



# **ATTACHMENTS TO MINUTES SPECIAL COUNCIL MEETING**

**13 MARCH 2019**



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*Southern Downs Regional Council*

# **PROPOSED ANNUAL BUDGET 2019-2020**

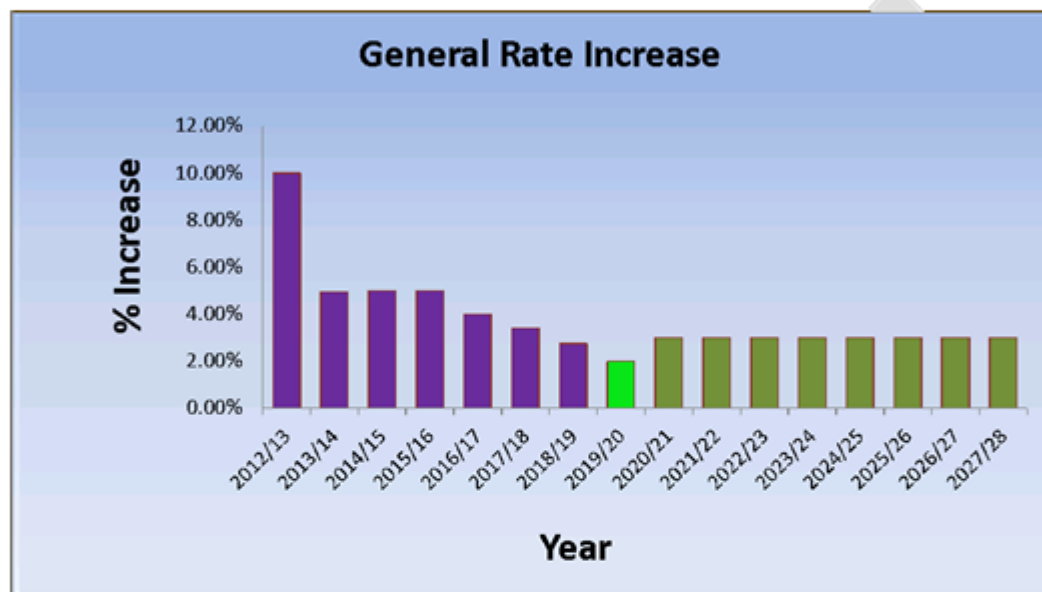
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## Executive Summary

Council has prepared a Budget for the 2019/20 financial year, which seeks a balance between the demand for quality services and provision of infrastructure. Key budget information is provided below about the rate increase, operating result, cash position, cash from operations, capital expenditure, borrowings and financial sustainability of the Council.

### Rates

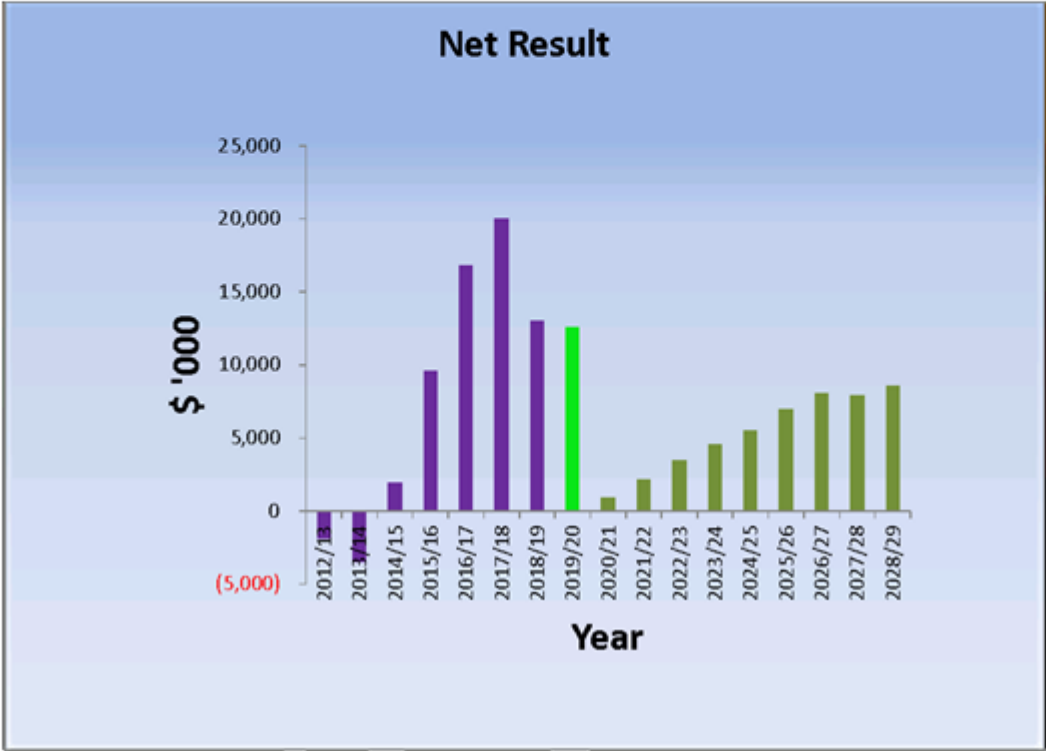


The general rate for 2019/20 will increase by 2.00% with all the other charges for Waste, Water and Waste Water (utility charges) also to increase by 2.75%. By consolidating the general rate and utility charges, it is projected that total rates and charges income will increase by 2.3% over the base that was raised last year to \$57.21 million.

All rate increases for the 2018/19 financial year was 2.75%.

Council has budgeted for a standard 3% increase from 2020/21 going forward in its Long Term Financial Forecast.

**Net result**



The expected net result for the 2019/20 year is a surplus of \$12.62m which is less than the projected \$16.66m surplus result for 2018/19. Please note that this is as per the second quarter budget review for the 2018/19 financial year as at 31 December 2018.

The projected net results in the forward budget remain relatively stable for a number of years.



### Cash position



The cash position is expected to decrease during the year to \$35.65m as at 30 June 2020. It is projected to be \$35.66m as at 30 June 2019. Of this cash as at 30 June 2019, \$13.55m is restricted to meet Council's short term commitments. This consists of \$4.21m for staff provisions, \$7.45m for trade creditor's payable, \$1.50m to meet Council's Loan repayments and a small amount of funds to ensure other short term commitments are cash backed of \$380,000.

The slight decrease in the cash level in the 2019/20 budget year is directly related to Council's budgeted Capital Works Program within that year. The strengthening of cash in the future years is in line with Council's Long Term Financial Strategies. It provides funding capacity that is periodically released for capital works requirements in later years. It also provides some financial capacity for unavoidable cost events and strategic opportunities that may occur or present in the later years of the plan.

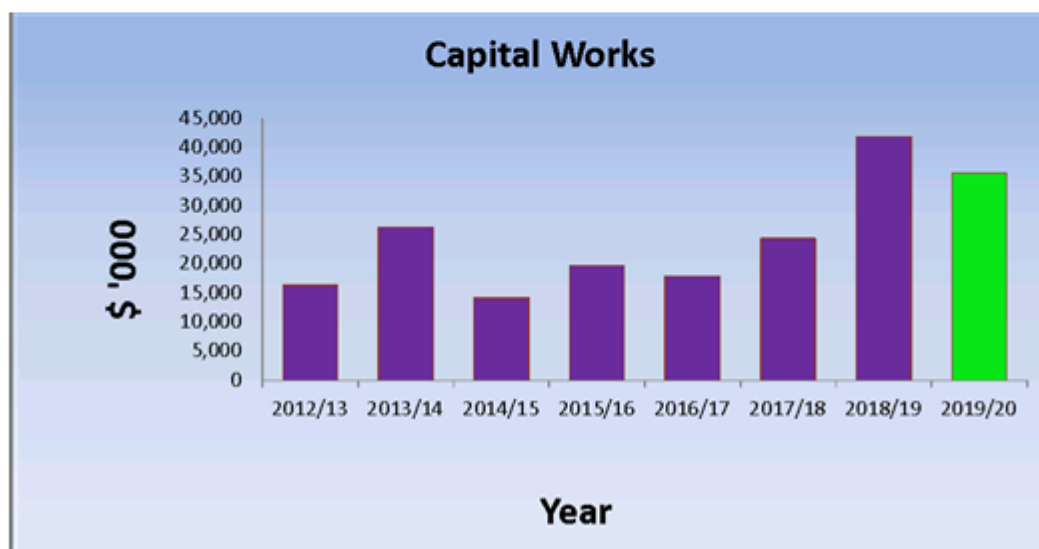
### Cash from operations



Net cash from operations for 2019/20 is forecast to be \$11.14m. It is less than the previous year's projection of \$12.61m.

Cash from operations provides funding for future years' capital works renewal programs.

#### Capital expenditure



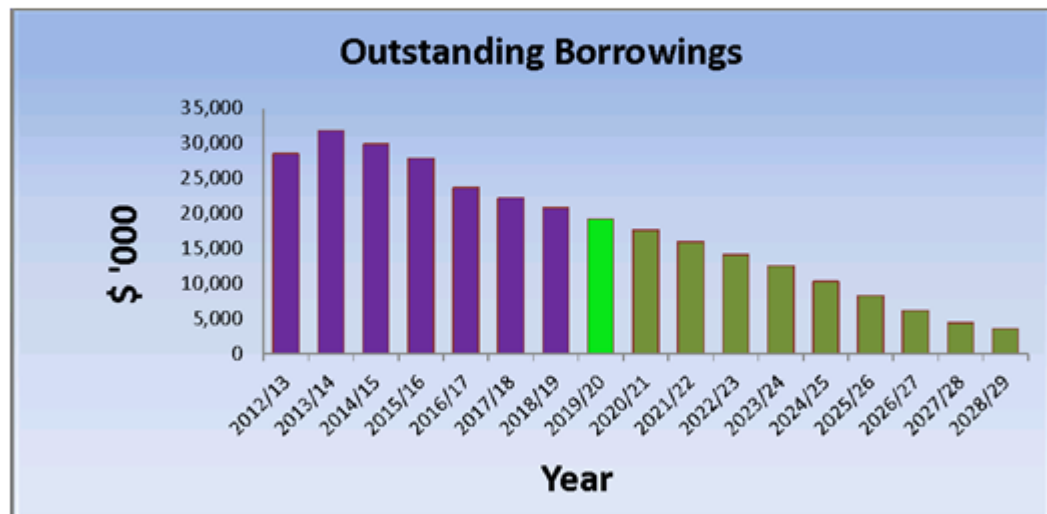
The capital expenditure program for the 2019/20 year is \$35.58m which is \$6.29m less than for 2018/19. The projected capital expenditure for the previous financial year is \$41.86m. This will be amended after the public consultations have taken place.

The previous 2018/19 year's capital expenditure includes \$8.25m expenditure for projects that were budgeted for, but not completed in 2017/18. The carried forward component was fully funded from the 2017/18 Budget.

The capital works program for 2019/20 has been set and prioritised based on a rigorous process that has enabled Council to assess needs and develop sound business cases for each project, as well as renewal of assets.

Council is continuing to develop its Asset Management Plans which will support the capital program going forward. These documents will also feed into Council's Long Term Financial Forecast.

## Borrowings

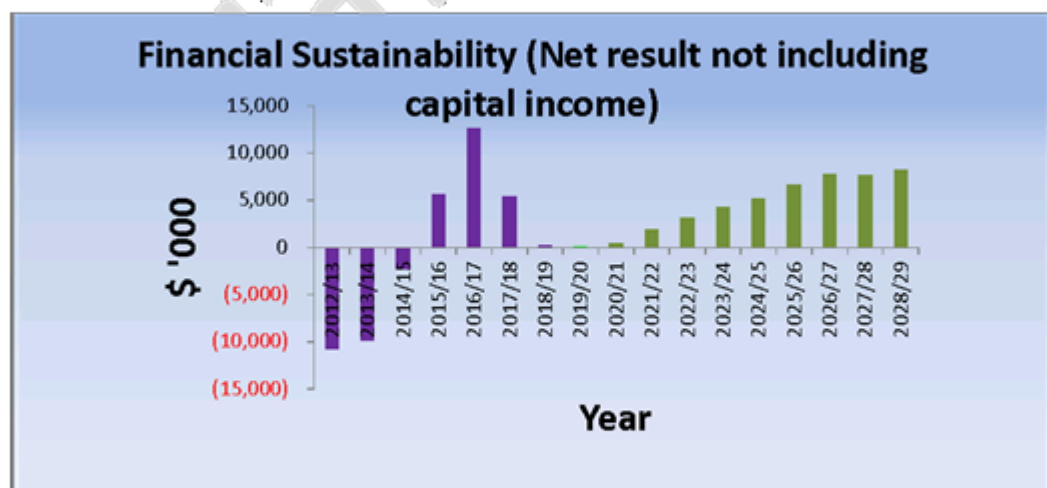


Council has not borrowed since 2013/14 when it borrowed \$5.0m for the Allora Water Pipeline.

Council has not included any borrowings in the Long Term Financial Forecast and Council intends to pay off these loans in line with its obligations with the Queensland Treasury Corporation.

During the financial year 2019/20 Council will continue to reduce its debt liability by an amount of \$1.59m.

## Financial sustainability



A detailed Long Term Financial Forecast for the years 2019/20 to 2028/29 has been developed to assist Council in adopting an annual Budget within a longer term prudent financial framework. The key objective of the plan is to achieve financial sustainability in the medium to long term, whilst still achieving the Council's strategic objectives as specified in the Corporate Plan. Council's financial history shows large operating deficits with a peak being in 2012/13 where the operating deficit reached \$10.71m. Council has since then introduced savings measures to address these deficits, and as such is forecasting another operating surplus of \$223,000 for 2018/19 at the time of the second quarter review.

The immediate forward years project a series of stable underlying surpluses. In the mid to later years of the plan the projected underlying operating result has a gradual upward trend. This is due to Council maintaining its commitment to control spending in these later years.

## 1. Budget Process

This section lists the processes to be undertaken in order to adopt the Budget in accordance with the *Local Government Act 2009* (the Act) and *Local Government Regulations 2012* (the Regulations).

Under the Act, Council is required to prepare and adopt an annual Budget for each financial year. The Budget is required to include certain information about the rates and charges that Council intends to levy as well as a range of other information required by the Regulations which support the Act.

The 2019/20 Budget, which is included in this report, is for the year 1 July 2019 to 30 June 2020 and is prepared in accordance with the Act and Regulations. The Budget includes financial statements being a budgeted Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows and details of Capital Works. These statements have been prepared for the year ending 30 June 2020 in accordance with the Act and Regulations, and are consistent with the annual financial statements which are prepared in accordance with Australian Accounting Standards.

The Budget also includes information about the rates and charges to be levied, the capital works program to be undertaken, the human resources required, and other financial information Council requires in order to make an informed decision about the adoption of the budget.

In advance of preparing the Budget, officers review and update Council's long term financial projections. Financial projections for 10 years are included in Council's Long Term Financial Forecast which is produced on a rolling annual basis.

The preparation of the Budget, within this broader context, begins with officers preparing the operating and capital components of the annual Budget during December to February. A draft consolidated Budget is then prepared and various iterations are considered by Council at Briefings during March. A 'proposed or draft' Budget is prepared in accordance with the Act and Regulations and submitted to Council in March for approval in principle. Council has then decided to give 'public notice' that it intends to adopt the Budget. Council has given 28 days' notice of its intention to adopt the proposed Budget and make the Budget available for inspection at its offices and on its internet web site. A person has a right to make a submission on any proposal contained in the Budget and any submission must be considered before the formal adoption of the Budget by Council.

The final step is for Council to adopt the Budget after receiving and considering any submissions from interested parties. The Budget is required to be adopted by 1 August 2019.

## 2. Analysis of Operating Budget

This section of the Annual Budget report analyses the expected revenues and expenses of the Council for the 2019/20 year.

### 2.1 Budgeted Income Statement

	Reference	Forecast 18/19 \$'000	Budget 19/20 \$'000	Variance Increase /(Decrease) \$'000
Total income	2.2	96,699	93,176	(3,523)
Total expenses	2.3	80,093	80,476	442
Surplus (deficit) for the year		16,665	12,700	(3,965)
Grants - capital		16,003	12,076	(3,927)
Capital contributions		559	650	91
Profit / (Loss) on disposal of assets		(120)	(120)	0
Adjusted underlying surplus (deficit)		229	94	(129)

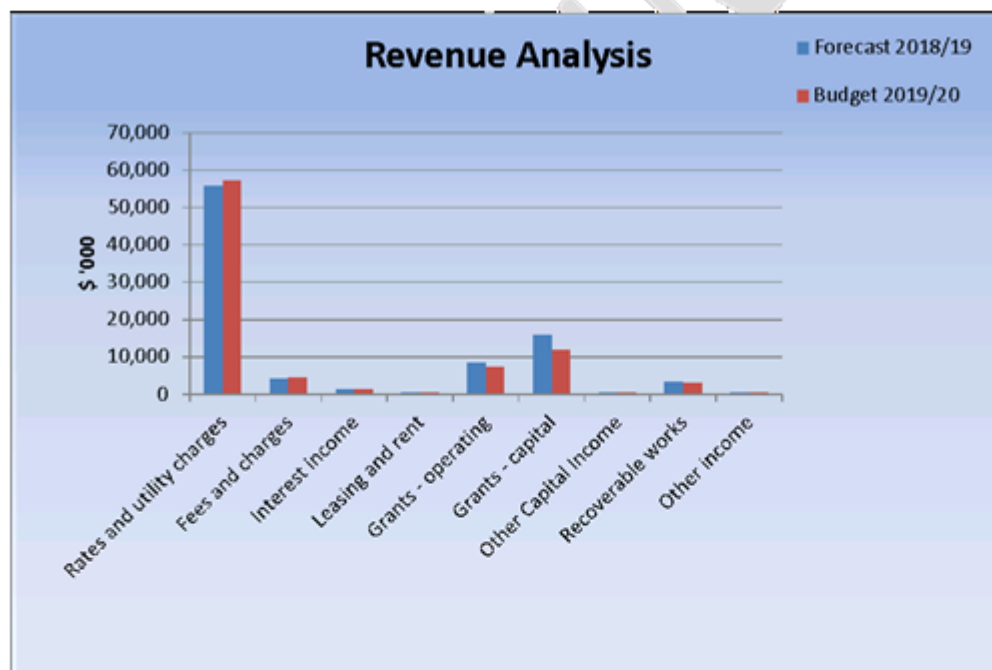
#### 2.1 Adjusted Underlying Surplus (\$129,000 decrease)

The adjusted underlying result is the net surplus or deficit for the year adjusted for capital grants, contributions of non-monetary assets and capital contributions from other sources. It is a measure of financial sustainability and Council's ability to achieve its service delivery objectives.

The adjusted underlying result for the 2019/20 year is a surplus of \$94,000 which is a reduction of \$129,000 compared to the 2018/19 year. In calculating the underlying result, Council has excluded capital grants and capital contribution. Contributions of non-monetary assets are also excluded as the value of assets assumed by Council is dependent on the level of development activity each year.

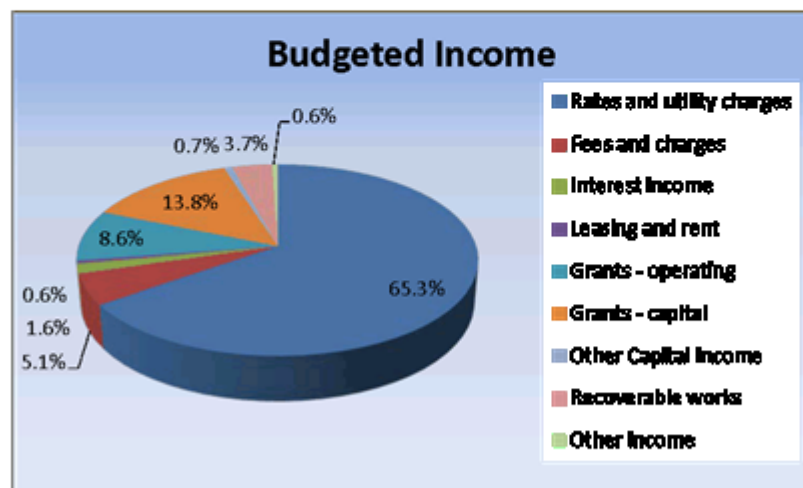
## 2.2 Income

	Reference	Forecast 2018/19 \$'000	Budget 2019/20 \$'000	Variance Increase /(Decrease) \$'000
Rates and utility charges	2.2.1	55,920	57,214	1,294
Fees and charges	2.2.2	4,400	4,503	103
Interest income	2.2.3	1,402	1,402	(0)
Leasing and rent	2.2.4	489	504	15
Grants - operating	2.2.6	8,517	7,552	(965)
Grants - capital		16,008	12,076	(3,932)
Other Capital income		559	650	91
Sales (Including recoverable works)	2.2.5	3,368	3,226	(142)
Other income		482	486	4
Internal Revenue		5,568	5,563	(5)
<b>Total Revenue</b>		<b>96,699</b>	<b>93,176</b>	<b>(3,523)</b>



### **2.2.1 Rates and Charges (\$1.29m increase)**

It is projected that general rates and charges income will increase by 2.30% over the base that was raised last year to \$57.21m.



The general rate will increase by 2.00%, with all other utility charges for water, waste water and charges for garbage collection and recycling increasing by 2.75%.

### **2.2.2 Fees and Charges (\$103,000 increase)**

There is an anticipated increase of \$103,000 or 2.33% for fees and charges. Fees and charges relate to fees and fines levied in accordance with State Government legislation and include Planning, Health Act Registrations and Parking Fines.

### **2.2.3 Interest Income (\$0 increase)**

There is no anticipated increase anticipated for Interest Income. This has come about due to the long term predictions of the reserve bank lowering its base interest rate. Interest Income relates to interest being received on Council's investments and on overdue rates.

### **2.2.4 Leasing and Rent (\$15,000 increase)**

There is an anticipated increase of \$15,000 or 3.08% in leasing and rental income. Leasing and rental income comes from Council leasing land, buildings (etc.), and rental comes from Council's housing stock. This income primarily relates to Community Housing.



## 2.2.5 Sales including Recoverable Work (\$137,000 decrease)

There is an anticipated decrease of \$137,000 or 4.06% in sales recoverable work income. Sales and Recoverable work income comes from Council undertaking private works for the public and the sales of items. This forecasted decrease highlights the number of capital programs that Council has underway over the next 12 months.

## 2.2.6 Grants - Operating (\$965,000 decrease)

Operating grants include all monies received from State and Federal sources for the purposes of funding the delivery of Council's services to ratepayers, as well as one-off funding for projects undertaken on behalf of community organisations. Overall, the level of grants has decreased by \$965,000 or 11.33% compared to 2018/19. This is mainly due to the non-recurring drought communities funding received during the 2018/19 financial year.

A list of operating grants by type and source, classified into recurrent and non-recurrent, is included below.

Operating Grant Funding		Forecast	Budget 2019/20	Variance Increase / (Decrease)
		\$	\$	\$
<b>Federal Grants</b>				
Financial Assistance Grant		6,605,855	6,605,855	
Fuel Grant		220,000	220,000	
Drought Assistance		800,000		(800,000)
<b>Federal Grants Total</b>		<b>7,625,855</b>	<b>6,825,855</b>	<b>(800,000)</b>
<b>State Grants</b>				
Library Book Purchase		188,000	173,000	(10,000)
Pest Animal Control		113,950		(113,950)
Pest Plant Control		112,000	112,000	
Trainee Subsidies		112,500	107,000	(5,500)
First 5 Forewer		11,504	23,007	
Economic Development		68,636	16,636	(47,000)
Regional Skills Investment Strategy		175,000	175,000	
RADF Program		55,000	55,000	
Fire Trail Development and Maintenance		7,500	7,500	
Get Ready Queensland Project		20,000	20,000	
Warwick State Emergency Services		23,000	23,000	
Stanthorpe State Emergency Services		14,000	14,000	
<b>State Grants Total</b>		<b>891,090</b>	<b>726,143</b>	<b>(176,450)</b>
<b>Total Operating Grants</b>		<b>8,516,945</b>	<b>7,551,998</b>	<b>(976,450)</b>

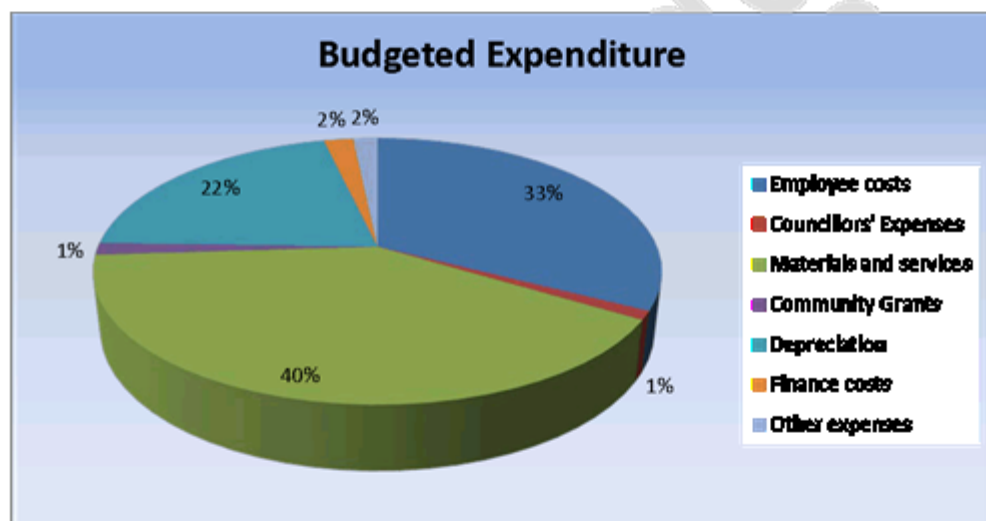
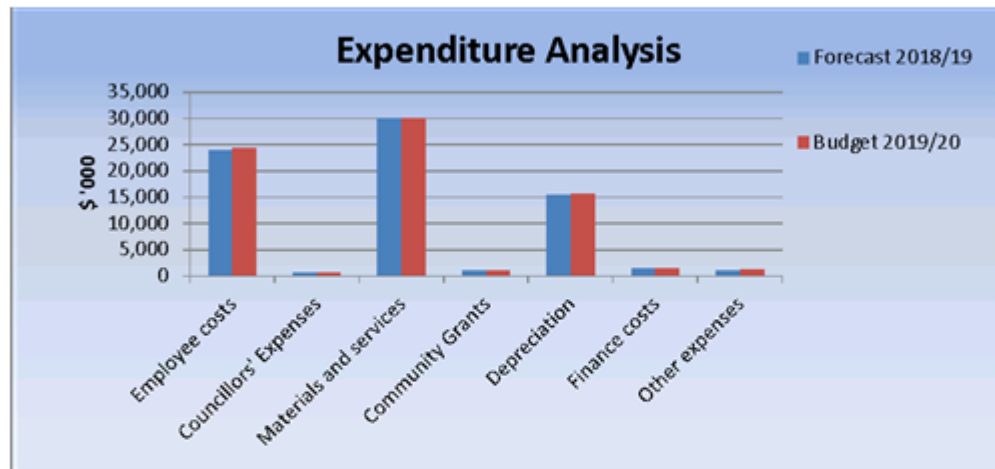
## 2.2.7 Grants - Capital (\$3.93m decrease)

Capital grants include all monies received from State and Federal governments for the purposes of funding the capital works program. Overall the level of grants has decreased by \$3.93m or 24% compared to 2018/19. A list of capital grants by type is included below.

Capital Grant Funding	Forecast	Budget 2019/20	Variance Increase /(Decrease)
<i>Roads to Recovery</i>	2,362	1,320	(1,042)
<i>Transport Infrastructure Development Scheme (TIDS)</i>	1,099	1,100	1
<i>Blackspot Funding</i>	257		(257)
<i>Principal Cycle Network</i>	340	777	437
<i>Lasting Legacies</i>	34		(34)
<i>Bridge Renewal Program</i>	1,000	1,100	100
<i>Works for Queensland</i>	1,724		(1,724)
<i>Building Our Regions</i>	3,989	3,000	(989)
<i>Building Better Regions</i>		3,000	3,000
<i>Transport &amp; Tourism Connections Program</i>		475	475
<i>Heavy Vehicle Safety and Productivity</i>		395	395
<i>Local Government Grants &amp; Subsidy</i>		125	125
<i>Natural Disaster Relief and Recovery Arrangements</i>	4,531		(4,531)
<i>Natural Disaster Resilience Program</i>	70		(70)
<i>Drought Communities</i>	200		(200)
<i>Trade-In</i>		784	784
<i>LG Levy Ready Grants Program</i>	446		(446)
<b>Total Capital Grants</b>	<b>16,002</b>	<b>12,076</b>	<b>(3,926)</b>

## 2.3 Expenditure

Expenditure types	Reference	Forecast 2018/19 \$'000	Budget 2019/20 \$'000	Variance Increase /(Decrease) \$'000
Employee costs	2.3.1	24,016	24,353	338
Councillors' Expenses		786	801	15
Materials and services	2.3.2	30,918	31,075	157
Community Grants	2.3.3	1,196	1,093	(103)
Depreciation	2.3.4	15,552	15,614	62
Finance costs	2.3.5	1,593	1,504	(89)
Other expenses		349	352	3
Internal Expenditure		5,563	5,563	0
<b>Total Operating Expenses</b>		<b>79,918</b>	<b>80,356</b>	<b>438</b>



#### 2.3.1 Employee Costs (\$338,000 Increase)

Employee costs include all labour related expenditure including wages and salaries and on-costs such as allowances, leave entitlements, employer superannuation and fringe benefits tax.

Employee costs are forecast to increase by \$338,000 when compared to the 2018/19 forecast result.

In delivering services to the community, Council may choose to use in-house or outsourced resources. The efficiency of Council's service delivery relies on a combination of both to achieve best value for the community.

A summary of human resources expenditure categorised according to the organisational structure of Council is included below:

Directorate	Budget 2019/20 \$'000	Budget 2019/20 FTE
Executive Services	1,898	13.51
Corporate Services	3,623	35.00
Engineering Services	17,537	204.42
Planning, Environment & Community Services	6,400	84.86
Total staff expenditure	29,458	337.79
Other staff related costs	584	
Less capitalised labour costs	5,139	
Total employee costs	24,903	

### 2.3.2 Materials and Services (\$157,000 increase)

Materials and consumables are forecast to increase by \$157,000 or .005% compared to 2018/19. The increased expenditure on materials and consumables in 2019/20 can mainly be attributed to an increase in external contracts.

### 2.3.3 Community Grants (\$44,000 decrease)

The reduction in the Community Grants relates to a decrease in relation to the Stanthorpe YM and a decrease in relation to the Stanthorpe Apple and Grape is not on within the 2018/19 financial year.

Community grants relate to the follow specific items:

Community Grants	Amount within the 2019/20 Budget
Warwick Art Gallery	180,000
Stanthorpe Art Gallery	179,375
Stanthorpe Museum	5,000
RADF	123,310
Community Grant	945,325
Fast Response Small Grants	70,000
Warwick Rodeo	10,000
Jumpers & Jazz	15,000
Leyburn Sprints	5,000

<b>Snowflakes</b>	<b>10,000</b>
<b>River Improvements Trusts</b>	<b>149,750</b>
<b>Total Community Grants</b>	<b><u>1,092,760</u></b>

#### **2.3.4 Depreciation and Amortisation (\$62,000 increase)**

Depreciation relates to the usage of Council's property, plant and equipment including infrastructure assets such as roads and drains. Depreciation systematically allocates the cost of the 'consumption of the service potential' over the useful life of the asset to the Income Statement.

Periodic revaluation of infrastructure asset classes, the completion of the 2018/19 Capital Works Program and the full year effect of depreciation on the 2018/19 Capital Works Program impacts upon the depreciation charges. Refer to Section 3 'Analysis of Capital Budget' for a more detailed analysis of Council's Capital Works Program for the 2019/20 year.

#### **2.3.5 Borrowing Cost Expenses (\$89,000 decrease)**

Borrowing cost expenses represent the interest cost associated with borrowed funds. Borrowing costs are forecast to decrease by \$89,000 from 2018/19.

### 3. Analysis of Capital Budget

This section of the Budget report analyses the planned capital expenditure for the 2018/19 year and the sources of funding for the Budget.

#### 3.1 Capital Works

Capital Works Areas	Ref	Forecast Actual	Budget	Variance
		2018-19 \$'000	2019-20 \$'000	\$'000
<b>Property</b>	<b>3.1.1</b>			
Land		625	0	(625)
Community Facilities		3,607	4,910	1,303
Saleyards		250	0	(250)
Parks & Open Spaces		200	2,212	2,012
Disaster Management		75	0	(75)
Environmental Services		20	0	(20)
Council Owned Depots		95	0	(95)
<b>Total property</b>		<b>4,872</b>	<b>7,122</b>	<b>2,250</b>
<b>Plant, machinery and equipment</b>	<b>3.1.2</b>			
Plant and machinery		3,850	3,234	(616)
Computers and telecommunications		431	125	(306)
<b>Total plant, machinery and equipment</b>		<b>4,281</b>	<b>3,359</b>	<b>(922)</b>
<b>Infrastructure</b>	<b>3.1.3</b>			
Roads, Bridges & Footpaths		20,321	11,474	(8,847)
Drainage		377	75	(302)
Waste management		1,052	3,100	2,048
Water		9,428	4,095	(5,333)
Waste Water		1,533	6,350	4,817
<b>Total Infrastructure</b>		<b>32,711</b>	<b>25,094</b>	<b>(7,617)</b>
<b>Total capital works expenditure</b>		<b>41,864</b>	<b>35,575</b>	<b>(6,289)</b>
<b>Represented by:</b>				
<b>New asset expenditure</b>	<b>3.1.4</b>	<b>6,230</b>	<b>14,317</b>	<b>8,087</b>
<b>Asset renewal / upgrade expenditure</b>		<b>35,634</b>	<b>21,258</b>	<b>(14,376)</b>
<b>Total capital works expenditure</b>		<b>41,864</b>	<b>35,575</b>	<b>(6,289)</b>

### **3.1.1 Property (\$7.12m)**

The property class comprises buildings and building improvements including community facilities, municipal offices, sports facilities and pavilions.

For the 2019/20 year, \$4.91m will be expended on land, building and building improvement projects.

### **3.1.2 Plant and Equipment (\$3.36m)**

Plant and equipment includes plant, machinery and equipment, computers and telecommunications.

For the 2019/20 year, \$3.36m will be expended on plant, equipment and other projects. The more significant projects include ongoing cyclical replacement of the plant and vehicle fleet (\$3.23m) and upgrade and replacement of Information Technology (\$125,000).

### **3.1.3 Infrastructure (\$25.09m)**

Infrastructure includes roads, bridges, footpaths, drainage, waste facilities, water and waste water.

For the 2019/20 year, \$11.55m will be expended on roads, bridges, drainage and footpaths. The main projects include Palmer Bridge replacement (\$2.20m), Connolly Dam sealing (\$950,000), Goldfields Road Gravel resheeting (\$600,000) and Pikedale Road Gravel resheeting (\$600,000).

Waste Facilities budget for 2019/20 is \$3.10m of which the major project is to Construct a new Transfer Station for (\$2.30m). Other small capital items at both the Warwick and Stanthorpe facilities will also be undertaken.

Water Infrastructure works is budgeted for \$4.09m for 2019/20. Major project is the Water Trunk Main Construction – Storm King Dam (\$1.00m), plus other capital projects.

Waste Water works is budgeted for \$6.35m for 2019/20. The major project is the extension of the Recycled water pipe line (\$4.38m).

### **3.1.4 Asset Renewal/ Upgrade (\$21.25m), and New (\$14.32m).**

A distinction is made between expenditure on new assets and asset renewal and upgrade. Expenditure on asset renewal is expenditure on an existing asset, or on replacing an existing asset that returns the service of the asset to its original capability. Expenditure on new assets does not have any element of renewal or upgrade of existing assets but will result in an additional burden for future operation, maintenance and capital renewal.

### 3.1.5 Carried Forward Works (\$Nil)

At the end of each financial year there are projects which are either incomplete or not commenced due to planning issues, weather delays, extended consultation or other delays.

There is no amount shown as cash held to fund carry forward works at 30 June 2019, as it is planned that the capital works budget in the 2018/19 financial year will be completed.

## 3.2 Funding Sources

	Reference	Forecast 2018/19 \$'000	Budget 2019/20 \$'000	Variance Increase /(Decrease) \$'000
Grants (including Grants rec'd in Prior year)	3.2.1	19,728	11,292	(8,436)
Contributions	3.2.2	559	80	(479)
Borrowings	3.2.3	0	0	0
Council Cash				
-Operations	3.2.4	15,741	21,054	5,313
-Proceeds from sale of assets	3.2.5	1,049	784	(265)
-Reserves	3.2.6	4,787	2,116	(2,671)
-Provisions		0	250	250
<b>Total Funding Sources</b>		<b>41,864</b>	<b>35,576</b>	<b>(6,288)</b>

### 3.2.1 Grants (\$11.29m)

Capital grants include all monies received from State and Federal sources for the purposes of funding the Capital Works Program. Significant grants are budgeted to be received for the Roads to Recovery funding (\$1.32m), Transport Infrastructure Development Scheme (\$1.10m), Building Our regions (\$3.00m), Building Better regions (\$3.00m).

### 3.2.3 Borrowing (\$Nil)

There are no borrowings budgeted for in the 2019/20 financial year for capital projects.



#### **3.2.4 Council Cash - Operations (\$21.05m)**

During the year Council generates cash from its operating activities, which is used as a funding source for the capital works program. It is forecast that \$21.05m will be generated from operations to fund the 2019/20 capital works program (after allowing for capital grants and contributions).

#### **3.2.5 Council Cash - Proceeds from Sale of Assets (\$784,000)**

Proceeds from sale of assets include motor vehicle sales in accordance with Council's Fleet renewal policy of \$784,000.

#### **3.2.6 Council Cash - Reserve Cash (\$2.12m)**

Council has cash reserves, which will be used to fund areas of its annual Capital Works Program. For 2019/20, \$2.12m will be used to fund new capital works where appropriate.

## 4. Analysis of Budgeted Balance Sheet

This section of the budget report analyses the movements in assets, liabilities and equity between 2018/19 and 2019/20.

### Budgeted Balance Sheet

	Reference	Forecast 2018/19 \$'000	Budget 2019/20 \$'000	Variance Increase / (Decrease) \$'000
<b>Current</b>				
Assets	4.1.1	42,579	42,579	0
Liabilities	4.1.2	13,548	13,623	75
Net-current assets		29,031	28,956	(75)
<b>Non-Current</b>				
Assets	4.1.3	796,287	816,399	20,112
Liabilities	4.1.4	23,746	22,101	(1,645)
Net non-current assets		772,541	794,298	21,757
<b>Community Equity</b>				
Asset revaluation reserve	4.1.5	203,599	203,599	0
Retained Surplus	4.1.6	597,972	619,654	21,682
<b>Total Community Equity</b>		<b>801,571</b>	<b>823,253</b>	<b>21,682</b>

#### 4.1.1 Current Assets (No movement)

The current assets are projected to have no movement in 2019/20.

#### 4.1.2 Current Liabilities (\$75,000 increase)

There is a projected increase of \$75,000 in current liabilities (obligations that Council must pay within the next 12 months). This is predominantly due to an increase in projected payments towards borrowings as at the end of the period.

#### 4.1.3 Non-Current Assets (\$20.11m increase)

The increase in non-current assets is due to the net result of the Capital Works Program.

#### **4.1.4 Non-Current Liabilities (\$1.64m decrease)**

The decrease is in relation to a reduction in Council's long term provisions and Council's debt level.

#### **4.1.5 Asset Revaluation Reserve (No movement)**

The Asset Revaluation reserve is the balance of all movements within each asset class in relation to revaluations undertaken by Council. This balance will offset any negative revaluations in the future if needed.

#### **4.1.6 Retained Surplus (\$21.68m increase)**

The increase in the accumulated surplus is impacted by the budgeted comprehensive surplus.

#### **4.2 Key assumptions**

In preparing the budgeted Balance Sheet for the year ended 30 June 2020 it was necessary to make a number of assumptions about key assets, liabilities and equity balances. The key assumptions are as follows:

- The collection level of rates and charges in 2019/20 will be at similar levels to that of previous years;
- Trade creditors increase slightly while other creditors and debtors to remain consistent with 2018/19 levels;
- Proceeds from the sale of property in 2019/20 will be received in full in 2019/20 if applicable;
- Employee entitlements are to slightly increase. No increase in the average rate of leave taken is expected however the provisions for such have been amended;
- Total capital expenditure to be \$36.45m.
- Water consumption revenue continues to be forecasted down by 10%.

## Appendix A

### 2019/20 Draft Budget

#### Statement of Comprehensive Income (Income and Expenditure)

	Anticipated 18/19 Actual	Draft 19/20 Budget
<b>Income</b>		
<b>Revenue</b>		
<b>Operating revenue</b>		
General rates	31,972.00	32,812.00
Separate rates	124.00	124.38
Water	7,731.00	7,943.85
Water consumption, retail and sundries	4,385.00	4,805.24
Sewerage	8,785.00	8,005.81
Garbage charges	4,484.00	4,581.88
Other rates, levies and charges	287.00	288.83
Less: discounts	(1,808.00)	(1,845.62)
<b>Net rates, levies and charges</b>	<b>56,920</b>	<b>59,214.37</b>
Fees and charges	4,400	4,502.58
Rental income	489	503.84
Interest received	1,403	1,401.84
Sales revenue	3,288	3,228.00
Other income	482	485.82
Grants, subsidies, contributions and donations	8,618	7,851.88
<b>Total operating revenue</b>	<b>74,573</b>	<b>74,886</b>
<b>Capital revenue</b>		
Government subsidies and grants—capital	15,860	12,076.00
Contributions—capital	602	630.00
Grants, subsidies, contributions and donations	16,462	12,706
<b>Total revenue</b>	<b>91,135</b>	<b>87,462</b>
<b>Expenses</b>		
<b>Operating expenses</b>		
Employee benefits	24,018	25,154.18
Materials and services	33,188	32,883.50
Finance costs	1,883	1,340.78
Depreciation and amortisation	15,552	15,814.00
<b>Total operating expenses</b>	<b>74,350</b>	<b>74,792</b>
<b>Capital expenses</b>		
Other capital expenses	120	-
<b>Total capital expenses</b>	<b>120</b>	<b>-</b>
<b>Total expenses</b>	<b>74,470</b>	<b>74,792</b>
<b>Net result</b>	<b>16,665</b>	<b>12,700</b>
<b>Operating result</b>		
Operating revenue	74,573	74,886.11
Operating expenses	74,350	74,792.47
Operating result	223	94

**Appendix B**  
**2019/20 Draft Budget**  
**Statement of Financial Position**  
**(Balance Sheet)**

	Anticipated 18/19 Actual	Draft 19/20 Budget
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	35,659	35,659
Trade and other receivables	6,019	6,208
Inventories	809	800
<b>Total current assets</b>	<b>42,579</b>	<b>42,678</b>
<b>Non-current assets</b>		
Trade and other receivables	147	147
Investments	742	742
Property, plant & equipment	794,247	814,303
Other non-current assets	1,151	1,207
<b>Total non-current assets</b>	<b>796,267</b>	<b>816,398</b>
<b>Total assets</b>	<b>838,865</b>	<b>858,978</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	7,443	7,430
Borrowings	1,506	1,508
Provisions	4,216	4,216
Other current liabilities	389	380
<b>Total current liabilities</b>	<b>13,548</b>	<b>13,823</b>
<b>Non-current liabilities</b>		
Borrowings	19,329	17,884
Provisions	4,417	4,417
<b>Total non-current liabilities</b>	<b>23,746</b>	<b>22,101</b>
<b>Total liabilities</b>	<b>37,294</b>	<b>35,724</b>
<b>Net community assets</b>	<b>801,571</b>	<b>823,254</b>
<b>Community equity</b>		
Asset revaluation surplus	203,689	203,689
Retained surplus	597,972	619,854
<b>Total community equity</b>	<b>801,571</b>	<b>823,253</b>

## Appendix C

### Budgeted Capital Program 2019/20

2019/20 Draft Budget

Project	Renewal/ Upgrade/ New	Proposed Budget	Revenue Funded	Grant Funding	Other Funded
Footpath Replacement	Renewal	50,000	50,000		
Install new Security Fencing and Signage around Dams	New	61,500	61,500		
Building Fire Systems Upgrades	Upgrade	62,500	62,500		
Stamhorpe Outdoor Bural Wall	New	270,000	270,000		
Donnelly's Castle Road major pavement repairs/rehabilitation	Renewal	350,000	0	350,000	
Lawn Cemetery Benches	New	25,000	25,000		
Warwick Aerodrome Gliding Strip	Renewal	235,000	235,000		
Replacement of Damaged Kerb and Channel	Renewal	75,000	75,000		
Palmer Bridge Replacement, Presstone Rd (BEP) (Year 2 of 2)	Renewal	2,200,000	1,180,000	1,100,000	
6-Double Access East St - Depot/Ogilvie/Box 50/50 (HVSP Round 6)	Upgrade	790,000	395,000	395,000	
TIDS Road Jack Sarfth Gully Road - Near TIDS road	Upgrade	439,000	219,500	219,500	
TIDS Inventory Roads Gravel Resheeting	Renewal	560,000	280,000	280,000	
TIDS Goldfields Roads Gravel Resheeting	Renewal	599,742	299,871	299,871	
TIDS Milledale Road Gravel resheeting	Renewal	600,000	300,000	300,000	
Connolly Dam Road Seal Test Skin bitumen	Upgrade	950,000	475,000	475,000	
Plant & Fleet replacement program	Renewal	3,234,000	2,450,000		784,000
Gravel Resheeting (ex LRRS)	Renewal	1,000,000	1,000,000		
Recreate	Renewal	1,600,000	1,600,000		
Emergency Replacement of failed Road and Stormwater Assets	Renewal	75,000	75,000		
McGlew Street and Quart Pot Creek	New	645,000	322,500	322,500	
Quart Pot Creek to Maryland Street	New	833,000	416,500	416,500	
Cross over Park Road	New	75,600	37,800	37,800	
Gay St Footpath eastern side (LRRP 2018)					
High School	Renewal	80,000	0		80,000

Project	Renewal/ Upgrade/ New	Proposed Budget	Revenue Funded	Grant Funding	Other Funded
Village Street Sealing - Glen Aplin	Upgrade	220,000	0	220000	
Seal high maintenance areas of arterial network	Upgrade	200,000	200,000		
Seal High Maintenance gravel sections	Renewal	200,000	200,000		
Park Furniture Renewal / Augmentation Program	Renewal	80,000	0		80000
Replace lighting Condellaw River walk	Renewal	120,000	120,000		
Yangan School Parking	New	250,000	125,000	125000	
Upper Wheatsdale Rd widening	Upgrade	450,000	0	450000	
Forest Hills Rd Widen and Rehabilitate (Stage 2)	Upgrade	300,000	0	300000	
Widen Horseshoe Road at curve ch 0.611m	Renewal	40,000	40,000		
Rehab - Fords Street Allotment Ch 0.56 to ch 1.287 + Allotment Drive (incl. a LTMS to deer track)	Renewal	245,000	245,000		
Customer Request Management System	New	125,000	125,000		
Mitchner Shelter Warwick Cemetery	Renewal	155,000	155,000		
Decontaminate Maryvale Reserve	Renewal	340,000	340,000		1000
Network SCADA and TELEMETRY renewals and upgrades- Connor St WWPS	Renewal	30,000	30,000		
Network SCADA and TELEMETRY renewals and upgrades- Harle St WWPS	Renewal	30,000	30,000		
Network SCADA and TELEMETRY renewals and upgrades- Melba St WWPS	Renewal	30,000	30,000		
Network SCADA and TELEMETRY renewals and upgrades- Reeves Rd WWPS	Renewal	30,000	30,000		
Network SCADA and TELEMETRY renewals and upgrades- Sullivan Dr WWPS	Renewal	30,000	30,000		
Network SCADA and TELEMETRY renewals and upgrades- Torris Ter WWPS	Renewal	30,000	30,000		
Network SCADA and TELEMETRY renewals and upgrades- Tyrell St WWPS	Renewal	30,000	30,000		
Network SCADA and TELEMETRY renewals and upgrades- Wallingarra Rd WWPS	Renewal	30,000	30,000		
Warwick WWTP - SCADA Upgrade	Renewal	150,000	150,000		
Network SCADA and TELEMETRY renewals and upgrades- Warwick WWTP	Renewal	250,000	250,000		
SCADA New Water Reservoir Yangon	Renewal	20,000	20,000		
Network SCADA and TELEMETRY renewals and upgrades- Basall Rd PS	Renewal	30,000	30,000		
Network SCADA and TELEMETRY renewals and upgrades- Jardine St Reservoir and PS	Renewal	30,000	30,000		
Network SCADA and TELEMETRY renewals and upgrades- Hill St PS	Renewal	30,000	30,000		

Project	Renewal/ Upgrade/ New	Proposed Budget	Revenue Funded	Grant Funding	Other Funded
Stanthorpe Waste Facility Waste Cell Better Profiling & Capping	Upgrade	150,000	0		150,000
Warwick WWTW Blowers Replacement	Renewal	52,250	250		52,000
Minor Capital Works - Stanthorpe and Warwick Waste Red Bins	Renewal	300,000	300,000		
WWS Structure Rehab - Structural Railing	Renewal	333,500	0		333,500
Construction of New Waste Facility Cell & Leachate to Sewer - Warwick	New	250,000	250,000		
Construct New Transfer Station (replacing the landfill) Stanthorpe Central Waste Facility - Design/Tender/Construct	New	2,300,000	2,300,000		
Capping of existing Warwick Landfill Cell	Renewal	100,000	0		100,000
Lock St Keib & channel and car parking	New	155,000	155,000		
Stanthorpe Art Gallery - Design and development for new Art Gallery	New	3,663,400	663,400	3,000,000	
Land Purchase for recreation purposes	New	189,000	189,000		
Storm King Dam - Upgrade raw water main	Renewal	1,000,000	400,000	600,000	
Extension Recycled water Warwick	New	4,379,814	1,979,814	2,400,000	
Allens Reservoir Roof Replacement	Renewal	281,875	281,875		
Connolly Dam Spillway detailed design based on Options Analysis	Upgrade	110,000	110,000		
Safe Access To reservoirs - Design	Upgrade	30,000	30,000		
Connolly Dam Remediation Works	Renewal	747,000	0		747,000
Connolly Dam Safety Recommendation - drain intake tower line	Upgrade	10,000	0		10,000
Connolly Dam Safety Recommendation - inspect and refurbish the embedded intake pipework	Upgrade	50,000	0		50,000
Connolly Dam Safety Recommendation - outlet pipe leak remediation	Upgrade	30,000	0		30,000
Connolly Dam Safety Recommendation - Renew Sluice Valve	Upgrade	25,000	0		25,000
Connolly Dam Safety Recommendation - Replace sluice gate actuator	Upgrade	7,000	0		7,000
Connolly Dam Safety Recommendation - Replace valve TWS	Upgrade	30,000	0		30,000
Connolly Dam Safety Recommendation - Security Fencing at Spillway	Upgrade	10,000	0		10,000
Connolly Dam Safety Recommendation - Seepage Measuring Wells	Upgrade	50,000	0		50,000
Connolly Dam Safety Recommendation - Tunnel drainage system	Upgrade	25,000	0		25,000
Connolly Dam Safety Recommendation - Tunnel Structural Assessment	Upgrade	16,000	0		16,000
Marist Square WWPS Upgrade	Upgrade	304,000	129,000		175,000
Bore well rehabilitation Dalveen	Renewal	33,000	33,000		
Dalveen Reservoir Remediation Works	New	500,000	500,000		
Water main Renewals Northern	Renewal	200,000	200,000		
Warwick Water Main upgrade - Fitzroft St - 112m	Upgrade	25,000	25,000		



Project	Renewal/ Upgrade/ New	Proposed Budget	Revenue Funded	Grant Funding	Other Funded
Warwick Water Main upgrade - Filcroft St - £1.9m	Upgrade	26,000	26,000		
Warwick Water Main upgrade - Filcroft St - £2.9m	Upgrade	27,000	27,000		
Botanic Gardens	New	50,000	50,000		
Walsleywater Rising Main Replacement - Offley St - Walsworth St Warwick	Renewal	350,000	350,000		
Online Monitoring of Raw water	New	45,000	45,000		
Stanhope WWT Pumping Station upgrades - Hamble Street pumps	Upgrade	27,000	27,000		
Stanhope WWT Pumping Station upgrades - Hamble Street - emergency storage	Upgrade	122,626	122,626		
Storm King Dam Safety Recommendation B.2 - Town Guard Valve	Upgrade	170,000	0		170,000
Storm King Dam Safety Recommendation B.3 - Scoop Outlet Gate Valve	Upgrade	185,000	5,000		180,000
Storm King Dam Safety Recommendation S.4 - Dam level monitor	Upgrade	65,000	65,000		
Geotech Investigation	Renewal	31,000	31,000		
Stanhope WWT Upgrade or New Feasibility Study	Upgrade	110,000	110,000		
Water meter Renewals	Renewal	100,000	100,000		
Warwick WTP- Replacing the sensor plates	Renewal	125,000	0		125,000
Seed Bank for Future Capital Works	New	500,000	500,000		
<b>Total Costs</b>		<b>35,575,807</b>	<b>21,054,136</b>	<b>11,291,171</b>	<b>3,230,500</b>

## Appendix D

### Revenue statement

<b>Department:</b>	Corporate Services
<b>Section:</b>	Finance
<b>Responsible Manager:</b>	Manager Finance & Information Technology
<b>Date Adopted:</b>	xx June 2019
<b>Date to be Reviewed:</b>	Annually – prior to the budget meeting
<b>Date Reviewed:</b>	xx June 2019
<b>Date Rescinded:</b>	

#### REVISION RECORD

Date	Version	Revision description
1 June 2018	2	Updated with new format
18 February 2019	3	Updated for 2019/2020 financial information

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## 1 Background

The Council is required to raise an appropriate amount of revenue to maintain assets and provide services to the Southern Downs region as a whole. In deciding how revenue is raised Council has regard to the following principles:

- **Equity:** defined as ensuring the fair and consistent application of lawful rating and charging principles, without bias, taking account of all relevant considerations.
- **Effectiveness/Efficiency:** defined as meeting the financial, social, economic and environmental or other corporate objectives of the Council as stated in its long term plans or policies.
- **Simplicity:** to ensure widespread community or stakeholder understanding, and minimise perceived inequities and hidden costs, of a complex system.
- **Sustainability:** revenue decisions support the financial strategies for the delivery of infrastructure and services identified in Council's long term planning.

## 2 Purpose

A Revenue Statement is required to accompany the budget each year. The *Local Government Regulation 2012* outlines the matters that a local government must include in its Revenue Statement.

The Revenue Statement is an explanatory statement outlining and explaining the revenue measures adopted in the budget and is produced in accordance with the Revenue Policy.

## 3 Scope

This Revenue Statement, adopted as part of the Budget at the Special Meeting of Council held on xx June 2019, applies to the financial year ending 30 June 2020.

## 4 Legislative Context

Section 170 of the *Local Government Regulation 2012* provides:

- 1) A local government must adopt its budget for a financial year.
  - a) after 31 May in the year before the financial year; but
  - b) before –
    - i) 1 August in the financial year; or
    - ii) a later day decided by the Minister.
- 2) If the budget does not comply with section 169 when it is adopted, the adoption of the budget is of no effect.
- 3) The local government may, by resolution, amend the budget for a financial year at any time before the end of the financial year.

- 4) If the budget does not comply with the following when it is amended, the amendment of the budget is of no effect—
- a) section 169;
  - b) the local government's decision about the rates and charges to be levied for the financial year made at the budget meeting for the financial year.

Section 172 of the *Local Government Regulation 2012* provides:

- 1) The revenue statement for a local government must state —
  - a) If the local government levies differential general rates —
    - i) the rating categories for rateable land in the local government area; and
    - ii) a description of each rating category; and
  - b) If the local government levies special rates or charges for a joint government activity - a summary of the terms of the joint government activity; and
  - c) If the local government fixes a cost-recovery fee - the criteria used to decide the amount of the cost-recovery fee; and
  - d) If the local government conducts a business activity on a commercial basis - the criteria used to decide the amount of the charges for the activity's goods and services.
- 2) Also, the revenue statement for a financial year must include the following information for the financial year —
  - a) an outline and explanation of the measures that the local government has adopted for raising revenue, including an outline and explanation of —
    - i) the rates and charges to be levied in the financial year; and
    - ii) the concessions for rates and charges to be granted in the financial year;
  - b) whether the local government has made a resolution limiting an increase of rates and charges.

## **5 Revenue Raising Measures Adopted In The Budget Concerning The Making And Levying Of Rates And Charges**

### **5.1 Overview**

Council identifies certain services in respect of which the consumer of the service will be expected to meet all or the greater part of the total cost of providing the specific service. In such cases, the cost of providing the service will include the cost of acquiring the commodity or service, the cost of providing the infrastructure or organisation to process and/or deliver the commodity or service and any overheads associated with these cost components.

However, it is acknowledged that individual consumers of a commodity or service cannot always be separately identified. For this reason there is a need for specific user charges to be supplemented by other general revenue sources.

The relevant components of Council's Revenue Statement are therefore based on a combination of specific user charges, separate charges, a special charge and differential general rates (made and levied on the value of land) to provide the most equitable and rational basis for raising revenue. In summary, rates and charges are determined after due consideration of the foregoing and the following -

- i) Council's legislative obligations;
- ii) the needs and expectations of the general community;
- iii) the expected cost of providing services; and
- iv) equity - namely, ensuring the fair and consistent application of lawful rating and charging principles, without bias, taking account of all relevant considerations, and disregarding irrelevancies such as the perceived personal wealth of individual ratepayers or ratepayer classes.

## 5.2 Differential General Rate

General rates are for services, facilities and activities that are supplied or undertaken for the benefit of the community in general (rather than a particular person).

The Council is required to raise an appropriate amount of revenue to maintain assets and provide services to the Region as a whole. In deciding how the revenue is raised Council considered:

- The rateable value of the land.
- Relative valuation as between different types of land.
- The approach to general rating adopted by the Southern Downs Regional Council for the 2019/20 financial year.
- The demand that some land uses place on the services which Council is required to provide.

### 5.2.1 Differential Rating Categories

Pursuant to section 81 of the *Local Government Regulation 2012*, the categories into which rateable land is categorised, the description of those categories and, pursuant to sections 81(4) and 81(5) of the *Local Government Regulation 2012*, the method by which land is to be identified and included in its appropriate category is as follows:

Column 1 – Category (section 81)	Column 2 – Description (section 81)	Column 3 – Identification (sections 81(4) and 81(5))
Residential 1	Lands where the dominant use or intended use is residential, that are required to pay water access charges according to the SDRC Revenue Statement and the assessment size is less than or equal to 4,047 m <sup>2</sup>	01A, 02, 03, 06A, 07B, 08A, 09A, 72A
Residential 2	Lands where the dominant use or intended use is residential, that are required to pay water access charges according to the SDRC Revenue Statement and the assessment size is greater than 4,047 m <sup>2</sup>	01A, 02, 03, 06A, 07B, 08A, 09A, 72A
Residential 3	Lands where the dominant use or intended use is residential, that are not required to pay water access charges according to the SDRC Revenue Statement and the assessment size is less than or equal to 4.4 ha	01A, 02, 03, 06A, 07B, 08A, 09A, 72A
Residential 4	Lands where the dominant use or intended use is residential, that are not required to pay water access charges according to the SDRC Revenue Statement and assessment size is greater than 4.4 ha	01A, 02, 03, 06A, 07B, 08A, 09A, 72A
Major Shopping Facility	Lands where the dominant use is as a major shopping facility, including shopping centres, a group of shops or supermarkets with car parking provided	12, 14, 16



Column 1 – Category (section 81)	Column 2 – Description (section 81)	Column 3 – Identification (sections 81(4) and 81(5))
Commercial and Industrial – CBD	Land where the dominant use or intended use is for commercial and/or industrial purposes, not rated within a Solar/Wind Farm category and where any part of the land is: <ul style="list-style-type: none"> <li>• Facing Palmerin Street, located between Victoria Street and Percy Street in Warwick, and</li> <li>• Facing High Street and Maryland Street, located between Davadi and Corundum Streets and the northern end of Cameroun Bridge in Stanthorpe</li> </ul>	01B, 06B, 07A, 08B, 09B, 10, 11A, 13, 17, 18A, 21, 22, 23, 24, 25, 26, 28, 29, 30, 33, 34, 35, 36, 37A, 38, 41, 42, 43, 44, 45, 47, 49, 72B, 91B
Commercial and Industrial – Town	Land where the dominant use or intended use is for commercial and/or industrial purposes located within the locality boundaries of Warwick, Morgan Park, Rosenthal Heights and Stanthorpe and not rated within the Commercial and Industrial CBD or a Solar/Wind Farm category. The locality boundary is defined by the use of the locality on the official property address.	01B, 06B, 07A, 08B, 09B, 10, 11A, 13, 17, 18A, 21, 22, 23, 24, 25, 26, 28, 29, 30, 33, 34, 35, 36, 37A, 38, 41, 42, 43, 44, 45, 47, 49, 72B, 91B
Commercial and Industrial – Rural	Land where the dominant use or intended use is for commercial and/or industrial purposes and not rated within the Commercial and Industrial – CBD, the Commercial and Industrial – Town or a Solar/Wind Farm category	01B, 06B, 07A, 08B, 09B, 10, 11A, 13, 17, 18A, 21, 22, 23, 24, 25, 26, 28, 29, 30, 33, 34, 35, 36, 37A, 38, 41, 42, 43, 44, 45, 47, 49, 72B, 91B
Solar / Wind Farm 1 < 30MW	Land used or intended to be used, in whole or in part as a Solar / Wind Farm with a combined output capacity at greater or equal to 1 MW but less than 30 MW.	91B
Solar / Wind Farm 30 < 75MW	Land used or intended to be used, in whole or in part as a Solar / Wind Farm with a combined output capacity at greater or equal to 30 MW but less than 75 MW.	91B
Solar / Wind Farm 75MW and above	Land used or intended to be used, in whole or in part as a Solar / Wind Farm with a combined output capacity of greater than 75 MW.	91B
Extractive	Lands where the purpose of use or intended use is to extract quarry, mining and minerals from the ground and related activities. Assessments that are a lease for mining activities are included in this category.	40A, 40B
Noxious and Hazardous Industry	Lands where the purpose of use or intended use is a fuel dump or storage, oil refinery or industry which in Council's opinion emanates offensive noise, odour, dust etc, including abattoirs	31, 37B

Column 1 – Category (section 81)	Column 2 – Description (section 81)	Column 3 – Identification (sections 81(4) and 81(5))
Agriculture and farming 1 Value between \$0 - \$325,000	Lands with a value of less than or equal to \$325,000, and the use or intended use is farming, agriculture or rural in nature including grazing, breeding, fattening, dairying, pig and poultry farming, aquaculture, vegetable growing, the growing or gathering of crops of any kind or the rearing of livestock. This category excludes land uses of 79 and 82. Includes land identified as land use 88 not located within the boundary of Map A. Properties in this category receive a concessional value for primary production.	60, 63, 67, 69, 71, 73, 74, 76, 77, 78, 83, 85, 86, 87, 89, 88A
Agriculture and farming 2 Value between \$325,001 - \$850,000	Lands with a value of greater than \$325,000 and less than or equal to \$850,000, and the use or intended use is farming, agriculture or rural in nature including grazing, breeding, fattening, dairying, pig and poultry farming, aquaculture, vegetable growing, the growing or gathering of crops of any kind or the rearing of livestock. This category excludes land uses of 79 and 82. Includes land identified as land use 88 not located within the boundary of Map A. Properties in this category receive a concessional value for primary production.	60, 63, 67, 69, 71, 73, 74, 76, 77, 78, 83, 85, 86, 87, 89, 88A
Agriculture and farming 3 Value greater than \$850,000	Lands with a value of greater than \$850,000, and the use or intended use is farming, agriculture or rural in nature including grazing, breeding, fattening, dairying, pig and poultry farming, aquaculture, vegetable growing, the growing or gathering of crops of any kind or the rearing of livestock. This category excludes land uses of 79 and 82. Includes land identified as land use 88 not located within the boundary of Map A. Properties in this category receive a concessional value for primary production.	60, 63, 67, 69, 71, 73, 74, 76, 77, 78, 83, 85, 86, 87, 89, 88A
Horticulture 1 Value between \$0 - \$50,000	Lands with a value of less than or equal to \$50,000 and the use or intended use is agricultural in nature related to orchards (citrus, exotic fruit, nut, stone and other fruit and nuts etc) and/or vineyards, such as grapes and related cultivation. The property may or may not include a winery and/or a cellar door. Properties in this category receive a concessional value for primary production.	79, 82
Horticulture 2 Value between \$50,001 - \$100,000	Lands with a value of greater than \$50,000 and less than or equal to \$100,000 and the use or intended use is agricultural in nature related to orchards (citrus, exotic fruit, nut, stone and other fruit and nuts etc) and/or vineyards, such as grapes and related cultivation. The property may or may not include a winery and/or a cellar door. Properties in this category receive a concessional value for primary production.	79, 82

Column 1 – Category (section 81)	Column 2 – Description (section 81)	Column 3 – Identification (sections 81(4) and 81(5))
Horticulture 3 Value greater than \$100,000	Lands with a value of greater than \$100,000 and the use or intended use is agricultural in nature related to orchards (citrus, exotic fruit, nut, stone and other fruit and nuts etc) and/or vineyards, such as grapes and related cultivation. The property may or may not include a winery and/or a cellar door. Properties in this category receive a concessional value for primary production.	79, 82
Private Forestry	Lands where the use or intended use is for the growing or harvesting of natural and/or plantation hardwood or softwood and located within the boundary of Map A.	88P
Special Uses	Lands where the use or intended use is Religious, community, welfare or defence oriented including aged residential institutions, nursing or convalescent homes, hospitals, sports clubs, cemeteries, showgrounds, airfields, libraries, educational, parks and gardens, defence force and community protection centres. This category excludes lands where the use or intended use is to generate a profit, such as licensed clubs.	11B, 18B, 27, 48, 50, 51, 52, 55, 56, 57, 58, 92, 96, 97, 99
Other	All other lands	00, 91A, 93, and other unclassified land

#### Definitions for words used in this table

##### "mining"

Land that was used, is used, or intended to be used:

- as a mine (or for purposes ancillary or associated with mining such as, for example, washing down, stockpiling and loading, haulage, water storage, buffering and rehabilitation); or
- In conjunction with other land as part of an integrated mining operation.

For the purposes of the definition of mining, "integrated mining operation" means land contained in more than one rateable assessment which land was used, is used, or intended to be used in an integrated manner for the purposes of mining or purposes ancillary or associated with mining such as, for example, washing down, stockpiling and loading, haulage, water storage, buffering and rehabilitation.

##### "land use code"

The land use codes referred to in column 3 above are prepared and adopted by the Southern Downs Regional Council for use in conjunction with the differential rating categorisation, description and identification table appearing above. Similarly, the definitions of these land use codes are prepared and adopted by the Southern Downs Regional Council for use in conjunction with the differential rating categorisation, description and identification table appearing above. A full list of the land use codes and their definitions are attached to Council's 2018/19 Revenue Statement.

### 5.2.2 Differential General Rate and Minimum General Rate

Pursuant to section 94 of the *Local Government Act 2009* and section 80 of the *Local Government Regulation 2012*, the differential general rate to be made and levied for each differential general rate category and, pursuant to section 77 of the *Local Government Regulation 2012*, the minimum general rate to be made and levied for each differential general rate category is as follows:

Category	Rate in the Dollar	Minimum Differential General Rate
Residential 1	1.459	\$1,135.00
Residential 2	1.261	\$1,135.00
Residential 3	1.191	\$1,135.00
Residential 4	1.12	\$1,135.00
Major Shopping Facility	1.796	\$12,410.00
Commercial and Industrial – CBD	1.647	\$1,230.00
Commercial and Industrial – Town	1.501	\$1,230.00
Commercial and Industrial – Rural	1.394	\$1,230.00
Solar / Wind Farm 1 < 30MW	9.412	\$15,300.00
Solar / Wind Farm 31 < 75MW	10.2	\$30,600.00
Solar / Wind Farm 75MW and above	11.62	\$45,900.00
Extractive	4.877	\$3,710.00
Noxious and Hazardous Industry	1.654	\$1,555.00
Agriculture and farming 1 Value between \$0 - \$325,000	1.31	\$1,135.00
Agriculture and farming 2 Value between \$325,001 - \$850,000	1.002	\$4,260.00
Agriculture and farming 3 Value greater than \$850,000	0.95	\$8,515.00
Horticulture 1 Value between \$0 - \$50,000	4.322	\$1,135.00
Horticulture 2 Value between \$50,001 - \$100,000	3.476	\$2,260.00
Horticulture 3 Value greater than \$100,000	3.156	\$3,475.00

Category	Rate in the Dollar	Minimum Differential General Rate
Private Forestry	1.524	\$850.00
Special Uses	1.104	\$1,025.00
Other	4.877	\$1,135.00

### **5.3 Objection against Categorisation**

Pursuant to section 90 of the *Local Government Regulation 2012* the owners of rateable land will be informed that they have the right of objection to the category their land is included in. All objections shall be to the Chief Executive Officer of the Southern Downs Regional Council and the only basis for objection shall be that at the date of issue of the rate notice, the land should belong to a different rating category. All objections will be dealt with pursuant to the provisions detailed in Council's Procedure Objection to Differential Rate Categorisation.

### **5.4 Minimum Differential General Rate**

A minimum differential general rate is set for each differential general rate category to achieve an appropriate contribution from all property owners, irrespective of the valuation of a property.

## 5.5 Separate Charges

Separate charges are for any other service, facility or activity that is not funded through other rates and charges.

## 5.6 Special Charge

Special charges are for services, facilities and activities that have a special association with particular land.

### i) Rural Fire Equipment Levy

Pursuant to section 94 of the *Local Government Regulation 2012* and section 128A of the *Fire and Emergency Services Act 1990*, Council will levy a special charge (to be known as the "Rural Fire Levy") of \$35.00 on all rateable land within the region that also attracts a Class E Emergency Management Levy (pursuant to Part 3 of the *Fire and Emergency Services Regulation 2011*), to fund the ongoing provision and maintenance of rural firefighting equipment, operations and buildings for the rural fire brigades that operate throughout the rural areas of the region.

### ii) Invasive Pests Control Levy

Pursuant to section 94 of the *Local Government Regulation 2012* Council will make and levy a special rate (to be known as the 'Invasive Pests Control Special Rate') on all rateable rural land within the rating categories detailed in the Invasive Pests Control Special Rate – Overall Plan to fund the provision and maintenance of the Invasive Pests Control Scheme.

Column 1 Description of Land (Differential Rating Categories)	Column 2 Cents per dollar of Rateable Value (annual)	Column 3 Minimum (annual)
Residential 4; Commercial and Industrial – Rural; Extractive; Special Uses; Other.	0.30	\$500.00
Agriculture and farming 1; Agriculture and farming 2; Agriculture and farming 3; Horticulture 1; Horticulture 2; Horticulture 3; Private Forestry.	0.50	\$500.00

## 5.7 Utility Charges

Utility charges are for a service, facility or activity for water, sewerage and waste management.

### 5.7.1 Water Charges

Water charges are determined, collected and used for the purpose of covering the cost of planning, water demand management and constructing water infrastructure (including interest and redemption charges incurred by Council) and the cost of operating, maintaining and managing the water supply system.

In accordance with section 94 of the *Local Government Act 2009* and section 101(1)(b) of the *Local Government Regulation 2012*, the utility charges for water services will be charged partly according to the water used, using a 2-part charge. The charges apply to all ratepayers who have access or may have access to Council's water supply infrastructure and, with limited exceptions, comprise –

- i) An annual access charge;
- ii) A charge for each kilolitre consumed which decreases for higher levels of consumption.

#### Water Access

Council will levy an access charge on every individual parcel in its land record connected to a water network based on the number and size of the water connection/s (whether metered or not).

A base access charge is also applied to each parcel that is not connected to the Council's reticulated water supply system if the parcel is located within 100 metres of a water main and where Council is currently able to provide a reticulated water service.

The base access charge does not apply to properties that meet the above criteria and:

- In the Planning scheme as "Rural Residential"; or
- have a Primary Production Valuation concession issued by Department of Natural Resources Mines & Energy.

Council believes that it is logical and equitable for all ratepayers who have access or may have access to Council's water supply infrastructure to contribute to the fixed costs of the water supply operation by way of the access charge.

Notwithstanding the above:

- a) Where a single residential building; a single commercial building or any sporting infrastructure is situated across two or more adjoining parcels, Council will treat those parcels as if they were amalgamated into a single parcel, and will levy accordingly a single-parcel water charge.
- b) Council may elect to not levy water charges against land that is effectively incapable of further development (if unconnected).
- c) The ratepayer of a parcel bears the onus of demonstrating to Council it is entitled to the benefit of a qualification or exception in any of paragraphs (a) to (b). Such onus will

be taken to be limited to that of reasonable effort having regard to the value of the exemption and Councils obligation to other ratepayers.

**Water Consumption**

Water consumption is charged for each kilolitre used on land to which water is supplied and measured by meter, per kilolitre or part thereof for that quantity of water used or estimated to be used.

The billing period for water consumption charges shall be October to November and April to May each year and shall be levied biannually.

To avoid doubt, once water has passed through the water meter it is the property owner's responsibility.

**Supply Area**

Council has split the utility charges for water service into two supply areas:

Supply Area 1 will be properties within 100 meters of the water reticulation network of: Allora, Warwick, Yangan, Killarney, Stanthorpe and Wallangarra.

Supply Area 2 will be properties within 100 meters of the water reticulation network of: Dalveen, Leyburn and Pratten.



<b>5.7.1.1 Supply Area 1</b>	
<b>Access Charges</b>	
The following water access charges shall apply to domestic and non-domestic properties as described below:	
<b>a. For each connection</b>	
<b>Service type</b>	<b>Charge per annum</b>
20 mm	\$583.20
25 mm	\$904.00
30 mm	\$1,312.20
40 mm	\$2,332.80
50 mm	\$3,643.00
75 mm	\$8,194.10
80 mm	\$9,331.30
100 mm	\$14,580.20
150 mm	\$32,659.70
<b>b. Unconnected Charge:</b> For each lot within 100 metres of a treated water main; not connected to the treated water supply system; and is capable of being connected. The maximum number of contiguous lots on which unconnected water charges may be levied shall be four (4).	\$437.40
<b>c. For each lot within a Community Title Schemes, Building Units and Group Title Units where individual meters are not connected to each lot</b>	\$583.20
<b>d. Restricted Flow Charge:</b> For each connection to a Restricted Flow main, 70% of the applicable service type charges as per 1.a apply	
<b>e. Unconnected Restricted Flow Charge:</b> For each lot within 100 metres of a Restricted Flow water main; not connected to the water supply system; is capable of being connected and is not capable of being connected to a full water main. The maximum number of contiguous lots on which unconnected water charges may be levied shall be four (4).	\$306.20
<b>f. Access charges do not apply for untreated water connections.</b>	

<b>5.7.1.1 Supply Area 1</b>	
<b>Consumption Charges</b>	
The following water consumption charges shall apply per kilolitre to domestic and non-domestic properties as described below:	
Service type	Charge per kilolitre
a. For each connection on land; supplying treated water and measured by meter, per kilolitre or part thereof for that quantity of water used or estimated to be used	\$1.97
b. For each connection on non-domestic land; supplying treated water; has a water consumption of 2,500kls or greater per water reading period and measured by meter, per kilolitre or part thereof for that quantity of water used	\$1.87
c. For each connection on land; supplying untreated water and measured by meter, per kilolitre or part thereof for that quantity of water used	\$0.92

<b>5.7.1.2 Supply Area 2</b>	
<b>Access Charges</b>	
The following water access charges shall apply to domestic and non-domestic properties as described below:	
a. For each connection	
Service type	Total charge per annum
20 mm	\$493.70
25 mm	\$765.20
30 mm	\$1,110.80
40 mm	\$1,974.80
50 mm	\$3,085.60
75 mm	\$6,934.60
80 mm	\$7,899.40
100 mm	\$12,342.60
150 mm	\$27,647.50
b. Unconnected Charge: For each lot within 100 metres of a water main; not connected to the water supply system and is capable of being connected. The maximum number of contiguous lots on which unconnected water charges may be levied shall be four (4).	\$370.30
c. For each lot within a Community Title Scheme, Building Units and Group Title Units where individual meters are not connected to each lot	\$493.70
<b>Consumption Charges</b>	
The following water consumption charges shall apply per kilolitre to domestic and non-domestic properties as described below:	
a. For each connection on land; supplying water and measured by meter, per kilolitre or part thereof for that quantity of water used or estimated to be used	\$1.59

Pro rata adjustments for new or changed water services – applicable to all water areas  
Connected water access charges will be charged from the date the access connection is provided, as

documented by the Services Installation Record; developer notification or licenced plumbers advice.  
Changes to water access charges will be charged from the date of the change, as documented by the Services Installation Record; developer notification or licenced plumbers advice.  
For water access connections as a part of a subdivision where no Service Installation Record exists (the meters were installed by the owner/contractor) and only come in as part of the subdivision asset transfer documentation – water access charges will be adjusted from the date of lodgement of the subdivision with Council.  
Bulk water charges are negotiated by agreement with individual consumers.

Draft Budget

### **5.7.2 Wastewater Charges**

Wastewater charges are determined, collected and used for the purpose of covering the cost of planning and constructing Wastewater Infrastructure (including interest and redemption charges incurred by Council) and the cost of operating, maintaining and managing the Wastewater system. The charge is set so as to recover these costs.

In accordance with section 94 of the *Local Government Act 2009* and section 99 of the *Local Government Regulation 2012*, the utility charges for wastewater services will be charged to each W.C. pedestal and urinal installed on each property (exceptions apply below). In the event of no pedestals being installed on land connected to a wastewater network, a utility charge for wastewater services will be charged per connection.

In respect to domestic wastewater, a utility charge is applied per tenement where a wastewater connection service is not applied per tenement due to sharing of services such as a single wastewater connection to the property which is then split. "Tenement" includes any premises used as a separate domicile such as, for example -

- a) a single unit private dwelling; or
- b) premises containing 2 or more flats, apartments or other dwelling units, each used as a separate domicile; or
- c) residential units erected upon lots created pursuant to the provisions of the *Building Units and Group Titles Act 1980* or the *Body Corporate and Community Management Act 1997*; or
- d) a private (non-commercial) boarding house, hostel, lodging house, or guest house.

A base access charge is also applied to each parcel that is not connected to the Council's reticulated wastewater supply system if the parcel is located within 100 metres of a wastewater main and where Council is currently able to provide a reticulated wastewater service.

Council believes that it is logical and equitable for all ratepayers who have access or may have access to Council's wastewater supply infrastructure to contribute to the fixed costs of the wastewater supply operation by way of the access charge.

Notwithstanding the above:

- a) Where a single residential building; a single commercial building or any sporting infrastructure is situated across two or more adjoining parcels, Council will treat those parcels as if they were amalgamated into a single parcel, and will levy accordingly a single-parcel wastewater charge.
- b) Council may elect to not levy wastewater charges against land that is effectively incapable of further development (if unconnected).
- c) The ratepayer of a parcel bears the onus of demonstrating to Council it is entitled to the benefit of a qualification or exception in any of paragraphs (a) to (b). Such onus will be taken to be limited to that of reasonable effort having regard to the value of the exemption and Council's obligation to other ratepayers.

#### Transition to Pricing Structure

Council is introducing changes to the wastewater pricing structure. Over the 2018/19, 2019/20 and 2020/21 financial years there will be a transitioning of the five (5) wastewater supply areas into two (2) supply areas.

Supply Area 1 will be properties connected to a sewer treatment plant network in the areas of Stanthorpe and Warwick. Please note that there are some properties on CED within this supply area as shown within table one below.

Supply Area 2 will be properties connected to a CED network in the areas of Dalveen, Killarney and Wallangarra.

The water pricing structure in the 2019/20 Revenue Statement represents the second year of the transitional pricing.

#### Supply Area 1

##### 5.7.2.1 For land in the Stanthorpe Wastewater Network Area

			Total charge per annum
The following wastewater charges shall apply to properties as described below:			
a.	Residential	For each connection on land used for single unit dwellings and individual residential units (including Flats) irrespective of the number of pedestals connected.  To remove doubt, each unit within a flat is a separate connection.	\$711.00
b.	Residential - CED	For each CED (Septic) connection on land used for single unit dwellings and individual residential units (including Flats) irrespective of the number of pedestals connected.  To remove doubt, each unit within a flat is a separate connection.	\$588.00
c.	Overnight Accommodation	For each pedestal installed on land used for overnight accommodation e.g. Motels, Caravan Parks (excluding land with trauma) -	
		First 10 pedestals per pedestal:	\$588.00
		Additional pedestals per pedestal:	\$397.00
d.	Showgrounds	For each pedestal installed on land used for showgrounds -	
		First 10 pedestals per pedestal:	\$711.00
		Additional pedestals per pedestal:	\$520.00
e.	Commercial	For each pedestal installed on land used for commercial purposes other than overnight accommodation.  In the event of no pedestals being installed on	\$711.00

**5.7.2.1 For land in the Stanthorpe Wastewater Network Area**

		Improved land per connection.	
f.	Non-Profit	For each pedestal installed on land used for non-profit purposes other than showgrounds.  In the event of no pedestals being installed on improved land per connection.	\$711.00
g.	Unconnected Lots	For each lot within 100 meters of a wastewater main not connected to and capable of being connected to wastewater.  The maximum number of contiguous lots on which unconnected wastewater charges are levied shall be six (6).	\$957.00

### 5.7.2.2 For land in the Warwick Wastewater Network Area

			Total charge per STRONG
The following wastewater charges shall apply to properties as described below:			
a.	Residential	For each connection on land used for single unit dwellings and individual residential units (including Flats) irrespective of the number of pedestals connected.  To remove doubt, each unit within a flat is a separate connection.	\$730.00
b.	Residential - CED	For each CED (Septic) connection on land used for single unit dwellings and individual residential units (including Flats) irrespective of the number of pedestals connected.  To remove doubt, each unit within a flat is a separate connection.	\$558.00
c.	Commercial and Government	For each pedestal installed on land used for business premises, government business premises or Council premises or the like.  In the event of no pedestals being installed on improved land per connection	\$847.00
d.	Hotels and tenement buildings	For each pedestal installed on land used for hotels and tenement buildings (excluding land with taverns).  In the event of no pedestals being installed on improved land per connection	\$723.00
e.	Non-Profit	For each pedestal installed on land used for hospitals, schools, churches, church halls, clubs, ambulance, fire brigade, red cross, showgrounds or the like.  In the event of no pedestals being installed on improved land per connection	\$710.00
f.	Hotel/Motels and Motels	For each pedestal installed on land used for hotel/motel and motels (excluding land with taverns)	\$587.00
g.	Kindergarten	For each pedestal installed on land used for kindergartens or the like	\$613.00
h.	Boarding Houses and Hostels	For each pedestal installed on land used for boarding houses and hostels or the like (excluding land with taverns)	\$606.00

**5.7.2.2 For land in the Warwick Wastewater Network Area**

i.	Caravan Dump Points	For each caravan dump point installed on land where caravans or the like are connected to the wastewater system in a registered caravan park	\$514.00
j.	Unconnected Lots	For each lot within 100 meters of a wastewater main not connected to wastewater and capable of being connected.  The maximum number of contiguous lots on which unconnected wastewater charges are levied shall be six (6)	\$425.00
k.	Unconnected CED Lots	For each lot within 100 meters of a restricted wastewater main, not within 100 meters of an unrestricted wastewater main, not connected to wastewater, capable of being connected to restricted wastewater and not capable of being connected to an unrestricted wastewater main.  The maximum number of contiguous lots on which unconnected CED wastewater charges are levied shall be six (6)	\$361.00



## Supply Area 2

### 5.7.2.3 For land in the Delvean Common Effluent Drainage Scheme Area

			Total charge per annum
The following waste water charges shall apply to properties as described below:			
a.	Residential	For each connection on land used for single unit dwellings and individual residential units (including Flats) irrespective of the number of pedestals connected.  To remove doubt, each unit within a flat is a separate connection.	\$558.00
b.	Overnight Accommodation	For each pedestal installed on land used for overnight accommodation e.g. Motels, Caravan Parks (excluding land with taverns)	\$465.00
c.	Other Premises	For each pedestal installed on land not used for single unit dwellings, individual residential units (including Flats), or overnight accommodation.  In the event of no pedestals being installed on improved land per connection	\$558.00
d.	Unconnected Lots	For each lot within 100 meters of a wastewater main not connected to wastewater and capable of being connected.  The maximum number of contiguous lots on which unconnected wastewater charges are levied shall be six (6)	\$296.00

**5.7.2.4 For land in the Killarney Common Effluent Drainage Scheme Area**

			Total charge per annum
The following waste water charges shall apply to properties as described below:			
a.	Residential	For each connection on land used for single unit dwellings and individual residential units (including Flats) irrespective of the number of pedestals connected.  To remove doubt, each unit within a flat is a separate connection.	\$659.00
b.	Overnight Accommodation	For each pedestal installed on land used for overnight accommodation e.g. Motels, Caravan Parks (excluding land with taverns)	\$366.00
c.	Other Premises	For each pedestal installed on land not used for single unit dwellings, individual residential units (including Flats), or overnight accommodation.  In the event of no pedestals being installed on improved land per connection	\$659.00
d.	Unconnected Lots	For each lot within 100 meters of a wastewater main not connected to wastewater and capable of being connected.  The maximum number of contiguous lots on which unconnected wastewater charges are levied shall be six (6)	\$899.00

#### 5.7.2.5 For land in the Wallangarra Common Effluent Drainage Scheme area

			Total charge per annum
The following wastewater charges shall apply to properties as described below:			
a.	Residential	For each connection on land used for single unit dwellings and individual residential units (including flats) irrespective of the number of pedestals connected.  To remove doubt, each unit within a flat is a separate connection.	\$549.00
b.	Commercial	For each pedestal installed on land used for commercial purposes other than childcare or overnight accommodation.  In the event of no pedestals being installed on improved land per connection	\$549.00
c.	Childcare	For each pedestal installed on land used for childcare facilities or the like. In the event of no pedestals being installed on improved land per connection	\$449.00
d.	Overnight Accommodation	For each pedestal installed on land used for overnight accommodation e.g. Hotels, Motels, Caravan Parks or the like (excluding land with taverns).  In the event of no pedestals being installed on improved land per connection	\$421.00
e.	Non-Profit	For each pedestal installed on land used for non-profit or government purposes. In the event of no pedestals being installed on improved land per connection	\$549.00
f.	School (excluding residence)	For each pedestal installed on land used for public school and educational purposes. In the event of no pedestals being installed on improved land per connection	\$479.00
g.	Unconnected lots	For each lot within 100 meters of a wastewater main not connected to and capable of being connected to wastewater the following charges apply:	
		Unconnected lots not held contiguously with a connected building	

**5.7.2.5 For land in the Wallangarra Common Effluent Drainage Scheme area**

		For the first unconnected lot	\$273.00
		For each additional lot	\$229.00
		Single unconnected lot contiguous with a single unit dwelling or Hotel	\$185.00
		Multiple unconnected lots contiguous with a single unit dwelling	\$229.00

**Pro rata adjustments for new or changed wastewater services – applicable to all wastewater areas**  
Connected wastewater access charges will be charged from the date the access connection is provided, as documented by the Services Installation Record; developer notification or licenced plumbers advice.

Changes to wastewater access charges will be charged from the date of the change, as documented by the Services Installation Record; developer notification or licenced plumbers advice.

For wastewater access connections as a part of a subdivision where no Service Installation Record exists (the meters were installed by the owner/contractor) and only come in as part of the subdivision asset transfer documentation – wastewater access charges will be adjusted from the date of lodgement of the subdivision with Council.

### 5.7.3 Waste Management Charges

Waste management charges are determined on a user pays basis and collected and used for the purpose of covering the cost of supplying a waste management service for the removal and disposal of waste. The charges are set so as to recover waste management costs including:

- Waste service administration
- Waste facility operation
- Waste minimisation and reduction education
- Post closure of waste facilities

In accordance with section 94 of the *Local Government Act 2009* and section 99 of the *Local Government Regulation 2012*, the utility charges for waste collection services will be charged to each residential dwelling located within a defined compulsory waste collection area.

The waste collection services provided include –

- Residential – waste collection; and
- Residential – recycling collection.

Integrated in the provision of waste management services is a recycling program.

In respect to domestic waste, a waste collection utility charge is applied per tenement where a waste collection service and recycling collection service or a waste collection shared service and recycling collection shared service is not applied per tenement due to sharing of services such as bulk waste bin services. "Tenement" includes any premises used as a separate domicile such as, for example -

- a) a single unit private dwelling; or
- b) premises containing 2 or more flats, apartments or other dwelling units, each used as a separate domicile; or
- c) residential units erected upon lots created pursuant to the provisions of the *Building Units and Group Titles Act 1980* or the *Body Corporate and Community Management Act 1997*; or
- d) a private (non-commercial) boarding house, hostel, lodging house, or guest house.

#### Supply Area

Council has split the utility charges for waste collection service into three supply areas:

Supply Area 1 will be properties in a compulsory waste collection area north of and including the Dalveen collection area.

Supply Area 2 will be properties in a compulsory waste collection area south of the Dalveen collection area.

Supply Area 3 will be properties outside of a compulsory waste collection area receiving a voluntary collection service

5.7.3.1 Supply Area 1					
	Collection Service Type	Collection Frequency	Collection Day	Bin Type	Charge Amount per

					Service
a.	Waste Collection Service (first service is mandatory)	Weekly	Normal	240 Litre Mobile Bin	\$372.30 Combined Service
	Recycling Collection Service (first service is mandatory)	Fortnightly	Normal	240 Litre Mobile Bin	
b.	Waste Collection Service Additional (Optional)	Weekly	Normal	240 Litre Mobile Bin	\$246.60 Waste Service Only
c.	Recycling Collection Service Additional (Optional)	Fortnightly	Normal	240 Litre Mobile Bin	\$197.70 Recycling Service Only
<b>5.7.3.2 Supply Area 2</b>					
a.	Waste Collection Service (first service is mandatory)	Weekly	Normal	240 Litre Mobile Bin	\$495.30 Combined Service
	Recycling Collection Service (first service is mandatory)	Fortnightly	Normal	240 Litre Mobile Bin	
b.	Waste Collection Service Additional (Optional)	Weekly	Normal	240 Litre Mobile Bin	\$254.40 Waste Service Only
c.	Recycling Collection Service Additional (Optional)	Fortnightly	Normal	240 Litre Mobile Bin	\$218.90 Recycling Service Only
<b>5.7.3.3 Supply Area 3</b>					
a.	Waste Collection Service (first service is mandatory)	Weekly	Normal	240 Litre Mobile Bin	\$443.10 Combined Service
	Recycling Collection Service (first service is mandatory)	Fortnightly	Normal	240 Litre Mobile Bin	
b.	Waste Collection Service Additional (Optional)	Weekly	Normal	240 Litre Mobile Bin	\$259.60 Waste Service Only
c.	Recycling Collection Service Additional (Optional)	Fortnightly	Normal	240 Litre Mobile Bin	\$224.30 Recycling Service Only

Pro rata adjustments for new, additional or cancelled services – applicable to all waste collection supply areas

For permanent changes to existing services, a supplementary rate notice will be issued from the date

of the change.

For ad hoc or one-off changes, payment must be made before the service will be provided in accordance with the fees set out in the Fees and Charges schedule.

New services within supply areas 1 and 2 will be charged from the date of the final building inspection provided to Council or when bins are delivered, whichever is the sooner. New services within supply area 3 will be charged from the date the bins are delivered.

Draft Budget

#### **5.7.4 Trade Waste Charges**

Revenue from these charges is used for the purpose of recovering the additional costs of operating, maintaining and managing the wastewater system, resulting from acceptance of waste from commercial and industrial premises which has an organic strength greater than that of domestic wastewater and which may also contain a variety of exotic substances such as heavy metals, organic solvents, and chlorinated organics which wastewater treatment systems are not designed to treat. In accordance with Section 94 of the *Local Government Act 2009*, section 99 of the *Local Government Regulation 2012*, the utility charge for trade waste will be charged upon all properties discharging trade waste to Council's sewer. The charge is based on waste volume and quality and will be charged on land occupied by trade waste generators discharging high volume, high strength waste.

The following charges will apply:

Flow 0.515 \$/kl

BOD5 0.567 \$/kl

SS 0.431 \$/kl

The charge is calculated as follows

$C = Q \times C_q + M_{bod} \times C_{bod} + M_{ss} \times C_{ss}$

C is the total charge in \$

Q is the total flow in kl

C<sub>q</sub> is the unit charge for flow in \$/kl

M<sub>bod</sub> is the total mass of BOD5 (5 day biochemical oxygen demand) in kg

C<sub>bod</sub> is the unit charge for BOD5 (5 day biochemical oxygen demand) in \$/kg

M<sub>ss</sub> is the total mass of SS (Suspended Solids) in kg

C<sub>ss</sub> is the unit charge for SS (Suspended Solids) in \$/kg

#### **5.8 Discount**

Pursuant to section 130 of the *Local Government Regulation 2012*, the Rates and Charges made and levied pursuant to Clause 5.2 (differential general rates) be subject to a discount of seven and a half percent (7.5%) provided that:

- a) all of the aforementioned rates and charges are paid within 60 days of the date of Issue of the rate notice;
- b) all other rates and charges appearing on the rate notice (that are not subject to a 7.5% discount) are paid within 60 days after the date of Issue of the rate notice; and
- c) all other overdue rates and charges relating to the rateable assessment are paid within 60 days of the date of Issue of the rate notice.

#### **5.9 Interest**

Pursuant to section 133 of the *Local Government Regulation 2012*, compound interest be charged on all overdue rates, as that term is defined in the *Local Government Regulation 2012*, five (5) days from the due date at the rate of eleven percent (11%) per annum, calculated on daily rests.



## 5.10 Levy and Payment

- a) Pursuant to section 104 of the *Local Government Regulation 2012*, Council's Rates and Charges (other than Council's Water Access Charges and Water Consumption Charges), and the State Government's Emergency Management Levy will be levied for the full year 1 July 2019 to 30 June 2020 in July/August 2019.
- b) Pursuant to section 104 of the *Local Government Regulation 2012*, Council's Wastewater Charges, Water Access Charges and Water Consumption Charges will be levied in October/November 2019 and April/May 2020.
- c) Pursuant to section 113 of the *Local Government Regulation 2012* and section 114 of the *Fire and Emergency Services Act 1990*, Council's Rates and Charges, and the State Government's Emergency Management Levy, be paid within 30 days of the date of the issue of the rate notice.
- d) Pursuant to section 104 of the *Local Government Regulation 2012*, Council provides that Rates and Charges may be paid at any of Council's Service Centres (located throughout the region), at any Australia Post Office, BPAY, Direct Debit, Centrepay and Paying Online via Council's website.

## 5.11 Instalments

Pursuant to Section 129 of the *Local Government Regulation 2012*, Council shall allow payment of the annual rate notice by two instalments as follows:-

- half of the annual notice plus any overdue rates and charges relating to the rateable assessment are paid within 60 days of the date of issue of the annual rate notice - August/ September 2019; and
- the remaining balance of the annual notice is paid within 6 months of the due date of the annual notice - February/March 2020

Payment of the annual rate notice by two instalments will:

- a) Not attract interest on unpaid instalments unless the instalment payment is overdue; and
- b) Not qualify for a discount for prompt payment by this method of instalment payments; and
- c) Qualify for a discount for prompt payment on notices (if discount is applicable) issued subsequent to the instalment issue date if no other rates or charges are overdue; and

- d) Require immediate full payment of all overdue rates and charges and instalments and/or subsequent rates or charges.

## **5.12 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 quantum of each fee reflects as far and as accurately as possible 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.

## **5.13 Business Activity Fees**

Council has the power to conduct business activities and make business activity fees for services and facilities it provides on this basis. Business activity fees are made 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 subject to the Commonwealth's Goods and Services Tax.

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

# **6 Remission of Rates/Concessions**

## **6.1 Unapparent Plumbing Failures**

Pursuant to sections 120 and 122 of the *Local Government Regulation 2012*, if a ratepayer:

- a) incurs water consumption charges by reason of an unapparent plumbing failure; and
- b) satisfies the criteria set down in Council's Water Charges Remission Policy,

Council is satisfied that such circumstances justify the exercise of the remission power. The quantum of the remission of water consumption charges is to be determined in accordance with Council's Water Charges Remission Policy. Council grants this remission on the basis that to require the ratepayer to pay full charges for consumption in circumstances where an unapparent plumbing failure has occurred (through no fault of the ratepayer) would result in hardship.

## **6.2 Home Haemodialysis Treatment**

Pursuant to sections 120 and 122 of the *Local Government Regulation 2012*, if a ratepayer:

- a) incurs higher water consumption charges as a result of home haemodialysis treatment; and
- b) satisfies the criteria set down in Council's Water Charges Remission (Home Haemodialysis) Policy.

Council is satisfied that such circumstances justify the exercise of the remission power. The quantum of the remission of water consumption charges is to be determined in accordance with Council's Water Charges Remission (Home Haemodialysis) Policy. Council grants this remission on the basis that to require the ratepayer to pay full charges for consumption in circumstances where home haemodialysis treatment is being provided would result in hardship.

### **6.3 Not-For-Profit/Charitable Organisations**

Pursuant to sections 121 and 122 of the *Local Government Regulation 2012*, Council grant a remission of a percentage of the water access and wastewater charges to approved organisations who:

- a) has objectives which do not include the making of profit and who provide services to their membership and the community; and
- b) satisfies the criteria set down in Council's Rate Concession Policy.

The quantum of the remission of water access and wastewater charges is to be determined in accordance with Council's Rate Concession Policy. Council grants this remission on the basis that to require the ratepayer to pay full charges for water access and wastewater charges certain not for profit objectives is being provided would result in hardship.

### **6.4 Public Amenities on Leased Government Property**

Pursuant to sections 121 and 122 of the *Local Government Regulation 2012*, Council grant a remission of wastewater charges where a property is levied more than three (3) pedestals and satisfies the criteria set down in Council's Rate Concession Policy.

Upon receipt and approval of the evidence noted within Council's Rate Concession Policy, Council will allow a rebate of 100% of the wastewater charges over the first three (3) pedestals.

### **6.5 Permits to Occupy Pump Sites and Separate Pump Site Assessments**

Pursuant to sections 121 and 122 of the *Local Government Regulation 2012*, a remission of 50% of the general rate be granted to all ratepayers who hold a permit to occupy for a pump site, the permit is not valued with other rateable land and the total assessment area is 25 square meters or less.

### **6.6 Leased Council Vacant Land**

Pursuant to sections 121 and 122 of the *Local Government Regulation 2012*, a remission of 100% of the general rates, separate charges and special charges be granted to all ratepayers who lease Council land and satisfies the criteria set down in Council's Rate Concession Policy.

### **6.7 Invasive Pests Control Special Rate**

Pursuant to sections 121 and 122 of the *Local Government Regulation 2012*, a remission of 100% Invasive Pests Control Special Rate ("the special rate"), be granted to all ratepayers who satisfies the criteria set down in Council's Rate Concession Policy.

The remission will only be maintained whilst the ratepayer satisfies the criteria set down in Council's Rate Concession Policy. The remission may be removed if any of the criteria is no longer met.

### **6.8 Water Tank Rebate**

Pursuant to sections 121 and 122 of the *Local Government Regulation 2012*, Council grant a remission of a percentage of the water access charges to approved ratepayers who:

- a) were approved for a water tank rebate in a previous year; or

- b) a ratepayer purchases a water and satisfies the criteria set down in Council's Rate Concession Policy.

The quantum of the remission of water access charges is to be determined in accordance with Council's Rate Concession Policy.

### **6.9 Financial Hardship**

Pursuant to sections 121 and 122 of the *Local Government Regulation 2012*, Council grant a remission to ratepayers who are having difficulty in paying their rates in one of the following circumstances:

- a) major medical situations; or
- b) unusual and severe circumstances.

and where the ratepayers situation satisfies the criteria set down in Council's Rate Concession Policy, Council is satisfied that such circumstances justify the exercise of the remission power.

The remission is granted by way of deferral of all interest charges and legal recovery from the date of application until 30 June of the current financial year. Council grants this remission on the basis that to require the ratepayer to pay interest charges and be subject to legal recovery action in circumstances where financial hardship has occurred (through no fault of the ratepayer) would result in hardship.

### **6.10 Other remissions and deferrals**

Other remission or rate deferral requests will be assessed on their individual merits.

## **7 Limitation On Increases In Rates And Charges**

Pursuant to section 116 of the *Local Government Regulation 2012*, Council will limit the amount of general rate to be levied for the 2018/19 financial year for land that meets the following criteria:

- a) the land has direct frontage to the Quart Pot Creek parkland; and
- b) prior to the Quart Pot Creek parkland development the land formed part of a parcel of land of which a part was donated to Council for the purpose of developing the creek parkland corridor; and
- c) the land is still owned by the original owner who made the donation to the Council or is owned by a related member of the family of the original owner who made the donation and the land was gifted to that family member by the original owner.

The general rate to be levied will be an amount no more than an amount equal to the amount of general rate levied on that land in the 2018/19 financial year increased by 2.0%.

The purpose of applying the 'cap' to these particular properties is to acknowledge the contribution the ratepayers made by voluntarily donation a portion of their land to the Quart Pot Creek parkland development.

## **8 Other Matters Concerning Rates And Charges**

### **8.1 Collection of Outstanding Rates and Charges**

Council requires payment of rates and charges within the specified period and it is Council's practice to pursue the collection of outstanding rates and charges diligently but with due concern for any financial hardship faced by relevant ratepayers. Council's Debt Collection Policy guides the administration process that is used in the collection of overdue rates and charges. This may include payment arrangements and/or the selection of various recovery actions including the sale of land in accordance with legislative requirements.

### **8.2 Payments in Advance**

Council accepts payments in advance of future rate levies. Interest is not payable on any credit balances held.

### **8.3 Payment Agreements**

Council will allow property owners who are unable to pay their rates by the due date to enter into an agreement to pay by instalments according to an agreed schedule, with no recovery action being taken while the arrangement is being maintained. Interest will not be charged on any outstanding rates if the agreement satisfies the criteria set down in Council's Debt Collection Policy. An agreement may be accepted if it falls outside of some of the criteria set down in Council's Debt Collection policy, however, interest will be charged on any outstanding rates at the rate set by Council's annual budget resolutions.

## **9 Related Documents**

- Debt Recovery Policy PL-FS057
- Discount Policy PL-FS079
- Home Haemodialysis Water Allowance PL-FS068
- Rate Exemption by Resolution Policy PL-FS062
- Rates Concession Policy PL-FS076
- Relief from Water Consumption Charges Policy PL-FS035
- Revenue Policy PL-FS013
- Supplementary Rates Policy PL-FS014

## 10 Attachments

### 10.1 Appendix A

#### Sugarloaf Private Forestry – Map A



### 10.2 Appendix B

#### Land Use Codes

Code	Description	Definition
00	Unspecified	Land not categorised by any other land use code

Code	Description	Definition
01A	Vacant Land - Residential	Vacant land being put to no use
01B	Vacant Land - Commercial/Industrial	Vacant land being put to no use approved for subdivision or for use as industrial or commercial land
02	Single Unit Dwelling	Land where the primary use is as a site for a dwelling
03	Multi-Unit Dwelling Flats	The use of a parcel of land for two or more self-contained residential flats but not group or strata title
06A	Outbuildings - Residential	A parcel of land with a relatively minor shed or garage as the main structural improvement. The improvement would be a gross underdevelopment of the site.
06B	Outbuildings - Commercial/Industrial	A parcel of land, approved for subdivision or for use as industrial or commercial land, with a relatively minor shed or garage as the main structural improvement. The improvement would be a gross underdevelopment of the site.
07A	Guest House/Private Hotel	Land used primarily as an accommodation building - room only or room and meals with shared facilities or separate self-contained accommodation (not a motel) not included in 07B.
07B	Combined dwelling and guest house	Land used primarily for a private dwelling and includes commercial guest accommodation for up to 8 guest (room only or room and meals).
08A	Building Format Plan Primary Use Only - Residential	A parcel of land surveyed on a Building Format Plan which may include Common Property, which has attached to it a Community Management Statement and is used for residential purposes.
08B	Building Format Plan Primary Use Only - Commercial/Industrial	A parcel of land surveyed on a Building Format Plan which may include Common Property, which has attached to it a Community Management Statement and is used for commercial/industrial purposes.
09A	Body Corporate in any strata titled scheme - Residential	Body Corporate in any strata titled scheme (community titles, group titles or building units) used for residential purposes
09B	Body Corporate in any strata titled scheme - Commercial/Industrial	Body Corporate in any strata titled scheme (community titles, group titles or building units) used for commercial/industrial purposes.
10	Combined Dwelling and Shops	Combined dwellings/shops dwelling and shops i.e. residential flats with shops but not registered on a Building Unit Plan or Group Title Plan
11A	Shop Single	A single shop without attached accommodation and may include provision for parking
11B	Single Shop - non-profit/charitable	A single shop owned and used by a charitable organisation where the dominant use is for charitable purposes
12	Shopping Group A	More than one shop and includes provision for car parking for greater than or equal to 30 spaces
13	Shopping Group B	More than one shop and includes provision for car parking for less than 30 spaces
14	Supermarket	Large self-serving shop selling foods and household goods with provision of greater than or equal to 30 car parking spaces
16	Shopping Centre	Shopping centre including regional, sub regional and neighbourhood centres and having more than nine shops under one roof with greater than or equal to 30 car parking spaces
17	Restaurant	Restaurant including fast food outlet eg Kentucky Fried Chicken, McDonalds
18A	Special Tourist Attraction	Any development with special recreation, historical or residential features which is intended to attract visitors (includes tourist village)



Code	Description	Definition
18B	Special Tourist Attraction – non profit	Any development with special recreation, historical or residential features which is intended to attract visitors (includes tourist village), run as a non-profit basis by a community organisation
21	Residential Institution (non-medical care)	Aged people's homes not predominantly medical care
22	Car Parks	An area of land which has been prepared to accommodate vehicles either below or at ground level or on suspended concrete floors
23	Retail Warehouse	Isolated large showroom, warehouse used for retail purposes
24	Sales Area Outdoors (Dealers, Boats, Cars etc)	Dealers, boats, cars etc
25	Professional Offices	Building with professional offices, finance, banks, leading agents and brokers which are predominantly offices
26	Funeral Parlours	Funeral parlours
27	Hospitals, Convalescent homes (Medical care, private)	Hospitals, aged peoples home nursing home, convalescent homes. Predominantly medical care
28	Warehouse and bulk stores	Warehouse and bulk stores not used for retail purposes
29	Transport terminal	Freight and/or passengers
30	Service station	Predominantly used for fuel retailing which includes fueling area, associated fuel area, associated retail shop and associated parking area. If predominantly servicing repairs see Code 36
31	Oil Depot and Refinery	Fuel depots or storage and oil refineries
33	Builder's Yard, Contractors	Building and/or garden material storage centres (not retail or hardware). Fenced area for parking heavy equipment/machinery
34	Cold stores – Ice works	Cold stores – ice works
35	General Industry or Medium Industry	Industrial premises that are not Light Industry – Code 36, or Heavy Industry (noxious/offensive) – Code 37A or 37B
36	Light Industry	Light service and manufacturing industries
37A	Heavy Industry (non abattoirs)	Industry from where a deal of offensive noise, odour, dust, etc is produced from the business operations
37B	Heavy industry (abattoirs)	Industry from where a deal of offensive noise, odour dust is produced from abattoir operations
38	Advertising	Advertising – Hoarding. Predominantly used for advertising
46A	Extractive (Quarry)	Any industry which extracts quarry material from the ground
46B	Extractive (Mining)	Any industry which extracts mining material from the ground
41	Child care excluding Kindergarten	Facility for safe keeping of below school age children
42	Hotel/Tavern	Premises licensed by Licensing Commission as hotel or tavern for the sale of liquor including casino
43	Motel	Building predominantly used for overnight accommodation of persons plus vehicle
44	Nurseries (Plants)	Retail of plants and associated garden material
45	Thrives and Cleaners	Thrives and cleaners
47	Licensed Club	Any club with liquor licence run with a view to making a profit
48	Sports Clubs, Licensed Clubs and Facilities – non profit	All sporting/fitness/health/bowling and other clubs with or without a liquor licence run as a non-profit organisation
49	Career Parks	Career parks



Code	Description	Definition
30	Other Clubs Non-Business	Boy Scouts/Girl Guides etc not run as a business. Memorial Hall, QCWA, School of Arts etc. Sporting Clubs not run as a business including sports field defence tennis courts
31	Church/Facilities	Churches, places of worship, church hall etc
32	Cemeteries (includes Crematoria)	Cemeteries (includes Crematoria)
33	Library	Library
34	Show Ground, Race Course, Airfield	Airfield parking, bungalows – no maintenance. If maintenance see Code 36.
37	Parks, Gardens	Parks and gardens including undeveloped parkland
38	Educational including Kindergarten	University, tertiary, state and private, residential college/school and non-residential school, kindergarten
39	Sheep Grazing and/or breeding	Growing and/or selling young and mature stock – includes associated studs
40	Cattle Grazing Breeding and Rearing	Mixture of growing and/or selling young and mature stock – includes associated studs
41	Goats	Goat studs and dairies
42	Dairy Cattle	Supplying to milk factory – includes feedlot dairies
43	Oil Seed	Sunflower, canola/rapeseed etc
44A	Section 25 Valuation Vacant Land – Residential	Vacant land subincluded under Section 25 of the valuation of Land Act
44B	Section 25 Valuation Vacant Land – Commercial/Industrial	Vacant land subincluded under Section 25 of the valuation of Land Act - approved for use as industrial or commercial land
45	Grains	All grains including wheat, barley, oats, maize, rye etc
46	Turf Farm	Growing turf for the purpose of harvesting and sale
47	Tobacco	Land used for the cultivation of tobacco
48	Cotton	Land used for the cultivation of cotton
49	Rice	Land used for the cultivation of rice
50	Orchards	Includes all orchards – citrus, exotic fruit, stone fruits and other fruits and nuts etc
51	Vineyards and Wineries	Land used for the cultivation of grapes, for table or wine production
52	Small Crops and Paddock	All vegetable and small crop items including strawberries (also includes legumes and other improved pasture, used for fodder or stock breeding purposes)
53	Pigs	The breeding and/or growing and/or fattening of pigs in open range or feed lot environment
54	Horses	The breeding and/or growing of horses including for stud purposes, including predominantly stables
55	Poultry	Includes breeding, plus the growing for meat and/or egg production either in a controlled environment or by open runs
56A	Forestry and logs	Growing for the purposes of harvesting trees of natural and/or planted on hardwood or softwood owned either privately or by the Crown not located within the boundary of Map A
56B	Forestry and logs – Significant Private Forestry	Growing for the purposes of harvesting trees of natural and/or planted on hardwood or softwood owned either privately or by the Crown within the Significant Private Forestry, located within the boundary of Map A
57	Animals special	Any animal not listed above eg deer farms, crocodile farms etc (includes dog kennels, cattery, permanent pounds, quarantine stations, cattle dips)

Code	Description	Definition
91A	Transformers	Transformer and substation, television/radio, incandescence towers
91B	Energy Generation	Land Used for energy generation eg solar, wind, etc
92	Defence Force Establishment	Defence force establishment
95	Reservoir, Dam, Bore Pipeline	Reservoir, Dam, Bore, Pipeline – includes permanent pump site
96	Public Hospital	Public hospital
97	Welfare home/institution	Child/Adult welfare institution
99	Community Protection Centre	Ambulance centre, fire station, state emergency service and headquarters, air sea rescue station, coast guard

## **10.3 Appendix C**

### **Invasive Pest Control Special Levy – Overall and Annual Plan**

## **Invasive Pests Control Special Rate – Overall Plan**

### **1. Service, facility or activity**

The service, facility or activity to be funded by the special rate is the implementation of the Invasive Pests Control Scheme ("the Scheme") to the rateable land to which the special rate applies. The Scheme was adopted by Council at its 2017/2018 budget meeting and updated at the 2019/2020 budget meeting. The Scheme's object is to control the spread of invasive weeds and invasive pests on the rateable land to which the special rate applies. Specifically, in relation to the rateable land to which the special rate applies, the special rate will fund: -

1. Promoting the Scheme, and providing information in relation to the control of invasive pests, to the owners of the rateable land;
2. Enhanced invasive pests control activities on the rateable land;
3. Tracking the existence of invasive pests on the rateable land; and
4. Tracking the removal of invasive pests from the rateable land.

### **2. The rateable land to which the special rate applies**

The rateable land to which the special rate applies is all rateable land within the region which has been included in the differential general rating categories of:

- Residential 4;
- Commercial and Industrial – Rural;
- Agriculture and Farming 1, 2 & 3;
- Horticulture 1, 2 & 3;
- Extractive;
- Private Forestry;
- Special Uses; and
- Other

The use of the land within these differential general rating categories: -

- Specially benefits from the Scheme; and
- Is used in a way that specially contributes to the need for the Scheme.

### **3. The estimated cost of carrying out the overall plan**

The estimated cost of carrying out the overall plan is \$16,400,000.

### **4. Estimated time for carrying out the overall plan**

The estimated time for carrying out the overall plan is 3 years ending on 30 June 2020. It is anticipated that a levy will be made in future years as the service, facility and activities are likely to be on-going programs.

### **5. Annual Implementation Plan 2019/2020**

The actions and processes that are to be carried out for the 2019/2020 financial year will be the continuation of: -

1. Promoting the Scheme, and providing information in relation to the control of invasive pests, to the owners of the rateable land;

2. Tracking the existence of invasive pests on the rateable land; and
3. Tracking the removal of invasive pests from the rateable land.

The estimated cost of carrying out the overall plan in the 2019/20 financial year is \$5,310,000.

## 6. Amount of special rate

In accordance with: -

1. section 94(12) of the *Local Government Regulation 2012*, Council has determined that the amount of the special rate will be different for different types of rateable land, as identified in columns 1 and 2 of the table below; and
2. section 94(10) of the *Local Government Regulation 2012*, Council has fixed a minimum amount of the special rate, as identified in column 3 of the table below.

Special Rates to apply

Column 1 Description of Land (Differential Rating Categories)	Column 2 Cents per dollar of Rateable Value (annual)	Column 3 Minimum (annual)
Residential 4; Commercial and Industrial – Rural; Extractive; Special Uses; Other.	0.30	\$500.00
Agriculture and farming 1; Agriculture and farming 2; Agriculture and farming 3; Horticulture 1; Horticulture 2; Horticulture 3; Private Forestry.	0.50	\$500.00

## 0.0 Water Restrictions and Emergency Water Supply Plan

### Document Information

 Southern Downs REGIONAL COUNCIL	Report To: Special Council Meeting	
	Reporting Officer:	Meeting Date: 13 March 2019
	Director Infrastructure Services	ECM Function No/s:

### Recommendation

THAT Council resolve to move to Extreme Level water restrictions across the Southern Downs Regional Council area on 14 March 2019, in accordance with the attached Water Restrictions Table noting that the individual consumption level will drop from 170 L/p/d to 120 L/p/d.

### Report

#### Background Information

In accordance with the Water Supply (Safety and Reliability) Act 2008 ("the Act"), under Section 41(1), Southern Downs Regional Council (SDRC) may restrict:

- (a) the volume of water taken by or supplied to a customer or type of customer; or
- (b) the hours when water may be used on premises for stated purposes; or
- (c) the way water may be used on premises.

The SDRC area, in common with much of Queensland, is currently in drought. The Bureau of Meteorology released the most recent drought statement on 6 March 2019, reporting that rainfall was very much below average across most of Australia.

The most recent climate outlooks predict that the region is very likely to experience above average temperatures from March to May with a 50% likelihood of receiving above median rainfall (median rainfall is 134mm for Stanthorpe and 101mm for Warwick) during this period.

The El Niño-Southern Oscillation Index is currently neutral, with twice the normal risk of El Niño forming in during the autumn and winter. It should be noted that ENSO predictions made at this time of the year may be less accurate. El Niño usually results in reduced average rainfall and warmer temperatures.

SDRC's largest population centres rely on three dams for town water supply, Storm King Dam for Stanthorpe, Leslie Dam and Connolly Dam for Warwick, Allora and Yangan. Connolly Dam is not being used for town supply at present due to manganese issues but is supplying a number of minor users and Morgan Park with raw water. The dam levels and expected depletion times, based on no inflow are as follows (as at 20 February 2019):

Dam	Current percentage full	Current Volume Available	Estimated Depletion
Storm King	45.6%	983 ML	10 months
Leslie	7.62%	8096 ML	19 months
Connolly	47%	1218ML	21 months

SDRC moved from permanent restrictions to Medium Level water restrictions on 1 June 2018. The restrictions were imposed ahead of the Drought Management Plan (DMP) triggers; the DMP required medium restrictions to be triggered once Leslie Dam was at 50% of Council's allocation of the bottom 15%. This would mean that medium restrictions would not commence until the Dam is 7.5% full (7,989 ML) if SDRC follows the repealed DMP triggers. SDRC then moved to High Level water restrictions on 1 November 2018. SDRC now propose to move to Extreme Level water restrictions. This would be a reduction of 50 L/p/d from the High Level water restrictions currently in place which is 170L/p/d. The February 2019 consumption figures record water usage as high as 357L/p/d in Killamey, with Yangan being the only community currently complying with the current High Level water restrictions.

#### **Water Supply-Demand Modelling**

The Act requires all water service providers to have a Drought Management Plan. A Drought Management Plan (DMP) for SDRC was approved in 2009 and repealed in 2014. The DMP was written before the Allora township was supplied by Warwick Water Treatment Plant. The DMP was based on 6675 connections; currently 7740 connections are supplied by Warwick Water Treatment Plant. Recent modeling has been undertaken by GHD consultants in conjunction with the Department of Natural Resources, Mines and Energy (DNRME) which has indicated that the Southern Downs region's water supply sources are under sufficient threat of failure to warrant progressing to Extreme Water Level water restrictions.

Council is in the process of developing a Water Security Strategy which will incorporate a Water Efficiency Plan. When complete, this Plan will provide SDRC with new triggers for strengthening and relaxing water restrictions, coupled with revised and relevant permitted water uses and strategies applicable to residential and commercial customers. A generic version of the Plan will be prepared that can be used as a framework for other local governments seeking to produce a replacement for the DMP. However, this document does not yet exist and, due to the decreasing amount of water in the main storages, it has become necessary to strengthen water restrictions without relying on the outdated triggers set in the DMP.

The level of restriction is recommended to be 120 litres per day (L/p/d), rather than the 140 L/p/d which is noted in the repealed DMP. It is considered that the additional reduction of 20 L/p/d will provide for needed extra time to proceed with plans to implement an Emergency Water Supply Plan (EWSP).

#### **Water Restrictions**

Attached to this report is a table setting out the details of SDRC's Extreme Level water restrictions.

No enforcement action has been taken against non-compliant water users to date. Council has commenced enforcement of compliance in accordance with the current High Level water restrictions. The water meter readings have been finalized and in order to provide advice to residential high water users, they will be contacted to discuss water efficiency measures and restrictions.

SDRC provides water to Jennings in Tenterfield Shire Council as part of a long standing contractual arrangement. Last financial year, 7.1ML of treated water was supplied to Jennings. Tenterfield Shire Council are required to impose the same level of restrictions to maintain consistency. SDRC must provide one month's notice prior to implementation of the restrictions.

#### **Water Efficiency Management Plans**

While the water restrictions are aimed at residential water users; promotion of water efficiency with the non-residential customers has commenced. Referring back to the repealed DMP, and the SEQ Drought Exit Strategy, six commercial operator guidelines were covered. These commercial operations included high volume commercial and industrial users using more than 10ML per

annum, vehicle washing businesses, vehicle washing associated with motor dealerships, food transport vehicles, building construction and development, market gardens and commercial nurseries and turf farms using more than 1ML per annum, and travelers accommodation. The general strategy in the DMP was to require the business operators to develop and implement a Water Efficiency Management Plan (WEMP).

The Act allows Council, as the water service provider, to direct certain customers, such as non-residential water users using over 10ML per annum, to prepare a WEMP. Such businesses are required to submit a WEMP by 15 the March 2019, including:

- an outline of the customer's current water use at the location; and
- water saving and efficiencies that will be achieved by implementing the WEMP; and
- time frames for implementing the WEMP.

There are 7 businesses in Warwick that use more than 10ML/yr. It is also proposed to discuss WEMPs with those water users of between 5ML and 10ML/yr. This will include a number of businesses in Stanthorpe.

SDRC will work with high water usage business over 5 ML/yr to carry out water audits and assist with the development of WEMP.

#### **Raw Water Connections**

There are 61 raw water connections across the region to the pre-treated supplies from Leslie Dam and Storm King Dam. These connections are for both business use (primary production) and domestic use. The agreement for connection to Leslie Dam and Storm King Dam need to be examined and reviewed as they are out of date. The current agreements in place for Connolly Dam raw water can allow Council to cease supply to maintain town water supply.

Consideration will be given to applying restrictions or closer monitoring of raw water usage. It should be noted that some residents use the raw water for toilet flushing and some for stock watering.

#### **Recycled Water from the Warwick Wastewater Treatment Plant**

Demand has outstripped supply on three occasions in 2019. Council resolved to cease charging for recycled water for community club use in October 2018. Recycled water usage has increased and use of this resource is unrestricted as contracts have expired and no allocations have been set. Meetings have already commenced with the recycled water users to put some controls on the volume used and the time of day when water is used. Controls around the usage and volumes will be put in place in consultation with users to enable recycled water to be prioritized for use in SDRC construction operations.

#### **Budget Implications**

Reduction in income due to reduced consumption, there are also funds required to undertake and finalise the Water Security Strategy Plans being developed at present.

#### **Policy Consideration**

Waste and Wastewater Customer Service Standards  
Corporate Plan – The Environmentally Sustainable Southern Downs sections 6.1 & 6.7

### **Community Engagement**

Officers have been consulting with business and the community on an ongoing basis.

### **Legislation/Local Law**

Water Supply (Safety and Reliability) Act 2008

### **Options**

1. Council resolve to move to Extreme Level water restrictions across the Southern Downs Regional Council area on 14 March 2018, in accordance with the attached Water Restrictions Table noting that the individual consumption level will fall from 170 Lp/d to 120 Lp/d; or
2. Council remain on High level restrictions and follow the DMP triggers for strengthening water restrictions.

### **Attachments**

Nil



## Extreme Water Restriction Permitted Usages

Type of Use	Restrictions
<b>Average residential water use</b>	<b>120 Litres per person per day</b>
<b>1.1 Residential and non-residential premises</b>  Watering established gardens and lawns (Note this does not include irrigation for non-residential consumers such as nurseries or similar businesses)	Total outdoor watering ban on sprinklers, hoses, watering cans and buckets for established gardens and lawns
<b>1.2 Residential and non-residential premises</b>  Water wastage	Wasting water by way of leaking taps and plumbing fittings and overflowing containers or structures is prohibited.
<b>1.3 Residential and non-residential properties</b>  Watering newly established gardens and lawns	As per restriction item 1.1.
<b>1.4 Residential and non-residential premises</b>  Installation of irrigation systems	Testing of irrigation systems with town water supplies is prohibited.
<b>1.5 Active playing surface irrigation</b>	Use of town water supplies to water active playing surfaces prohibited. Note: non-potable sources can be used appropriately
<b>1.6 Council and state government parks and road reserves (including Gardens of Significance)</b>	As per restriction items 1.1 and 1.3. Note: non-potable sources can be used appropriately
<b>2.1 Residential and non-residential premises</b>  General outdoor cleaning (including but not limited to: - exterior of building (including solar panels) - landscaping (e.g. retaining walls) - entertainment and eating areas (floors, walls and other surfaces) - vehicles (e.g. cars, boats, caravans, trailers, bikes, buses, trucks) - outdoor furniture and related equipment - rubbish bins - tools and related equipment - animal enclosures / kennels)	General outdoor cleaning can only occur: a) where the water is used from a bucket filled directly from a tap to: i) spot clean a surface to remove potentially paint damaging marks ; or ii) clean only vehicle mirrors, vehicle lights, glass and number plates to maintain safe operation and satisfy number plate visibility requirements ; or iii) clean other such parts of a vehicle as required to comply with statutory or regulatory obligations b) to flush an inboard or outboard motor or vehicle brakes to prevent corrosion and maintain safe operation General outdoor cleaning does not include paved surfaces. Requirements for paved surfaces are considered in restriction items 2.2 and 2.3. Cleaning for health and safety is permitted at any time by any suitable means.

Type of Use	Restrictions
<b>2.2 Residential and non-residential premises</b>  Cleaning of paved surfaces (by a person other than a mobile commercial operator)	Town water supplies can only be used to clean paved surfaces for health and safety reasons, at any time by any suitable means. The town water supply is not permitted to be used to remove loose items that could be easily removed by a broom, blower or similar device.
<b>2.3 Residential and non-residential premises</b>  Cleaning of paved surfaces by a mobile commercial operator	Cleaning for health and safety only is permitted, at any time by any suitable means.
<b>2.4 Residential and non-residential premises</b>  Mobile commercial operators, motor vehicle dealerships, fleet vehicles and rental and chauffeured vehicles, building washers	Vehicle and building cleaning can only occur: a) where the water is used from a bucket filled directly from a tap to: i) clean only vehicle mirrors, vehicle lights, glass and number plates to maintain safe operation and satisfy number plate visibility requirements; or ii) clean other such parts of a vehicle as required to comply with statutory or regulatory obligations; or iii) spot clean a surface to remove potentially paint damaging marks b) to flush an inboard or outboard motor or vehicle brakes to prevent corrosion and maintain safe operation.
<b>2.5 Non-residential premises</b>  Vehicle washing in a fixed permanent commercial location (including vehicle service centres, permanent bay car wash / self-serve car wash and automatic car wash machines)	Vehicle cleaning can only occur: a) where the water is used from a bucket filled directly from a tap to: i) clean only vehicle mirrors, vehicle lights, glass and number plates to maintain safe operation and satisfy number plate visibility requirements; or ii) clean other such parts of a vehicle as required to comply with statutory or regulatory obligations; or iii) spot clean a surface to remove potentially paint damaging marks b) to flush an inboard or outboard motor or vehicle brakes to prevent corrosion and maintain safe operation
<b>3.1 Residential and non-residential premises</b>  Swimming pool and spa top ups	Town water is not permitted to be used for swimming pool and spa top ups
<b>3.2 Residential and non-residential premises</b>  Swimming pool and spa fills	Town water is not permitted to be used for swimming pool and spa fills.
<b>3.3 Council Water play facilities</b>	Town water is not permitted for use. This restriction applies to water for use in the water play facility recirculation system, not for toilets, showers, food services and other such water uses on site. Garden and lawn irrigation must comply with restriction Item 1.1.

Type of Use	Restrictions
<b>4.1 Residential and non-residential premises</b>  Topping up rainwater tanks (unless trickle top up system, or water recirculation device installed by a licensed plumber, the premises is not connected to reticulated town water supply)	Town water is not permitted to be used: a) whether directly by use of a hose or other device connected to the town water supply system; or b) indirectly from a water tanker or other container containing water from the town water supply, for the filling, partial filling or topping up of a rainwater tank on the premises <u>except</u> where: i) topping up of the rainwater tank occurs using a trickle top-up system installed by a licensed plumber for the purposes of supplying water to toilet cisterns, washing machine cold water taps or other fixtures specified in a local planning instrument; or ii) the premises is not connected to the town water supply and consequently depends upon the rainwater tank as the primary source of water supply.  Where a rainwater tank complies with (i) or (ii) above, water restrictions apply to use of water from the rainwater tank as they do for the town water supply.
<b>4.2 Residential and non-residential premises ornamental</b>  Fish ponds, frog ponds and outdoor aquariums	Town water is not permitted to be used for the filling or topping up of fish ponds, frog ponds or outdoor aquariums except where the water is used from a bucket filled directly from a tap and is required for the health and safety of the fish, frogs and other aquarium life. Where possible, measures should be taken to reduce evaporation e.g. with the use of shade structures.
<b>4.3 Residential and non-residential premises</b>  Filling and topping up of fountains	On residential and non-residential premises, water from the reticulated (town) supply system is not permitted to be used for filling and topping up of fountains.
<b>4.4 Residential and non-residential premises topping up ponds, lakes, dams and other water storages</b>	Town water is not permitted to be used for the filling, partial filling or topping up of ponds, lakes, dams and other water storages: a) whether directly by use of a hose or other device connected to the town water supply; or b) indirectly from a water tanker or other container containing water from the town water supply.  Note rainwater tanks must comply with restriction item 4.1.
<b>4.5 Residential and non-residential premises</b>  Water play pools and water play toys	Town water is not permitted to be used for the filling or use of water play pools and water play toys.
<b>4.6 Residential and non-residential premises</b>  Outdoor showers	Town water is not permitted to be used for outdoor showers.
<b>5.1 Land development and road work</b>	Clearing for health and safety is permitted at any time by any suitable efficient means. For land development and roadwork, fit for purpose alternative water supplies must be used where suitable alternative water supplies are available within a 30km radius of the worksite.

Type of Use	Restrictions
<b>5.2 Residential and non-residential premises</b>  Building construction (brick laying, tile cutting etc.)	Town water is not permitted to be used for building construction purposes except where: a) the site is attended; and b) the hoses and equipment are in good condition and free from leaks; and c) water is not running to waste.
<b>6.1 Residential premises</b>  High water uses >800 L per premise per day	Where residential property consuming greater than 800 Litres per property per day without reasonable justification (i.e. medical condition, number of residents, or a water leak that has now been repaired) a flow restrictor will be installed at the property water meter.
<b>6.2 Travelers Accommodation</b>	All accommodation providers must display information about water conservation measures.

**\*Note:** Residential and Non-residential premises may apply for an exemption under the water restrictions. Reloading of the water restrictions will be at Council's discretion.