



Paroo Shire Council

Council Policy	
Policy Name:	Revenue Policy
Policy Number:	GP-023
Version:	9.0 <i>Please note that once printed, this is no longer a controlled document. All care should be taken to ensure that you are operating from the current version.</i>
Commencement and Review:	This policy has been reviewed and commences from 1/07/2024 . It is reviewed annually.
Document Owner:	Finance Department
Approval Date:	25 th June 2024
Meeting Resolution:	M24/130

1 Statement of Intent

The intent of the Paroo Shire Council (Council) Revenue Policy is to set out the principles used by Council for:

- the setting and levying of rates and charges,
- granting concessions for rates and charges,
- the recovery of overdue rates and charges,
- setting cost-recovery fees, and;
- determining the extent to which physical and social infrastructure costs are to be funded by negotiation for new developments.

2 Commencement and Review of Policy

This Policy will commence from 1/07/2024. It replaces all other Revenue Policies (whether written or not).

This Policy will be reviewed annually from the commencement date in accordance with *Local Government Act 2009 (Local Government Act)* and the *Local Government Regulation 2012 (Local Government Regulation)* or earlier if deemed necessary through changes to legislation or business practice. Minor amendments that do not impact upon the intent of the policy may be made in consultation with and approved by the Chief Executive Officer (CEO).

3 Application of Policy

This policy applies to all Council staff and elected members bound by the principles outlined in this policy in determining the level of rates, fees and charges, recovery of debts and in the application of rebates and concessions relating to those fees.

This policy is established in accordance with *section 104(5)(c)(iii) of the Local Government Act 2009* and applies to Council and all its related business activities.

4 Definitions

Council	Paroo Shire Council
Pensioner	A person who is the holder of a pensioner concession card issued by the Department of the Commonwealth responsible for administering the <i>Social Security Act 1991(Commonwealth)</i> or the <i>Veterans Entitlement Act 1986 (Commonwealth)</i> .
Cost Recovery	Cost recovery means Council must not charge more than the cost incurred by Council in taking the action.

5 Council Revenue Policy

This Revenue Policy will be applied by Council in the development of the annual budget for the upcoming financial year.

5.1 User Pays

It is Council's policy that a user pays principle applies to all specific services provided to ratepayers and other users in Council services. Charges for other specific services, licences, permits, contributions, priority infrastructure charges etc. are subject to user pays principles and Council's aim is for full cost recovery.

Exceptions to the user pays principle include general services to the whole community.

5.2 The Making of Rates and Charges

Rates and charges are defined in the *Local Government Regulation 2012* and include general rates (including differential rates), special rates and charges, separate rates and charges and utility charges.

Council levies rates and charges to fund the provision of services to our community. When adopting its annual budget, Council will set rates and charges at a level that will provide for both current and future community requirements. Council will fix its rates and charges transparently.

Council will levy rates and charges half-yearly but may also issue supplementary levies for variations in rates and charges payable at any time.

5.3 General Rates

General rates revenue provides essential whole of community services not funded through trading income, subsidies, grants, contributions or donations received from other entities or not provided for by other levies or charges. Council will consider all full cost recovery options before calculating the general rate.

Council is required to raise an amount of revenue it sees as being appropriate to maintain assets and provide services to the whole region.

General rates are based on site values (non-rural land) or unimproved values (rural land). Mining claims and mining leases will be levied at minimum rate. Averaging of property revaluations is not applied.

5.4 Special Rates and Charges

Where appropriate, Council may fund certain services, facilities or activities by means of separate or special rates or charges.

In accordance with *section 94 of the Local Government Regulation 2012* Council may levy special rates or special charges for services, facilities and activities that have a special association with particular land because—

- (a) *the land or its occupier—*
 - (i) *specially benefits from the service, facility or activity; or*
 - (ii) *has or will have special access to the service, facility or activity; or*
- (b) *the land is or will be used in a way that specially contributes to the need for the service, facility or activity; or*
- (c) *the occupier of the land specially contributes to the need for the service, facility or activity.*

5.5 Separate Rates and Charges

In accordance with *section 103 of the Local Government Regulation 2012* Council may levy a separate rate or charge on all rateable land in the region to fund a particular service, facility or activity that benefits the local government area generally but does not especially benefit a particular property or particular properties.

5.6 Utility charges

In accordance with *section 99 of the Local Government Regulation 2012* Council may levy utility charges on a basis considered appropriate for service, facility or activity for any of the following utilities:

- (a) waste management.
- (b) gas.
- (c) sewerage.
- (d) water.

6 The Levying of Rates and Charges

In setting and levying rates and charges, Council will be guided by the principles of:

- efficiency through having a rating regime that is efficient to administer.
- full cost pricing and user pays where appropriate.
- equitable distribution of the general rates burdens as broadly as possible;
- transparency in the making and levying of rates.
- flexibility, to take account of changes in the local economy.
- clarity in terms of responsibilities (Council's and ratepayers') regarding the rating process.
- National Competition Policy legislation where applicable.

In levying rates and charges, Council will apply the principles of:

- consistency in timing the levying of rates in a predictable way to enable ratepayers to plan for their rating obligations by the issue of rate notices half-yearly.
- flexibility by providing short-term payment arrangements to ratepayers in financial difficulty, along with a wide array of payment options.
- communication by clearly setting out the Council's and each ratepayer's obligations in relation to rates and charges by advising ratepayers about rate notice issue dates and discount dates.
- Clarity by providing meaningful information on rate notices to enable ratepayers to understand their responsibilities.

6.1 The Recovery of Rates and Charges

Council will exercise its rate recovery powers pursuant to *sections 133 to 135 of the Local Government Regulation 2012* in order to minimise the overall rate burden on ratepayers.

Council has an adopted Policy for the recovery of outstanding rates and charges. The objective of this policy is to set out Council's principles in regard to the management of debt, and to provide consistent and ethical recovery of outstanding Rates and Charges across the region in accordance with the parameters and requirements of the *Local Government Regulation 2012*.

6.2 Cost Recovery Fees

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

Council recognises the legitimacy of fully imposing the user pays/benefit principle for its cost-recovery fees, unless the imposition, or full-cost imposition, of the fee is contrary to its express social, economic, environmental and other corporate goals. This is considered to be the most equitable and effective revenue approach and is founded on the proposition that Council's rating base should not subsidise the specific users or clients of Council's regulatory products and services.

7 Infrastructure Funding

There is no local government infrastructure plan included in the Paroo Shire Planning Scheme for infrastructure charging. As new development is deemed to have significant social benefit and is a desirable means of arresting population decline Council will endeavour to negotiate funding for headworks with developers as part of the planning application process.

8 The Granting of Concessions for Rates and Charges

Council has determined that pensioners may be granted a concession on general rates levied. The purpose of the concessions is to assist pensioners who are property owners to remain in their own homes by reducing the financial impact of rates and charges.

In exercising these concession powers Council will be guided by the principles of:

- transparency by making clear the requirements necessary to receive concessions.
- equity by ensuring that all applicants of the same type receive the same concession.

9 Fees and Charges

In general, Council will be guided by the principle of user pays in making all other charges. All fees and charges will be set with reference to full cost pricing.


Council considers "user pays" principles and market conditions when determining commercial charges for Council services and facilities.

As required by *Local Government Act* section 97(4), Council fixes its *cost-recovery fees*, at not more than the cost to it of taking the actions for which the fees are charged.

All fees set by Council are included in a Register of Fees and Charges as adopted by Council during the budget process.

10 Relevant Links

- *Local Government Act 2009*
- *Local Government Regulation 2012*
- *Paroo Shire Council GP-030 Rates and Charges Debt Collection and Recovery Policy*
- *Paroo Shire Council Revenue Statement*

Endorsed	Date: 25/06/2024
Name:	Neil Polglase
Title:	Interim Chief Executive Officer, Paroo Shire Council
Signature:	

Version Control

Date	Version	Meeting Resolution	Amendments / Comments
04/03/2019	1.0		Legal review by King & Co. tabled at Budget Workshop
02/04/2019	2.0		Review at 2 nd Budget Workshop
03/05/2019	3.0		Review at 3 rd Budget Workshop
18/06/2019	4.0	M19/111	Adoption at Annual Budget Meeting
30/06/2020	5.0	M20/109	Adoption at Annual Budget Meeting
30/06/2021	6.0	M21/112	Adoption at Annual Budget Meeting
21/06/2022	7.0	M22/125	Adoption at Annual Budget Meeting
20/06/2023	8.0	M23/87	Adoption at Annual Budget Meeting
25/06/2023	9.0	M24/130	Adoption at Annual Budget Meeting