



REVENUE STATEMENT FOR THE 2019/2020 FINANCIAL YEAR

Procedure No:

PR-SPO5-1

Responsible Manager:	Chief Financial Officer
Head of Power:	Local Government Act 2009, section 104 Local Government Regulation 2012, sections 169 and 172
Authorised by:	Council
Authorised on:	23 July 2019
Implemented from:	1 July 2019
Last Reviewed:	2019
Review History:	2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019
To be reviewed on:	30 June 2020
Corporate Plan:	Governance

INTRODUCTION

This revenue statement is prepared in accordance with section 104 of the Local Government Act 2009 and sections 169 and 172 of the Local Government Regulation.

GENERAL RATES

Council *does not levy differential General Rates* on the basis that all land is deemed non rateable by virtue of section 93(1)(d) of the Local Government Act 2009 and/or section 71(2) of the Local Government Regulation 2012.

UTILITY CHARGES - OVERVIEW

Section 94 of the Local Government Act 2009 provides the power for Council to levy utility charges. Utility charges are service charges relating to the provision of water, sewerage and waste management services. For avoidance of doubt utility charges are not levied on vacant land. The service charges for water, sewerage and waste as detailed below are differentiated having regard to whether they fall under the service charge category of either residential or commercial. Those terms are further defined in the following table: -

SERVICE CHARGE CATEGORY	DESCRIPTION
Residential	Land that is occupied and used only for residential purposes (excluding residential land the subject of a 40 year lease to the State Government).
Commercial	Land that is occupied and used for commercial/industrial purposes, including, but not limited to: <ul style="list-style-type: none"> • guest houses, hotels, motels • shops, tourist facilities, arts and culture activities • land used by government or utility (telecommunications, electricity) providers to aid in the delivery of commercial and/or government services. i.e. Education, Health, Customs, etc. • all other land not categorised as residential.

Exemptions

Churches are exempt from utility charges.

Water Charges

All properties receiving water from a reticulated Council supplied water scheme shall be levied the following charges:

- A Water Service/Access Charge per property to be levied annually; and
- A Volumetric Water Charge per property to be levied annually.

Water Service Charges	Access Charge	Volumetric Charge	Basis of Charge
Residential	\$188.41	\$0.00Kl	Per Property
Commercial	\$1,884.07	\$2.57Kl	Per Property

Sewerage Charges

All properties receiving sewerage services from a Council supplied network shall be levied a Sewerage Service/Access Charge to be levied annually as set out below.

Sewerage Service Charges	Access Charge	Basis of Charge
Residential	\$225.47	Per Property
Commercial	\$2,254.72	Per Water Closet (WC). WC is equivalent to: <ul style="list-style-type: none"> • A single pedestal; or • 1.3 meters of urinal; or • One (1) to Three (3) wall hung urinals

Waste Management Charges

All properties receiving waste management services from Council shall be levied a Waste Management Service Charge per property to be levied annually as set out below.

Waste Management Service Charges	Access Charge	Basis of Charge
Residential	\$125.20	Per Property
Commercial	\$1,252.02	Per Property

Concessions

Regulations 119 and 120 and following of the Local Government Regulation 2012 enable Council to grant concessions for Service Charges. An application for a concession in respect of Service Charges will be at Council's discretion and can be made to Council only on one or more of the following grounds:

- Community Sporting Organisations – Not for profit organisations only
- Community Cultural or Arts Organisations – Not for profit organisations only
- Charitable Organisations which are a;
 - a) Not for profit organisation; and
 - b) Registered as a charity institution or a public benevolent institution; and
 - c) Providing benefits directly to the community; and
 - d) Endorsed by the Australian Tax Office - Charity Tax Concession.
- The land is owned or occupied by a pensioner
- The payment of the charges will cause hardship to the land owner or occupier
- The concession will encourage the economic development of all or part of the local government area.

To be considered for a Service Charge concession, eligible individuals/organisations are required to submit a letter to Council detailing the individual's/organisation's eligibility to be considered for a concession and the grounds for requesting a concession.

Concessions will be at the discretion of Council and granted by way of Council resolution upon satisfaction of the individual's/organisation's eligibility.

Pensioners

Eligible pensioners can receive from the Queensland State Government a subsidy of 20 per cent (up to a maximum amount of \$200 each year) of the gross Service Charges levied by Council.

Extract from the Queensland State Government website:

<https://www.qld.gov.au/community/cost-of-living-support/rates-subsidy>

To receive the subsidy, you must hold 1 of the following concession cards:

- *Queensland Pensioner Concession Card (issued by Centrelink or Department of Veterans' Affairs)*
- *Department of Veterans' Affairs Health Card for all conditions (Gold Card)*

You must also be:

- *the owner or life tenant* of the property, which is your principal place of residence and located in Queensland. [*A life tenancy can only be created by a valid will and is effective only after the death of the property owner, or by a Supreme or Family Court order.]*
- *legally responsible for the payment of local council rates and charges levied on that property.*

(Note: Seniors Card holders are not eligible.)

Where the State Government subsidy applies the Council will upon proof of eligibility deduct the appropriate amount off the Service Charge Notice and claim re-imburement from the State Government.

Limitation on Increases in Service Charges

In accordance with section 172(2)(b) of the *Local Government Regulation 2012*, Council advises that in 2019/2020 it will not be applying section 116 of the Regulation for the purposes of limiting the increase in any charges.

Issue of Utility/Service Charge Notices

Council intends to issue Service Charge Notices annually as follows:

- Water Access, Sewerage Access and Waste Management Service Charge Notices will be issued in the 4th quarter of the financial year
- Water Usage Notices will be issued in the 4th quarter of the financial year.

Note that the timeframes for issuing Service Charge Notices are indicative only and may be subject to change without notice in line with Council's operational requirements.

The due date for payment is thirty-one (31) days from the date of issue of the Service Charge Notice. Council reserves the right to charge interest at the rate of 9.83% per annum calculated at compound interest on a daily basis on all Service Charges which remain unpaid after the due date, pursuant to section 133 of the *Local Government Regulation 2012*.

Fees on Residents

Section 100 of the Local Government Act 2009 allows for Council to levy a fee on residents of its local government area.

The Torres Strait Island Regional Council will not levy a fee on residents of residential premises within its local government area.

FEEES AND OTHER RECEIVABLES

Cost recovery fees

Council imposes cost-recovery fees for services and facilities supplied by it including (among other things) for any entitlement, facility, service or thing supplied, approval, consent, licence, permission, registration or information given, admission to any structure or place, receipt of any application, product or commodity supplied or inspection undertaken.

The criteria Council uses for determining the quantum of each fee reflects the actual cost of providing these services and facilities. Pursuant to section 97(4) of the *Local Government Act 2009*, cost-recovery fees must not be more than the cost to Council of taking the action for which the fee is charged. Council's adopted Register of Fees & Charges details the cost-recovery fees, services and/or facility charges and commercial fees for the 2019/2020 financial year.

Business activity fees

Council has the power to conduct business activities and charge business activity fees for services and facilities it provides on this basis. Business activity fees are charged where Council provides a service and the other party to the transaction can choose whether or not to avail itself of the service. Business activity fees are a class of charge, which are purely commercial in application and are usually subject to the Commonwealth's Goods and Services Tax. The criteria Council uses to determine business activity fees is a combination of Council's costs to provide the service, what Council considers to be an appropriate mark up where appropriate, and the market for these types of services generally.

Business activity fees include but are not confined to rents, plant hire, private works and hire of facilities as contained in Council's Register of Fees & Charges.

Council may decide to provide subsidised services in certain instances to various disadvantaged groups and may relax or reduce user fees in those cases. Decisions to subsidise these community groups will be explicit both in terms of the groups to be subsidised and the level of subsidy to be provided.

State Government 40 Year Lease Payments

Council has leased the properties listed below to the Queensland State Government for a period of 40 years. Council receives a set annual contractual payment for each dwelling or site subject to the lease arrangements in lieu of charging Service Charges.

- 51 properties on Moa Island (Kubin)
- 6 properties on Saibai Island
- 6 properties on Mabuiag Island
- 8 properties on Boigu Island
- 7 properties on Warraber Island
- 5 properties on Poruma Island
- 17 properties on Hammond Island
- 8 properties on Mer Island
- 9 properties on Badu Island
- 25 properties on Moa Island (St Paul's)
- 6 properties on Erub Island
- 6 properties on Masig Island

AUTHORISATION

This document was duly authorised by Council as the Torres Strait Island Regional Council Revenue Statement PR-SPO5-1 on 23 July 2019, and shall hereby supersede any previous procedures of the same intent.



Bruce Ranga
Chief Executive Officer

Date: 23 July 2019