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Annual Plan and Budget

2019-20

Including forward estimates

2020-21 to 2022-23

Presented and submitted to the Council on

Wednesday 12 June 2019 by the Right Honourable the Lord Mayor of Brisbane (Councillor Adrian Schrinner)

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**Brisbane City Council**

Revenue Policy 2019-20

1. AUTHORITY

Section 185 of the *City of Brisbane Regulation 2012* (the Regulation) requires that Council annually review its revenue policy for each financial year.

1. OVERVIEW

The purpose of this Revenue Policy is to state:

1. the principles that Council intends to apply in the 2019-20 financial year for:
   1. levying rates and charges;
   2. granting concessions for rates and charges;
   3. recovering overdue rates and charges; and
   4. cost-recovery methods; and
2. if Council intends to grant concessions for rates and charges – the purpose for the concessions; and
3. the extent to which physical and social infrastructure costs for a new development are to be funded by charges for the development.
4. APPLICABILITY

This revenue policy will apply to the financial year from 1 July 2019 to 30 June 2020.

The revenue policy contains principles to be used in preparing the budget. It will also be used when reviewing, preparing and applying related policies, procedures and guidelines effective during the 2019-20 financial year.

The revenue policy is part of Council’s budget. The budget will be available for inspection at Council’s public office and on its website at https://www.brisbane.qld.gov.au/about-council/council-information-rates/news-publications

1. POLICY

#### 4.1 Revenue raising principles

1. Levying rates and charges

In making and levying rates and charges, Council is required to comply with the requirements of Queensland and Australian Government legislation.

Where appropriate, the principle of user pays will be applied in the making of charges so as to minimise the impact of these charges on the local economy.

Council will also have regard to the principles of:

* equity by reference to the value or quality of land;
* transparency in the making and levying of rates and charges;
* clarity in terms of Council’s and ratepayer’s responsibilities in regard to the rating process;
* partnering in assisting the smooth running of the local economy by timing the levying of rates to take into account the financial cycle of local economic activity;
* National Competition Policy legislation where applicable; and
* efficiency, in having a rating regime that is efficient to administer.

1. Granting concessions for rates and charges

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

* equity by reference to the value or quality of land within the local community;
* equality by providing the same treatment for ratepayers with similar circumstances;
* transparency by making clear the requirements necessary to receive concessions;
* flexibility to allow Council to respond to local economic issues; and
* responsiveness to community expectations of what activities should attract assistance from Council.

1. Recovering overdue rates and charges

Council will exercise its rate recovery powers pursuant to the provisions of Chapter 4, Part 12 of the Regulation in order to reduce the overall rate burden on ratepayers. It will be guided by the principles of:

* transparency by making clear the obligations of ratepayers and the processes used by Council in assisting them to meet their financial obligations;
* clarity and cost effectiveness in the processes used to recover overdue rates and charges;
* equity by determining appropriate arrangements for different sectors of the community;
* equality by providing the same treatment for ratepayers with similar circumstances; and
* flexibility by responding where necessary to changes in the local economy.

1. Cost-recovery fees

Pursuant to the provisions of section 99 of the *City of Brisbane Act 2010* (the Act), Council may establish fees to recover costs associated with the provision of certain activities or services.

Council will be guided by the principles of:

* clarity in the identification of cost drivers; and
* neutrality in that the fee will represent no more than the cost to Council of taking the action for which the fee is charged.

Council will make publicly available a register of cost-recovery fees.

#### 4.2 Purpose of concessions for rates and charges

Council provides rates and charges concessions for:

1. Pensioners who comply with eligibility criteria set out in the Partial Remission of Rates and Charges (Pensioners) Policy; and
2. First home owners who comply with eligibility criteria set out in the Partial Remission of Rates and Charges (First Home Owners) Policy; and
3. Not-for-profit organisations which comply with eligibility criteria set out in its Revenue Policy: Partial Remission of General Rates (Not-for-profit Organisations).

These concessions have been made available in accordance with the provisions of Chapter 4, Part 10 of the Regulation.

The purpose of these provisions is to:

1. acknowledge that approved pensioners have a limited financial capacity; and
2. assist approved first home owners in the first 12-months of owning their first homes; and
3. support the social benefit of the principal activities of qualifying not-for-profit organisations.

#### 4.3 Infrastructure cost-recovery

Council will levy infrastructure charges for development infrastructure with development approvals for new development. The amounts of those infrastructure charges are determined by a Council resolution made under the *Planning Act 2016*.

1. POLICY OWNER

Chief Financial Officer, Corporate Finance, Organisational Services

1. FURTHER ASSISTANCE

For further information, please refer to Council’s website at https://www.brisbane.qld.gov.au/about-council/council-information-rates/news-publications

1. RELATED INFORMATION

This policy is Council’s strategic revenue policy.

There are various administrative policies and arrangements that make up the total Council response to revenue management.

1. REVIEW DATE

The revenue policy must be reviewed 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.