

Policy Type	Statutory
Function	Financial Management
Policy Owner	Manager Financial Services
Policy Contact	Manager Financial Services
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## Purpose

The Revenue Policy identifies the principles that Council intends to apply in the preparation and adoption of the 2026/2027 budget.

## Scope

This policy will identify the principles Council intends to apply for:

- levying rates and charges;
- granting concessions for rates and charges;
- recovering overdue rates and charges; and
- cost-recovery methods.

The policy also addresses:

- the purpose for concessions; and
- the extent to which physical and social infrastructure costs for a new development are to be funded by charges for the development.

## Policy Statement

### Principles used for levying rates and charges

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

- **Clarity** – making clear Council's and each ratepayer's responsibility to the rating regime;
- **Simplicity** – making the levying system simple and inexpensive to administer; and
- **Equity** – through flexible payment arrangements for ratepayers with a lower capacity to pay.

### Making rates and charges

In making rates and charges, Council will raise an amount of revenue appropriate to maintain and improve assets and provide services to the Shire as a whole. In deciding how that revenue is raised, Council will take into account the following factors:

- the rateable value of land, including valuation relativities among land, and the rates that would be payable if only one general rate was adopted; and
- the level of services provided to that land and the cost of providing the services compared to the rate burden that would apply under a single general rate; and
- the use of the land in so far as it relates to the extent of utilisation of Council services; and
- the relative economic value of different land uses within the Shire; and

- location and access to services; and
- with an extensive road network, particularly in rural areas of the Shire and demands on Council to upgrade the standard of roads for harvesting, transportation of rural products, processing and services associated with the sugar, grazing, horticulture and aquaculture industries, Council considers those areas benefiting from access to improved road and infrastructure standards should contribute appropriately to Council's revenue base to maintain the high level of road services expected; and
- at the same time, Council acknowledges and again has taken into account that improved services including but not limited to: recreation and sporting, swimming pools, community, cultural, library, welfare services, public halls, environmental health services and amenities, parks and playgrounds, cemeteries, Council's public buildings, Council's economic development initiatives, improvements and development work in Council's principal towns are local government services that should be met by the whole community.

## Valuations and General Rates

Council is of the opinion that a system of differential general rating will achieve a fairer and more equitable distribution of the rating burden, rather than if only one general rate was adopted. A differential general rate system will exhibit the following features:

- Flexible – so that Council can adapt its rating system to the economic circumstances of the community's rateable properties as a whole and/or the circumstances of particular sectors;
- Equitable – in relation to the benefits rateable properties receive from expenditure of rates;
- Simple and easily understood;
- Economical to administer, relative to the revenue derived; and
- Ensures that similar rateable properties are treated in a like manner.

In determining the rating burden to be shared by the differential rating categories, Council acknowledges the following:

- New valuations issued from time to time may produce a shift in relativities between the various differential rating categories in respect of their share of the rating burden;
- New valuations may also lead to shifts in relativities between properties within the differential rating categories;
- New valuations issued from time to time may also result in a differential rating category contributing less of the rating burden than in the preceding year.

Council proposes to continue to levy differential general rates to ensure that the rate burden is distributed in a fair and equitable way. Council will continue to gather data to further consider and refine this process.

## Minimum General Rates

Council considers that each property in the Shire benefits to some extent from the facilities and services provided by Council, including the governance costs in administering the Shire. Such expenditure is limited to that funded by the general rate.

Therefore, minimum general rates are made and levied to recover the costs of such services and facilities.

## Charges

In general, Council will be guided by the 'user pays' principle in the making of charges to minimise the impact of rating within the local economy.

Council will have regard to the principles of:

- **Transparency** – in the making of charges;
- **Simplicity** – having in place a charging regime that is simple and inexpensive to administer;
- **Flexibility** – to take into account local economic conditions; and
- **Full cost recovery** – of associated expenses, including a reasonable return on capital.

Council will charge for water services under a two-part consumption based pricing policy. The outcomes of this form of water supply demand management are aimed at community benefit from:

- Establishment of a charging system more closely aligned to the principles of user pays;
- Reduced water consumption resulting in:
  - reduced operational costs;
  - deferment of future augmentation works for water treatment plants and delivery systems; and
  - an improved environmental balance of ground water reserves for future generations.

Council will eliminate any concessions for any section of the community in respect of consumption based charging.

### Special Charges

When providing services or undertaking activities that can reasonably be seen to benefit only a part of the rate base, Council considers it advantageous to recover those costs from those properties. To facilitate this principle, special charges are used to recover the costs for these services or activities.

### Separate Charges

Council acknowledges that there are various service provisions and infrastructure that the cost recovery of would seem to be unfair if made in accordance with property valuation and are more closely aligned with the concept of equal benefit per property. As a consequence, separate charges are used so that each property in the Shire, regardless of size, pays the same amount towards cost recovery. Separate charges are used to recover costs for these service provisions or infrastructure.

### Interest

Council ensures that the interests of ratepayers in general are protected by charging interest, under the *Local Government Regulation 2012*, on rates and utility charges that remain overdue immediately after the due date for payment on the rate notice.

### Principles used for granting rebates and concessions

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

- **Equity** – by having regard to the different levels of capacity to pay among the lands of the local community;
- **Consistency** – in treatment for ratepayers receiving concessional rating; and
- **Transparency** – by making clear the requirements necessary to receive concessions.

In accordance with the above principles, Council has developed procedures in respect of the Pensioner Rebate rate concession for pensioners.

Council accepts that certain classes of pensioners have contributed rates over a period of time and/or are restricted by a fixed income and should be afforded a concession in respect of rates and charges.

Council also recognises that there are organisations which operate for the general benefit of the community with limited financial resources including private schools, churches, welfare, youth organisations and sporting organisations. Such organisations may receive a donation based on their sewerage charges.

Notwithstanding the above, individual cases will arise and Council has the discretion to consider each case on its merits.

## Principles used for recovery of unpaid rates and charges

Council will exercise its rate recovery powers in order to treat all ratepayers equitably. It will be guided by the principles of:

- **Transparency** – by making clear the obligations of ratepayers and the processes used by Council in assisting it to meet its financial obligations;
- **Simplicity** – making the processes used to recover overdue rates and charges clear, simple to administer and cost effective;
- **Capacity to pay** – in determining appropriate arrangements for ratepayers; and
- **Equity** – by treating all ratepayers in similar circumstances in the same way.

## Principles used for cost-recovery methods

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

However, in setting its cost-recovery fees, Council will be cognizant of the requirement that such a fee must not be more than the cost to Council of providing the service or taking the action to which the fee applies.

## Funding of Trunk infrastructure

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

Under the provisions of the PA, and Council's relevant planning instruments, developers are required to pay costs associated with the following:

- Any increased demand upon the available capacity of existing trunk infrastructure due to any development; and/or
- Any additional trunk infrastructure required due to any development; and

Where appropriate, a contribution towards social infrastructure changes required to cater for the increase or changes in population caused by new development.

To complement these requirements, Council adopted the Economic Stimulus Policy – Development Incentives on 25 November 2025 with the policy taking effect from 1 January 2026. This new policy empowers Council to consider partial or full waivers of infrastructure charges on a case-by-case basis. By doing so, it establishes a consistent, equitable, and transparent framework for supporting eligible developments.

## Procedures

Procedures arising from this policy are contained in Council’s Revenue Statement for 2026/2027.

## Risk Management

As a statutory policy, this policy helps to mitigate the risk of non-compliance with legislation. Further, the policy enhances Council’s position to realise the benefits of transparency, consistency, equity, and flexibility and promotes the image of Council as both efficient and fair.

Applying a differential general rating system mitigates the risks of an unfair distribution of the rating burden which would be caused if only one general rate was applied.

By defining the principles to be applied for the recovery of unpaid rates, the policy mitigates the risk to ratepayers of acquiring a level of unachievable debt in cases where they are unable to pay rates and charges within the specified time period.

By granting rebates and concessions for eligible ratepayers, the policy mitigates the risk of inequity regarding the different levels of capacity to pay among the community.

## Legislation

The *Local Government Act 2009* and *Local Government Regulation 2012* require Council to review its revenue policy annually and in sufficient time to allow an annual budget that is consistent with the revenue policy to be adopted for the next financial year.

## Definitions and Abbreviations

Refer to dictionary schedules located in the *Local Government Act 2009* and *Local Government Regulation 2012*.

## Document History and Version Control

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