

Revenue Policy

1. PURPOSE

The purpose of this policy is to provide details of the principles applied by Torres Strait Island Regional Council in relation to:

- a) The levying of rates and charges;
- b) Granting concessions for rates and charges;
- c) The purpose of concessions;
- d) Recovering overdue rates and charges;
- e) Cost recovery methods; and
- f) Infrastructure charges for new developments.

2. SCOPE

This policy applies to Council and associated enterprises (if any).

3. LINK TO CORPORATE PLAN

- People *Bisnis* - *Pipol*
- Sustainability *Bisnis* - *Mekem las long*
- Prosperity *Bisnis* – *Pruitpul*

4. POLICY STATEMENT

Making and Levying rates and charges – Section 193(1)(a)(i) of the LGR

In levying rates and charges the following principles will be applied:

- Consider the level of revenue that can be achieved from direct user charges, grants and subsidies, contributions, and other sources;
- Consider the cost of maintaining existing facilities and essential services, and the need for additional facilities and services;
- Clearly define the responsibilities of Council and each ratepayer;
- Timing the levying of any rates and charges to ensure a sustainable cash flow for Council operations and to spread the burden on ratepayers over the financial year;
- Support equity by offering flexible payment arrangements for ratepayers with a lower capacity to pay;
- Ensure transparency in the making of rates and charges;

- Make the system for paying rates and charges simple and inexpensive to administer;
- Promote equity by taking account of the different levels of capacity to pay within the local community;
- Allow flexibility to accommodate changes in the local economy;
- Assess alignment with Council's long-term financial plan and forecasted service-delivery costs;
- Consider National Competition Policy when determining utility charges; and
- Consider levying special and separate rates and charges, where appropriate, to recover the cost associated with a particular service, project, or facility that provides direct or additional benefit to the ratepayers or class of ratepayers.

Granting Concessions for rates and charges – Section 193(1)(a)(ii) of the LGR

In considering the application of concessions, Council will comply with Chapter 4, Part 10 of the LGR and be guided by the following principles:

- Equity, by acknowledging the different levels of capacity to pay;
- Consistency and fairness, by ensuring ratepayers in similar circumstances are treated the same;
- Transparency, by clearly outlining the requirements necessary to receive concessions; and
- Flexibility, to allow Council to respond to unforeseen local economic issues.

The purpose of concessions – Section 193(1)(b) of the LGR

Council will support community objectives through the application of concessions to:

- Reduce the financial burden of rates and charges on pensioners;
- Support the community activities and economic development of not-for-profit organisations
- Provide temporary relief (e.g., interest deferral) for ratepayers affected by declared natural disasters;
- Assist ratepayers experiencing genuine financial hardship; and
- Encourage economic development within all or part of the local government area.

Recovering overdue rates and charges – Section 193(1)(a)(iii) of the LGR

Council will exercise its recovery powers to reduce the overall burden on ratepayers and will be guided by the following principles:

- Transparency, by clearly outlining the obligations of ratepayers and the

processes used by Council in assisting them in meeting their financial obligations;

- Clarity, ensuring the processes used to recover outstanding rates and charges are clear, simple to administer, and cost effective;
- Capacity to pay, considering ratepayers' ability to pay when determining appropriate arrangements for different sectors of the community;
- Equity, ensuring ratepayers in similar circumstances are treated the same;
- Flexibility, to allow Council to respond to local economic issues;
- Cost, Council may charge interest on overdue rates and charges;
- Debt Recovery Policy, which outlines the processes for recovering outstanding rates and charges.

Cost recovery methods – Section 193(1)(a)(iv) of the LGR

Section 97 of the LGA allows Council to set cost-recovery fees. Cost-recovery fees are fixed to cover the full cost of providing the goods or services, including allocated administrative costs. Fees will not be set at more than the actual cost to Council for providing the service or taking the action for which the fee is charged. The user-pays principle is applied in setting fees, except where such application would be inconsistent with Council's expressly stated social, economic, environmental, or other corporate objectives.

This approach is considered the most equitable and effective means of revenue generation, based on the principle that the Region's rating base cannot subsidise the specific users or clients of Council's regulatory products and services.

All cost-recovery fees set by the Council are listed in the Fees and Charges Register which is open for inspection at Council offices or on its website.

Infrastructure charges for a new development – Section 193(1)(c) of the LGR

Council does not currently impose charges for new developments. If charges for developments are imposed, it is expected that developers will contribute significantly to the physical and social infrastructure costs associated with the new development through the payment of infrastructure charges.

5. REPORTING

NIL

6. DEFINITIONS

This policy is established with reference to obligations specified in section 104(5)(c)(iii) of the *Local Government Act 2009 (LGA)* and sections 193(3) and 169(2)(c) of the *Local Government Regulation 2012 (LGR)*.

7. RELATED DOCUMENTS AND REFERENCES

Does the policy relate to any related documents, policies or legislation?

8. REVIEW

When does the policy need to be reviewed?

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Directorate:	Financial Services
Responsible Officer:	Executive Director Financial Services
Authorised on:	17/06/2025
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