

**MINUTES OF THE SPECIAL MEETING OF MARANOA REGIONAL COUNCIL HELD AT ROMA ADMINISTRATION CENTRE ON 25 JULY 2018 COMMENCING AT 4.12PM**

**ATTENDANCE**

Mayor Cr. T D Golder chaired the meeting with Deputy Mayor J L Chambers (by telephone until 5.25PM), Cr. N H Chandler (by telephone until 5.34PM), Cr. G B McMullen, Cr. W M Newman, Cr. C J O'Neil, Cr D J Scheffe, Cr. J M Stanford, Chief Executive Officer – Julie Reitano and Kelly Rogers Minutes Officer in attendance.

**AS REQUIRED**

Director Corporate, Community & Commercial Services – Sharon Frank, Manager Program & Contract Management - Cameron Hoffman (by telephone).

**WELCOME**

The Mayor welcomed all present and declared the meeting open at 4.12pm. Cr. O'Neil was not present at the time of the meeting being opened.

**APOLOGIES**

**Resolution No. SM/07.2018/15**

**Moved Cr McMullen**

**Seconded Cr Stanford**

**That apologies be received and leave of absence granted for Cr. Flynn for this meeting.**

**CARRIED**

**7/0**

Cr. O'Neil entered the Chamber at 4.15pm. The meeting was adjourned and then recommenced at 4.30pm.

**CONFIDENTIAL ITEMS (Discussed in Closed Session)**

In accordance with the provisions of section 275 of the *Local Government Regulation 2012*, Council resolved to close the meeting to discuss items it has deemed to be of a confidential nature and specifically pertaining to the following sections:-

- (c) the local government budget;

**Item C.1 – Big Rig Pedestrian and Train Bridge Review**

**Item C.2 – Preliminary Review of Estimated Activity Statement**

**Item C.3 – Consideration of Budget Submissions and Financial Planning Standing Committee Recommended Budget**

**Item C.4 – Revenue Statement 2018/19 – As recommended by the Standing Committee**

**Item C.5 – Revenue Statement 2018/19 – Mayor's Proposed Budget**

**Resolution No. SM/07.2018/16**

**Moved Cr McMullen**

**Seconded Cr Newman**

**That Council close the meeting to the public at 4.30pm.**

**CARRIED**

**8/0**

The Chief Executive Officer left the Chamber at 4.45pm, and returned at 4.47pm.

Cr. Stanford left the Chamber at 4.45pm, and returned at 4.57pm.

The Chief Executive Officer left the Chamber at 4.48pm, and returned at 4.50pm.

Mayor Golder left the Chamber at 5.10pm, with Deputy Mayor Cr. Chambers taking the role of 'Acting Chair' during his absence.

Mayor Golder returned to the Chamber at 5.13pm and assumed the Chair.

**Resolution No. SM/07.2018/17**

**Moved Cr McMullen**

**Seconded Cr O'Neil**

**That Council open the meeting to the public at 5.14pm.**

CARRIED

8/0

Cr. Chambers, who participated by telephone, left the meeting at 5.25pm and did not return.

**BUSINESS**

**Item Number:**

**3.1**

**File Number: D18/58821**

**SUBJECT HEADING:**

**CORPORATE PLAN - MINOR AMENDMENTS**

**Officer's Title:**

**Chief Executive Officer**

***Executive Summary:***

*Preparation of the Operational Plan is continuing and some minor amendments were identified for the Corporate Plan.*

**Resolution No. SM/07.2018/18**

**Moved Cr O'Neil**

**Seconded Cr Newman**

**That Council:**

1. Receive and note the tabled document.
2. The amendments as presented in the officer's report be incorporated, including the following additional change:

**Item 4.8.7 to state – Work in partnership with landholders and other local governments to apply for funding and implement approved programs, including exclusion fencing.**

CARRIED

7/0

**Responsible Officer**

**Chief Executive Officer**

**Item Number:** 3.2 **File Number:** D18/58884

**SUBJECT HEADING:** REVENUE POLICY 2018/19

**Officer's Title:** Director - Corporate, Community & Commercial Services

**Executive Summary:**

*The purpose of this report was for Council to adopt the draft Revenue Policy 2018/19 which has been previously reviewed by the Budget Submissions and Financial Planning Standing Committee.*

*Section 193 of the Local Government Regulation 2012 outlines the statutory purpose of a Revenue Policy in setting out:*

- a) *the principles that Council intends to apply in the financial year for:*
- *Levying rates and charges;*
  - *Granting concessions for rates and charges*
  - *The recovery of unpaid rates and charges; and*
  - *Cost recovery fees and methods.*
- b) *the purpose for rates and charges concessions; and*
- c) *the extent to which physical and social infrastructure costs for a new development are to be funded by charges for the development.*

*The Revenue Policy may state guidelines that may be used for preparing Council's Revenue Statement.*

**Resolution No. SM/07.2018/19**

**Moved Cr Newman**

**Seconded Cr Stanford**

**That Council:**

- 1. Receive and note the document titled "Revenue Policy 2018/19", and**
- 2. In accordance with Section 193 of *Local Government Regulation 2012*, adopt the 2018/19 Revenue Policy as follows:**

**Purpose**

To comply with the requirements of Chapter 4, Part 1 and Part 2 of the *Local Government Act 2009* and Section 169 (2) (c) and Section 193 of the *Local Government Regulation 2012* by setting out:

- (a) the principles which Council will apply during the 2018/19 financial year for:
- levying rates and charges;
  - granting concessions for rates and charges;
  - the recovery of unpaid rates and charges;
  - cost-recovery fees and methods;
- (b) the purpose of the concessions; and
- (c) the extent to which physical and social infrastructure costs for a new development are to be funded by charges for the development.

## Scope

The Revenue Policy applies to revenue raised by rates, utility charges and fees and charges.

This policy applies to the making, levying, recovery and concessions for rates and utility charges and the setting of regulatory and commercial fees and charges for Council.

## Definitions

<b>Council</b>	Maranoa Regional Council
<b>Act</b>	<i>Local Government Act 2009</i>
<b>Pensioner</b>	a person who is the holder of a pensioner concession card issued by the department of the Commonwealth responsible for administering the <i>Social Security Act 1991 (Cwlth)</i> or the <i>Veterans' Entitlement Act 1986 (Cwlth)</i> .
<b>Regulation</b>	<i>Local Government Regulation 2012</i>

All other definitions are as per the *Local Government Act 2009* and the *Local Government Regulation 2012*.

## 1. Details

### 1.1 Introduction

In accordance with the provisions of the *Local Government Act 2009* and *Local Government Regulation 2012*, Council is required to prepare and adopt by resolution a Revenue Policy.

Council's Revenue Policy is based on the following principles:

- (a) Fairness & Equity – by ensuring the consistent application of lawful rating and charging principles without bias;
- (b) Transparency – by communicating the Council's charging processes and each ratepayer's responsibility under the rating system;
- (c) Efficiency – by having a rating regime that is cost effective to administer;
- (d) Sustainability – to support the financial strategies for the delivery of infrastructure and services identified in Council's short, medium and long term planning.
- (e) Flexibility within agreed parameters - by providing payment arrangements to assist ratepayers in meeting their rate commitments

Council will apply these principles when:

- Making rates and charges;
- Levying rates and charges;
- Recovering rates and charges;
- Granting and administering rates and charges concessions;

- Charging for local government services and facilities;
- Charging for business activities (subject to the National Competition Policy);
- Funding Council infrastructure.

## **1.2 Making and Levying of Rates and Charges**

Council's application of the above principles in making and levying of Rates and Charges for the 2018/19 financial year are detailed as follows:

### **1.2.1 General Rates**

General rates are set each year to assist Council in raising sufficient revenue to provide services to the community (exclusive of water, sewerage and cleansing/waste management utilities).

Council recognises that different categories of land use will generate different needs and requirements for Council services and facilities. Council also recognises that it will incur a different level of resources expenditure to provide the necessary services and facilities and therefore has opted for a system of differential General Rating to meet its needs.

#### **1.2.1.1 Differential General Rates**

Council considers that the use of differential general rates allows the following factors to be taken into account in determining how the general rate revenue is to be raised which would not be possible if only one general rate were adopted:

- (a) the relative effects of various land uses on the requirements for, level of, and the cost of providing Council facilities and services;
- (b) movements and variations in the Unimproved Capital Value (UCV) both within categories and between categories of land use which affect the level of rates and issues such as 'fairness' and 'equity';
- (c) location and access to services; and
- (d) amount of the Unimproved Capital Value (UCV) and the rate payable.

To ensure that owners of land across all differential categories contribute equitably to the cost of common services, Council will apply a minimum rate to each differential rating category.

### **1.2.2 Utility Charges – Water, Sewerage and Waste Management Services**

In general, Council will be guided by the principle of user pays in the making of charges that relate to the provision of water, sewerage and waste management services.

Wherever possible, those receiving the benefits of a utility service will pay for the service received through the relevant utility charge. Council will annually review its utility charges and other fees for service to ensure that revenues are meeting intended program goals and are keeping pace with the cost of providing the service.

### 1.2.3 Special and Separate Rates and Charges

Council may consider levying special and separate rates and charges when appropriate, to recover the costs associated with a particular service, project or facility that provides direct or additional benefit to the ratepayers or class of ratepayer.

## 1.3 Granting of Rebates and Concessions

### 1.3.1 Guiding Principles

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

- Applying the same treatment to ratepayers with similar circumstances;
- Making clear the requirements necessary to receive concessions;

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

### 1.3.2 The Purpose of Concessions

In accordance with Section 120 (1) of the *Local Government Regulation 2012*, Council may grant a concession in 2018/19 for the owner categories, or in some circumstances occupier categories, and properties used for the listed purposes.

**(a) Pensioner Concession**

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

**(b) Non-Profit Community Organisation Concession**

In accordance with Section 120 (1) (b) of the *Local Government Regulation 2012*, a concession may be granted if Council is satisfied that the land is used for community purposes and is operated on a not-for-profit basis.

The purpose of these concessions is to encourage and support not-for-profit and charitable organisations where the land use is considered to contribute to the health and wellbeing of the community and the social enrichment of residents.

**(c) Hardship Concession**

Council may grant a concession where it can demonstrate that the payment of the rates or charges will cause extreme hardship to the land owner.

**(d) Other Concessions**

Council will receive and consider applications from ratepayers where Council is satisfied that the application meets the eligibility criteria as provided for in Section 120 (1) of the *Local Government Regulation 2012*. Applications for concessions under this section will be considered and determined by Council on a case by case basis.

#### **1.4 Recovery of Unpaid Amounts of Rates and Charges**

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

- Fairness & Equity - by treating all ratepayers in similar circumstances in the same manner; and by making every attempt to follow-up on outstanding rates and charges prior to taking legal action;
- Transparency – by making clear the obligations of ratepayers and the processes used by Council in assisting them meet their obligations;
- Efficiency – by making the process used to recover outstanding rates and charges simple to administer and cost-effective.
- Flexibility – by providing ratepayers with a number of options to meet their rate obligations.

#### **1.5. Charges for Local Government Services and Facilities**

With the exception of fees and charges associated with Council's Business Activities, there are broadly two types of fees and charges:

##### **1.5.1 Cost Recovery ('Regulatory') Fees and Charges (s97 of the *Local Government Act 2009*)**

These are fees under a local law or a resolution, which involve:

- (a) an application for the issue or renewal of a licence, permit, registration or other approval under a Local Government Act (an application fee); or
- (b) recording a change of ownership of land; or
- (c) giving information kept under a Local Government Act;

A cost recovery fee must not be more than the cost to Council of taking the action for which the fee is charged.

Whilst Council notes that, pursuant to Section 97 of the *Local Government Act 2009*, it may introduce a tax component into a regulatory fee in order to achieve a social or other objective, it is not Council's intention to encompass a tax in any regulatory fee. Accordingly, Council will not recover more than the cost of administering the regulatory regime.

##### **1.5.2 Other ('Commercial') Fees & Charges**

Council will apply, as a minimum and as far as practicable, the principle of full cost recovery (including overheads) in setting charges for services and facilities, including community or non-profit organisations.

Council may give consideration to charging at less than the full cost of the service / facility when it considers it appropriate to do so in order to achieve social, economic or environmental goals.

When the service or facility supplied is of a commercial nature, then Council will give consideration to including a 'return on investment' element in the charge.

Such consideration will be made on a case by case basis.

## 1.6 Fees & Charges for Business Activities (Subject to National Competition Policy)

In setting charges for a business under National Competition Policy reforms, Council's pricing strategy will apply full cost pricing principles whilst also meeting other economic, efficiency and social objectives. Full cost pricing means that on average, prices should fully recover all the relevant costs of supplying a product or service including:

- (a) direct costs;
- (b) indirect non-capital costs;
- (c) capital costs (includes return on capital, interest payments, debt guarantee fees and return of capital (depreciation));
- (d) tax equivalent adjustments; and
- (e) other competitive neutrality adjustments.

Council may decide to apply charges at less than full cost pricing in order to achieve social, economic, environmental or other objective. In making any such decision the reason for the decision will be clearly set out in the resolution together with the estimated amount of revenue to be foregone in the subject year.

When any such decision is applied to a Commercialised Business Unit, the direction to the Commercialised Business Unit will be recognised as a 'community service obligation' and a subsidy shall be paid to the Commercialised Business Unit and that subsidy shall be recognised in the accounts of the Commercialised Business Unit.

## 1.7 Funding of New Development

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

### Special Provisions

N/A

### Related Policies and Legislation

*Local Government Act 2009*  
*Local Government Regulation 2012*

### Associated Documents

*Revenue Statement 2018/19*  
*Community Organisations Rates & Charges Rebates & Concessions*  
*Fees and Charges Register 2018/19*

CARRIED

7/0

**Responsible Officer**

**Director - Corporate, Community &**



**CONFIDENTIAL ITEMS**

**Item Number:** C.1 **File Number:** D18/58711

**SUBJECT HEADING:** **BIG RIG PEDESTRIAN AND TRAIN BRIDGE REVIEW**

**Officer's Title:** **Manager – Program & Contract Management**

**Executive Summary:**

*Council considered an Officer's Report in May 2018 which resulted in a resolution to include a preliminary 2018/19 budget allocation of \$250,000 to replace the Big Rig Pedestrian and Train Bridge. This report presented Council with an update to the matter, with the view to amending the project description for inclusion in the 2018/19 Budget Papers.*

**Resolution No. SM/07.2018/20**

**Moved Cr O'Neil**

**Seconded Cr McMullen**

**That Council:**

1. Amend the project description for the Big Rig Pedestrian and Train Bridge from "replacement" to "refurbishment".
2. Maintain the existing budget allocation of \$250,000 with project commencement being subject to the presentation of a subsequent Officer's Report outlining refurbishment options for the bridge.

CARRIED

7/0

<b>Responsible Officer</b>	<b>Manager – Program &amp; Contract Management</b>
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**Item Number:** C.3

**File Number:** D18/58891

**SUBJECT HEADING:** **CONSIDERATION OF BUDGET SUBMISSIONS AND FINANCIAL PLANNING STANDING COMMITTEE RECOMMENDED BUDGET**

**Officer's Title:** **Chief Executive Officer**

**Executive Summary:**

*The report sought guidance on what Council would like to do with the committee document in relation to the budget meeting agenda.*

**Resolution No. SM/07.2018/21**

**Moved Cr Stanford**

**Seconded Cr O'Neil**

**That:**

1. In the interest of transparency a copy of the Budget Submissions and Financial Planning Standing Committee recommended final draft budget be attached to Item 3.3 of the Special Budget Meeting Agenda.
2. Note that the additional descriptions for the variations will be added to the documentation.

CARRIED

7/0

Responsible Officer

Chief Executive Officer

Item Number:

C.4

File Number: D18/58892

SUBJECT HEADING:

**REVENUE STATEMENT 2018/19 - AS RECOMMENDED BY THE STANDING COMMITTEE**

Officer's Title:

Director - Corporate, Community &amp; Commercial Services

**Executive Summary:**

*The purpose of this report was to provide Councillors with the finalised 2018/19 Revenue Statement as recommended by the Budget Submissions and Financial Planning Standing Committee which incorporates legal advice, the results of the Special Meeting on 17 July 2018 and minor edits.*

**Resolution No. SM/07.2018/22**

Moved Cr O'Neil

Seconded Cr Golder

That:

1. Council receive the finalised draft 2018/19 Revenue Statement as recommended by the Budget Submissions and Financial Planning Standing Committee.
2. The Budget Submissions and Financial Planning Standing Committee Revenue Statement be attached to Item 3.3 of the Special Budget Meeting agenda.

CARRIED

7/0

Responsible Officer

Director - Corporate, Community &amp; Commercial Services

Item Number:

C.5

File Number: D18/58889

SUBJECT HEADING:

**REVENUE STATEMENT 2018/19 - MAYOR'S PROPOSED BUDGET**

Officer's Title:

Director - Corporate, Community &amp; Commercial Services

**Executive Summary:**

*The purpose of this report was to provide Councillors with the finalised 2018/19 Revenue Statement for the Mayor's Proposed Budget which incorporates legal advice, the results of the Special Meeting on 17 July 2018 and minor edits.*

**Resolution No. SM/07.2018/23**

Moved Cr Golder

Seconded Cr McMullen

That:

1. Council receive the finalised draft 2018/19 Revenue Statement for inclusion in the Mayor's proposed budget. Furthermore this be inserted into Item 3.1 of the Special Budget Meeting agenda.
2. The current draft Revenue Statement be removed and replaced with the updated final draft Revenue Statement in the report.

CARRIED	7/0
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<b>Responsible Officer</b>	<b>Director - Corporate, Community &amp; Commercial Services</b>
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Cr. Chandler, who attended the meeting by telephone, lost connection at 5.34pm and did not return to the meeting.

**Item Number:** C.2 **File Number:** D18/57859

**SUBJECT HEADING:** PRELIMINARY REVIEW OF ESTIMATED ACTIVITY STATEMENT

**Officer's Title:** Contractor - Strategic Finance

***Executive Summary:***

*Section 34 of the Local Government Regulation 2012 requires that a local government's budget must, for each business activity, contain an estimated activity statement.*

*Section 39 Prescribed business activities—Act, s 47(7) states that the business activity is prescribed for section 47(7) of the Act for a financial year if the amount of current expenditure for the business activity for the previous financial year is \$328,000 or more.*

**Resolution No. SM/07.2018/24**

<b>Moved Cr Stanford</b>	<b>Seconded Cr Scheffe</b>
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**That Council foreshadow that its preliminary thinking is to include business certification as the initial step and consider the remaining items at an upcoming General Meeting, subject to further advice being sought overnight prior to the Budget Meeting on 26 July 2018.**

CARRIED	6/0
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<b>Responsible Officer</b>	<b>Director – Corporate, Community &amp; Commercial Services</b>
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**CLOSURE**

There being no further business, the Mayor thanked Council for their attendance and declared the meeting closed at 5.37pm.

**These Minutes are to be confirmed at the next General Meeting of Council to be held on 26 July 2018, at the Roma Administration Centre.**

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 Mayor.

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 Date.