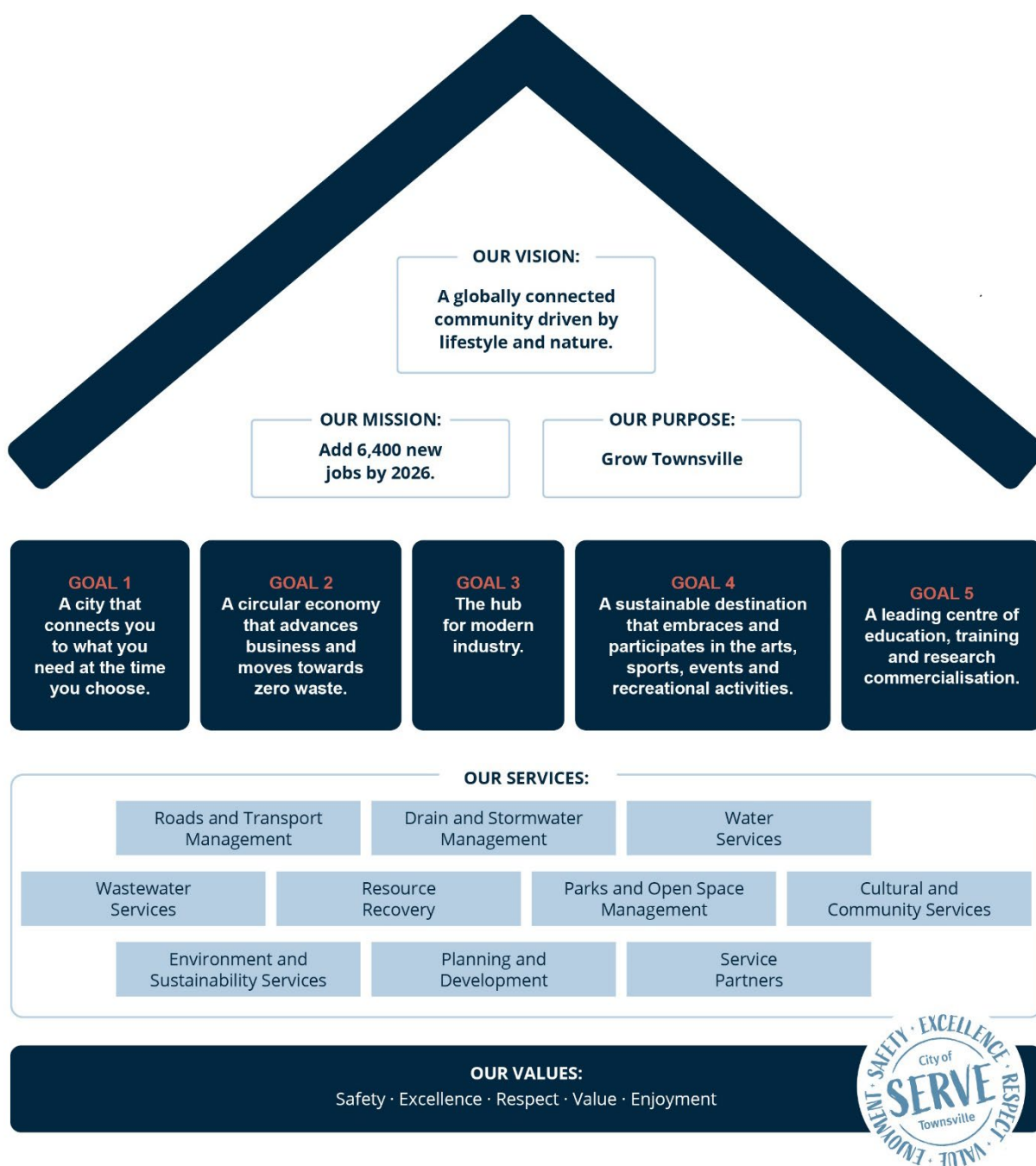
OUR SERVICES



Delivering Services to the Community

The Operational Plan is presented through the City's 10 core services which deliver and support a wide range of services to the community. The core service summaries on the following pages outline:

- an overview of the core services and their associated services that are delivered across Townsville
- core service budget summary
- key activities and measures of success that support the delivery of the Operational Plan and Townsville 2021-2026 (5-year Corporate Plan).



Roads and Transport Management

Service Description: Provide a reliable and efficient transport network considering future transport needs whilst encouraging active travel methods.

Table 3 – Roads and Transport Management Budget for 2022/23

Service	Operating Expenditure (\$000)	Capital Expenditure (\$000)	Total Expenditure (\$000)
Roads and Transport Management	81,840	97,850	179,690
Total	81,840	97,850	179,690

Table 4 – Roads and Transport Management Key Activities for 2022/23

Key Activities	Measures of Success
Undertake the asset condition assessment and inspection program for Roads and Transport assets.	<p>90% of all planned inspections and condition assessments are completed as planned.</p> <p>Measure the average condition of sealed roads, rural roads, kerb and channel, footpath, and street furniture.</p>
Plan and design future capital requirements.	80% of detailed designs and estimates are completed for the following financial year capital works by the end of March 2023.
Undertake routine maintenance of the city's road network.	Complete at least 80% of the planned maintenance program.
Undertake maintenance work on the State and Federal Government road network.	Achieve a Road Maintenance Performance Contract (RMPC) performance score of 90% or greater.
Deliver capital program for the financial year.	Complete at least 90% capital plan works as scheduled.

Drain and Stormwater Management

Service Description: Manage drain and stormwater infrastructure.

Table 5 – Drain and Stormwater Management Budget for 2022/23

Service	Operating Expenditure (\$000)	Capital Expenditure (\$000)	Total Expenditure (\$000)
Drain and Stormwater Management	13,872	7,417	21,289
Total	13,872	7,417	21,289

Table 6 – Drain and Stormwater Management Key Activities for 2022/23

Key Activities	Measures of Success
Undertake the drain and stormwater network condition assessment / inspection / scoping program.	Assess the average condition of open drains, underground drains, gross pollutant traps and bio-retention basins.
Plan and design future capital requirements.	80% of detailed designs and estimates are completed for the following financial year capital works by the end of March 2023.
Deliver capital plan program for the financial year.	Complete at least 90% capital plan works as scheduled.
Undertake routine maintenance of the city's drainage network.	Achieve at least 80% of planned works for the financial year.

Water Services

Service Description: Provide potable water and recycled water.

Table 7 – Water Services Budget for 2022/23

Service	Operating Expenditure (\$000)	Capital Expenditure (\$000)	Total Expenditure (\$000)
Water Supply	82,120	214,876	296,996
Total	82,120	214,876	296,996

Table 8 – Water Services Key Activities for 2022/23

Key Activities	Measures of Success
Protect the health of Townsville by providing clean drinking water.	<p>100% compliance with Australian Drinking Water Guidelines (ADWG), and regulatory requirements.</p> <p>Commission new clarifiers at Douglas Water Treatment Plant.</p> <p>Continue Water Quality Resilience Program – Implement Powder Activated Carbon (PAC) dosing project.</p>
Plan and design future capital requirements.	80% of detailed designs and estimates are completed for the following financial year capital works by the end of March 2023.
Deliver capital program for the financial year.	Complete at least 90% capital plan works as scheduled.
Ensure asset reliability and capability.	Complete at least 80% of the planned maintenance program.
Support Townsville amenity and prosperity by providing long term water security of potable, recycled and other fit-for-purpose water.	<p>Progress construction and commissioning of the Recycled Water Treatment Facility.</p> <p>Progress construction and commissioning of the new Raw Water Pipeline from Ross River Dam to Douglas Water Treatment Plant.</p> <p>Progress to schedule for Houghton Pipeline Stage 2.</p>
Provide specialist commercial laboratory services to Townsville and North Queensland.	Complete at least 95% of laboratory services within agreed timeframes.
Manage the Ross River and Paluma Dams in accordance with State regulations.	100% compliance with dam safety regulations.

Wastewater Services

Service Description: Collect and treat wastewater for disposal or reuse.

Table 9 – Wastewater Services Budget for 2022/23

Service	Operating Expenditure (\$000)	Capital Expenditure (\$000)	Total Expenditure (\$000)
Wastewater Management	70,028	59,479	129,507
Total	70,028	59,479	129,507

Table 10 – Wastewater Services Key Activities for 2022/23

Key Activities	Measures of Success
Protect the health of Townsville by providing wastewater collection and treatment services.	100% compliance with regulatory requirements, service standards and environmental licence requirements.
Plan and design future capital requirements.	80% of detailed designs and estimates are completed for the following financial year capital works by the end of March 2023.
Deliver capital program for the financial year.	Complete at least 90% capital plan works as scheduled.
Ensure asset reliability and capability.	Complete at least 80% of the planned maintenance program.
Build resilience in Wastewater operations.	Improve network capacity during the wet season through implementation of inflow and infiltration management program.

Resource Recovery

Service Description: Provide waste management, recycling and resource recovery services to the Townsville community.

Table 11 – Resource Recovery Budget for 2022/23

Service	Operating Expenditure (\$000)	Capital Expenditure (\$000)	Total Expenditure (\$000)
Waste Collection and Recycling	21,499	-	21,499
Waste Treatment and Disposal	6,764	14,930	21,694
Resource Recovery Strategy	7,433	-	7,433
Total	35,696	14,930	50,626

Table 12 – Resource Recovery Key Activities for 2022/23

Key Activities	Measures of Success
Plan and design future capital requirements.	80% of detailed designs and estimates are completed for the following financial year capital works by the end of March 2023.
Deliver capital program for the financial year.	Complete at least 90% capital plan works as scheduled.
Deliver “Towards Zero Waste to Landfill” program.	<p>Deliver FOGO preparation activities, including completion of the trial, final report and recommendations to Council.</p> <p>Deliver a business case and site investigation for a dedicated resource recovery precinct.</p> <p>Deliver stage gate package of Energy from Waste project, including project definition brief, budget, procurement strategy and preliminary layout.</p> <p>Develop a long term behaviour change campaign for zero waste to landfill.</p> <p>Complete options analysis on materials recovery facility (MRF) processes.</p>

Parks and Open Space Management

Service Description: Manage a diverse network of parks, open spaces, coastal and recreational facilities.

Table 13 – Parks and Open Space Management Budget for 2022/23

Service	Operating Expenditure (\$000)	Capital Expenditure (\$000)	Total Expenditure (\$000)
Open Space Management	71,899	20,687	92,586
Cemeteries	858	55	913
Coastal Facilities	1,222	1,319	2,541
Total	73,979	22,061	96,040

Table 14 – Parks and Open Space Management Key Activities for 2022/23

Key Activities	Measures of Success
Provide safe, fit for purpose recreational and open spaces.	Implement a seasonal, affordable maintenance schedule. Complete 80% of all seasonally planned and scheduled work.
Transition landscaping to dry tropics planting.	Implement Dry Tropics Planting Policy. Progress Bushland Beach drain naturalisation project. Commence Dry Tropics Nursery production.
Plan and design future capital requirements.	80% of detailed designs and estimates are completed for the following financial year capital works by the end of March 2023.
Deliver capital program for the financial year.	Complete at least 90% capital plan works as scheduled.
Complete masterplans for parks and open spaces.	Complete district parks masterplan and regional sports field masterplan.

Cultural and Community Services

Service Description: Maintain and grow events, arts, sports, and cultural services to improve the liveability of Townsville. Develop and support cultural and community experiences in Townsville through maintaining public safety and environmental health.

Table 15 – Cultural and Community Services Budget for 2022/23

Service	Operating Expenditure (\$000)	Capital Expenditure (\$000)	Total Expenditure (\$000)
Community Support	5,989	-	5,989
Community Facilities	1,219	-	1,219
Libraries	9,601	166	9,767
Visual and Performing Arts, Galleries	10,184	439	10,623
Events	11,920	-	11,920
Enforcement Compliance	10,553	-	10,553
Total	49,466	605	50,071

Table 16 – Cultural and Community Services Key Activities for 2022/23

Key Activities	Measures of Success
Maintain inclusive, accessible community spaces that provide increased access to facilities, services and resources.	Complete trial of extended library hours.
Deliver the Townsville City Council Stretch Reconciliation Action Plan (September 2021 – June 2024).	Complete actions of the Stretch Reconciliation Action Plan.
Transition to on demand services.	Deliver an online venue booking system that provides access to detailed venue booking information and availability.
A community engaged in the design and experiences of our city.	10% increase in registered Have Your Say users. 10% increase in website traffic for Council event and consultation webpages.
Protect the health of Townsville by providing environmental health and regulatory services.	100% compliance with the <i>Public Health Act</i> .

Environment and Sustainability Services

Service Description: Support environmental sustainability, natural hazard, resource management and foster sustainable management of our environment. Increase natural landscape resilience of creeks, riverbanks, coastal shorelines, wetlands, forests and tropical savannas through rehabilitation, stabilisation, and restoration.

Table 17 – Environment and Sustainability Services Budget for 2022/23

Service	Operating Expenditure (\$000)	Capital Expenditure (\$000)	Total Expenditure (\$000)
Coast and Catchments (Creek to Coral)	1,293	-	1,293
Community Environmental Restoration	4,041	-	4,041
Environmental Operational	2,857	-	2,857
Sustainability and Solar Cities	2,072	-	2,072
Total	10,263	-	10,263

Table 18 – Environment and Sustainability Services Key Activities for 2022/23

Key Activities	Measures of Success
Activate Townsville as a sustainable destination.	<p>Deliver four initiatives to promote sustainable outcomes.</p> <p>Maintain Ecotourism Destination certification.</p> <p>Conduct four environmental activation workshops and deliver community education, and capacity building for dry tropics systems.</p>
Transition Council energy to carbon neutral.	<p>Deliver six city energy initiatives to maintain energy costs and emissions profile at zero growth, and explore energy storage and generation.</p>
Power Council's assets with renewable fuels.	<p>Additional four Council assets to be powered by sustainable energy.</p>
Conduct environment monitoring and sensing.	<p>Deliver four environmental data initiatives to visualise environments, utilising integrated sensors.</p> <p>Implement four environmental tools for residents and businesses to monitor their environmental sensor networks.</p>
Deliver environmental systems and sustainable solutions.	<p>Deliver four environmental systems and solutions that build capacity to respond to environmental challenges.</p>

Planning and Development

Service Description: Provide a strategic approach to long-term planning and policy development ensuring that Townsville manages natural hazards, growth and promotes economic development while protecting and conserving our natural resources and heritage. A key part of the land use strategy is ensuring the city develops within the urban growth corridors to provide more efficient performing infrastructure.

Table 19 – Planning and Development Budget for 2022/23

Service	Operating Expenditure (\$000)	Capital Expenditure (\$000)	Total Expenditure (\$000)
Urban Planning	13,735	-	13,735
Economic Development	7,057	-	7,057
Total	20,792	-	20,792

Table 20 – Planning and Development Key Activities for 2022/23

Key Activities	Measures of Success
Provide innovative software within development assessment that enables efficient delivery of approvals.	Meet all legislative timeframes and TCC Customer Service Commitments.
Utilise existing infrastructure and increase population density within the existing urban footprint.	Complete LGIP draft to support the most efficient use of infrastructure within the established urban footprint.
Invest in the enhancement of existing and development of new public realm by creating unique, connected, and enjoyable places.	Prepare a delivery plan that identifies the key places of renewal and when concept plans, business cases and implementation will occur.

Service Partners

Service Description: Service Partners provide a wide range of professional services, policy implementation and advice to both internal and external customers.

Service Partners enables delivery of Council's strategic and operational priorities within legislated requirements and good governance practices, through business systems and structures.

Table 21 – Service Partners Budget for 2022/23

Service	Operating Expenditure (\$000)	Capital Expenditure (\$000)	Total Expenditure (\$000)
Service Partners	20,702	38,933	59,635
Total	20,702	38,933	59,635

Table 22 – Service Partners Key Activities for 2022/23

Key Activities	Measures of Success
Enhance customer experience by improving digital services.	Identify customer expectations for digital services and desired digital experience. Improve first contact resolution rate to 85%.
Ensure Council expenditure supports local businesses, indigenous owned businesses and small to medium businesses.	Increase Council expenditure with local business to 88.5% of total Council expenditure by 30 June 2023. Increase Council's procurement expenditure with indigenous owned businesses to 2.1% by 30 June 2023. Increase Council expenditure with small to medium businesses to 60% of total Council expenditure by 30 June 2023.
Power Council's fleet with renewable energy sources.	70% of passenger vehicles on the capital replacement program will be replaced with renewable energy vehicles.
Deliver capital plan program for the financial year.	Complete at least 90% capital plan works as scheduled.

WATER PERFORMANCE PLAN



Overview of the Business

Introduction

This is an annual Performance Plan set out as required under section 175 of the Local Government Regulation 2012 and provides a framework for the operation of the significant business activity of Townsville Water.

This document describes how Townsville Water activities will be carried out in 2022/23, according to commercial principles. This annual Performance Plan must be considered in conjunction with the unit's operational plan, which is embedded in Council's Operational Plan 2022/23.

Our Business

Townsville Water is a commercial business unit of Council, responsible for supplying potable water, collecting and processing wastewater, supplying recycled water and dam operations within the Townsville local government area.

As a significant business activity of Council, the business was commercialised in 2008 and required to apply the competitive neutrality principle under section 43 of the *Local Government Act 2009*.

Our Objective

Townsville Water's objective is to provide safe, reliable, and sustainable water and wastewater services for the benefit of the Townsville community.

Our Key Business Metrics

Water Operations

- Provide over 54,000 megalitres of potable water to over 87,000 customer connections across the Townsville region.
- Management of Council's water network including 2 dams and catchments, 3 weirs, 4 water treatment plants, 23 water pump stations, 33 reservoirs and more than 2,600 kilometres of water mains.

Wastewater Operations

- Provide reliable wastewater collection and treatment services to over 74,000 customers, including approximately 1,000 trade waste customers.
- Reliable operation and maintenance of over \$2.85 billion worth of assets, including 6 wastewater treatment plants, 191 wastewater pump stations and more than 1,350 kilometres of sewer mains.
- Collection and treatment of approximately 20,000 megalitres of wastewater each year with up to 15% of this volume reused (depending on weather conditions).

Our Community Service Obligations

Community service obligations are defined under section 24 of the Local Government Regulation 2012 as "an obligation the local government imposes on a business entity to do something that is not in the commercial interests of the business entity to do."

Nature and Extent of Community Service Obligations

Price concessions will be available to eligible customers on water and wastewater charges in recognition of the activity's contribution to the social and cultural welfare of the community during the year. Please refer to Financial Policy J. The following will be completed by Townsville Water as community service obligations in 2022/23:

Table 23 – Townsville Water Community Service Obligations

Category	Value (\$)
Concessions on Wastewater Utility Charges	1,008,217
Concessions on Water Utility Charges	2,138,520
Total	3,146,737

Cost of and Funding for Community Service Obligations

The community service obligations are funded by Council. It is anticipated that the cost of these identified community service obligations for 2022/23 will be approximately \$3,146,737.

Our Customer Service

Townsville Water uses a variety of methods to evaluate customer needs and analyse customer satisfaction, including but not limited to:

- councillor requests,
- customer feedback, and
- benchmarking against other water service providers in regional Queensland.

Townsville Water recognises that customers are guaranteed a level of service and has a Customer Service Standard to meet its obligations under the *Water Supply (Safety and Reliability) Act 2008*. The Customer Service Standard sets out service standard performance targets, which are based on an assessment of the levels of service that can be realistically achieved and consistently maintained, considering data collection and reporting systems, infrastructure standards, and operating systems.

Reporting is undertaken on a quarterly basis to measure Townsville Water's performance against the quality and service reliability targets through its Customer Service Standard Report Card, which is available on Council's [website](#). Reporting to the Office of the Water Supply Regulator is undertaken annually to meet the requirements of the *Water Supply (Safety and Reliability) Act 2008*.

Our Capital Structure, Investment and Borrowing

Our Capital Structure and Distribution Policy

Townsville Water is a wholly owned commercial business unit of Council. Townsville Water's notional capital structure comprises community equity to the value of assets less liabilities. Any surplus earned by a business unit of Council is returned as distribution to Council. This return is in recognition that business units have been established to further the excellent management of the region. Through this distribution, funds earned by Council are utilised to provide enhanced services and infrastructure to the Townsville region.

Our Proposed Major Investments

Water Services proposed major investments are described in Table 2 – Capital Budget Summary.

Our Outstanding and Proposed Borrowings

Council will operate a Central Treasury function. It will provide working capital as required, as well as providing loans through Queensland Treasury Corporation.

Delegations

Council's delegated authorities relevant to Townsville Water are made in accordance with sections 255-260 of the *Local Government Act 2009*. Delegated authorities are recorded in Council's Register of Delegations and each relevant Instrument of Delegation.

Council's Delegations Policy can be found on Council's [website](#).

Reporting to Council

Townsville Water reports against the financial and non-financial targets contained in this Performance Plan through several different mechanisms:

- on a quarterly basis, Townsville Water reports to Council's Townsville Water and Waste standing committee,
- on a quarterly basis, Townsville Water reports to the community, via Council's Quarterly Performance Reports, about the performance targets that are included in its Operational Plan,
- on a quarterly basis, Townsville Water reports to the community about its performance against its Customer Service Standard performance targets, and
- Townsville Water publishes an Annual Operations Report for the Council on its performance against the Performance Plan. This report will be complete within four calendar months from the end of the financial year.

The business unit will prepare all management plans as required by Council.

Review and Amendment of the Annual Performance Plan

Section 174 of the Local Government Regulation 2012 allows for an Annual Performance Plan for a commercial business unit, to be amended at any time before the end of the financial year for which it is prepared.

Our Performance Targets

Table 24 – Water and Wastewater Services Performance Targets

Performance Measure	Description	Target
Economic Sustainability		
Net operating result	Comparison of the actual net operating result with the budgeted net operating result.	Within 5% of adopted budget
Return on assets	Net income / NBV of non-current assets.	Within 5% of adopted budget
Asset renewal	Renewal and rehabilitation capital works / depreciation charges.	Minimum 90%
Annual distribution	The portion of earnings distributed to Council (our shareholder) from the operation of the Townsville Water commercial business unit.	>90% of budgeted amount
Social Responsibility		
Drinking water quality compliance	Percentage of compliance with all drinking water quality requirements in accordance with Townsville Water's Drinking Water Quality Management Plan.	100%
	Number of water quality and water pressure complaints in accordance with Townsville Water's Customer Service Standards.	<5 for each 1,000 connections
Adequacy and quality of supply	Water Quality Non-compliance reportable to the Regulator.	<7 per 1,000 connections
	Unplanned water interruptions.	<100 unplanned water interruptions per 1,000 connections
Day to day continual supply	Average response time to water incident (excluding disaster).	<4 hours of advice of incident being reported
	Restoration of service - Time for restoration of service- unplanned interruptions (excluding excavation).	>95% within 24 hours of receipts of underground services plans and necessary permits
Environmental Sustainability		
Penalty infringement notices or legal action for non-compliance	Number of penalty infringement notices issued, or instances of legal action initiated by the Regulator for non-compliance with respect to sewerage treatment or reticulation activities.	Zero
Dry weather sewerage releases	Number of dry weather sewerage overflows, bypasses or releases to environment that were not caused by a third party or natural phenomenon.	Zero
Responsible Governance		
Reduction in lost time injuries	Number of lost time injuries recorded.	Zero
Dam Safety compliance	Percentage of compliance with dam safety regulations, for Ross River and Paluma Dams, in accordance with State regulations.	100%
Wastewater collection and treatment compliance	Percentage of compliance with regulatory requirements, service standards and environmental licence requirements.	100%

RESOURCE RECOVERY

PERFORMANCE PLAN



Overview of the Business

Introduction

This is an annual Performance Plan set out as required under section 175 of the Local Government Regulation 2012 and provides a framework for the operation of the significant business activity of Resource Recovery.

This document describes how Resource Recovery activities will be carried out in 2022/23, according to commercial principles. This annual Performance Plan must be considered in conjunction with the unit's operational plan, which is embedded in Council's Operational Plan 2022/23.

Our Business

Resource Recovery is a commercial business unit of Council, responsible for waste management, recycling and resource recovery services to the Townsville community.

As a significant business activity of Council, the business was commercialised in 2008 and required to apply the competitive neutrality principle under section 43 of the *Local Government Act 2009*.

Resource Recovery actively competes in the commercial waste collection sector, providing services to a range of business types and sizes, and pursuing long-term contractual arrangements with large-scale customers.

Our Objective

Resource Recovery's objective is to contribute to the delivery of a healthy and eco-friendly city through the provision of waste and recycling services that deliver safe, reliable, affordable, and sustainable waste management and resource recovery services for the city.

Our Key Business Metrics

Domestic Waste and Recycling

- 82,250 domestic waste services provided each week, and
- 79,866 recycling services provided each fortnight.

Commercial Waste and Recycling

- 600 bulk bins in service,
- 175 bulk bins emptied each day, and
- 327 public bins emptied each day.

Waste Disposal

- 1 landfill site,
- 5 waste transfer stations,
- over 300,000 total customer visits each year,
- over 300,000 tonnes each year received at landfills,
- over 135,000 tonnes each year diverted from landfill, and
- over 165,000 tonnes each year landfilled.

Our Community Service Obligations

Community service obligations are defined under section 24 of the Local Government Regulation 2012 as “an obligation the local government imposes on a business entity to do something that is not in the commercial interests of the business entity to do.”

Nature and Extent of Community Service Obligations

The following will be completed by Resource Recovery as community service obligations in 2022/23:

Table 25 – Resource Recovery Community Service Obligations

Category	Value (\$)
Concessions on landfill fees for charity organisations	37,381
Dead animal collection services	53,525
Infirm services	39,624
Clean Up Australia Day	1,000
Free dump weekends	160,000
Community clean up events	66,000
Total	357,530

Cost of and Funding for Community Service Obligations

The community service obligations listed in Table 25 above are funded by Council. It is anticipated that the cost of these identified community service obligations for 2022/23 will be approximately \$357,530.

Additional community service obligations may be identified during the financial year, particularly in the event of natural disasters.

Our Customer Service

Resource Recovery uses a variety of methods to evaluate customer needs and analyse customer satisfaction, including but not limited to:

- councillor requests,
- customer feedback, and
- benchmarking against other waste service providers in regional Queensland.

Resource Recovery recognises that customers are guaranteed a level of service and has a Customer Service Standard. The service standards are based on assessing the levels of service that can be realistically achieved and consistently maintained, considering data collection and reporting systems, infrastructure standards, and operating systems.

Reporting is undertaken quarterly to measure Resource Recovery’s performance against the quality and service reliability targets through its Customer Service Standard Report Card, which is available on Council’s [website](#).

Our Capital Structure, Investment and Borrowing

Our Capital Structure and Distribution Policy

Resource Recovery is a wholly owned commercial business unit of Council. Resource Recovery’s notional capital structure comprises community equity to the value of assets less liabilities. Any surplus earned by a business unit of Council is returned as distribution to Council. This return is in recognition that business units have been established to further the good management and provision of quality services to our community. Funds distributed to Council from the commercial operations of the Resource Recovery business are utilised to provide enhanced services and infrastructure to the Townsville region.

Our Proposed Major Investments

Resource Recovery proposed major investments are described in Table 2 – Capital Budget Summary.

Our Outstanding and Proposed Borrowings

Council will operate a central treasury function. It will provide working capital as required, as well as providing loans through Queensland Treasury Corporation.

Delegations

Council's delegated authorities relevant to Resource Recovery are made in accordance with sections 255-260 of the *Local Government Act 2009*. Delegated authorities are recorded in Council's Register of Delegations and each relevant Instrument of Delegation.

Council's Delegations Policy can be found on Council's [website](#).

Reporting to Council

Resource Recovery reports against the financial and non-financial targets contained in this Performance Plan through several different mechanisms:

- on a quarterly basis, Resource Recovery reports to Council's Townsville Water and Waste standing committee,
- on a quarterly basis, Resource Recovery reports to the community, via Council's Quarterly Performance Reports, about the performance targets that are included in its Operational Plan,
- on a quarterly basis, Resource Recovery reports to the community about its performance against its Customer Service Standard performance targets, and
- Resource Recovery publishes an Annual Operations Report for the Council on its performance against the Performance Plan. This report will be complete within four calendar months from the end of the financial year.

The business unit will prepare all management plans as required by Council.

Review and Amendment of the Annual Performance Plan

Section 174 of the Local Government Regulation 2012 allows for an Annual Performance Plan for a commercial business unit, to be amended at any time before the end of the financial year for which it is prepared.

Our Performance Targets

Table 26 – Resource Recovery Performance Targets

Performance Measure	Description	Target
Economic Sustainability		
Net operating result	Comparison of the actual net operating result with the budgeted net operating result.	Within 5% of adopted budget
Annual distribution	The portion of earnings distributed to Council (our shareholder) from the operation of the Resource Recovery commercial business unit.	>90% of budgeted amount
Social Responsibility		
Customer service and collection performance	Less than 1 missed service for every 1,000 kerbside waste and recycling services.	<1 for each 1,000
	Response time to missed kerbside waste and recycling services.	>95% by the next business day
	Response time to repair/replacement requests for waste and recycling services.	100% within 3 business days
	Response time to new residential kerbside service commencement.	100% within 3 business days
Environmental Sustainability		
Penalty infringement notices or legal action for non-compliance	Number of penalty infringement notices issued, or instances of legal action initiated by the Regulator for non-compliance.	Zero
Environmental incidents reported to Department of Environment and Science	Number of incidents, which exceed the acceptable limit, that were required to be reported to the Department of Environment and Science.	Zero
Responsible Governance		
Reduction in lost time injuries	Number of lost time injuries recorded.	Zero

OUR BUDGET



Overview

The 2022/23 budget has been prepared in accordance with sections 169-170 of the Local Government Regulation 2012. It is consistent with the Townsville 2021-2026 (5-year Corporate Plan) and the Operational Plan 2022/23.

Townsville City Council has prepared a budget that results in a minimal deficit of \$830,000 for the 2022/23 year.

Statement of Income and Expenditure

The Statement of Income and Expenditure included in Table 29 measures Council's financial performance over a specific accounting period. Financial performance is assessed by summarising how Council acquires its revenue and expenditure through both operating and non-operating activities. It also depicts how the net result occurs over a specific accounting period, typically over a financial year.

Revenue

Revenue includes rates and utilities charges, less discounts and concessions, plus Council's fees and charges. Interest received relates to interest on bank balances and interest on overdue rates and utility charges.

Grants and subsidies include all monies received from Queensland and Australian government sources for the purposes of funding the delivery of Council's services to ratepayers.

Other revenue consists of revenue not separately categorised. It includes, but is not limited to, legal recoveries, bad debt recoveries and private works.

Expenditure

Expenditure includes employee costs, materials and services, depreciation and finance costs.

Employee costs include all expenditure such as wages and associated allowances, leave entitlements, and employer superannuation.

Materials and services may include but is not limited to costs relating to repairs and maintenance to Council's infrastructure, building maintenance, grants and sponsorships given to the community, plant hire, purchasing of minor equipment, software licences, information technology costs, communications and insurance.

Depreciation and amortisation are accounting measures which reflect the consumption of Council's infrastructure, property, plant and equipment assets.

Finance costs relate to interest and fees on borrowings as well as the valuation of landfill restoration provisions due to discounted cash flow movements (referred to as unwinding of discounts).

Other expenses relate to the write off of bad and doubtful debts.

Statement of Financial Position

The Statement of Financial Position included in Table 30 summarises Council's assets, liabilities and equity at a specific point in time. It presents what Council owns and owes and the value of community equity utilised by Council.

Statement of Cash Flows

The Statement of Cash Flows included in Table 31 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 Council's day to day operations given peaks and troughs in Council's revenue streams. It also enables Council to effectively respond to unforeseen events that may occur during the year.

Statement of Changes in Equity

The Statement of Changes in Equity included in Table 32 summarises 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 Council Business Activities included in Table 33 and Business Activities Statement included in Table 34, summarises Council's activities to which the competitive code of conduct applies. Council applies full cost pricing to these activities, identifying the cost of community service obligations included in Table 35, and eliminating the advantages and disadvantages of public ownership within that activity.

Sources of Funding

Funding for Council's Operational Plan and Budget outcomes are from four primary sources:

- General rates and utility charges
- Fees and charges
- Grants, subsidies, contributions and donations
- Borrowings

The changes in rates and utilities levied is included in Table 36, which is in accordance with Sections 169 (6) and (7) of the Local Government Regulation 2012.

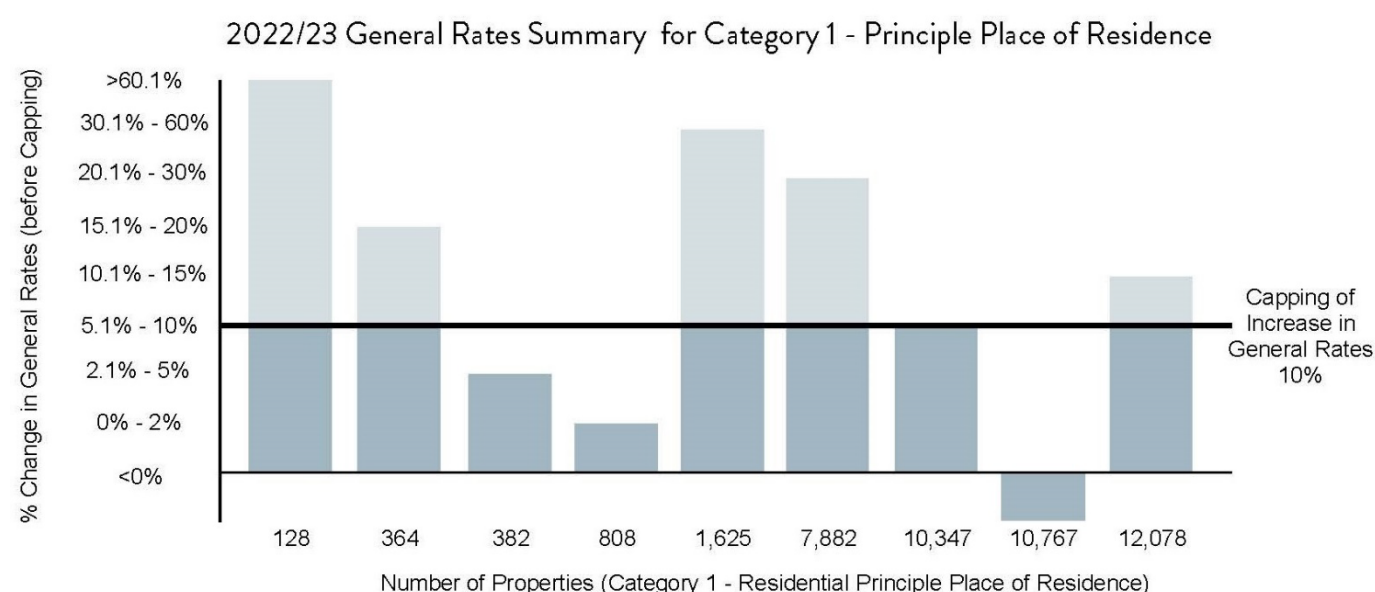
Rates

The following is a summary of the general rates increases.

Table 27 – Summary of General Rates Increases

Charge Type	Description	Overall Increase
General rates	<p>A 2% increase has been applied to the rate in the dollar levied and the minimum general rate across Council's differential rating categories.</p> <p>PLUS</p> <p>The Department of Resources performed a valuation of the city on 1 October 2021 effective 1 July 2022.</p>	Capped ≤10% *

* Increases in General Rates have been limited to 10% for Category 1 properties.



Utility Charges

The following is a summary of the increases for each utility charge type. Refer to Financial Policies M-O for full details of the utility charges.

Table 28 – Summary of Rates and Utility Charges

Charge Type	Description	Increase	Amount
Water	Standard Plan annual access charge	4%	\$899.00
	Standard Plan Excess Consumption	4%	\$3.44 per kL
	Water Watcher annual access charge	4%	\$411.00
	Water Watcher Consumption	4%	\$1.65 per kL
	Non-Residential annual access charge	4%	\$427.00
	Non-Residential Consumption	4%	\$3.36 per kL
Charge Type	Description	Increase	Amount
Wastewater	Residential annual charge	0%	\$806.00
	Non-Residential annual charge per pedestal	0%	\$945.00
Charge Type	Description	Increase	Amount
Waste	Domestic 240/240L Wheelie Bin per annum	2%	\$228.00
	Commercial Service Waste 240L Bin per annum	2%	\$314.82
	Commercial Service Recycling 240L Bin per annum	2%	\$100.00

Fees and Charges

The fees and charges for 2022/23 can be viewed on Council's [website](#). The fees and charges include details of cost-recovery fees in accordance with section 98 of the *Local Government Act 2009*, commercial fees, charges for regulatory services, those associated with the granting of a permit/licence or the regulation of an activity.

Changes in fees and charges can result from changes in state government legislative direction, volume, and service delivery costs for Council's services.

Borrowings

Queensland Treasury Corporation (QTC) conducted its annual credit review of Council in April 2022. The rating was affirmed as **Sound** with a **Developing** outlook.

"The **Sound** credit rating reflects TCC's continued delivery of balanced operating results in combination with adequate capacity to service existing and proposed debt obligations. Leverage remains manageable for a council of this size. Liquidity is adequate and supported by a working capital facility if required. TCC benefits from very high council-controlled revenue, supported by a large and growing ratepayer base. Strong support from the State and Federal Governments in the defence, hydrogen and manufacturing industries will continue to support the region's economy.

TCC's **Developing** outlook reflects substantial market volatility potentially impacting both operating and capital budgets. Rising input prices, skilled labour shortages and supply chain disruptions may lead to cost over-runs and the inability to deliver projects on-time. TCC is undertaking an ambitious capital program supported by substantial borrowings – this extends leverage to QTC's preferred maximum levels. Any deterioration in earnings would likely see TCC's financial flexibility metrics be more consistent with a Moderate credit rating. Townsville is also facing a critical housing shortage which may exacerbate labour constraints and hinder TCC's ability to realise revenue gains from ratepayer growth. However, current year management accounts are tracking ahead of Budget which may prevent a downward trend in credit metrics and consolidate TCC's **Sound** rating."

In 2022/23 Council is committed to delivering critical infrastructure for the Townsville community, budgeting to draw \$45 million in new borrowings.

*A full copy of the Debt Policy may be viewed at Financial Policy C.

Our Financial Sustainability

Long Term Financial Forecast

Townsville 2021-2026 (5-year Corporate Plan) informs the Long-Term Financial Forecast. The forecast indicates Council's long-term financial sustainability and allows early identification of future financial commitments for the nine years beyond 2022/23. Key assumptions included in the long-term financial forecast are:

- sustainable rating,
- financial impact of key strategies including the City Deal,
- asset renewal funding identified in the Strategic Asset Management Plan,
- management of debt resulting in debt reduction over the 10-year horizon, and
- change to Queensland and Australian government legislation and funding.

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

- Income and Expenditure of Council (Table 29: Statement of Income and Expenditure), and
- Value of Assets, Liabilities and Equity of Council (Table 30: Statement of Financial Position).

Measures of Financial Sustainability

Financial Sustainability measures are required under section 169 of the Local Government Regulation 2012.

- Operating Surplus Ratio
- Net Financial Asset / Liability Ratio
- Asset Sustainability Ratio

Table 29 – Statement of Income and Expenditure

	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
Revenue			
General rates	197,988	208,379	218,420
Utility charges	224,571	241,124	259,715
<i>Water</i>	104,985	118,442	128,675
<i>Wastewater</i>	92,687	94,449	96,245
<i>Refuse and recycling</i>	26,899	28,233	34,795
Discounts and concessions	(23,299)	(25,079)	(26,956)
Fees and charges	33,575	37,341	39,210
Interest received	3,147	2,394	2,543
Contributions from developers	300	309	317
Grants and subsidies	10,267	8,476	10,106
Other revenue	11,381	13,228	15,627
Total revenue	457,930	486,172	518,982
Expenses			
Employee costs	149,053	154,511	160,074
Materials and services	160,579	170,793	182,528
Depreciation and amortisation	129,550	131,695	143,936
Finance costs	19,114	18,399	16,334
Other expenses	464	478	490
Total expenses	458,760	475,876	503,362
Operating surplus/(deficit)	(830)	10,296	15,620
Operating surplus ratio	(0.18%)	2.12%	3.01%
Capital income			
Grants, subsidies, contributions and donations	270,577	268,703	138,771
Gain/(loss) on sale of property plant and equipment	-	-	-
Total capital income	270,577	268,703	138,771
Net result	269,747	278,999	154,391

Figures in tables and generally in the text throughout this document have been rounded. Any discrepancies in tables between totals and sums of components are due to rounding.

Table 30 – Statement of Financial Position

	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
Current assets			
Cash and cash equivalents	77,601	89,449	96,313
Contract assets	25,892	-	-
Receivables	49,488	52,419	55,999
Inventories	2,325	2,325	2,325
Other assets	4,837	4,837	4,837
Total current assets	160,143	149,030	159,474
Non-current assets			
Property, plant and equipment	5,529,753	5,786,015	5,909,625
Right of use assets	7,166	5,632	4,151
Intangible assets	10,818	8,047	5,960
Other assets	2,353	2,353	2,353
Total non-current assets	5,550,090	5,802,047	5,922,089
Total assets	5,710,233	5,951,077	6,081,563
Current liabilities			
Payables	106,523	110,875	116,269
Borrowings	44,290	36,290	38,090
Lease liabilities	1,867	1,723	1,619
Provisions	15,528	15,816	16,170
Other current liabilities	-	-	-
Total current liabilities	168,208	164,704	172,148
Non-current liabilities			
Borrowings	373,287	336,997	298,907
Lease liabilities	5,620	3,897	2,278
Provisions	29,512	27,626	28,426
Other non-current liabilities	1,523	1,523	1,523
Total non-current liabilities	409,942	370,043	331,134
Total liabilities	578,150	534,747	503,282
Net community assets	5,132,083	5,416,330	5,578,281
Community equity			
Asset revaluation reserve	896,362	901,610	909,170
Retained surplus	4,235,721	4,514,720	4,669,111
Total community equity	5,132,083	5,416,330	5,578,281

Figures in tables and generally in the text throughout this document have been rounded. Any discrepancies in tables between totals and sums of components are due to rounding.

Table 31 – Statement of Cash Flows

	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
Cash flows from operating activities			
Receipts from customers	444,680	480,845	512,860
Payments to suppliers and employees	(299,909)	(326,556)	(337,571)
Interest received	3,147	2,394	2,543
Borrowing costs	(18,086)	(17,371)	(15,306)
Net cash provided by operating activities	129,832	139,312	162,526
Cash flow from investing activities			
Payments for property, plant and equipment	(451,931)	(277,044)	(190,080)
Net movement in loans and advances	-	-	-
Proceeds from sale of property, plant and equipment	689	1,107	1,140
Grants, subsidies, contributions and donations	197,837	194,630	71,291
Net cash used in investing activities	(253,405)	(81,307)	(117,649)
Cash flows from financing activities			
Proceeds from borrowings	45,000	-	-
Repayment of borrowings	(44,573)	(44,290)	(36,290)
Repayment of leases	(3,198)	(1,867)	(1,723)
Net cash provided by financing activities	(2,771)	(46,157)	(38,013)
Net increase/(decrease) in cash held	(126,344)	11,848	6,864
Cash at beginning of reporting period	203,945	77,601	89,449
Cash at end of reporting period	77,601	89,449	96,313

Table 32 – Statement of Changes in Equity

	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
Asset revaluation reserve			
Opening balance	896,361	896,362	901,610
Increase in asset revaluation reserve	1	5,248	7,560
Closing balance	896,362	901,610	909,170
Retained surplus			
Opening balance	3,965,974	4,235,721	4,514,720
Net result for the period	269,747	278,999	154,391
Closing balance	4,235,721	4,514,720	4,669,111
Total community equity	5,132,083	5,416,330	5,578,281

Figures in tables and generally in the text throughout this document have been rounded. Any discrepancies in tables between totals and sums of components are due to rounding.

Table 33 – Statement of Council Business Activities

	Townsville Water 2022/23 \$'000	Townsville Waste 2022/23 \$'000
Revenue		
Utility charges	213,397	27,193
Discounts and concessions	(3,147)	-
Fees and charges	4,495	28,856
Interest received	727	-
National Competition Policy revenue/recovery	4,021	584
Grants and subsidies	-	-
Other revenue	17,834	2,360
Total revenue	237,327	58,993
Operating expenses		
Employee costs	21,979	8,652
Materials and services	89,867	34,491
Finance costs	13,329	1,062
Depreciation and amortisation	45,103	3,332
National Competition Policy expense/charges	586	366
Other expenses	-	-
Total operating expenses	170,864	47,903
Operating surplus/(deficit) before income tax & capital items	66,463	11,090
Income tax	20,363	3,327
Operating surplus/(deficit) before capital items	46,100	7,763
Capital income		
Contributions capital	8,301	-
Contributions non-cash capital	19,558	-
Grants and subsidies capital	174,429	1,900
Total capital income	202,288	1,900
Net result	248,388	9,663
Capital works		
Capital works	274,355	11,930
Restoration and rehabilitation work	-	3,000
Donated assets	19,557	-
Total capital works	293,912	14,930

Figures in tables and generally in the text throughout this document have been rounded. Any discrepancies in tables between totals and sums of components are due to rounding.

Table 34 – Business Activities Statement

	Townsville Water 2022/23 \$'000	Townsville Waste 2022/23 \$'000
Revenue		
Services provided to local government	35,932	15,175
Services provided to clients other than local government	198,248	43,460
Community service obligations	3,147	358
Total revenue	237,327	58,993
Expenses		
Operating expenses	170,864	47,903
Total capital income	202,288	1,900
Net result before tax	268,751	12,990
Income tax	20,363	3,327
Net result after tax	248,388	9,663

Table 35 – Community Service Obligations

Community Service Obligations	Townsville Water 2022/23 \$'000	Townsville Waste 2022/23 \$'000
Concessions on wastewater utility charges	1,008	-
Concessions on water utility charges	2,139	-
Costs of provision of landfill fee waiver for charity organisations		37
Costs of provision of dead animal collection services		54
Costs of provision of infirmed services		40
Clean-up Australia Day		1
Free dump weekends		160
Community clean up events		66
Total community service obligations	3,147	358

Table 36 – Changes in Rates and Utilities Levied

The changes in rates and utilities levied is in accordance with section 169 (6) and (7) of the Local Government Regulation 2012 (noting the below changes do not only reflect an adjustment to the rate in the dollar charged this financial year, they also include projected growth, valuation adjustments and new business).

	2021/22	2022/23	2023/24
	-	-	-
	2022/23	2023/24	2024/25
Change in rates and utility charges levied <u>before</u> discounts and concessions	6.70%	6.38%	6.37%
Change in rates and utility charges levied <u>after</u> discounts and concessions	7.09%	6.30%	6.30%

Figures in tables and generally in the text throughout this document have been rounded. Any discrepancies in tables between totals and sums of components are due to rounding.

Table 37 – Statement of Income and Expenditure (Long Term)

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue										
General rates	197,988	208,379	218,420	226,538	233,471	237,757	246,247	250,014	256,378	270,265
Utility charges	224,571	241,124	259,715	277,818	285,594	292,700	300,022	307,235	315,212	324,069
<i>Water</i>	104,985	118,442	128,675	143,790	148,812	153,498	158,355	163,386	168,808	175,049
<i>Wastewater</i>	92,687	94,449	96,245	98,076	99,940	101,539	103,163	104,814	106,491	108,205
<i>Refuse and recycling</i>	26,899	28,233	34,795	35,952	36,842	37,663	38,506	39,035	39,913	40,815
Discounts and concessions	(23,299)	(25,079)	(26,956)	(28,368)	(29,896)	(31,088)	(32,506)	(33,652)	(35,187)	(37,448)
Fees and charges	33,575	37,341	39,210	41,440	43,398	44,625	45,893	47,202	48,554	50,169
Interest received	3,147	2,394	2,543	2,717	3,291	3,602	3,908	3,610	4,127	3,743
Contributions from developers	300	309	317	325	333	341	350	358	367	378
Grants and subsidies	10,267	8,476	10,106	8,211	8,317	8,317	8,317	8,317	8,317	8,317
Other revenue	11,381	13,228	15,627	15,816	16,012	16,215	16,277	16,491	16,713	16,999
Total revenue	457,930	486,172	518,982	544,497	560,520	572,469	588,508	599,575	614,481	636,492
Expenses										
Employee costs	149,053	154,511	160,074	164,945	169,873	174,949	181,943	189,218	196,787	204,663
Materials and services	160,579	170,793	182,528	190,290	198,451	205,869	216,439	225,255	234,052	244,690
Depreciation and amortisation	129,550	131,695	143,936	146,407	148,815	153,247	158,326	163,701	166,725	171,253
Finance costs	19,114	18,399	16,334	14,541	13,490	11,542	9,621	7,656	6,363	5,646
Other expenses	464	478	490	505	520	535	551	568	585	602
Total expenses	458,760	475,876	503,362	516,688	531,149	546,142	566,880	586,398	604,512	626,854
Operating surplus/(deficit)	(830)	10,296	15,620	27,809	29,371	26,327	21,628	13,177	9,969	9,638
Operating surplus ratio	(0.18%)	2.12%	3.01%	5.11%	5.24%	4.60%	3.68%	2.20%	1.62%	1.51%
Capital income										
Grants, subsidies, contributions and donations	270,577	268,703	138,771	102,979	72,020	112,071	88,599	84,782	90,122	96,814
Gain/(loss) on sale of property plant & equipment	-	-	-	-	-	-	-	-	-	-
Total capital income	270,577	268,703	138,771	102,979	72,020	112,071	88,599	84,782	90,122	96,814
Net result	269,747	278,999	154,391	130,788	101,391	138,398	110,227	97,959	100,091	106,452

Figures in tables and generally in the text throughout this document have been rounded. Any discrepancies in tables between totals and sums of components are due to rounding.

Table 38 – Statement of Financial Position (Long Term)

	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000
Current assets										
Cash and cash equivalents	77,601	89,449	96,313	103,955	108,326	118,182	127,435	125,360	136,461	121,273
Contract assets	25,892	-	-	-	-	-	-	-	-	-
Trade and other receivables	49,488	52,419	55,999	58,672	60,353	61,460	63,352	64,589	66,161	68,430
Inventories	2,325	2,325	2,325	2,325	2,325	2,325	2,325	2,325	2,325	2,325
Other current assets	4,837	4,837	4,837	4,837	4,837	4,837	4,837	4,837	4,837	4,837
Total current assets	160,143	149,030	159,474	169,789	175,841	186,804	197,949	197,111	209,784	196,865
Non-current assets										
Property, plant and equipment	5,529,753	5,786,015	5,909,625	6,026,808	6,124,038	6,232,558	6,309,299	6,391,602	6,477,923	6,599,531
Right to use assets	7,166	5,632	4,151	2,764	7,741	6,393	5,499	4,829	4,159	3,489
Intangible assets	10,818	8,047	5,960	5,594	5,289	5,001	4,717	4,653	4,621	4,589
Other non-current assets	2,353	2,353	2,353	2,353	2,353	2,353	2,353	2,353	2,353	2,353
Total non-current assets	5,550,090	5,802,047	5,922,089	6,037,519	6,139,421	6,246,305	6,321,868	6,403,437	6,489,056	6,609,962
Total assets	5,710,233	5,951,077	6,081,563	6,207,308	6,315,262	6,433,109	6,519,817	6,600,548	6,698,840	6,806,827
Current liabilities										
Trade and other payables	106,523	110,875	116,269	119,885	123,612	126,805	132,004	136,284	140,597	145,323
Borrowings	44,290	36,290	38,090	41,677	39,339	41,236	38,599	24,819	16,850	17,482
Lease liabilities	1,867	1,723	1,619	1,200	1,706	640	652	664	676	688
Provisions	15,528	15,816	16,170	16,524	17,067	17,481	17,762	18,116	18,470	18,665
Other current liabilities	-	-	-	-	-	-	-	-	-	-
Total current liabilities	168,208	164,704	172,148	179,286	181,724	186,162	189,017	179,883	176,593	182,158
Non-current liabilities										
Borrowings	373,287	336,997	298,907	277,267	237,927	196,692	158,093	133,274	116,423	98,941
Lease liabilities	5,620	3,897	2,278	1,078	5,455	4,816	4,165	3,501	2,825	2,137
Provisions	29,512	27,626	28,426	29,218	37,711	40,951	38,787	39,587	40,387	34,689
Other non-current liabilities	1,523	1,523	1,523	1,523	1,523	1,523	1,523	1,523	1,523	1,523
Total non-current liabilities	409,942	370,043	331,134	309,086	282,616	243,982	202,568	177,885	161,158	137,290
Total liabilities	578,150	534,747	503,282	488,372	464,340	430,144	391,585	357,768	337,751	319,448
Net community assets	5,132,083	5,416,330	5,578,281	5,718,936	5,850,922	6,002,965	6,128,232	6,242,780	6,361,089	6,487,379
Community equity										
Asset revaluation reserve	896,362	901,610	909,170	919,037	949,632	963,277	978,317	994,906	1,013,124	1,032,962
Retained surplus	4,235,721	4,514,720	4,669,111	4,799,899	4,901,290	5,039,688	5,149,915	5,247,874	5,347,965	5,454,417
Total community equity	5,132,083	5,416,330	5,578,281	5,718,936	5,850,922	6,002,965	6,128,232	6,242,780	6,361,089	6,487,379

Figures in tables and generally in the text throughout this document have been rounded. Any discrepancies in tables between totals and sums of components are due to rounding.

Table 39 – Statement of Cash Flows (Long Term)

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities										
Receipts from customers	444,680	480,845	512,860	539,107	555,546	567,762	582,709	594,727	608,782	630,480
Payments to suppliers & employees	(299,909)	(326,556)	(337,571)	(352,005)	(365,109)	(378,034)	(396,645)	(410,634)	(426,986)	(451,760)
Interest received	3,147	2,394	2,543	2,717	3,291	3,602	3,908	3,610	4,127	3,743
Borrowing costs	(18,086)	(17,371)	(15,306)	(13,513)	(12,462)	(10,514)	(8,593)	(6,628)	(5,335)	(4,618)
Net cash provided by operating activities	129,832	139,312	162,526	176,306	181,266	182,816	181,379	181,075	180,588	177,845
Cash flow from investing activities										
Payments for property, plant & equipment	(451,931)	(277,044)	(190,080)	(175,971)	(153,201)	(154,769)	(155,380)	(171,825)	(175,528)	(209,671)
Net movement in loans & advances	-	-	-	-	-	-	-	-	-	-
Proceeds from sale of property, plant & equipment	689	1,107	1,140	1,710	595	1,300	996	923	1,648	1,321
Grants, subsidies, contributions & donations	197,837	194,630	71,291	25,270	19,205	21,553	24,134	27,003	29,876	32,843
Net cash used in investing activities	(253,405)	(81,307)	(117,649)	(148,991)	(133,401)	(131,916)	(130,250)	(143,899)	(144,004)	(175,507)
Cash flows from financing activities										
Proceeds from borrowings	45,000	-	-	20,000	-	-	-	-	-	-
Repayment of borrowings	(44,573)	(44,290)	(36,290)	(38,054)	(41,677)	(39,339)	(41,236)	(38,599)	(24,819)	(16,850)
Repayment of leases	(3,198)	(1,867)	(1,723)	(1,619)	(1,817)	(1,705)	(640)	(652)	(664)	(676)
Net cash provided by financing activities	(2,771)	(46,157)	(38,013)	(19,673)	(43,494)	(41,044)	(41,876)	(39,251)	(25,483)	(17,526)
Net increase/(decrease) in cash held	(126,344)	11,848	6,864	7,642	4,371	9,856	9,253	(2,075)	11,101	(15,188)
Cash at beginning of reporting period	203,945	77,601	89,449	96,313	103,955	108,326	118,182	127,435	125,360	136,461
Cash at end of reporting period	77,601	89,449	96,313	103,955	108,326	118,182	127,435	125,360	136,461	121,273

Figures in tables and generally in the text throughout this document have been rounded. Any discrepancies in tables between totals and sums of components are due to rounding.

Table 40 – Statement of Changes in Equity (Long Term)

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Asset revaluation reserve										
Opening balance	896,361	896,362	901,610	909,170	919,037	949,632	963,277	978,317	994,906	1,013,124
Increase in asset revaluation reserve	1	5,248	7,560	9,867	30,595	13,645	15,040	16,589	18,218	19,838
Closing balance	896,362	901,610	909,170	919,037	949,632	963,277	978,317	994,906	1,013,124	1,032,962
Retained surplus										
Opening balance	3,965,974	4,235,721	4,514,720	4,669,111	4,799,899	4,901,290	5,039,688	5,149,915	5,247,874	5,347,965
Net result for the period	269,747	278,999	154,391	130,788	101,391	138,398	110,227	97,959	100,091	106,452
Closing balance	4,235,721	4,514,720	4,669,111	4,799,899	4,901,290	5,039,688	5,149,915	5,247,874	5,347,965	5,454,417
Total community equity	5,132,083	5,416,330	5,578,281	5,718,936	5,850,922	6,002,965	6,128,232	6,242,780	6,361,089	6,487,379

Table 41 – Summary of Council's Financial Sustainability

Council's financial sustainability is 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	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000
Operating surplus ratio (Net operating surplus / total operating revenue)	0% - 10%	(0.18%)	2.12%	3.01%	5.11%	5.24%	4.60%	3.68%	2.20%	1.62%	1.51%
Net financial asset / liability ratio (Total liabilities less current assets / total operating revenue)	<60%	91.3%	79.3%	66.2%	58.5%	51.5%	42.5%	32.9%	26.8%	20.8%	19.3%
Asset sustainability ratio (Capital expenditure on the replacement of assets (renewals) / depreciation)	>90%	127.6%	63.0%	50.6%	52.8%	64.3%	71.1%	67.6%	55.8%	92.1%	56.2%

Figures in tables and generally in the text throughout this document have been rounded. Any discrepancies in tables between totals and sums of components are due to rounding.



2022/23 EVENT CALENDAR

JULY 2022

- North Australian Festival of Arts (NAFA)
- NIT Townsville 500
- Northern Fringe Festival
- North Queensland Cowboys v Broncos
- North Queensland Cowboys v Sharks
- North Queensland Cowboys v West Tigers
- Harlem Globetrotters
- Kate Ceberano – Up Close and Personal Tour
- The TEN Tenors
- Townsville Show
- Mike Carney Toyota Paluma Push
- Townsville Careers Expo
- National Aborigines and Islander Day Observance Committee (NAIDOC) Week
- RAAF Freedom of Entry
- Get Active Expo

AUGUST 2022

- Australian Festival of Chamber Music
- Queensland Darts Masters
- Ella Hooper Tour
- Amy Shark – See U Somewhere Tour
- Townsville Running Festival
- Townsville Triathlon and Multisport Festival
- World Triathlon Multisport Championship
- North Queensland Cowboys v Warriors
- TAB Townsville Cup
- Vietnam Veterans Day
- Seniors Lifestyle Expo
- Seniors Luncheon

SEPTEMBER 2022

- Magnetic Island Race Week
- The Sapphires
- Bill Bailey – En Route to Normal Tour
- Fairytales on Ice
- Theatre NQ
- Shakespeare in the Park
- North Queensland Cowboys v Panthers
- KISS World Tour

OCTOBER 2022

- Paluma Village Trail Run
- Love Burns
- Dinner Under the Stars

NOVEMBER 2022

- Townsville Fire WNBL season commences
- Welcoming Babies Ceremony
- George Thorogood & The Destroyers – Good to be bad ... 45 Years of Rock Tour
- Disaster Ready Day
- Remembrance Day
- Christmas in the City/Townsville Eats
- Professional Bull Riders 2022

DECEMBER 2022

- Carols by Candlelight
- New Year's Eve Fireworks

JANUARY 2023

- Australia Day Awards
- Australia Day Celebrations
- Survival Day

FEBRUARY 2023

- Chinese New Year
- National Servicemen's Day

MARCH 2023

- Welcoming Babies Ceremony
- Townville Fire end of WNBL season
- WNBL semi finals & grand final

APRIL 2023

- Anzac Day Commemorations City & Thuringowa

MAY 2023

- Townsville Youth Week

JUNE 2023

- North Australia Festival of Arts (NAFA)
- Mabo Day

FINANCIAL POLICIES



Financial Policies

Financial Policy A: Revenue Statement	60
Financial Policy B: Revenue Policy	64
Financial Policy C: Debt Policy	66
Financial Policy D: Investment Policy	68
Financial Policy E: Hardship Concession Policy	70
Financial Policy F: Pensioner Rates Concession Policy	74
Financial Policy G: First Home Buyers Concession Policy	78
Financial Policy H: City Activation and Jobs Growth Policy 2022/23	80
Financial Policy I: Charitable and Community Organisations Rates and Charges Concession Policy	85
Financial Policy J: General Rates and Utility Charges Concession Schedule	88
Financial Policy K: Differential Rating Categories	95
Financial Policy L: Differential Rates, Limitations on Increases, Minimum General Rates	100
Financial Policy M: Utility Charges - Water	101
Financial Policy N: Utility Charges – Wastewater and Trade Waste	103
Financial Policy O: Utility Charges – Waste Management and Recycling	105
Financial Policy P: Nelly Bay Harbour Development Operational Plan	107
Financial Policy Q: Rural Fire Levy	108

Financial Policy A: Revenue Statement

1.0 Overview

This revenue statement explains the revenue raising measures adopted in Council's 2022/23 budget.

2.0 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.

3.0 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.

In accordance with section 6(1)(b) of the *Land Valuation Act 2010*, 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 requirements,
- the needs and expectations of the general community,
- the expected cost of providing services, and
- equity – that is, ensuring the fair and consistent approach of lawful rating and charging principles, taking into account all relevant considerations, and disregarding irrelevancies such as the perceived personal wealth of individual ratepayers or ratepayer classes.

4.0 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 Resources, and
- 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 the Department of Resources 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, 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 Council, whether at the land or elsewhere.

In accordance with section 81 of the Local Government Regulation 2012, Council has decided that:

- there will be 23 categories of rateable land for 2022/23 as stated and described in Financial Policy K – Differential Rating Categories,
- the description of each of the rating categories of rateable land in the local government area is set out in Financial Policy K – Differential Rating Categories, and
- the rates and charges to be levied for each of the 23 differential general rating categories are detailed in Financial Policy L – Differential Rates, Limitations on Increases, Minimum General Rates.

5.0 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 Resources. The last valuation of the city was carried out on 1 October 2021 with the valuation being applied from 1 July 2022.

6.0 Limitation of Increase in Rates

Council will limit the increase in general rates on Category 1 land that is not rated at the minimum general rate. (For clarity, the Council has not limited the increase in general rates for all other categories).

Capping is not available retrospectively. When land becomes category 1 land after 1 July 2022, capping will apply from the date the categorisation of the land changes.

For the 2022/23 financial year, the general rates levied on Category 1 land that is not rated at the minimum general rate, will be limited to:

1. If the land was rated (regardless of category) for the whole of the 2021/22 financial year, the amount of the general rates levied for the property for that financial year (2021/22) plus 10%, or
2. If the land was rated (regardless of category) for only a part of the 2021/22 financial year, the *corresponding annual amount* of general rates that would have been levied for the property for the whole financial year (2021/22) plus 10%. The *corresponding annual amount* is calculated by converting the amount of general rates that was levied for the property to a daily amount, and then multiplying that daily amount by 365.

7.0 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 2022/23 is detailed in Financial Policy P – Nelly Bay Harbour Development Operational Plan.

8.0 Rural Fire Brigades Special Charge

The Rural Fire Brigade Special Charge is levied on rateable lands serviced by the rural fire brigades detailed in Financial Policy 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.

9.0 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 section 41 of 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 2022/23, and the utility charges for this activity are detailed in Financial Policy M – Utility Charges – Water.

10.0 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 section 41 of 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 sewer 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 2022/23 and the utility charges for this activity are detailed in Financial Policy N – Utility Charges – Wastewater and Trade Waste.

11.0 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 section 41 of the Local Government Regulation 2012.

Residential properties will be levied, for each dwelling, home unit or flat, 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, and
- all additional or special waste services are charged on a user-pays basis for 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.

To ensure there will be no direct impact on households, 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.

12.0 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, and
- 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 2022/23, and the utility charges for this activity are detailed in Financial Policy O – Utility Charges – Waste Management and Recycling.

13.0 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.

14.0 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 31 May 2023.

15.0 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.

16.0 First Home Buyers Concession

Council has adopted to allow concessions as set 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.

17.0 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 on certain rates and charges when full payment of all rates and charges, including any arrears, are received by the due date shown on the notice as follows:

- Differential General Rating Category 1 – Residential Principal Place of Residence – 10%
- Differential Rating Categories 2 through to 6 – 5%.

18.0 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 8.17% each year in accordance with section 133 of the Local Government Regulation 2012.

Interest, at the rate of 8.17% 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.

19.0 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 2022/23 and is available on Council's [website](#).

Financial Policy B: Revenue Policy

1.0 Policy Statement

In 2022/23 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 2022/23 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, and
- 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 Chief Financial Officer 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, and
 - 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, and
- flexibility in 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, or
- support the community activities of not-for-profit organisations encouraging 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, or
- 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's 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 deems appropriate. A return on capital will only be charged where permissible under sections 97-100 of the *Local Government Act 2009* or under section 41 of the *Local Government Regulation 2012*. By imposing charges that accurately reflect the full cost of the provision of services, 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 Council believes that is in the community's interest.

6.5. Funding of new development to support city activation and job creation

To the fullest extent permissible by law, Council will fund the physical and social costs of any new development by levying charges upon that development. 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. 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 rates) the charges payable for the development when Council believes that it is in the community's interest.

To support and enhance the local economy, Council will encourage development that provides local jobs through the reduction in fees and charges, including building improvements and event activation as set out in Council's *City Activation and Jobs Growth Policy*.

7.0 Legal parameters

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

8.0 Associated Documents

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

Financial Policy 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, and
- 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 Chief Financial Officer 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 State Development, Infrastructure, Local Government and Planning.
- 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 30/06/2023 – New and upgrade infrastructure	45,000
Year ended 30/06/2024	-
Year ended 30/06/2025	-
Year ended 30/06/2026 – New and upgrade infrastructure	20,000
Year ended 30/06/2027	-
Year ended 30/06/2028	-
Year ended 30/06/2029	-
Year ended 30/06/2030	-
Year ended 30/06/2031	-
Year ended 30/06/2032	-

Repayment term of new loans is up to 20 years with existing loans at 30 June 2022 having repayment terms between 2 and 20 years. The amount projected to be outstanding at 30 June 2023 is \$418.8 million.

Anticipated loan principal repayments for the year ended 30 June 2023 is \$43.4 million.

A temporary working capital facility has been established for the purpose of managing operating cashflows. The facility limit is \$100 million and is available on a permanent basis (subject to Queensland Treasury Corporation's annual credit review).

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

Financial Policy 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 Chief Financial Officer 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 monies 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, and
- 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 monthly 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

Financial Policy 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, or
- a particular landowner because of that landowner's circumstances.

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

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 Council's services and the obligation upon Council to maintain its financial sustainability, and
- 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 Chief Financial Officer 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, hospitalisation, 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

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 shareholdings, 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 the 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, and
- (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 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 shareholdings, 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.

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

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, or
 - 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.

Financial Policy 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

Chief Financial Officer 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 dollar 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, or
- 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 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, and

- 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, and
- 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 8.17% 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, or
- 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. 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 immediate 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 Chief Financial Officer 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 are applied 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.

Financial Policy G: First Home Buyers Concession Policy

1.0 Policy Statement

To encourage the economic development of Townsville. 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 Council is satisfied that it will encourage the economic development of all or part of the local government area.

Council recognises that the granting of concessions has the potential to adversely impact upon the Council's services and burden other ratepayers. 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 Chief Financial Officer 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 up to \$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 2023, or
- the time that the budget allocation for this concession is fully allocated.

The concession will be provided by a rebate up to \$1,000 of the first 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 homeowners, 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 2023,
- 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 2023,
- 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 2023.

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.

Financial Policy H: City Activation and Jobs Growth Policy 2022/23

1.0 Policy Statement

To promote economic growth and city activation by generating investment, community activities and employment opportunities.

2.0 Principles

Attracting investment and employment opportunities has a multiplier effect across the Townsville economy. Investment in development, activation and creating new jobs is the most cost-effective measure Council can take to support the Townsville economy.

This Policy is premised on Council's commitment to stimulating investment which will encourage city activation, new development, and jobs growth.

3.0 Scope

This policy applies to city activation, investment, and employment opportunities in a defined geographic area (City Core and City Fringe) of the Townsville Central Business District (CBD) and meets the eligibility criteria stated in this policy. The policy also includes medium density residential zones across the city to encourage more housing choice (including affordable unit developments and community housing).

4.0 Responsibility

The Chief Executive Officer and the Chief Planning and Development Officer are responsible for ensuring that this policy is understood and adhered to by all staff involved in the operational application of this policy.

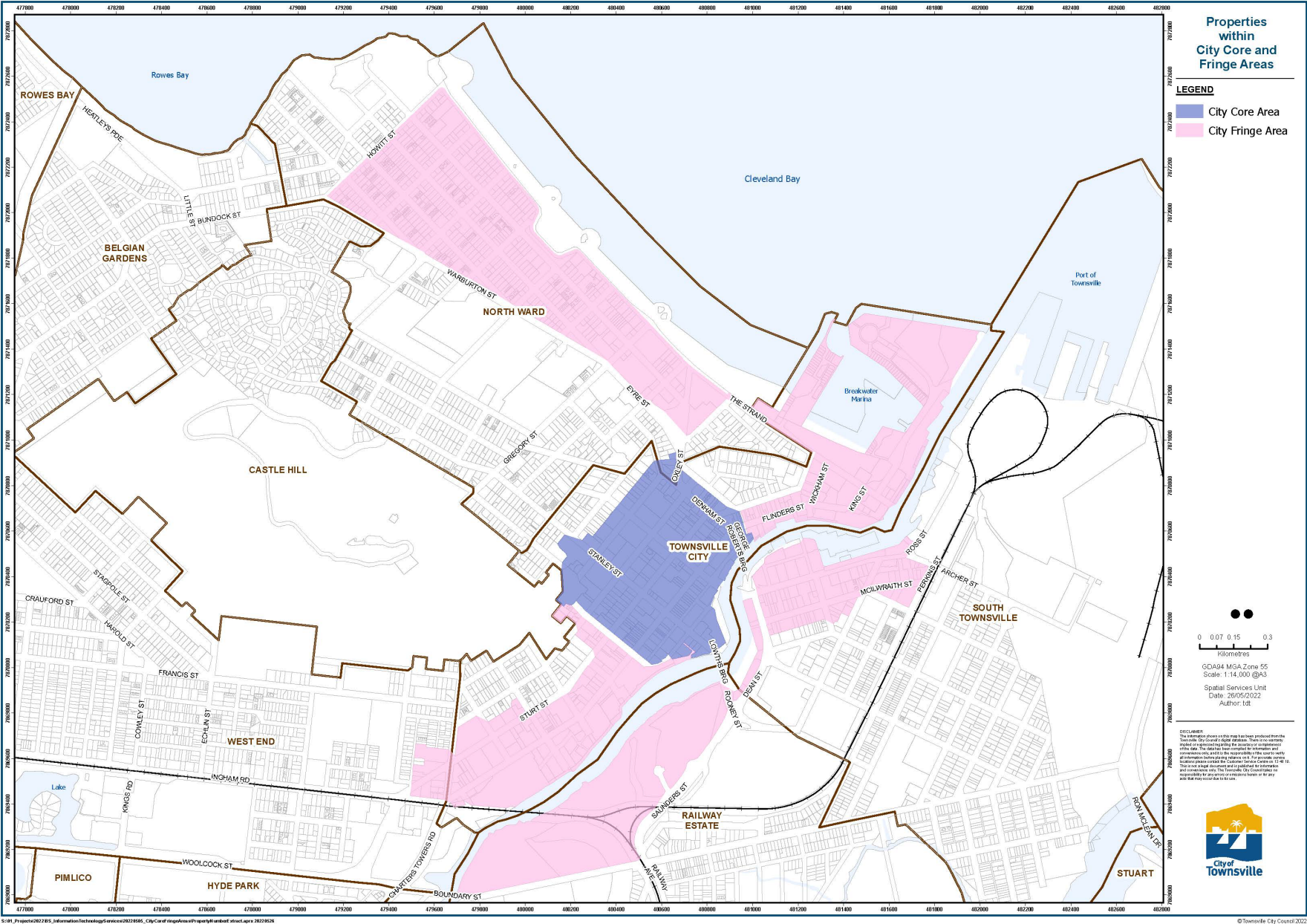
5.0 Definitions

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

Townsville CBD (Core and Fringe incentive areas) – as defined in accordance with Figure 1.

Medium Density Residential Zone – as defined in the Townsville City Plan 2014 where land is appropriately zoned medium density residential in the approved zoning maps, where located spatially outside the CBD Core and Fringe incentive areas.

Figure 1 – Properties within City Centre Core and City Fringe Areas



6.0 Policy

6.1. Eligibility

6.1.1. Component 1 – New and Repurposed Development

Component 1 supports identified development in the Townsville City Core and City Fringe areas to enhance and support the broader economy and create additional jobs in accordance with the below criteria:

- the proposed development is within the geographic area of the Townsville local government area;
- be an approved land use eligible to receive support and funding as defined in the table below and Figure 1 – Properties within Townsville City Core and City Fringe areas;
- for the 'Medium density residential, urban infill' category below, this development must be in the designated Medium density residential zones under the Townsville City Plan (where located outside the City Core and City Fringe incentive areas);
- the construction cost for a Community Residence development in excess of \$450,000. All other eligible developments in excess of \$750,000 construction cost;
- substantially commence construction within 12 months from Council confirmation of eligibility;
- commitment and demonstration of a minimum of 90% of construction workforce sourced locally;
- the development must demonstrate a positive increase in the population density of persons living and/or working in the incentive area;
- must complement the vision of the area, comply with the strategic intent and zone codes of the City Plan 2014;
- must improve amenity, streetscape, and benefits to the public realm;
- must benefit the public by creating new attractive activity spaces and activations; and
- provide social and economic benefits.

Eligible uses All City Core and City Fringe areas 100% Concession *	Eligible uses City Core areas 100% Concession	Eligible uses City Fringe areas 50% Concession *	Eligible uses Medium density residential, urban infill areas 50% Concession
Community Residence	Community Care Centre	Childcare Centre	Community Residence
Community Use	Bar	Educational Establishment	Multiple Dwelling
Food and Drink Outlet	Childcare Centre	Function Facility	Rooming Accommodation
Hotel or Motel	Educational Establishment	Health Care Services	Short-term Accommodation
Multiple Dwelling	Function Facility	Indoor Sports and Recreation	
Rooming Accommodation	Health Care Services	Major Sport, Recreation, and Entertainment Facility	
Short-term Accommodation	Indoor Sports and Recreation	Research and Technology	
Shop	Night club Entertainment Facility	Retirement Facility	
Shopping Centre	Research and Technology	Re-use of buildings that involves refurbishment and/or adaptive reuse of existing buildings to accommodate eligible uses	
	Retirement Facility	Tourist Attraction	
	Re-use of buildings that involves refurbishment and/or adaptive reuse of existing buildings to accommodate eligible uses		
	Theatre		
	Tourist Attraction		

*Uses must still comply with the strategic intent and zone codes of the City Plan 2014 within this area to be eligible within zones ranging from the Principal Centre, High density residential, Mixed use and Medium density residential.

6.1.2. Component 2 – Attracting Jobs to the City

Council proposes to directly target businesses to locate in Townsville. This is intended to fill vacant commercial space and bring new jobs to the city. Component 2 offers rental subsidies for eligible businesses looking to operate within the Townsville City Core area. A bespoke incentives package may be negotiated with any large business or company proposing to locate at least 15 Full-Time Equivalent (FTE) employees in the Townsville City Core area.

Eligible businesses are those having no, or less than 15 staff presently located in the Townsville Local Government Area that:

- (a) Propose to locate at least 15 FTE into the Townsville City Core area;
- (b) Sign a minimum 3-year lease on a building within the Townsville City Core area;
- (c) Locate within 8 weeks of starting a lease and maintain 15 FTE for the duration of the lease;
- (d) Occupancy to commence prior to 30 June 2023; and
- (e) Be free of debt to Townsville City Council.

6.1.3. Component 3 – Modernising Buildings and Activating Spaces

Component 3 offers grants to support a wide variety of initiatives which activates the Townsville City Core and City Fringe incentive areas, including improving the attractiveness, vibrancy or safety of the city centre. This includes carrying out events to activate the city or improvements to buildings and shopfront facades, or retrofitting buildings to open them onto the street. The submissions will be assessed in accordance with the below criteria:

- (a) the extent to which the project will contribute to improving the attractiveness and safety of the interface between the building and the public realm,
- (b) the project provides sufficient value to the community (as distinct from the property owner) to warrant the project being supported and if the project warrants a grant to the maximum value available under this component,
- (c) the extent to which the project will support local jobs,
- (d) 90% use of local trades and products,
- (e) whether the project is likely to retain existing business or attract new business to the site,
- (f) the extent to which the project will support other activities within the Townsville City Core and City Fringe areas,
- (g) the project is not related to achieving regulatory compliance, in which case the application will not be supported,
- (h) eligible event projects must involve the conduct of an activity that attracts at least 1000 people to the Townsville City Core but does not substantially compete with current event offerings, and
- (i) Works and events to be completed by the 30 June 2023.

6.2. The Support

6.2.1. Component 1 – New and Repurposed Development

Component 1 offers the following incentives. Percentage of waiver is at Council's discretion. This will be confirmed in writing from Council and may include one or more of the following:

- (a) waiver of infrastructure charges,
- (b) other fee waivers including Operational Works, Compliance Assessment, Miscellaneous Infrastructure fees, Hydraulic Services, water meter and service connections,
- (c) charge and fee waivers are capped at \$500,000 per eligible development,
- (d) site and access assistance relating to road and footpath closures to facilitate development, and/or
- (e) services of a Development Advocate as a central point of contact for the incentives in the assessment of the eligibility of projects.

6.2.2. Component 2 – Attracting Jobs to the City

Component 2 offers the following incentives at Council's discretion and subject to funds remaining in the budget allocation for the financial year (2022/23 total budget allocation \$100,000). This will be confirmed in writing from Council:

- (a) grant funding up to 50% of the building rental costs incurred in the first six months of tenancy, up to maximum of \$50,000 per project, and

- (b) the grant will be paid monthly in arrears for up to six months of the tenancy provided the eligibility of at least 15 employees (FTE) has been maintained, and
- (c) building rental costs not including GST.

6.2.3. Component 3 – Modernising Buildings and Activating Spaces

Component 3 offers the following incentives at Council's discretion and subject to funds remaining in the budget allocation for the financial year (2022/23 total budget allocation is \$150,000). This will be confirmed in writing from Council and may include the following:

- (a) grant funding up to 50% of the eligible repair works to a maximum of \$30,000 per project,
- (b) grant funding up to 50% of the eligible event to a maximum of \$30,000 per event, and
- (c) Council will pay the incentive for eligible works in two payments, the first upon completion of 25% of the eligible works and the balance upon completion of the eligible works, and/or
- (d) payment for an eligible event will occur in stages having regard to all of the circumstances relating to the staging of the event.

6.2.4. Component 4 – Special or Significant Economic or Social Benefit

Component 4 provides Council scope to offer discretionary incentives to major developments in the Townsville LGA where a significant economic or social benefit to Townsville can be demonstrated.

Under this category, any development that can demonstrate the below criteria, can be eligible for up to 100% of Council levied infrastructure charges and associated fees as defined in 6.2.1 above.

- (a) major employment generator employing more-than 100 FTE staff,
- (b) \$5 million or more upfront capital investment into Townsville for a major project, and/or
- (c) significant social or community development to Townsville can be demonstrated.

The percentage discount value of any development incentives under this category is at Council's sole discretion. Any government-delivered project is not eligible for any infrastructure charge discount under this category.

6.3. Securing Compliance

The Chief Executive Officer has delegated authority to:

- (a) accept applications that demonstrate substantial compliance with the eligibility criteria, and
- (b) extend the period for achieving that compliance.

6.4. Other Support 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 Public Disclosure

- (a) For transparency, recognising infrastructure charge discounts are a form of forgone revenue, Council will publish a list of infrastructure charge discounts provided under this policy in its Annual Report on a yearly basis.
- (b) Under this reporting regime, the broad category of development, locality and the value of the discounts will be disclosed, but not the recipient.
- (c) Such reporting is similar to tax expenditures statements published by Australian and Queensland Government agencies through their budget processes.

8.0 Legal Parameters

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

9.0 Associated Documents

- Revenue Policy
- Revenue Statement.

Financial Policy 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

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.

Council is unlikely to grant a concession to a group that has a primary focus on 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 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 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 Chief Financial Officer 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 Financial Policy 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.

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 rates and utilities 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 rates and utilities 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 rates and utilities 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 Chief Financial Officer. The Chief Financial

Officer'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.

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

Category	Description and Purpose	Considerations for Granting Concession	Exclusions	% Concession (Non-Gaming Licenced Premises)	% Concession (Gaming Licenced Premises Up To 25 Machines)
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 Local Government Regulation 2012, 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 \$100,000 each year cap.	N/A
Schools and educational institutions including not-for-profit day care facilities and kindergartens	Land is being used for childcare and/or educational purposes.	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> . 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> . 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 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 (No utility concessions)	N/A (No utility concessions)

Category	Description and Purpose	Considerations for Granting Concession	Exclusions	% Concession (Non-Gaming Licenced Premises)	% Concession (Gaming Licenced Premises Up To 25 Machines)
War Graves	Land is owned or leased (registered lease with the Department of Resources) and is being used for historic purposes.	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> . Concession granted by Council resolution under Local Government Regulation 2012. S.120(1)(e) – <i>preservation of cultural, historic or heritage land</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 5% Volumetric Water Charges up to a \$100,000 each year cap.	N/A
Historic Society	Land is owned or leased (registered lease with the Department of Resources) and is being used to preserve and maintain the historic and heritage significance to the Council area.	Land is being used to preserve and maintain land of historic and heritage significance to the Council area and a concession is granted by Council resolution under the Local Government Regulation 2012. S.120(1)(e) – <i>preservation of cultural, historic or heritage land</i> .	The land must not be used for any other purpose. The land must not be commercially leased to any other entity.	100% General Rates	N/A
Caravan Parks	Land is used for the purpose of a Caravan Park.	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. S.120(1)(d) – <i>encourage economic development</i>	The land must not be used for any other purpose. The land must not be commercially leased to any other entity (does not apply to Council-owned caravan parks).	30% Volumetric Water Charges up to a \$100,000 each year cap. 30% Sewerage Charges	N/A
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

Category	Description and Purpose	Considerations for Granting Concession	Exclusions	% Concession (Non-Gaming Licenced Premises)	% Concession (Gaming Licenced Premises Up To 25 Machines)
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 the Department of Resources) 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.	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. 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: (a) 90 days after that land has been reconfigured to create a new lot from that land or (b) that land has been reconfigured to create a new lot and that lot is sold. Concession granted by Council resolution under the Local Government Regulation 2012, S.120(1)(d) – <i>to encourage economic development</i> .	N/A	100% General Rates 100% Water Service Charges 100% Sewerage Charges	N/A
Water supplied for irrigation purposes	Land is being used for Commercial and Industrial purposes.	Subject to the application and installation of a separate irrigation water meter and reticulation system. The number of irrigation meters allowed must not exceed the number of commercial meters. Concession granted by Council resolution under the Local Government Regulation 2012, S.120(1)(d) – <i>to encourage economic development</i> .	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

Category	Description and Purpose	Considerations for Granting Concession	Exclusions	% Concession (Non-Gaming Licenced Premises)	% Concession (Gaming Licenced Premises Up To 25 Machines)
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

Financial Policy K: Differential Rating Categories

Council levies differential general rates, so 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 Resources, 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 the Department of Resources 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 Council, whether at the land or elsewhere.

Differential General Rating Category (DGR Category)	Criteria by which land is assigned to a DGR Category	
	Land Use	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, a principal place of residence, and 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: <ul style="list-style-type: none"> Low Density – Medium Density Residential High Density Residential – Character Residential Sport and Recreation – Emerging Residential Open Space – Environmental Management/Conversion 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"> Having regard to all improvements and activities conducted upon the land, the use or potential predominant use of the land is a place of residence, and the land is used for a residential purpose or is vacant land (including land on which a building is being constructed but the building is not yet fit for occupancy as a residence), and 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: <ul style="list-style-type: none"> 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	<p>Land with building(s):</p> <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.

Differential General Rating Category (DGR Category)	Criteria by which land is assigned to a DGR Category	
	Land Use	Additional Criteria
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.
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.

Differential General Rating Category (DGR Category)	Criteria by which land is assigned to a DGR Category	
	Land Use	Additional Criteria
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 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 the land has an area of 50 Hectares or more.
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	<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, retail, and the building or buildings upon the land have a gross floor area of greater than 2,000sqm but less than 20,000sqm.
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	<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, retail, and the building or buildings upon the land have a gross floor area of greater than 20,000sqm but less than 30,000sqm.
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	<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, retail, and the building or buildings upon the land have a gross floor area of greater than 30,000sqm but less than 40,000sqm.
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	<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, retail, and the building or buildings upon the land have a gross floor area of greater than 40,000sqm but less than 50,000sqm.
Category 5e Large Retail 50,000 sqm or more	10, 11, 12, 13, 14, 15, 16, 23 and 28	<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, retail, and the building or buildings upon the land have a gross floor area of greater than 50,000sqm.
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 2022.

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.

Financial Policy L:

Differential Rates, Limitations on Increases, Minimum General Rates

Category	Description	Rate-in-\$	Minimum (\$)	Limitation (cap)
1	Residential - Principal Place of Residence	0.010529	1,148	10%
2	Residential - Non-Principal Place of Residence	0.012372	1,348	No Limit
3a	Multi-Unit Dwelling 2-4 Units	0.013688	2,296	No Limit
3b	Multi-Unit Dwelling 5-9 Units	0.013688	5,740	No Limit
3c	Multi-Unit Dwelling 10-14 Units	0.013688	11,480,	No Limit
3d	Multi-Unit Dwelling 15-19 Units	0.013688	17,220	No Limit
3e	Multi-Unit Dwelling 20-29 Units	0.013688	22,960	No Limit
3f	Multi-Unit Dwelling 30-39 Units	0.013688	34,440	No Limit
3g	Multi-Unit Dwelling 40-49 Units	0.013688	45,920	No Limit
3h	Multi-Unit Dwelling 50-59 Units	0.013688	57,400	No Limit
3i	Multi-Unit Dwelling 60-69 Units	0.013688	68,880	No Limit
3j	Multi-Unit Dwelling 70+ Units	0.013688	80,360	No Limit
3k	Retirement Villages/Boarding Houses	0.013688	1,435	No Limit
4a	Commercial	0.018953	1,435	No Limit
4b	Heavy Industry	0.028430	2,153	No Limit
4c	Special Development > 10 ha	0.036685	20,253	No Limit
4d	Land not otherwise defined	0.018953	1,435	No Limit
5a	Large Retail greater than 2,000 but less than 20,000 sqm	0.026534	1,435	No Limit
5b	Large Retail 20,000 sqm or more, but less than 30,000 sqm	0.034115	229,600	No Limit
5c	Large Retail 30,000 sqm or more, but less than 40,000 sqm	0.034115	344,400	No Limit
5d	Large Retail 40,000 sqm or more, but less than 50,000 sqm	0.034115	459,200	No Limit
5e	Large Retail 50,000 sqm or more	0.034115	574,000	No Limit
6	Agriculture and Grazing	0.012372	1,435	No Limit

Financial Policy M: Utility Charges - Water

Council, trading as Townsville Water, is a registered water service provider under section 22 of 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, or
- 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 \$899 each year, or
- an excess water charge of \$3.44 per 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 \$411 each year, or
- the residential consumption charge will be \$1.65 per kL of water used during the consumption year.

All developed and undeveloped residential properties that are within the declared water supply area and 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 \$427 each year, or
- the consumption charge will be \$3.36 per 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 \$3.36 per kL will apply.

Bulk Water

There is no fixed charge for bulk water supply. Bulk water consumed will be charged at \$2.66 per kL.

Non-Potable Supply

There is no fixed charge for a non-potable water supply. Non-potable water consumed will be charged at \$2.66 per 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 \$0.62 per 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 Conservation Measures

Use of water is subject to water conservation measures 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.

Financial Policy N: Utility Charges – Wastewater and Trade Waste

Council, trading as Townsville Water, is a registered water service provider under section 22 of 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, and
- 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
2	724
3	527
4	285
5	187
6	89

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)	SO ₄
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.

Financial Policy 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	228
240L waste and 360L recycle wheelie bin	257
140L waste and 240L recycle wheelie bin	218
140L waste and 360L recycle wheelie bin	248

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	160
Additional permanent 140L waste wheelie bin	150

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	65
Additional permanent 360L recycle wheelie bin	95

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	162
140L waste wheelie bin	152

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 \$60 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	195.00	64.06	259.06
Waste 240L wheelie bin	205.00	109.82	314.82
Recycling 240L wheelie bin	100.00	-	100.00
Recycling 360L wheelie bin	149.00	-	149.00

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.

Financial Policy P: Nelly Bay Harbour Development Operational Plan

Council plans to levy a special rate on identified properties in the Nelly Bay Harbour Development in 2022/23, 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 2022/23 for the Nelly Bay Harbour.

The 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.

Financial Policy Q: Rural Fire Levy

Rural Fire Brigade Area	Annual Charge for each Property (\$)
Black River and Districts	30
Bluewater	55
Clevedon	40
Cungulla	40
Horseshoe Bay	36
Lime Hills-Elliott	30
Majors Creek	25
Nome Valley	10
Oak Valley	20
Paluma	35
Purono Park	-
Rangewood	55
Reid River	-
Rollingstone	50
Rupertswood	50
Saunders Beach	45
West Point	30



City of
Townsville

Index of Tables

Table 1 – Operating Budget Summary	17
Table 2 – Capital Budget Summary	17
Table 3 – Roads and Transport Management Budget for 2022/23	23
Table 4 – Roads and Transport Management Key Activities for 2022/23	23
Table 5 – Drain and Stormwater Management Budget for 2022/23	24
Table 6 – Drain and Stormwater Management Key Activities for 2022/23	24
Table 7 – Water Services Budget for 2022/23	25
Table 8 – Water Services Key Activities for 2022/23	25
Table 9 – Wastewater Services Budget for 2022/23	26
Table 10 – Wastewater Services Key Activities for 2022/23	26
Table 11 – Resource Recovery Budget for 2022/23	27
Table 12 – Resource Recovery Key Activities for 2022/23	27
Table 13 – Parks and Open Space Management Budget for 2022/23	28
Table 14 – Parks and Open Space Management Key Activities for 2022/23	28
Table 15 – Cultural and Community Services Budget for 2022/23	29
Table 16 – Cultural and Community Services Key Activities for 2022/23	29
Table 17 – Environment and Sustainability Services Budget for 2022/23	30
Table 18 – Environment and Sustainability Services Key Activities for 2022/23	30
Table 19 – Planning and Development Budget for 2022/23	31
Table 20 – Planning and Development Key Activities for 2022/23	31
Table 21 – Service Partners Budget for 2022/23	32
Table 22 – Service Partners Key Activities for 2022/23	32
Table 23 – Townsville Water Community Service Obligations	34
Table 24 – Water and Wastewater Services Performance Targets	37
Table 25 – Resource Recovery Community Service Obligations	40
Table 26 – Resource Recovery Performance Targets	42
Table 27 – Summary of General Rates Increases	45
Table 28 – Summary of Rates and Utility Charges	46
Table 29 – Statement of Income and Expenditure	48
Table 30 – Statement of Financial Position	49
Table 31 – Statement of Cash Flows	50
Table 32 – Statement of Changes in Equity	50
Table 33 – Statement of Council Business Activities	51
Table 34 – Business Activities Statement	52
Table 35 – Community Service Obligations	52
Table 36 – Changes in Rates and Utilities Levied	52
Table 37 – Statement of Income and Expenditure (Long Term)	53
Table 38 – Statement of Financial Position (Long Term)	54
Table 39 – Statement of Cash Flows (Long Term)	55
Table 40 – Statement of Changes in Equity (Long Term)	56
Table 41 – Summary of Council's Financial Sustainability	56

