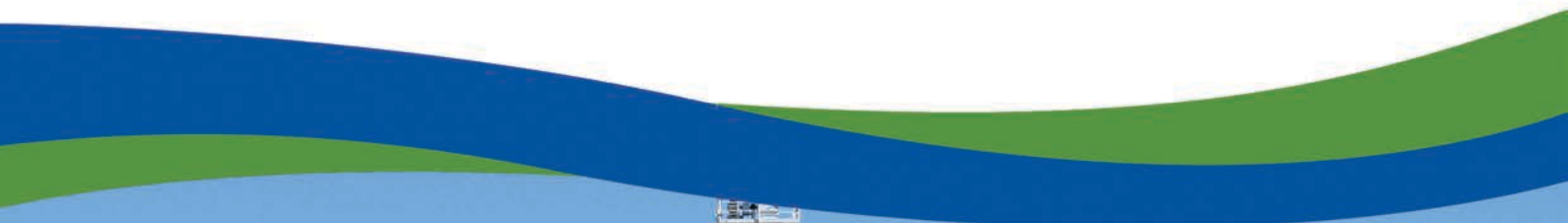


# Revenue Policy

2018-19





# Revenue Policy 2018/19

## 1.0 Legislative Authority

Local Government Act 2009

Local Government Regulation 2012

## 2.0 Policy Objective

The objective of this Revenue Policy is to set out the principles used by Council for:

- (i) levying rates and charges; and
- (ii) granting concessions for rates and charges; and
- (iii) recovering overdue rates and charges; and
- (iv) cost-recovery fees.

## 3.0 Policy Principles

### 3.1 The levying of rates and charges

Council levies rates and charges to fund the provision of valuable services to our community. The relevant components of Council's rates and charges are based on a combination of specific user charges, separate charges, special charges and a differential general rating system based on the value of land to provide the most equitable and rational basis for raising revenue. When adopting its annual budget, Council will set rates and charges at a level after due consideration of the following:

- a) Council's legislative obligations;
- b) The needs and expectations of the general community;
- c) The cost of maintaining existing facilities and necessary services;
- d) The need for additional facilities and services;
- e) Administering a simple and inexpensive rating regime;
- f) Equity by ensuring the fair and consistent application of lawful rating and charging principles, without bias, and taking into account the different levels of income earning potential of the land within the local government area; and
- g) Flexibility to take account of changes in the local economy, extraordinary circumstances and impacts that different industries may have on Council infrastructure.

Council will also have regard to the principles outlined in Section 4 of the Local Government Act 2009 including meeting the needs of both current and future community requirements.





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In administering rates and charges Council will seek to:-

- Make clear what is the Council's and each ratepayer's responsibility in relation to the rating system.
- Make the levying process, granting discount and any refund of rates and charges as simple and efficient to administer as possible.
- Time the levy of rates notices to take into account the financial cycle to which the ratepayers are accustomed or may adapt to.
- Effective communication by advising ratepayers of rate notice issue dates and discount dates.
- Treat all ratepayers in similar circumstances in the same manner and by having regard to their individual circumstances;
- Provide flexibility by accommodating ratepayers' needs through short term payment arrangements; and
- Make the processes used to recover outstanding rates and charges clear, simple to administer and cost effective.

## 3.2 Granting of Rebates and Concessions

In accordance with Chapter 4, Part 10 of the *Local Government Regulation 2012*, Council may grant a concession for rates and charges. In exercising these concession powers, Council will be guided by the principles of equity and transparency by:-

- Applying the same treatment to ratepayers with similar circumstances; and
- Making clear the requirements necessary to receive concessions.
- Flexibility to allow council to respond to local economic issues

Consideration may be given by Council to granting a class concession in the event that all or part of the local government area is declared a natural disaster area by the State Government.

Eligible pensioners as defined in Schedule 8 (Dictionary) of the *Local Government Regulation 2012* may be granted a concession on general rates.

In accordance with Section 120 of the *Local Government Regulation 2012*, a concession may be granted if Council is satisfied that the application meets the eligibility criteria as defined in this section. Applications for concessions under this section will be considered and determined by Council on a case by case basis.

## 3.3 Recovery of rates and charges

Council requires payment of rates and charges within the specified period and it is Council policy to pursue the collection of outstanding rates and charges diligently, but with due concern for the financial hardship faced by some ratepayers.



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Council will exercise its rate recovery powers pursuant to the provisions of Chapter 4, Part 12 of the *Local Government Regulation 2012*, in order to reduce the overall rate burden on ratepayers, and will be guided by the principles outlined in 3.1 above-

## 3.4 Cost Recovery Fees

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

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

In setting its' cost recovery fees, Council will be conscious 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.

## 3.5 The purpose of concessions

Statutory provision exists for the Council to rebate or defer rates in certain circumstances. In considering the application of concessions, Council will be guided by the principles set out in section 3.1 above.

## 3.6 Funding of New Development

To minimise the impact of physical and social infrastructure charges on the efficiency of the local economy Council will be guided by the principle of user pays in making of physical and social infrastructure charges for new development, to the extent permissible by law. Council may depart from applying this principle if it is determined by Council that it is in the community interest to do so.

## 4.0 Related Documents

Revenue Statement 2018-19  
Budget 2018-19