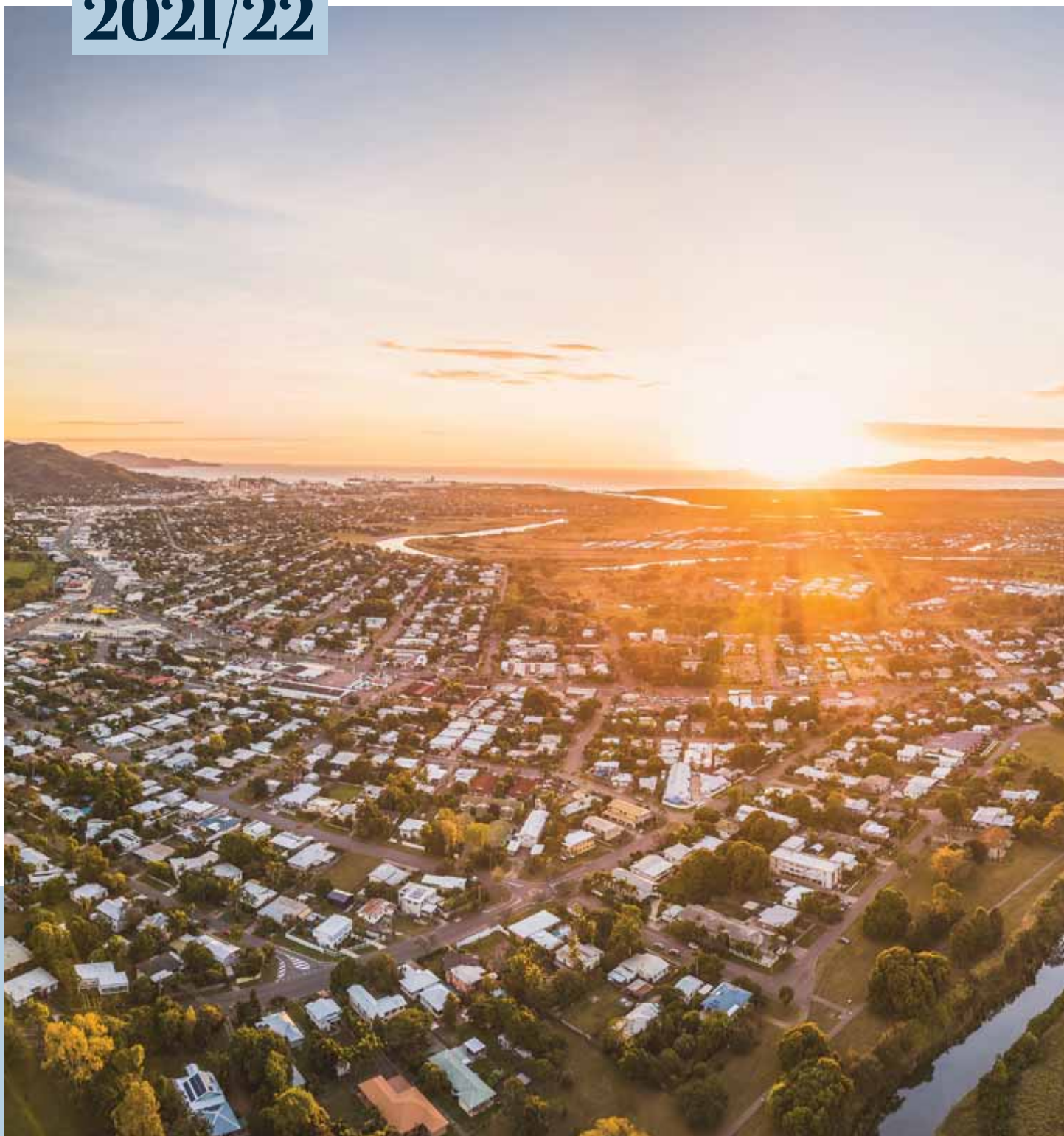




Budget & Operational Plan 2021/22

TOWNSVILLE CITY COUNCIL



Our Vision

A globally connected community
driven by lifestyle and nature

Our Purpose






Grow Townsville

Our Mission

Add 6,400 new jobs by 2026



Contact us

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Acknowledgment of Country

The Townsville City Council acknowledges the Wulgurukaba of Gurambilbarra and Yunbenun, Bindal, Gugu Badhun and Nywaigi as the Traditional Owners of this land. We pay our respects to their cultures, their ancestors and their Elders - past and present – and all future generations.

Townsville City Council is proudly
working towards becoming a White
Ribbon accredited organisation.

Table of Contents

Glossary of Terms	4
Mayor’s Message.....	6
Chief Executive Officer’s Message.....	8
Budget Snapshot.....	9
Our Council.....	11
Townsville Profile and Demographics	12
Our Councillors	13
Key Projects	14
What this budget means for you	16
Our Budget	18
Budget Allocation Summary	19
Operating Budget Summary.....	20
Capital Budget Summary	20
Overview	21
Statement of Income and Expenditure	21
Statement of Financial Position.....	21
Statement of Cash Flows.....	21
Statement of Changes in Equity.....	22
Statement of Business Activities	22
Sources of Funding	22
Rates	22
Utility Charges	22
Fees and Charges.....	23
Borrowings.....	23
Our Financial Sustainability	24
Our Strategy	34
Our Strategic Planning Framework.....	35
Our Governance Framework.....	36
Our Operational Plan.....	36
Managing Our Operational Risks	37
Our Services	38
Waste Performance Plan.....	50
Water Performance Plan.....	55
Index and Financial Policies.....	60

Glossary of Terms

Term	Definition
Asset condition assessment	An assessment that details how we can manage our assets with effective maintenance plans and schedules to determine they deliver the required services.
Asset reliability	The ability of an asset to perform as required, without failure, for a given time interval, under given conditions.
Asset renewal	An activity that results in restoring an asset so it can perform at it's original function and capacity.
Business case	A business case captures the reasoning for initiating a project or task. A business case will identify the specific business requirement and the costs and benefits of the project or task.
Capital expenditure	An amount spent to construct, purchase, or improve long-term assets such as roads, parks or buildings.
Carbon neutral	Achieving net-zero carbon dioxide emissions.
Circular economy	An economic system that eliminates waste and the continual use of resources. The circular economy aims to keep products, equipment, and infrastructure in use for longer, improving the productivity of these resources.
City Plan	Townsville's City Plan (planning scheme) sets the vision for how Townsville should grow over the next 25 years. It is Council's key document for deciding development applications.
Co-located services	Services that are located in the same physical space.
Concept/design estimates	Concept is the early phase of the design process, design – to prepare preliminary plans for work to be undertaken.
Connected city	Where all people and goods can move to, from and within the city efficiently. Catering for growth will require planning for an efficient and sustainable transport network.
Consumer Price Index (CPI)	A fixed weighted price index that relates to household expenditure on retail goods and services and other items such as housing, government charges and consumer credit charges.
Development infrastructure	Development infrastructure is land and/or works for water cycle management (including water supply, sewage and drainage), transport, public parks and land for community facilities.
Dry tropics	Townsville is located within the Burdekin Dry Tropics region. The Burdekin Dry Tropics region has a pronounced wet and dry season, with most rain falling between November and April. A tropical sub-humid climate characterises the region's coastal areas with relatively high temperatures all year round.
Energy from waste	The process of generating energy in the form of electricity and/or heat from the primary treatment of waste, or the processing of waste into a fuel source.
Feasibility study	An assessment of the practicality of a proposed project or system. A feasibility study aims to objectively and rationally detail the strengths and weaknesses of the project, the opportunities and threats present, and the resources required to undertake the project and prospects for success.
FOGO	Food Organics and Garden Organics are items of food waste material generated from meal preparation and garden waste.
Grants	An amount of money or in-kind value that is contributed to achieve a specific purpose or outcome.
Green economy	Comprises purposeful activities in the economy that protect or restore the environment. It includes the production of green goods and services such as recycling, as well as the adaptation of other goods and services to be more sustainable.

Key activities	Significant activities for the year which support the delivery of operational services to the city or contribute to key plans and strategies.
Levels of Service	The agreed and documented expected service quality or regularity. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental acceptability and cost.
LGIP	Local Government Infrastructure Plan (LGIP) contains information about the trunk infrastructure planned for Townsville, and forms part of the Townsville City Plan.
Liveability	A combination of factors that contribute to quality of life. These include the impact of built and natural environment as well as economic, social and cultural factors.
Maintenance program – Planned Work	Work required to deliver the most effective maintenance to ensure our assets and equipment remain in serviceable condition. This maintenance is aimed at preventing a failure and / or minimising the consequence of a failure.
Maintenance program – Unplanned Work	Maintenance that occurs once a failure on a piece of equipment or asset has occurred and is required to restore the asset to enable delivery of the required services.
Maintenance planned/unplanned ratio	The ratio of planned work to unplanned work.
Measure of success	Desired outcome of the key activity.
Operating Expenditure	The amount spent to operate and maintain assets and to deliver services to the community.
Parks, open space, and recreational	Parcels of land under the control of or managed by Council for the community to use for recreational purposes.
Potable water	Water that is safe to drink or use for food preparation.
Real-time digital information	Refers to Council's digital platform 'Townsville Dashboards' that provides access to high quality, current data and insights about Townsville, informing and enabling the Townsville community and those with an interest in investing in the region.
Recycled aggregates	Materials having been used for a purpose being reused for a different purpose such as aggregate used for roads containing used crushed glass.
Recycled water	Wastewater that is reclaimed and treated to be reused.
Recycling	Converting waste materials into new materials and objects.
Seasonal	Dividing the year by the weather variation – wet season and dry season.
Service	A group of activities provided to the city, for example waste collection which manages a range of different waste collection options.
Service description	A high-level overview of what the service provides.
Service standards	Service standards set targets to meet customer requirements via people, systems, assets and technology.
Trunk infrastructure	Trunk infrastructure is 'higher order' network development infrastructure. District parks, sub-arterial roads, sewerage pump stations and water supply reservoirs are all examples of trunk infrastructure. Note: Local parks are not trunk infrastructure.
Upgrade	An activity that increases the function and capacity of an asset to deliver additional services.

Mayor's Message

I am pleased to present the Townsville City Council Budget for 2021/2022. This budget represents the first year of our new 5-year Corporate Plan that will meet the needs of our community today, while setting the foundations to build upon into the future.

Due to the COVID-19 global pandemic, the past 12-18 months have been unlike any others we have lived through in recent history. As a Council we rolled out a considered plan of action to keep people safe and to protect the livelihood of our local business and community. As a result of all our work, our city's recovery from COVID-19 is progressing well, and Council is entering into this new financial year in a strong fiscal position.

This budget and its \$743 million total investment in community service delivery has been made possible thanks to the foundations laid during Council's initial pandemic response. It prioritises job creation and the continued economic recovery of our city. At the same time, the budget ensures we enhance the delivery of the basic services our community expect. Importantly, we can do all of this without the need to raise the general rate. We are also maintaining wastewater charges at last year's levels.

As we have foreshadowed in previous budgets and as we continue to work to meet requirements placed on us by the State Government, there is a 5% increase in water charges and a 3% increase in waste charges in 2021/22. The average owner-occupier can expect these increases combined to equate to less than \$1 per week.

While water prices are increasing, Townsville will continue to have the second cheapest water in the state. In fact, according to independent reporting, Townsville's average annual household water charge of \$864 is well below the state average of \$1,844 for the same water use.

As with previous years, the 2021/22 Budget prioritises investment in the infrastructure our growing city needs now and for the future. The \$304 million capital investment in infrastructure covers the length and breadth of Townsville, from the city to the suburbs and Magnetic Island.

There's continued investment in new and upgraded roads and footpaths as well as ongoing maintenance. Acknowledging that the community expects us to carefully manage the long-term water security for the region, there is a significant investment in water infrastructure, including the continued implementation of our integrated water strategy.

Continuing our keen focus on the basics, this budget includes a considerable investment in new and upgraded wastewater assets as well as maintenance. In-line with our 3-point water security solution, there is funding for the continued roll-out of our Recycled Water Re-use Scheme, a project I am particularly proud of. It will allow us to use recycled water to irrigate parks, gardens and even supply some of our large industrial water users, rather than using drinking water.

The 2021/22 budget also includes \$40.8 million to invest in our city's lifestyle, culture, events and tourism. Townsville has worked hard to earn the title of events capital of Northern Australia, and it is one we are proud of and want to maintain. It is something that we know local business and tourism operators welcome. The \$40.8 million investment will go towards delivering major events such as the award-winning North Australian Festival of Arts (NAFA), NTI Townsville 500 as well as support our community's cultural heart through galleries, libraries and Civic Theatre.

There is no doubt that many in our community are concerned about youth crime. Like many, I am fed-up with actions of a very small group of individuals who have sought to undermine the safety and security of the Townsville community. That is why I am proud that this budget includes \$14.6 million for safety initiatives in 2021/22. Part of this allocation will go towards the maintenance and monitoring of the city's network of more than 500 CCTV cameras, the existence of which was recently acknowledged by local police as helping them respond to local incidents.

This year's budget also includes \$5 million for infrastructure and services dedicated for youth engagement. We must support our young people as they grow up and become the leaders of tomorrow. We must ensure they feel connected to our community. This investment will include new and upgraded skateparks, playgrounds, parks, sports fields and courts as well as the associated costs in maintaining these community assets.

Budget 2021 is also the first year of embracing Council's aspiration to move further toward a new energy economy. Our \$18.1 million investment into sustainable energy and environmental restoration will allow us to further develop the city's hydrogen strategy, invest in solar energy, reduce waste going to landfill, and build resilience throughout our natural environment.

I acknowledge the contribution of all councillors and TCC staff in the formulation of this year's budget. What we present to the community is a financial blueprint that enhances service delivery now and sets the foundation for long-term growth while ensuring Townsville's future as a sustainable, vibrant and prosperous city.



A handwritten signature in black ink that reads "Jenny Hill". The signature is written in a cursive, flowing style.

Cr Jenny Hill
Mayor of Townsville

Chief Executive Officer's Message

In May 2021, Townsville City Council adopted the Townsville 2021- 2026 Corporate Plan, setting a vision to grow Townsville into a globally connected community driven by lifestyle and nature. The Corporate Plan is based around five goals delivering:

- a city that connects you to what you need at the time you choose,
- a circular economy that advances business and moves towards zero waste,
- the hub for modern industry,
- a sustainable destination that embraces and participates in the arts, sports, events, and recreational activities, and
- a leading centre of education, training, and research commercialisation.

The 2021/22 Budget and Operational Plan is our roadmap for the first year laying the foundations to achieve our vision for the city over the next five years.

In working with Councillors to form the 2021/22 Budget and Operational Plan, the COVID-19 global pandemic continues to challenge through its emerging impacts. In the past 18 months, Council has been agile and determined in responding to the threat of COVID-19. Like other businesses around the world, public and private, we have been forced to adapt to changing circumstances. The decisive steps taken by Council and the organisation in the initial months of the pandemic gave us a solid foundation for recovery as well as position us for long term growth. The 2021/22 budget continues to build on this foundation.

Indicators show that Townsville's recovery from the health and economic impacts of COVID-19 has been strong to-date with our city successfully capitalising on its strengths and opportunities in recent times. Continuing the momentum and business confidence building in our community is a priority for Council as we lead our city into the future. The social impacts over the last 18 months continue to challenge us and will see us focus and invest in both social infrastructure and services.

The 2021/22 Budget prioritises critical infrastructure investment for our dynamic, growing city including new and upgraded roads, footpaths and water and wastewater assets. It supports our transformation to a clean green economy and invests in lifestyle-enhancing arts, culture, tourism and events.

This budget maintains a high level of operational accountability, setting the foundation for long-term growth, and ensuring Townsville's future as a sustainable, vibrant and prosperous city. It is particularly pleasing that through identified internal efficiencies and the implementation of new technology, we have been able to absorb \$13million increase in costs (3%) which ordinarily may have been passed on to ratepayers through increases in general rates. As a result of the efficiencies and innovation, Council has been able to formulate a budget with no increase in general rates in the 2021/22 financial year.

I would like to thank Councillors and our Council team for their collaborative efforts in developing this budget and operational plan. I am confident our team will deliver on the commitments we have made in the 2021/22 Budget and Operational Plan for the benefit of the people of Townsville.



Prins Ralston

Prins Ralston
Chief Executive Officer

Budget

Snapshot



0%

Zero Rate Rise

No general rates increase.



\$304.1m

Infrastructure Investment

Capital investment in Townsville infrastructure.



\$743.1m

Total Budget

Total investment in community service delivery.



\$225.5m

Investment in Suburbs

Capital investment in suburbs.



873 jobs

Local Jobs Forecasted

Supporting local business and jobs.



\$85.9m

Parks and Open Spaces

Upgrading and maintaining 325 parks and open spaces.



\$108.4m

Critical Asset Investments

Upgrading existing critical water and wastewater infrastructure.



\$13.8m

Investment in Magnetic Island

Capital spend on Magnetic Island.



\$136.2m

Roads and Transport

Managing and improving roads.



\$16.4m

Youth Service and Infrastructure

Investment in services and infrastructure for youth, including playgrounds, skate parks and library services.



\$40.8m

Arts, Culture and Events

Delivering major events, cultural events, Civic Theatre, Galleries and Library services.



\$18.1m

New Energy Economy

Investment in sustainable energy, environmental works and restoration.



\$14.7m

Safety Infrastructure

Investment in operating security and surveillance, CCTV systems and street lighting and supporting infrastructure.



\$1,000

First Home Buyers Incentive

Return of up to \$1,000 off rates for first home buyers in the first 12 months.



\$14.9m

Community Support

Investment in concessions, grants, sponsorships and partnerships.

*Please note some expenditure may appear in multiple categories above.



2021/22

Event Calendar

July 2021

- North Australian Festival of Arts
- NTI Townsville 500
- Ephemera
- Northern Fringe Festival
- PUNQ 2021
- Australian Festival of Chamber Music
- NQ Cowboys v Sydney Roosters
- NQ Cowboys v Melbourne Storm
- Kitty Flanagan Live
- Townsville Show
- Mike Carney Toyota Paluma Push

August 2021

- Vietnam Veterans Day
- NQ Cowboys v Tigers
- Townsville Triathlon and Multisport Festival
- World Triathlon Multisport World Championship
- McDonald's Townsville Running Festival
- TAB Townsville Cup

September 2021

- Cowboys v Sea Eagles
- Sealink Magnetic Island Race Week

October 2021

- Seniors Lifestyle Expo
- Seniors Luncheon
- Delta – Bridge Over Troubled Dreams Tour

November 2021

- Disaster Ready Day
- Welcoming Babies Ceremony
- Remembrance Day
- 2021 PBR Australia Grand Finals

December 2021

- Christmas in the City
- Northern Lights
- Carols by Candlelight
- New Year's Eve Celebrations
- KISS – End of the Road World Tour
- Guy Sebastian – Truth Tour

January 2022

- Australia Day Celebrations
- Survival Day
- Get Active Expo

February 2022

- Chinese New Year
- National Servicemen's Day

April 2022

- Queensland Youth Week
- ANZAC Day Commemorations
- Townsville North Queensland Games
- Melbourne International Comedy Festival Roadshow

May 2022

- Battle of the Coral Sea Memorial Service
- Welcoming Babies Ceremony
- The Percivals

June 2022

- Eco Fiesta – 30 year anniversary

Our

Council

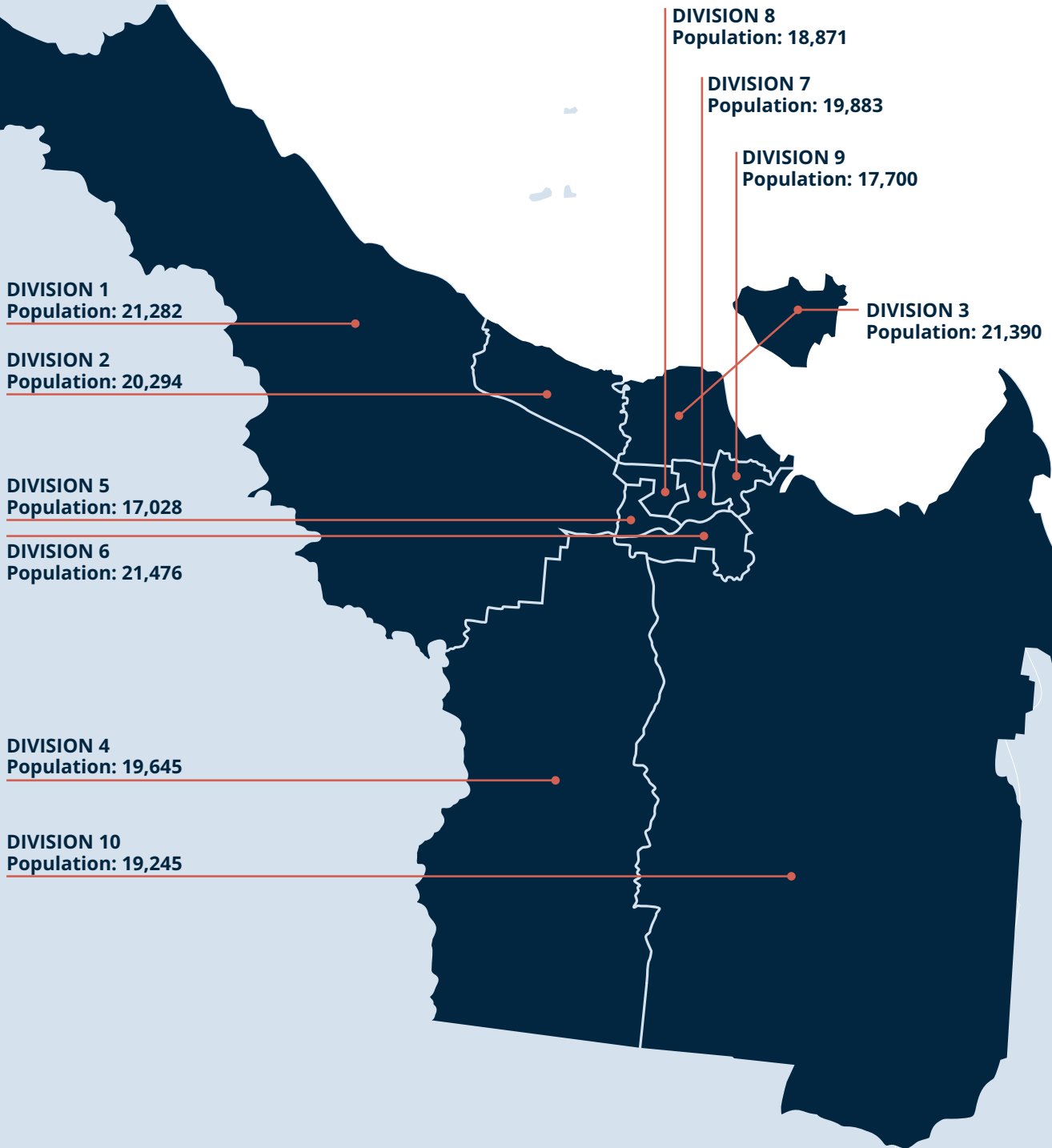


Townsville Profile and Demographics

Total Land Area: 374,201 ha

Estimated Resident Population: 196,800

Population Density: 0.53 persons per hectare



Our Councillors



Mayor Jenny Hill



Cr Mark Molachino
Division 4
Deputy Mayor



Cr Margie Ryder
Division 1



Cr Sue Blom
Division 2



Cr Ann-Maree Greaney
Division 3



Cr Russ Cook
Division 5



Cr Suzy Batkovic
Division 6



Cr Kurt Rehbein
Division 7



Cr Maurie Soars
Division 8



Cr Liam Mooney
Division 9



Cr Fran O'Callaghan
Division 10



Key Projects

Council has a range of capital projects planned for the coming year to support our purpose to Grow Townsville.

Cleveland Bay Purification Plant Effluent Re-Use Project

\$28.2m

Investing in water reuse to reduce the demand in potable water supply as part of integrated water strategy.

Road Upgrades

\$27.7m

Upgrades will be delivered to high priority roads to improve safety for the community.

Douglas Water Treatment Plant Clarifier

\$23.0m

Clarifiers act as barriers by removing solids from raw water to improve the treatment capacity.

Construction of Major Water Pipelines

\$22.9m

Investing in the key pipelines design and construction at strategic locations in the city to ensure reliable supply of water.



Raw Water Pipeline Duplication

\$20.0m

Investing in duplication of raw water pipeline from the Ross River Dam to Douglas Water Treatment Plant to ensure the continuous supply.

Wulguru Sewer Upgrades

\$13.0m

Upgrade is necessary to reduce the likelihood of overflows in the wet weather and future needs are met to grow Townsville.

Lansdown Eco-Industrial Precinct

\$8.6m

Investing in activating the economy to create jobs.

Riverway Library

\$5.5m

With the addition of the library to the Riverway precinct the area will become more activated and populated with community members to create a vibrant precinct.

North Shore Leisure Centre

\$5.0m

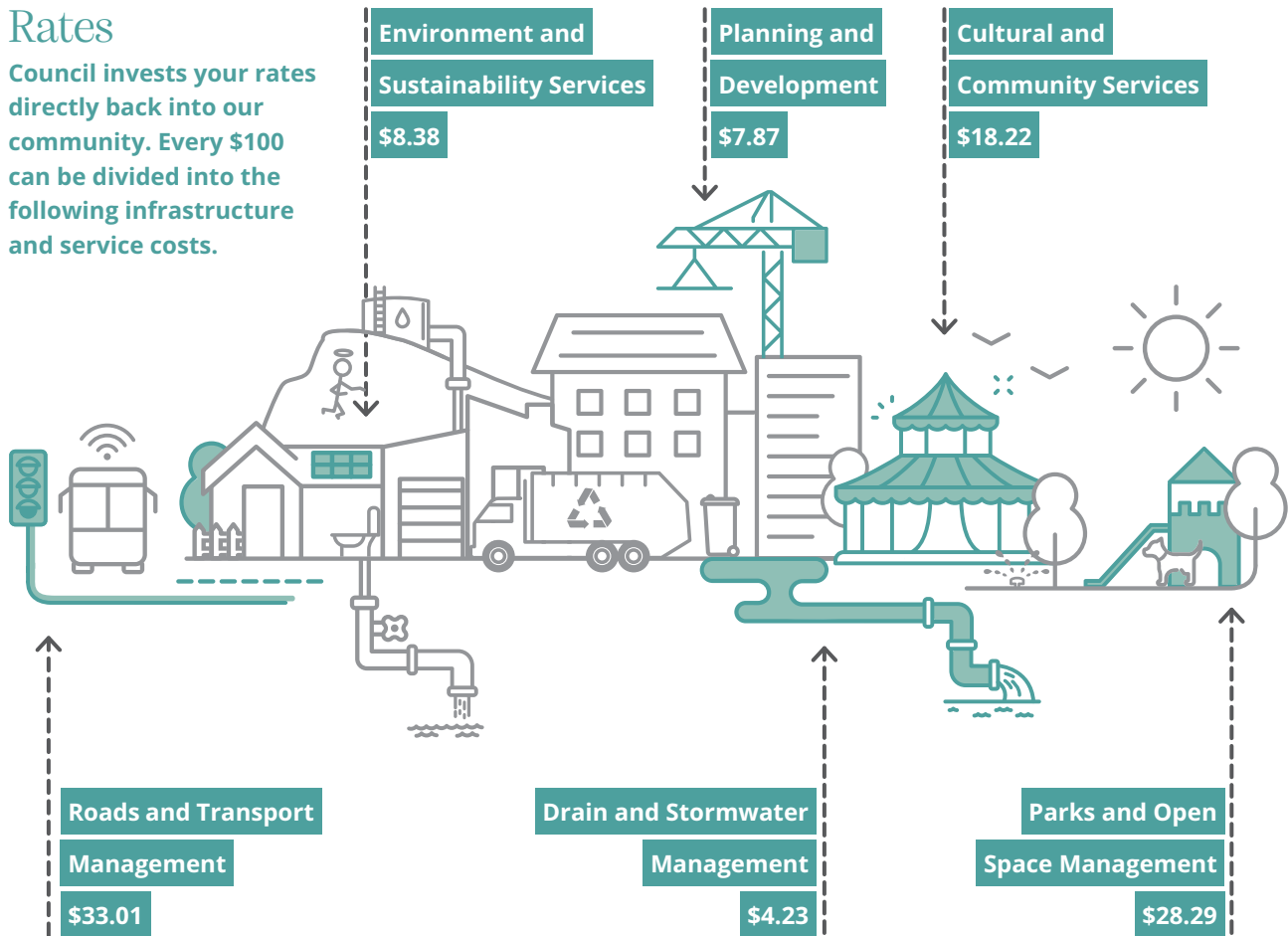
Upgrades and maintenance to pool for community use.

What this budget means for you

For every \$100 - where your rates and utilities go.

Rates

Council invests your rates directly back into our community. Every \$100 can be divided into the following infrastructure and service costs.



Rates comparison

The 2021/22 Budget has no increase in rate charges for the community.

Townsville average rates 2021/22 (Owner-occupier)¹

\$1,477

Highest average rates in Queensland 2020/21 (Owner-occupier)

\$1,867

¹ Based on a land valuation of \$160,000



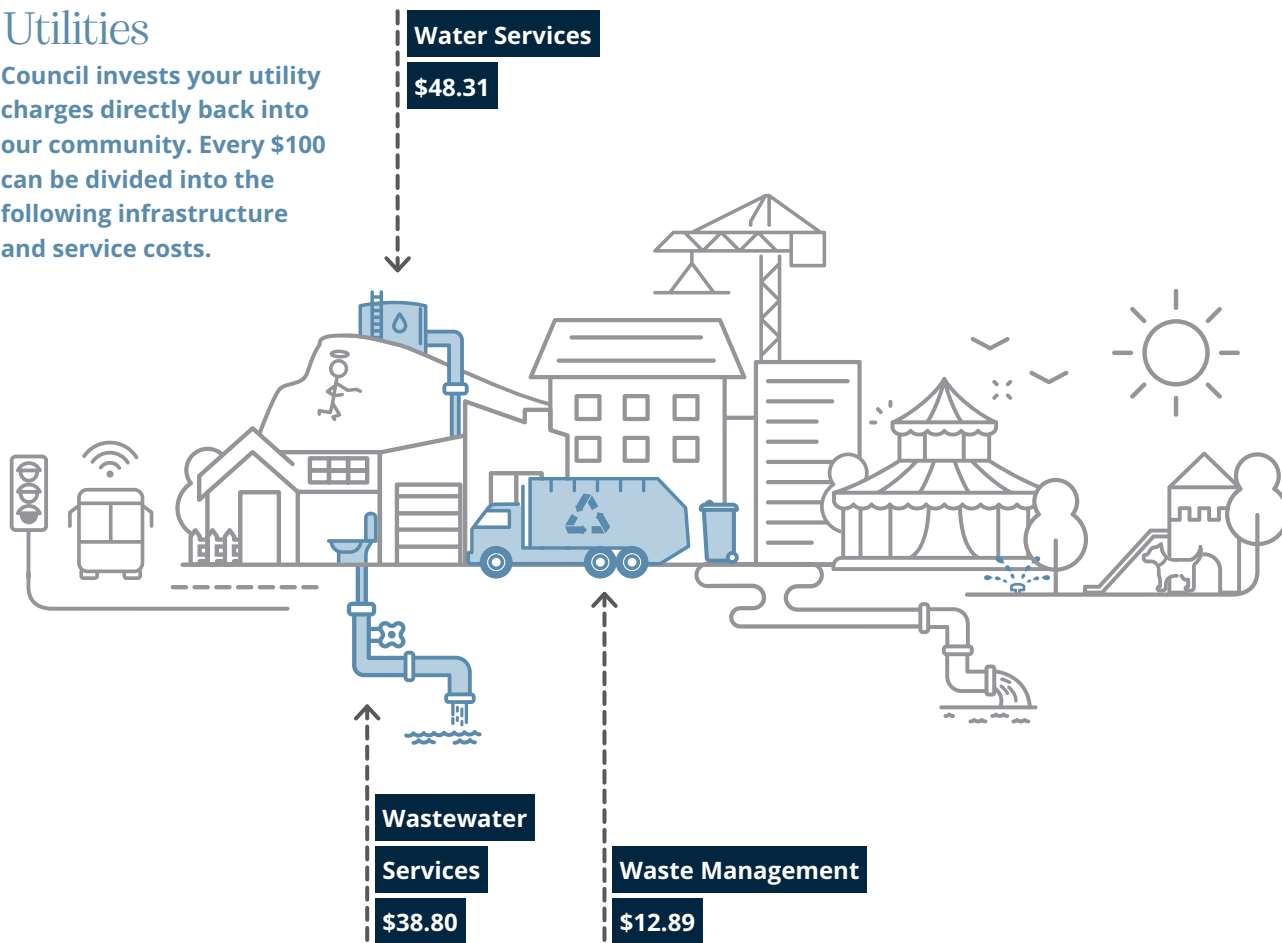
Pensioner concessions

\$5.6m of support in pensioner concessions – one of the most generous pensioner rate concessions in Queensland with up to \$800 available to eligible pensioners.



Utilities

Council invests your utility charges directly back into our community. Every \$100 can be divided into the following infrastructure and service costs.



Utilities comparison

Townsville's utility charges are significantly lower than other Local Government Areas.

Townsville average water, sewerage and waste charges 2021/22 (Residential)²

\$1,894

Highest average Queensland water, sewerage and waste charges 2020/21 (Residential)³

\$3,489

² Based on residential standard plan.
³ Based on 400KL water consumption.



Hardship Policy

Easing the financial burden on a range of circumstances that can cause financial hardship. Includes 3 month deferral and 12 month interest free payment plans.

Our

Budget





\$743.1m

Total Investment

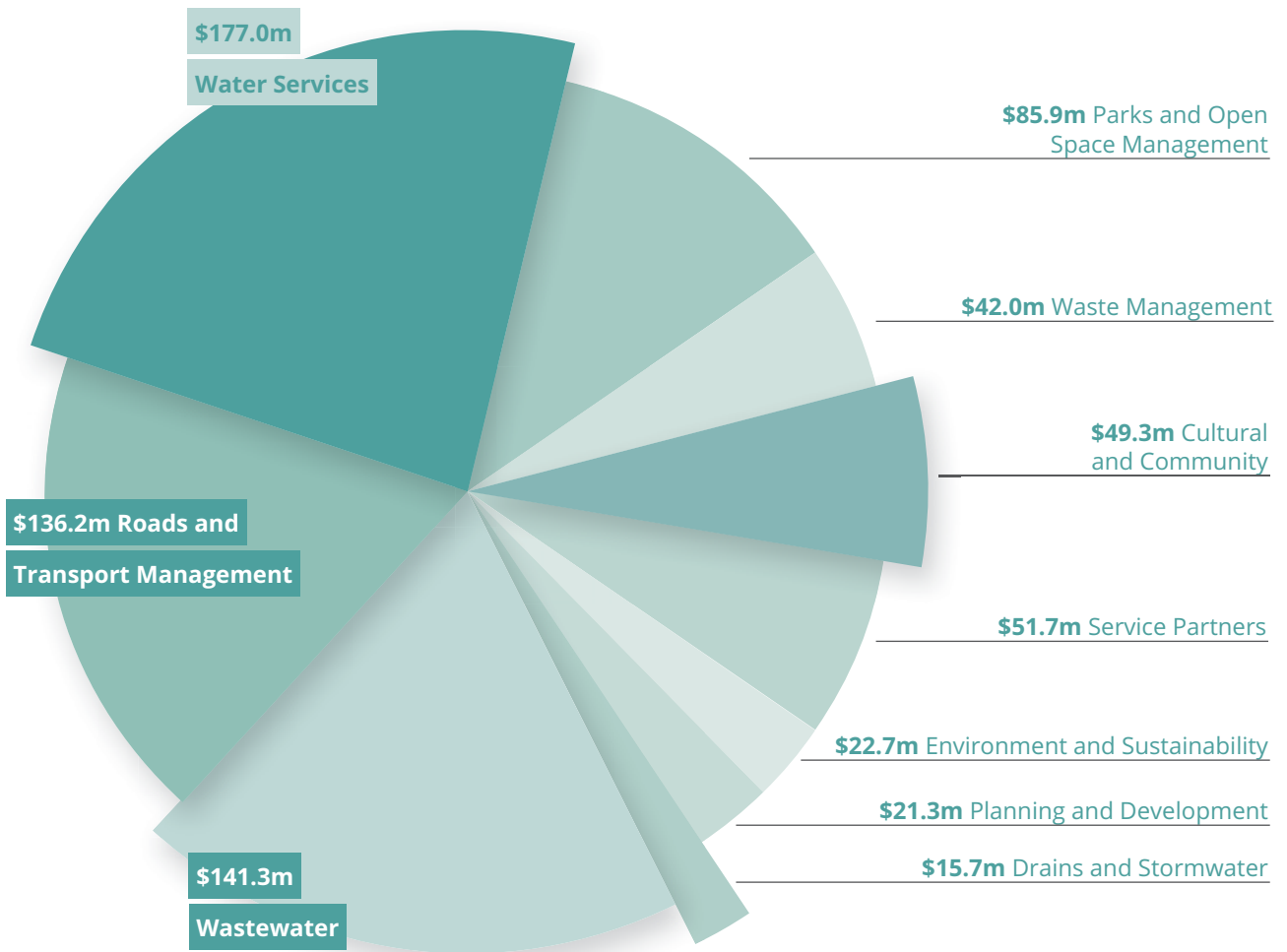
FUNDED BY

\$540.1m TOTAL BUDGET REVENUE

Including rates, utility charges, capital grants and capital contributions.













\$203.0m COUNCIL INVESTMENT

Council savings and borrowings invested in long term infrastructure assets.
















Operating Budget Summary

Table 1 - Operating Budget Summary

2021/22 Budget Operating Revenue					
	General rates	\$177.2m		Grants and subsidies	\$20.4m
	Utility charges	\$215.7m		Other revenue	\$15.0m
	Discounts and concessions	(\$23.2m)		Interest received	\$1.9m
	Fees and charges	\$30.2m			
Total Operating Revenue \$437.2m					
2021/22 Budget Operating Expenditure					
	Employee costs	\$146.8m		Finance costs	\$18.8m
	Materials and services	\$145.5m		Other expenses	\$0.5m
	Depreciation and amortisation	\$127.4m			
Total Operating Expenditure \$439.0m					
Operating Deficit \$1.8m					

Capital Budget Summary

Table 2 - Capital Budget Summary

2021/22 Budget Capital Revenue					
	Grants, donations and contributions			\$102.9m	
Total Capital Revenue \$102.9m					
2021/22 Budget Capital Expenditure					
	Water network	\$107.1m		Information and communications technology	\$8.1m
	Wastewater network	\$71.7m		Waste Resource and Recovery	\$7.4m
	Roads and transport management	\$59.1m		Drain and stormwater management	\$7.0m
	Buildings and facilities	\$15.0m		Coastal facilities	\$1.0m
	Open spaces	\$14.2m		Other projects	\$1.0m
	Fleet	\$11.9m		Laboratory	\$0.6m
Total Capital Expenditure \$304.1m					

Overview

The 2021/22 budget has been prepared in accordance with the Local Government Regulation 2012. It is consistent with the Townsville 2021-2026 (5-year Corporate Plan) and the Operational Plan 2021/22.

Townsville City Council (Council) has prepared a budget that results in a minor deficit for the 2021/22 year.

Statement of Income and Expenditure

The Statement of Income and Expenditure included in Table 4 measures Council's financial performance over a specific accounting period. Financial performance is assessed by summarising how Council acquires its revenue and expenditure through both operating and non-operating activities. It also shows how the net result incurs over a specific accounting period, typically over a financial year.

Revenue

Revenue includes rates and utility charges, less discounts and concessions, plus Council's fees and charges. Interest received relates to interest on bank balances and interest on overdue rates and utility charges.

Government grants and contributions include all monies received from Queensland and Australian government sources for the purposes of funding the delivery of Council's services to ratepayers.

Other revenue consists of revenue not separately categorised. It includes, but is not limited to, legal recoveries, bad debt recoveries and private works.

Expenditure

Expenditure includes employee costs, materials and services, depreciation and finance costs.

Employee costs include all labour related expenditure such as wages and associated allowances, leave entitlements, and employer superannuation. It also includes payments for external labour hire where the position or skill cannot be filled by internal staff.

Materials and services may include, but is not limited to costs relating to repairs and maintenance to Council's infrastructure, building maintenance, grants and sponsorships given to the community, employee related costs such as training, uniforms, plant hire, purchasing of equipment, software licences and other information technology costs, marketing, utilities and insurance.

Depreciation and amortisation are accounting measures which reflect the consumption of Council's infrastructure, property, plant and equipment.

Finance costs relate to interest and fees on borrowings as well as the valuation of landfill restoration provisions due to discounted cash flow movements (referred to as unwinding of discounts).

Other expenses relate to the write off of bad and doubtful debts.

Statement of Financial Position

The Statement of Financial Position included in Table 5 summarises Council's assets, liabilities and equity at a specific point in time. It presents what Council owns and owes and the value of community equity utilised by Council.

Statement of Cash Flows

The Statement of Cash Flows included in Table 6 provides an overview of the cash inflows and outflows of Council, typically over a financial year. Council maintains a closing cash balance that represents sufficient cash reserves to fund Council's day to day operations given peaks and troughs in Council's revenue streams. It also enables Council to effectively respond to unforeseen events that may occur during the year.

Statement of Changes in Equity

The Statement of Changes in Equity included in Table 7 summarises the changes in equity of Council that have occurred during a specific accounting period, typically over a financial year.

Statement of Business Activities

The Statement of Business Activities included in Table 8 summarises Council's activities to which the competitive code of conduct applies. Council applies full cost pricing to these activities, identifying the cost of community service obligations (included in Table 9) and eliminating the advantages and disadvantages of public ownership within that activity.

Sources of Funding

Funding for Council's Operational Plan and Budget outcomes are from four primary sources:

- General rates and utility charges
- Fees and charges
- Grants, subsidies, contributions and donations
- Borrowings

The changes in rates and utilities levied is included in Table 10, which is in accordance with Section 169 (6) and (7) of the Local Government Regulation 2012.

Rates

The following is a summary of the general rates increases

Charge Type	Description	Overall Increase
General rates	No change to Council's differential rating categories or the rate in the dollar levied. Prompt Payment Discount remains at 10% for Category 1 - Residential Principal Place of Residence. Prompt Payment Discount has reduced to 5% for Category 2 through to 6.	0.0%*

*The Department of Natural Resources, Mines and Energy (DNRME) performed a valuation of the city on 1 October 2019. A city-wide valuation has not been applied to the 2021/22 year.

Utility Charges

The following is a summary of the increases for each utility charge type. Please refer to Financial Policies M-O for full details of the utility charges.

Table 3 - Summary of Rate and Utility Charges

Charge Type	Description	Increase	Amount
Water	Standard Plan annual access charge	5%	\$864.00
	Standard Plan Excess Consumption	5%	\$3.31 per kL
	Water Watcher annual access charge	5%	\$395.00
	Water Watcher Consumption	5%	\$1.59 per kL
	Non-Residential annual access charge	5%	\$411.00
	Non-Residential Consumption	5%	\$3.23 per kL

Charge Type	Description	Increase	Amount
Wastewater	Residential annual charge	0%	\$806.00
	Non-Residential annual charge per pedestal	0%	\$945.00

Charge Type	Description	Increase	Amount
Waste	Domestic 240/240L Wheelie Bin per annum	3%	\$224.00
	Commercial Service Waste 240L Bin per annum	3%	\$307.08
	Commercial Service Recycling 240L Bin per annum	3%	\$98.00

Fees and Charges

The fees and charges for 2021/22 can be viewed on Council's [website](#). The fees and charges include details of cost-recovery fees in accordance with section 98 of the *Local Government Act 2009*, commercial fees and charges for regulatory services and those associated with the granting of a permit/licence or the regulation of an activity.

Changes in fees and charges can result from changes in state government legislative direction, volume, Consumer Price Index (CPI), and service delivery costs for Council's services.

Borrowings

Council is responsibly managing debt in the short and long term.

In 2021/22 Council is committed to delivering critical infrastructure for the Townsville community, forecasting to draw \$70 million in new borrowings.

The level of borrowings drawn each financial year is carefully monitored through the Long-Term Financial Forecast and will only be taken where Council can demonstrate that repayments are affordable.

Queensland Treasury Corporation (QTC) conducted its annual credit review of Council in 2021. The rating was affirmed as **Sound** with a change in outlook from Neutral to **Developing**.

"The **Sound** rating reflects Council's ability to continue to deliver adequate operating results and service its existing and forecast debt obligations. Townsville has managed to withstand recent challenges, such as weather events and the COVID-19 pandemic, without a material decline in its credit metrics. Council has high council-controlled revenue and a strong and growing ratepayer base which will support further investment in the region and provide flexibility in responding to any future economic impacts. Council has a significant asset base that it has continued to invest in appropriately in recent years. Finally, Council has a track record of achieving forecast targets and outperformed the FY2020 budget despite the challenges noted above. The rating is reflective of Council's robust operating model, with an increasing ratepayer base and high Council controlled revenue, which results in a high level of financial flexibility. Council is expected to generate improved operating results with adequate debt servicing capacity over the forecast period.

The **Developing** outlook reflects the view that "should economic conditions deteriorate, either due to a decrease in mining activity or a slower than expected COVID-19 recovery, the financial impact on Council may place downward pressure on key credit metrics which could then affect the Sound credit rating. Although the extent of the recovery is still uncertain, and risks continue to linger in the region, TCC may experience a strong recovery given its strategic importance to the North Queensland region and its large and growing ratepayer base."

A full copy of the Debt Policy may be viewed at Financial Policy C.

Our Financial Sustainability

Long-Term Financial Forecast

Townsville 2021-2026 (5-year Corporate Plan) informs the Long-Term Financial Forecast. The forecast indicates Council's long-term financial sustainability and allows early identification of future financial commitments for the nine years beyond 2021/22. Key assumptions included in the long-term financial forecast are:

- Sustainable rating
- Financial impact of key strategies including the City Deal
- Asset renewal funding identified in the Strategic Asset Management Plan to specifically address underground assets
- Prudent management of debt resulting in debt reduction over the 10-year horizon
- The delivery of projects included in the Local Government Infrastructure Plan, which will deliver the trunk infrastructure required by the city to meet the demand created by growth and new development
- Managing changes to Queensland and Australian government legislation and funding.

The following reports are required under section 171 of the Local Government Regulation 2012:

- Income and Expenditure of Council (Table 11: Statement of Income and Expenditure)
- Value of assets, liabilities and equity of Council (Table 12: Statement of Financial Position).

Measures of Financial Sustainability

Financial Sustainability measures are required under section 169 of the Local Government Regulation 2012.

Operating Surplus Ratio

The Operating Surplus Ratio is an indicator of the extent to which revenues raised cover operational expenses or are available for capital funding purposes or other purposes.

Net Financial Asset / Liability Ratio

The Net Financial Asset / Liability Ratio is an indicator of the extent to which the net financial liabilities of Council can be serviced by its operating revenues. A ratio greater than zero (positive) indicates that total financial liabilities exceed current assets.

These net financial liabilities must be serviced using available operating revenues.

Asset Sustainability Ratio

The Asset Sustainability Ratio is an indicator of the extent to which the infrastructure assets managed by Council are being replaced as these reach the end of their useful lives. It can assist in identifying the potential decline or improvement in asset condition and standards.

Table 4 - Statement of Income and Expenditure

	2021/22	2022/23	2023/24
	\$'000	\$'000	\$'000
Revenue			
General rates	177,226	185,066	194,220
Utility charges	215,753	226,365	234,503
<i>Water</i>	101,726	109,683	115,097
<i>Wastewater</i>	90,148	91,862	93,609
<i>Refuse and recycling</i>	23,879	24,820	25,797
Discounts and concessions	(23,180)	(24,205)	(25,402)
Fees and charges	30,185	34,907	38,213
Interest received	1,866	1,974	2,399
Contributions from developers	100	102	104
Grants and subsidies	20,369	10,143	10,293
Other revenue	14,930	12,016	12,256
Total revenue	437,249	446,368	466,586
Expenses			
Employee costs	146,843	150,527	155,187
Materials and services	145,480	140,306	150,041
Depreciation and amortisation	127,399	136,086	140,464
Finance costs	18,818	18,385	16,981
Other expenses	540	609	632
Total expenses	439,080	445,913	463,305
Operating surplus/(deficit)	(1,831)	455	3,281
Operating surplus ratio	(0.42%)	0.10%	0.70%
Capital income			
Grants, subsidies, contributions and donations	102,938	119,467	127,145
Gain/(loss) on sale of property plant and equipment	-	-	-
Total capital income	102,938	119,467	127,145
Net result	101,107	119,922	130,426

Table 5 - Statement of Financial Position

	2021/22	2022/23	2023/24
	\$'000	\$'000	\$'000
Current assets			
Cash and cash equivalents	100,770	70,465	69,201
Receivables	46,931	48,334	50,337
Inventories	2,108	2,108	2,108
Other assets	4,158	4,158	4,158
Total current assets	153,967	125,065	125,804
Non-current assets			
Property, plant and equipment	5,391,316	5,530,312	5,639,160
Right of use assets	7,689	6,264	4,848
Intangible assets	11,206	7,436	3,886
Other assets	2,867	2,867	2,867
Total non-current assets	5,413,078	5,546,879	5,650,761
Total assets	5,567,045	5,671,944	5,776,565
Current liabilities			
Payables	92,836	91,453	95,573
Contract liabilities	17,020	-	-
Borrowings	44,145	43,755	35,723
Lease liabilities	1,595	1,643	1,645
Provisions	23,038	24,468	26,383
Other current liabilities	62	62	62
Total current liabilities	178,696	161,381	159,386
Non-current liabilities			
Borrowings	373,000	374,292	338,569
Lease liabilities	7,230	5,588	3,942
Provisions	34,727	35,470	38,691
Other non-current liabilities	1,573	1,573	1,573
Total non-current liabilities	416,530	416,923	382,775
Total liabilities	595,226	578,304	542,161
Net community assets	4,971,819	5,093,640	5,234,404
Community equity			
Asset revaluation reserve	896,342	898,241	908,579
Retained surplus	4,075,477	4,195,399	4,325,825
Total community equity	4,971,819	5,093,640	5,234,404

Table 6 - Statement of Cash Flows

	2021/22	2022/23	2023/24
	\$'000	\$'000	\$'000
Cash flows from operating activities			
Receipts from customers	431,247	442,559	461,731
Payments to suppliers and employees	(287,450)	(295,771)	(300,203)
Interest received	1,866	1,974	2,399
Borrowing costs	(17,672)	(16,833)	(15,429)
Net cash provided by operating activities	127,991	131,929	148,498
Cash flow from investing activities			
Payments for property, plant and equipment	(269,792)	(220,576)	(126,899)
Net movement in loans and advances	2,335	-	-
Proceeds from sale of property, plant and equipment	1,248	731	16
Grants, subsidies, contributions and donations	58,319	58,304	22,519
Net cash used in investing activities	(207,890)	(161,541)	(104,364)
Cash flows from financing activities			
Proceeds from borrowings	70,000	45,000	-
Repayment of borrowings	(38,804)	(44,098)	(43,755)
Repayment of leases	(2,575)	(1,595)	(1,643)
Net cash provided by financing activities	28,621	(693)	(45,398)
Net increase/(decrease) in cash held	(51,278)	(30,305)	(1,264)
Cash at beginning of reporting period	152,048	100,770	70,465
Cash at end of reporting period	100,770	70,465	69,201

Table 7 - Statement of Changes in Equity

	2021/22	2022/23	2023/24
	\$'000	\$'000	\$'000
Asset revaluation reserve			
Opening balance	896,335	896,342	898,241
Increase in asset revaluation reserve	7	1,899	10,338
Closing balance	896,342	898,241	908,579
Retained surplus			
Opening balance	3,974,370	4,075,477	4,195,399
Net result for the period	101,107	119,922	130,426
Closing balance	4,075,477	4,195,399	4,325,825
Total community equity	4,971,819	5,093,640	5,234,404

Table 8 - Statement of Business Activities

Account Classification	Townsville Water 2021/22 \$'000	Townsville Waste 2021/22 \$'000	Performing Arts 2021/22 \$'000
Revenue			
Utility charges	206,689	24,137	-
Discount and concessions	(4,399)	(98)	-
Fees and charges	3,854	27,156	550
Interest received	586	78	-
National Competition Policy revenue/recovery	4,898	584	-
Grants and subsidies	60	220	-
Other revenue	20,440	2,279	1,189
Total revenue	232,128	54,356	1,739
Operating expenses			
Employee costs	23,824	8,376	1,876
Materials and services	71,332	32,914	1,325
Finance costs	13,774	855	-
Depreciation and amortisation	45,749	3,986	42
National Competition Policy expense/charges	580	336	-
Other expenses	-	-	-
Total operating expenses	155,259	46,467	3,243
Operating surplus/(deficit) before income tax and capital items	76,869	7,889	(1,504)
Income tax	27,885	2,367	-
Operating surplus/(deficit) before capital items	48,984	5,522	(1,504)
Capital income			
Contributions capital	6,308	-	-
Contributions non-cash capital	18,810	-	-
Grants and subsidies capital	9,511	100	-
Total capital income	34,629	100	-
Net result	83,613	5,622	(1,504)
Capital works			
Capital works	160,535	7,337	424
Restoration and rehabilitation work	-	100	-
Donated assets	18,810	-	-
Total capital works	179,345	7,437	424

Table 8 – Statement of Business Activities (Continued)

Account Classification	Townsville Water 2021/22 \$'000	Townsville Waste 2021/22 \$'000	Performing Arts 2021/22 \$'000
Revenue			
Services provided to local government	36,626	13,961	-
Services provided to clients other than local government	191,681	40,088	1,739
Community service obligations	3,821	307	-
Total revenue	232,128	54,356	1,739
Expenses	155,259	46,467	3,243
Other capital amounts	34,629	100	-
Net result before tax	111,498	7,989	(1,504)
Income tax	27,885	2,367	-
Net result after tax	83,613	5,622	(1,504)

Table 9 - Community Service Obligations

Community Service Obligations	Townsville Water 2021/22 \$'000	Townsville Waste 2021/22 \$'000
Concessions on wastewater utility charges	1,219	-
Concessions on water utility charges	2,602	-
Concessions on landfill fees for charity organisations	-	47
Costs of provision of dead animal collection services	-	44
Costs of provision of infirmed services	-	47
Clean-up Australia Day	-	1
Free dump weekends	-	150
Community clean up events	-	18
Total community service obligations	3,821	307

Table 10 - Change in Rates and Utilities Levied

The changes in rates and utilities levied is in accordance with section 169 (6) and (7) of the Local Government Regulation 2012 (noting the below changes do not reflect an adjustment to the rate in a dollar charged this financial year).

	2020/21 - 2021/22	2021/22 - 2022/23	2022/23 - 2023/24
Increase in rates and utility changes revenue <u>before</u> discounts and concessions ¹	1.95%	4.70%	4.20%
Increase in rates and utility changes revenue <u>after</u> discounts and concessions ¹	2.63%	4.71%	4.16%

¹Increases include year on year growth in number of rateable properties

Table 11 - Statement of Income and Expenditure (Long-Term)

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue										
General rates	177,226	185,066	194,220	202,813	211,786	217,102	223,659	228,132	236,784	241,520
Utility charges	215,753	226,365	234,503	244,723	253,099	261,929	268,788	273,121	280,273	284,792
<i>Water</i>	101,726	109,683	115,097	120,779	126,742	131,970	135,416	137,587	141,179	143,443
<i>Wastewater</i>	90,148	91,862	93,609	95,389	97,202	99,745	102,354	103,992	106,712	108,419
<i>Refuse and recycling</i>	23,879	24,820	25,797	28,555	29,155	30,214	31,018	31,542	32,382	32,930
Discounts and concessions	(23,180)	(24,205)	(25,402)	(26,526)	(27,700)	(28,395)	(29,253)	(29,838)	(30,969)	(31,589)
Fees and charges	30,185	34,907	38,213	40,717	42,149	43,649	45,125	46,669	48,284	51,538
Interest received	1,866	1,974	2,399	2,772	2,646	3,198	3,497	3,399	3,985	4,303
Contributions from developers	100	102	104	106	108	110	113	115	117	120
Grants and subsidies	20,369	10,143	10,293	10,447	10,603	10,762	10,844	10,844	10,926	10,926
Other revenue	14,930	12,016	12,256	12,501	12,751	13,006	13,267	13,532	13,802	14,079
Total revenue	437,249	446,368	466,586	487,553	505,442	521,361	536,040	545,974	563,202	575,689
Expenses										
Employee costs	146,843	150,527	155,187	159,079	163,163	168,085	172,352	176,675	182,045	186,611
Materials and services	145,480	140,306	150,041	158,080	161,869	170,327	175,907	181,131	189,874	196,183
Depreciation and amortisation	127,399	136,086	140,464	144,899	145,906	146,551	149,081	152,388	157,905	160,417
Finance costs	18,818	18,385	16,981	15,012	13,304	11,865	10,072	8,326	6,540	5,441
Other expenses	540	609	632	656	678	697	716	730	750	767
Total expenses	439,080	445,913	463,305	477,726	484,920	497,525	508,128	519,250	537,114	549,419
Operating surplus/(deficit)	(1,831)	455	3,281	9,827	20,522	23,836	27,912	26,724	26,088	26,270
Operating surplus ratio	(0.42%)	0.10%	0.70%	2.02%	4.06%	4.57%	5.21%	4.89%	4.63%	4.56%
Capital income										
Grants, subsidies, contributions and donations	102,938	119,467	127,145	80,745	116,591	100,054	149,061	158,485	133,006	62,387
Gain/(loss) on sale of property plant & equipment	-	-	-	-	-	-	-	-	-	-
Total capital income	102,938	119,467	127,145	80,745	116,591	100,054	149,061	158,485	133,006	62,387
Net Result	101,107	119,922	130,426	90,572	137,113	123,890	176,973	185,209	159,094	88,657

Table 12 - Statement of Financial Position (Long-Term)

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Current assets										
Cash and cash equivalents	100,770	70,465	69,201	77,544	82,362	85,023	97,755	100,484	119,330	148,155
Trade and other receivables	46,931	48,334	50,337	52,694	54,665	56,337	57,740	58,982	60,795	62,095
Inventories	2,108	2,108	2,108	2,108	2,108	2,108	2,108	2,108	2,108	2,108
Other current assets	4,158	4,158	4,158	4,158	4,158	4,158	4,158	4,158	4,158	4,158
Total current assets	153,967	125,065	125,804	136,504	143,293	147,626	161,761	165,732	186,391	216,516
Non-current assets										
Property, plant and equipment	5,391,316	5,530,312	5,639,160	5,698,512	5,825,224	5,938,009	6,082,301	6,229,936	6,353,734	6,412,269
Right to use assets	7,689	6,264	4,848	3,433	2,018	938	233	-	-	-
Intangible assets	11,206	7,436	3,886	2,182	2,034	1,910	1,843	1,778	1,713	1,648
Other non-current assets	2,867	2,867	2,867	2,867	2,867	2,867	2,867	2,867	2,867	2,867
Total non-current assets	5,413,078	5,546,879	5,650,761	5,706,994	5,832,143	5,943,724	6,087,244	6,234,581	6,358,314	6,416,784
Total assets	5,567,045	5,671,944	5,776,565	5,843,498	5,975,436	6,091,350	6,249,005	6,400,313	6,544,705	6,633,300
Current liabilities										
Trade and other payables	92,836	91,453	95,573	99,325	101,318	105,181	107,618	110,406	114,449	117,433
Contract liabilities	17,020	-	-	-	-	-	-	-	-	-
Borrowings	44,145	43,755	35,723	37,420	41,031	38,580	40,315	37,423	23,556	15,674
Lease liabilities	1,595	1,643	1,645	1,632	1,214	873	222	-	-	-
Provisions	23,038	24,468	26,383	27,889	29,395	30,685	32,601	31,985	33,465	34,965
Other current liabilities	62	62	62	62	62	62	62	62	62	62
Total current liabilities	178,696	161,381	159,386	166,328	173,020	175,381	180,818	179,876	171,532	168,134
Non-current liabilities										
Borrowings	373,000	374,292	338,569	301,148	280,135	241,556	201,241	163,818	140,262	124,589
Lease liabilities	7,230	5,588	3,942	2,310	1,096	223	1	-	-	-
Provisions	34,727	35,470	38,691	39,822	40,954	40,986	44,207	34,524	35,526	36,627
Other non-current liabilities	1,573	1,573	1,573	1,573	1,573	1,573	1,573	1,573	1,573	1,573
Total non-current liabilities	416,530	416,923	382,775	344,853	323,758	284,338	247,022	199,915	177,361	162,789
Total liabilities	595,226	578,304	542,161	511,181	496,778	459,719	427,840	379,791	348,893	330,923
Net community assets	4,971,819	5,093,640	5,234,404	5,332,317	5,478,658	5,631,631	5,821,165	6,020,522	6,195,812	6,302,377
Community equity										
Asset revaluation reserve	896,342	898,241	908,579	915,920	925,148	954,231	966,792	980,940	997,136	1,015,044
Retained surplus	4,075,477	4,195,399	4,325,825	4,416,397	4,553,510	4,677,400	4,854,373	5,039,582	5,198,676	5,287,333
Total community equity	4,971,819	5,093,640	5,234,404	5,332,317	5,478,658	5,631,631	5,821,165	6,020,522	6,195,812	6,302,377

Table 13 - Statement of Cash Flows (Long-Term)

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities										
Receipts from customers	431,247	442,559	461,731	481,951	500,334	515,986	530,613	540,800	556,856	569,525
Payments to suppliers and employees	(287,450)	(295,771)	(300,203)	(312,506)	(322,140)	(342,969)	(344,930)	(367,067)	(367,147)	(378,967)
Interest received	1,866	1,974	2,399	2,772	2,646	3,198	3,497	3,399	3,985	4,303
Borrowing costs	(17,672)	(16,833)	(15,429)	(13,460)	(11,752)	(10,313)	(8,520)	(6,774)	(4,988)	(3,889)
Net cash provided by operating activities	127,991	131,929	148,498	158,757	169,088	165,902	180,660	170,358	188,706	190,972
Cash flow from investing activities										
Payments for property, plant and equipment	(269,792)	(220,576)	(126,899)	(149,329)	(168,696)	(163,173)	(181,396)	(202,453)	(164,217)	(176,779)
Net movement in loans and advances	2,335	-	-	-	-	-	-	-	-	-
Proceeds from sale of property, plant & equipment	1,248	731	16	9	-	-	-	-	-	-
Grants, subsidies, contributions and donations	58,319	58,304	22,519	36,274	23,460	42,177	52,921	75,361	31,780	38,188
Net cash used in investing activities	(207,890)	(161,541)	(104,364)	(113,046)	(145,236)	(120,996)	(128,475)	(127,092)	(132,437)	(138,591)
Cash flows from financing activities										
Proceeds from borrowings	70,000	45,000	-	-	20,000	-	-	-	-	-
Repayment of borrowings	(38,804)	(44,098)	(43,755)	(35,723)	(37,402)	(41,031)	(38,580)	(40,315)	(37,423)	(23,556)
Repayment of leases	(2,575)	(1,595)	(1,643)	(1,645)	(1,632)	(1,214)	(873)	(222)	-	-
Net cash provided by financing activities	28,621	(693)	(45,398)	(37,368)	(19,034)	(42,245)	(39,453)	(40,537)	(37,423)	(23,556)
Net increase/(decrease) in cash held	(51,278)	(30,305)	(1,264)	8,343	4,818	2,661	12,732	2,729	18,846	28,825
Cash at beginning of reporting period	152,048	100,770	70,465	69,201	77,544	82,362	85,023	97,755	100,484	119,330
Cash at end of reporting period	100,770	70,465	69,201	77,544	82,362	85,023	97,755	100,484	119,330	148,155

Table 14 - Statement of Changes in Equity (Long-Term)

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Asset revaluation reserve										
Opening balance	896,335	896,342	898,241	908,579	915,920	925,148	954,231	966,792	980,940	997,136
Increase in asset revaluation reserve	7	1,899	10,338	7,341	9,228	29,083	12,561	14,148	16,196	17,908
Closing balance	896,342	898,241	908,579	915,920	925,148	954,231	966,792	980,940	997,136	1,015,044
Retained surplus										
Opening balance	3,974,370	4,075,477	4,195,399	4,325,825	4,416,397	4,553,510	4,677,400	4,854,373	5,039,582	5,198,676
Net result for the period	101,107	119,922	130,426	90,572	137,113	123,890	176,973	185,209	159,094	88,657
Closing balance	4,075,477	4,195,399	4,325,825	4,416,397	4,553,510	4,677,400	4,854,373	5,039,582	5,198,676	5,287,333
Total community equity	4,971,819	5,093,640	5,234,404	5,332,317	5,478,658	5,631,631	5,821,165	6,020,522	6,195,812	6,302,377

Table 15 - Summary of Council's Financial Sustainability

Table 15 is a summary of Council's financial sustainability and indicates the relevant measures of financial sustainability as well as the identified target ranges as described in the Financial Management (Sustainability) Guideline 2013. In addition, it outlines Council's performance against each of the measures over the forecast period.

	Target Ratio	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Operating surplus ratio (Net operating surplus / total operating revenue)	0% - 10%	(0.4%)	0.1%	0.7%	2.0%	4.1%	4.6%	5.2%	4.9%	4.6%	4.6%
Net financial asset / liability ratio (Total liabilities less current assets / total operating revenue)	<60%	100.9%	101.5%	89.2%	76.8%	69.9%	59.9%	49.6%	39.2%	28.9%	19.9%
Asset sustainability ratio (Capital expenditure on the replacement of assets (renewals) / depreciation)	>90%	84.5%	97.4%	49.7%	51.8%	70.1%	65.8%	64.7%	71.7%	54.4%	76.8%

Our

Strategy



Our Strategic Planning Framework

The Strategic Planning Framework ensures that efficiencies are achieved through coordinated planning and budgeting and that systems and arrangements are undertaken in an integrated manner to inform a well-considered investment and strategic financial direction for the Council.

The Framework comprises a hierarchy of cascading and interconnecting documents, which, when taken together, allows Council to turn its long-term aspirations, goals and plans into reality. The Framework assists in planning, delivering and progressing our services, programs and capital works for the benefit of our community, the environment and the economy. It also ensures methodologies are in place for measuring performance against our goals.

Diagram 5 - Strategic Planning Framework

Our Strategic Planning Framework



Our Governance Framework

Council's Corporate Governance Framework is based on the principles identified in the *Local Government Act 2009*. An effective Governance Framework provides the following benefits, which have also been applied in the development of the Operational Plan and Budget.

- quality decision making founded on adequate, timely and relevant information disclosure.
- assurance of desired outcomes or results
- effective management of risk and opportunities
- effective and widespread stakeholder commitment and support for good corporate governance
- the system of corporate governance is streamlined and flexible to meet emerging demands or needs
- strong ethical, performance and values-based culture
- transparency and disclosure.

The Corporate Governance Framework can be found on Council's [website](#).

Our Operational Plan

The Operational Plan is Council's one-year planning document and is a legislative requirement of the *Local Government Act 2009* and Local Government Regulation 2012.

Our Operational Plan and Budget sets the direction for the 2021/22 financial year and identifies how we will measure our performance. Legislation requires that the annual Operational Plan provides transparency and accountability of the organisation's financial management and operational activities.

Council's budget funds the Operational Plan derived from the Strategic Asset Management Plan and Long-Term Financial Plan for sustainable management of the city.

The Operational Plan addresses the organisation's operational risks and how Council will progress the implementation of its Townsville 2021-2026 (5-year Corporate Plan). It is a valuable management tool detailing the services Council will deliver to the community during the financial year.

Council's Operational Plan is consistent with the principles of the *Local Government Act 2009*.

- transparent and effective processes and decision making in the public interest
- sustainable development and management of assets and delivery of effective services
- democratic representation, social inclusion and meaningful community engagement
- good governance of, and by, local government
- ethical and legal behaviour of Councillors and local government employees.

Quarterly performance reports will provide details on the progress of the deliverables achieved each quarter.

Managing Our Operational Risks

The Local Government Regulation 2012 requires the management of risk to be included in Council's Annual Operational Plan.

Council's Strategic and Operational risk assessments align with its Risk Management Framework. Strategic risks, operational risks, emerging risks, risk tolerance levels and mitigation strategies have been considered in developing the Budget and Operational Plan for 2021/22.

Council has articulated its willingness to take, retain or accept risk by developing Risk Appetite Statements (RAS) with related risk tolerance. They are an integral part of risk management capability at both strategic and operational levels. To influence strategies and objectives, RAS were considered during the budgeting process.

Council's objectives include managing risk exposure consistently and systematically to maximise community outcomes. This effectively leverages the benefit of opportunities, manages uncertainty, builds organisational resilience and minimises the impact of adverse events.

Risk management is governed by the Enterprise Risk Management (ERM) Policy and Framework, which are integral to the overarching Corporate Governance Framework. Council's approach is aligned with ISO 31000:2018 Risk Management Guidelines.

The risk management process provides an integrated and systematic application of Council's policies, procedures, systems, and strategies that focus on an effective and continuous improvement approach to risk management. The Risk Management System allows the Council to capture, manage risk and generate real-time reports.

In addition to ongoing risk reviews at a strategic level, senior management participates in an annual emerging issues and risk workshop. The strategic risk profiles are reviewed to ensure risks are managed effectively to a level as low as reasonably practicable, taking into consideration emerging issues, global trends, threats and opportunities. Risks are also reviewed regularly through engagement of the Business Services and Finance Committee, the Work Health and Safety Committee and the Audit Committee. These Committees support good governance through consultation and engagement with senior management and staff to ensure Council is implementing an integrated risk management framework.

Council is well equipped to ensure that risks are managed to a level as low as reasonably practicable whilst optimising opportunities. Council does this by identifying and actively managing risk with the implementation of numerous risk management strategies, business continuity plans, internal incident management protocols, inspections and audits, fire and emergency response protocols, security plans and workplace health and safety initiatives.

Our

Services

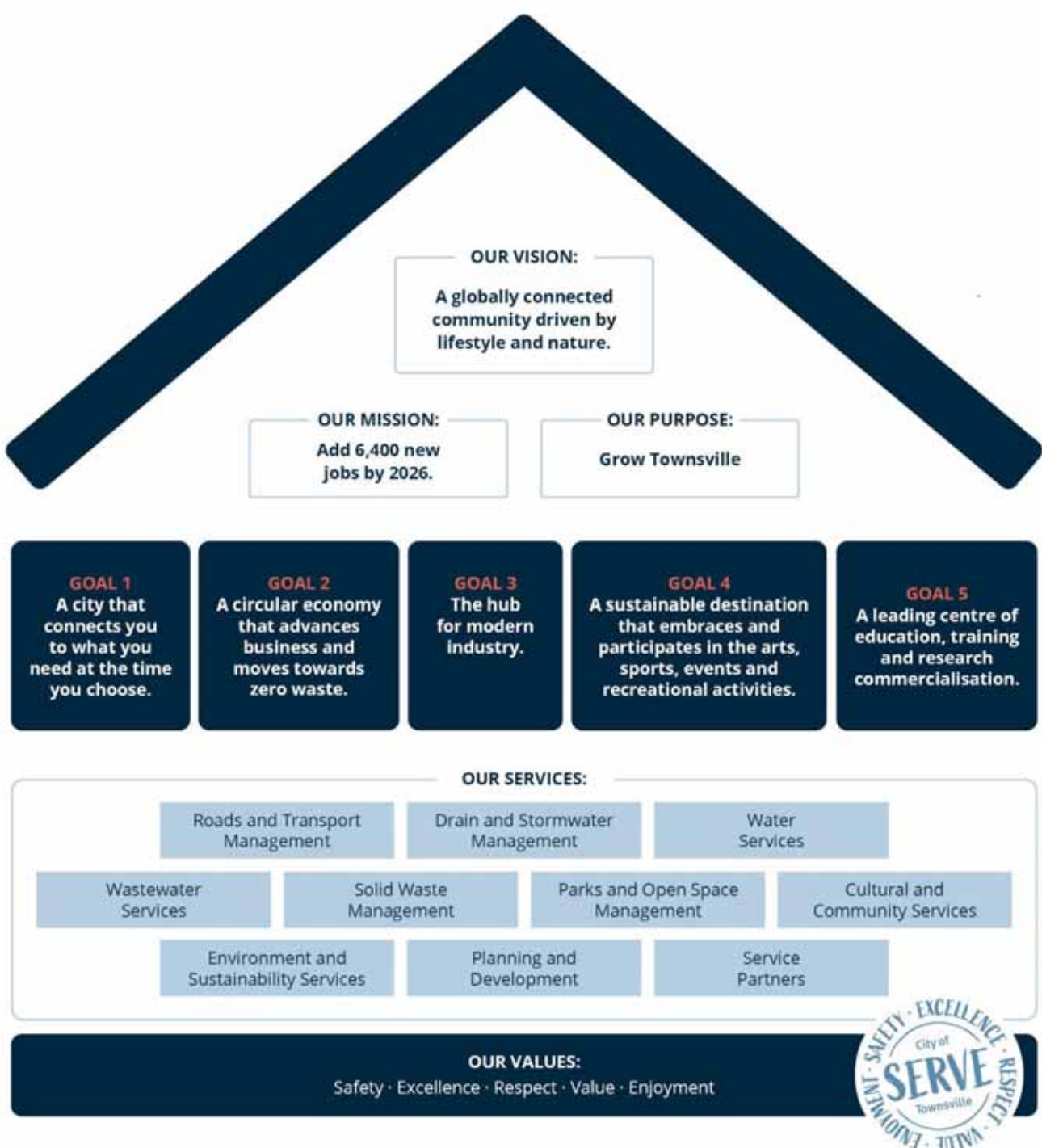


Our Services

Delivering Services to the Community

The Operational Plan is presented through the City’s ten (10) core services which deliver and support a wide range of services to the community. The core service summaries on the following pages outline:

- an overview of the core services and their associated services that are delivered across Townsville
- core service budget summary
- key activities and measures of success that support the delivery of the Operational Plan and Townsville 2021-2026 (5-year Corporate Plan).





Roads and Transport Management

Service Description: Provide a reliable and efficient transport network considering future transport needs whilst encouraging active travel methods.

Service	Operating Expenditure (\$000)	Capital Expenditure (\$000)	Total (\$000)
Roads and Transport Management	77,125	59,067	136,192
Total	77,125	59,067	136,192

Corporate Plan Goal	Key Activities	Measure of Success
4.4.4	Undertake the road and pavement condition assessment/ inspection/ scoping program.	100% of road and pavement network laser inspected.
2.2.2 4.4.4	Plan and design future capital requirements.	At least 90% of future three years proposed capital plan items have plans and concept/design estimates.
1.1.3	Deliver capital plan program for the financial year.	100% capital plan works completed as scheduled. Increase in the length of access pathways and cycleways.
4.4.4	Balance the planned / unplanned maintenance ratio.	Achieve at least 80% of planned works for the financial year.

Drain and Stormwater Management



Service Description: Manage drain and stormwater infrastructure.

Service	Operating Expenditure (\$000)	Capital Expenditure (\$000)	Total (\$000)
Drain and Stormwater Management	8,668	7,023	15,691
Total	8,668	7,023	15,691

Corporate Plan Goal	Key Activities	Measure of Success
4.4.4	Undertake the drain and stormwater network condition assessment/ inspection/ scoping program.	100% of drain and stormwater network inspections completed.
2.2.2 4.4.4	Plan and design future capital requirements.	At least 90% of future three years proposed capital plan items have plans and concept/design estimates.
4.4.4	Deliver capital plan program for the financial year.	100% capital plan works completed as scheduled.
4.4.4	Deliver the drain and stormwater network cleaning program.	Complete 100% of the annual drain and stormwater cleaning program.
4.4.4	Balance the planned / unplanned maintenance ratio.	Achieve at least 80% of planned works for the financial year.

Water Services



Service Description: Provide potable water and recycled water.

Service	Operating Expenditure (\$000)	Capital Expenditure (\$000)	Total (\$000)
Water Supply	69,100	107,074	176,174
Laboratory Services	296	570	866
Total	69,396	107,644	177,040

Corporate Plan Goal	Key Activities	Measure of Success
4.4.4	Protect the health of Townsville by providing clean drinking water.	100% compliance with Australian Drinking Water Guidelines (ADWG), and regulatory requirements.
1.1.1 4.4.4	Plan and design future capital requirements.	At least 90% of future three years proposed capital plan items have plans and concept/design estimates.
4.4.4	Deliver capital plan program for the financial year.	100% capital plan works completed as scheduled.
3.1 3.2 3.3 4.4.4	Support Townsville amenity and prosperity by providing long term water security of potable, recycled and other fit-for-purpose water.	Complete stage 1 of the Recycled Water Re-use Scheme. Complete works as scheduled for stage 1 of Douglas Water Treatment Plant upgrade. Continue stage 2 of the Haughton Pipeline project.
4.4.4	Manage the Ross River and Paluma Dams in accordance with State regulations.	100% compliance with dam safety regulations.
4.4.4 5.1	Provide specialist commercial laboratory services to Townsville and North Queensland.	Complete at least 95% of services within agreed timeframes.

Wastewater Services



Service Description: Collect and treat wastewater for disposal or reuse.

Service	Operating Expenditure (\$000)	Capital Expenditure (\$000)	Total (\$000)
Wastewater Management	65,893	71,702	137,595
Mechanical and Electrical Services	3,690	-	3,690
Total	69,583	71,702	141,285

Corporate Plan Goal	Key Activities	Measure of Success
4.4.4	Protect the health of Townsville by providing wastewater collection and treatment services.	100% compliance with regulatory requirements, service standards and environmental licence requirements.
4.4.4	Plan and design future capital requirements.	At least 90% of future three years proposed capital plan items have plans and concept/design estimates.
4.4.4	Deliver capital plan program for the financial year.	100% capital plan works completed as scheduled.
4.4.4	Ensure asset reliability and capability by performing mechanical and electrical services.	Complete at least 90% of the planned maintenance program.
1.2	Explore the expansion of the operations centre to improve customer service and safety of our staff.	Prepare business case.

Solid Waste Management



Service Description: Deliver waste infrastructure and provide collection, resource recovery and waste disposal services.

Service	Operating Expenditure (\$000)	Capital Expenditure (\$000)	Total (\$000)
Waste Collection and Recycling	21,355	-	21,355
Waste Treatment and Disposal	8,630	7,437	16,067
Waste Strategy	4,580	-	4,580
Total	34,565	7,437	42,002

Corporate Plan Goal	Key Activities	Measure of Success
4.4.4	Protect the health of Townsville by providing waste and recycling services.	100% compliance with regulatory requirements and service standards.
4.4.4	Plan and design future capital requirements.	At least 90% of future three years proposed capital plan items have plans and concept/design estimates.
4.4.4	Deliver capital plan program for the financial year.	100% capital plan works completed as scheduled.
2.1 2.2 4.4.2	Deliver "Towards Zero Waste to Landfill" program.	Complete Food Organics Garden Organics (FOGO) trial by December 2022. Deliver a new Resource Recovery Precinct feasibility and preliminary site study. Prepare an Energy from Waste (EFW) business case. Scope a long-term education and engagement strategy towards zero waste to landfill.
2.2.2	Produce products that meet quality specifications for reuse in civil projects.	Commence feasibility study for recycling green waste and other solid materials for re-use.

Parks and Open Space Management



Service Description: Manage a diverse network of parks, open spaces and recreational facilities.

Service	Operating Expenditure (\$000)	Capital Expenditure (\$000)	Total (\$000)
Open Space Management	70,592	14,229	84,821
Cemeteries	934	100	1,034
Total	71,526	14,329	85,855

Corporate Plan Goal	Key Activities	Measure of Success
4.1.1 4.4.4	Provide safe, fit for purpose recreational and open spaces.	Implement a seasonal, affordable maintenance schedule. Complete 80% of all seasonally planned and scheduled work. Implement Dry Tropics Planting Policy. Implement Tree Policy.
4.4.4	Plan and design future capital requirements.	At least 90% of future three years proposed capital plan items have plans and concept/design estimates.
4.4.1 4.4.4	Deliver capital plan program for the financial year.	100% capital plan works completed as scheduled.

Cultural and Community Services



Service Description: Maintain and grow events, arts, sports and cultural services to improve the liveability of Townsville. Develop and support cultural and community experiences in Townsville through maintaining public safety and environmental health.

Service	Operating Expenditure (\$000)	Capital Expenditure (\$000)	Total (\$000)
Community Support	5,462	-	5,462
Community Facilities	439	-	439
Libraries	17,613	260	17,873
Visual and Performing Arts	6,298	567	6,865
Events	8,833	-	8,833
Enforcement Compliance	9,831	-	9,831
Total	48,475	827	49,302

Corporate Plan Goal	Key Activities	Measure of Success
1.2.3	Maintain inclusive, accessible community spaces that provide co-located services and increase access to libraries, theatres and galleries.	Deliver inclusive, accessible community spaces, which achieve at least 80% customer satisfaction rating.
4.4.4		Digitise an additional 10% of the City of Townsville Art Collection and make accessible online.
1.2.2	Implement sport field lighting infrastructure across the city to activate spaces after hours and attract events.	Partner with sporting clubs and funding bodies to progress two lighting infrastructure projects.
1.2	Establish different models to activate and open Council facilities after hours.	Activate two spaces to be accessible outside of traditional 9am to 5pm hours.
4.3	Implement the Townsville Events Strategy.	Establish Events Townsville Board. Attract five international/national events during the year.
4.1.1	Protect the health of Townsville by providing environmental health and regulatory services.	100% compliance with the Public Health Act.
4.4		

Environment and Sustainability Services



Service Description: Support environmental sustainability, natural hazard and resource management and foster sustainable management of our environment. Increase natural landscape resilience of creeks, riverbanks, coastal shorelines, wetlands, forests and tropical savannahs through rehabilitation, stabilisation and restoration.

Service	Operating Expenditure (\$000)	Capital Expenditure (\$000)	Total (\$000)
Environmental and Sustainability	20,474	-	20,474
Coastal Facilities	1,160	1,042	2,202
Total	21,634	1,042	22,676

Corporate Plan Goal	Key Activities	Measure of Success
4.1.2 4.4.2	Activate Townsville as a sustainable destination.	<p>Deliver four initiatives to promote sustainable outcomes, activate city-wide sustainability and resilience building, and explore energy storage and generation options.</p> <p>Maintain Ecotourism Destination certification.</p> <p>Conduct four environmental activation workshops.</p>
2.2 3.2.1 3.2.3	<p>Transition Council energy to carbon neutral.</p> <p>Power Council's assets with renewable fuels.</p>	<p>Deliver six city energy initiatives to maintain energy costs and emissions profile at zero growth.</p> <p>Increase four Council assets to powered by sustainable energy source.</p> <p>Develop a sustainable light vehicle fleet strategy.</p>
1.1.1 4.4.2	Conduct environment reconnaissance monitoring and sensing.	<p>Deliver four environmental data initiatives to visualise environments, integrate sensors and respond.</p> <p>Implement four environmental tools for residents and businesses to monitor their own environmental sensor networks.</p>
4.4.2	Deliver environmental systems and sustainable solutions.	Deliver four environmental systems that build capacity to respond to environmental challenges.
2.2.2 2.3	<p>Embed circular economy requirements in contracts to enable circular economy principles.</p>	<p>Research and implement a city-wide 'Weeds to Soil' project using humisil processes.</p> <p>Update Council's Procurement Policy to include sustainable procurement.</p>
4.4.1	Sustainably manage key coastal sites.	Deliver annual coastal replenishment, revegetation, and protection programs to ensure facilities are maintained.



Planning and Development

Service Description: Provide a strategic approach to long-term planning and policy development ensuring that Townsville manages natural hazards, growth and promotes economic development while protecting and conserving our natural resources and heritage. A key part of the land use strategy is ensuring the city develops within the urban growth corridors to provide more efficient performing infrastructure.

Service	Operating Expenditure (\$000)	Capital Expenditure (\$000)	Total (\$000)
Planning and Development	21,302	-	21,302
Total	21,302	-	21,302

Corporate Plan Goal	Key Activities	Measure of Success
1.2 3.3.2	Provide innovative software and automation within development assessment that enables rapid delivery of low-risk approvals.	Commence development of a new system to automate and accelerate development assessment processes and availability of information.
1.3.1	Utilise existing infrastructure and increase population density within the existing urban footprint.	Increase in population base within the established urban footprint, in particular the areas defined in the Townsville City Plan being the Central Business District, North Ward, Aitkenvale and Thuringowa Central. Complete the first draft of the 2022 Local Government Infrastructure Planning (LGIP) to support the most efficient use of infrastructure within the established urban footprint.
1.3 3.1.1 3.3	Facilitate the City Plan review to streamline development assessment processes to facilitate economic development.	Complete City Plan review.
3.3.1 5.1.1	Streamlined focus on economic and lifestyle initiatives.	Increase in the number of employed Townsville residents. Look into 12 new start-ups during the year, of which 20% to be led by indigenous groups.



Service Partners

Service Description: Service Partners provide a wide range of professional services, policy implementation and advice to both internal and external customers.

Service Partners enables delivery of Council's strategic and operational priorities within legislated requirements and good governance practices, through business systems and structures.

Service	Operating Expenditure (\$000)	Capital Expenditure (\$000)	Total (\$000)
Service Partners	16,806	35,015	51,821
Total	16,806	35,015	51,821

Corporate Plan Goal	Key Activities	Measure of Success
1.3.3	A community engaged in the design and experiences of our city.	Finalise the Townsville City Council Community Engagement Strategy. 10% increase in registered Have your Say users. 10% increase in website traffic for Council event and consultation webpages. Increase attendance at Council events.
1.1.1	Transition to real time digital information.	Additional thirty data sets added to Townsville Dashboards.
1.1.2		Increase the number of services offered online.
1.2.1		Support the delivery of the Townsville City Council Digital Strategy outcomes.
ALL	Ensure all Local Government requirements and obligations are met.	100% compliance with required statutory and legislative requirements.
2.3.1	Develop procurement processes that support participation from innovative small to medium businesses.	Increase the number of Council tenders awarded to local small to medium businesses. Increase Council's procurement expenditure with indigenous owned businesses.
5.1.2	Become a specialist tropical climate leader to build resilience and disaster preparedness.	Complete planned training activities with neighbouring local governments and northern neighbours.
5.3.2		

Waste

Performance

Plan



Overview of the Business

Introduction

This is an annual Performance Plan set out as required under the Local Government Regulation 2012 and provides a framework for the operation of the significant business activity of Townsville Waste Services.

This document describes how Townsville Waste Services activities will be carried out in 2021/22, according to commercial principles. This annual Performance Plan must be considered in conjunction with the unit's operational plan, which is embedded in Council's Operational Plan 2021/22.

Our Business

Townsville Waste Services is a commercial business unit of Council, responsible for the collection and processing of solid waste and recyclables.

As a significant business activity of Council, the business was commercialised in 2008, and required to apply the competitive neutrality principle under the *Local Government Act 2009*.

Townsville Waste Services actively competes in the commercial waste collection sector, providing services to a range of business types and sizes, and pursuing long-term contractual arrangements with large-scale customers.

Our Objective

Townsville Waste Services' objective is to contribute to the delivery of a healthy and eco-friendly city through the provision of waste and recycling services that deliver a safe, reliable, affordable, and sustainable waste and resource recovery services for the city.

Our Key Business Metrics

Domestic Waste and Recycling

- 80,791 domestic waste services provided each week
- 78,031 recycling services provided each fortnight

Commercial Waste and Recycling

- 600 bulk bins in service
- 175 bulk bins emptied each day
- 305 public bins emptied each day

Waste Disposal

- 1 landfill site
- 5 waste transfer stations
- over 300,000 total customer visits each year
- over 360,000 tonnes each year received at landfills
- over 160,000 tonnes each year diverted from landfill
- over 200,000 tonnes each year landfilled.

Our Community Service Obligations

Community service obligations are defined under the Local Government Regulation 2012 as:

“An obligation the local government imposes on a business entity to do something that is not in the commercial interests of the business entity to do.”

Nature and Extent of Community Service Obligations

The following will be completed by Townsville Waste Services as community service obligations in 2021/22:

Table 16 - Townsville Waste Services Community Service Obligations

Category	Value (\$)
Concessions on landfill fees for charity organisations	46,777
Dead animal collection services	44,480
Infirm services	46,660
Clean Up Australia Day	1,000
Free dump weekends	150,000
Community clean up events	18,000
Total	306,917

Cost and Funding for Community Service Obligations

The community service obligations listed in Table 16 above are funded by Council. It is anticipated that the cost of these identified community service obligations for 2021/22 will be approximately \$306,917.

Additional community service obligations may be identified during the financial year, particularly in the event of natural disasters.

Our Customer Service

Townsville Waste Services uses a variety of methods to evaluate customer needs and analyse customer satisfaction, including but not limited to:

- Councillor requests
- customer feedback
- benchmarking against other waste service providers in regional Queensland

Townsville Waste Services recognises that customers are guaranteed a level of service and has a Customer Service Standard. The service standards are based on assessing the levels of service that can be realistically achieved and consistently maintained, considering data collection and reporting systems, infrastructure standards, and operating systems.

Reporting is undertaken quarterly to measure Townsville Waste Services' performance against the quality and service reliability targets through its Customer Service Standard Report Card, which is available on Council's [website](#).

Our Capital Structure, Investments and Borrowing

Our Capital Structure

Townsville Waste Services is a wholly-owned commercial business unit of Council. Townsville Waste Services' notional capital structure is via 100% funding from Council. Any surplus earned by a business unit of Council is returned as distribution to Council. This return is in recognition that business units have been established to further the good management and provision of quality services to our community. Funds distributed to Council from the commercial operations of the Waste business are utilised to provide enhanced services and infrastructure to the Townsville region.

Our Distribution Policy

All distribution arising out of Townsville Waste Services' operations will be returned to Council. Annually, as part of budget processes, a determination will be made regarding the treatment of surpluses, where consideration will be given to maximising investment and/or the distribution of residual funds.

Our Proposed Major Investments

Waste Services proposed major investments are described in Table 2 – Capital Budget Summary.

Our Outstanding and Proposed Borrowings

Council will operate a central treasury function. It will provide working capital as required, as well as providing loans through Queensland Treasury Corporation.

Delegations

Council's delegated authorities relevant to Townsville Waste Services are made in accordance with the requirements of the *Local Government Act 2009*. Delegated authorities are recorded in Council's Register of Delegations and each relevant Instrument of Delegation.

Council's Delegations Policy can be found on Council's [website](#).

Reporting to Council

Townsville Waste Services reports against the financial and non-financial targets contained in this Performance Plan through several different mechanisms:

- on a quarterly basis, Townsville Waste Services reports to Council's Townsville Water and Waste standing committee
- on a quarterly basis, Townsville Waste Services reports to the community, via Council's Quarterly Performance Reports, about the performance targets that are included in its Operational Plan
- on a quarterly basis, Townsville Waste Services reports to the community about its performance against its Customer Service Standard performance targets
- Townsville Waste Services publishes an Annual Operations Report for the Council on its performance against the Performance Plan. This report will be complete within four calendar months from the end of the financial year

The business will prepare all management plans as required by Council, which shall include, but is not limited to, an Operational Plan, Business Plan, Asset Management Plan, and Emergency Response Plan.

Review and Amendment of the Annual Performance Plan

The Local Government Regulation 2012 allows for an Annual Performance Plan for a commercial business unit to be amended at any time before the end of the financial year for which it is prepared.

Our Performance Targets

Table 17 - Waste Services Performance Targets

Performance Measure	Description	Target
Economic Sustainability		
Net operating result – budget to actual	Comparison of the actual net operating result with the budgeted net operating result.	Within 5% of adopted budget
Annual distribution	The portion of earnings distributed to Council (our shareholder) from the operation of the Townsville Waste Services commercial business unit.	>90% of budgeted amount
Social Responsibility		
Customer service and collection performance	Less than 1 missed service for every 1,000 kerbside waste and recycling services.	<1 for each 1,000
	Response time to missed kerbside waste and recycling services.	>95% by the next business day
	Response time to repair/replacement requests for waste and/or recycling service.	100% within 3 business days
	Response time to new residential kerbside service commencement.	100% within 3 business days
Environmental Sustainability		
Penalty infringement notices or legal action for non-compliance	Number of penalty infringement notices issued, or instances of legal action initiated by the Regulator for non-compliance.	Zero
Environmental incidents reported to Department of Environment and Science	Number of incidents, which exceed the acceptable limit, that were required to be reported to the Department of Environment and Science.	Zero
Responsible Governance		
Reduction in lost time injuries	Number of lost time injuries recorded.	Zero

Water

Performance

Plan



Overview of the Business

Introduction

This is an annual Performance Plan set out as required under the Local Government Regulation 2012 and provides a framework for the operation of the significant business activity of Townsville Water.

This document describes how Townsville Water activities will be carried out in 2021/22, according to commercial principles. This annual Performance Plan must be considered in conjunction with the unit's operational plan, which is embedded in Council's Operational Plan 2021/22.

Our Business

Townsville Water is a commercial business unit of Council, responsible for supplying potable water, collecting and processing wastewater, and supplying recycled water within the Townsville local government area.

As a significant business activity of Council, the business was commercialised in 2008 and required to apply the competitive neutrality principle under the *Local Government Act 2009*.

Our Objective

Townsville Water's objective is to provide safe, reliable, and sustainable water and wastewater services for the benefit of the Townsville community.

Our Key Business Metrics

Water Operations

- expected provision of over 54,000 mega litres of potable water to over 86,000 customer connections in the Townsville region
- management of 2 dams, 3 weirs, 4 water treatment plants, 23 water pump stations, 33 reservoirs and more than 2,600 kilometres of water mains
- over \$107.1 million of capital projects to be planned and delivered.

Wastewater Operations

- expected provision of wastewater services to over 74,000 customers, including approximately 1,000 trade waste customers
- services delivered using close to \$1.1 billion worth of assets, including 6 wastewater treatment plants, 191 wastewater pump stations and more than 1,350 kilometres of sewer mains
- between 16,000 to 20,000 mega litres of wastewater is collected and treated each year with up to 15% of this volume reused (depending on weather conditions)
- over \$71.7 million of capital works to be planned and delivered.

Our Community Service Obligations

Community service obligations are defined under the Local Government Regulation 2012 as “An obligation the local government imposes on a business entity to do something that is not in the commercial interests of the business entity to do.”

Nature and Extent of Community Service Obligations

Price concessions will be available to eligible customers on water and wastewater charges in recognition of the activity's contribution to the social and cultural welfare of the community during the year. Please refer to Financial Policy J.

The following will be completed by Townsville Water as community service obligations in 2021/22:

Table 18 - Townsville Water Community Service Obligations

Category	Value (\$)
Concessions on Wastewater Utility Charges	1,219,183
Concessions on Water Utility Charges	2,601,612
Total	3,820,795

Cost of and Funding for Community Service Obligations

The community service obligations are funded by Council. It is anticipated that the cost of these identified community service obligations for 2021/22 will be approximately \$3,820,795.

Our Customer Service

Townsville Water uses a variety of methods to evaluate customer needs and analyse customer satisfaction, including but not limited to:

- Councillor requests
- customer feedback
- benchmarking against other water service providers in regional Queensland.

Townsville Water recognises that customers are guaranteed a level of service and has a Customer Service Standard to meet its obligations under the *Water Supply (Safety and Reliability) Act 2008*. The Customer Service Standard sets out service standard performance targets, which are based on an assessment of the levels of service that can be realistically achieved and consistently maintained, considering data collection and reporting systems, infrastructure standards, and operating systems.

Reporting is undertaken on a quarterly basis to measure Townsville Water's performance against the quality and service reliability targets through its Customer Service Standard Report Card, which is available on Council's [website](#). Annual reporting to the Office of the Water Supply Regulator is undertaken annually to meet the requirements of the *Water Supply (Safety and Reliability) Act 2008*.

Our Capital Structure, Investment and Borrowing

Our Capital Structure

Townsville Water is a wholly-owned commercial business unit of Council. Townsville Water's notional capital structure is via 100% funding from Council. Any surplus earned by a business unit of Council is returned as distribution to Council. This return is in recognition that business units have been established to further the excellent management of the region. Through this distribution, funds earned by Council are utilised to provide enhanced services and infrastructure to the Townsville region.

Our Distribution Policy

All distributions arising out of Townsville Water operations will be returned to Council. Annually, as part of budget processes, a determination will be made regarding the treatment of surpluses, where consideration will be given to maximising investment and/or the distribution of residual funds.

Our Proposed Major Investments

Water Services proposed major investments are described in Table 2 – Capital Budget Summary.

Our Outstanding and Proposed Borrowings

Council will operate a Central Treasury function. It will provide working capital as required, as well as providing loans through Queensland Treasury Corporation.

Delegations

Council's delegated authorities relevant to Townsville Water are made in accordance with the *Local Government Act 2009*. Delegated authorities are recorded in Council's Register of Delegations and each relevant Instrument of Delegation.

Council's Delegations Policy can be found on Council's [website](#).

Reporting to Council

Townsville Water reports against the financial and non-financial targets contained in this Performance Plan through several different mechanisms:

- on a quarterly basis, Townsville Water reports to Council's Townsville Water and Waste standing committee
- on a quarterly basis, Townsville Water reports to the community, via Council's Quarterly Performance Reports, about the performance targets that are included in its Operational Plan
- on a quarterly basis, Townsville Water reports to the community about its performance against its Customer Service Standard performance targets
- Townsville Water publishes an Annual Operations Report for the Council on its performance against the Performance Plan. This report will be complete within four calendar months from the end of the financial year

The business will prepare all management plans as required by Council, which shall include, but is not limited to, an Operational Plan, Business Plan, Asset Management Plan, and Emergency Response Plan.

Review and Amendment of the Annual Performance Plan

The Local Government Regulation 2012 allows for an Annual Performance Plan for a commercial business unit, to be amended at any time before the end of the financial year for which it is prepared.

Our Performance Targets

Table 19 - Water and Wastewater Services Performance Targets

Performance Measure	Description	Target
Economic Sustainability		
Net operating result - budget to actual	Comparison of the actual net operating result with the budgeted net operating result.	Within 5% of adopted budget
5-year price path	Approved price path derived from water pricing model.	Information only
Return on assets	Net income / NBV of non-current assets.	Within 5% of revised budget
Asset renewal	Rehabilitation capital works / depreciation charges.	Minimum 90%
Interest coverage ratio	Total operating revenue / net interest expense.	Information only
Asset consumption ratio	Weighted average measure of consumption of non-current assets.	Information only
Annual distribution	The portion of earnings distributed to Council (our shareholder) from the operation of the Townsville Water commercial business unit.	>90% of budgeted amount
Social Responsibility		
Drinking water quality compliance	Percentage of compliance with all drinking water quality requirements in accordance with Townsville Water's Drinking Water Quality Management Plan.	100%
Adequacy and quality of supply	Number of water quality and water pressure complaints in accordance with Townsville Water's Customer Service Standards.	<5 for each 1,000 connections
	Number of reportable drinking water quality incidents.	Water Quality Non-compliance reportable to the Regulator <7 per 1,000 connections
	Unplanned water interruptions.	<100 incidence of unplanned water interruptions per 1,000 connections
Day to day continual supply	Average response time to water incident (excluding disaster).	Within 4 hours of advice of incident being reported
	Restoration of service - Time for restoration of service- unplanned interruptions- (excluding excavation).	>95% within 24 hours of receipts of underground services plans and necessary permits
Environmental Sustainability		
Penalty infringement notices or legal action for non-compliance	Number of penalty infringement notices issued, or instances of legal action initiated by the Regulator for non-compliance with respect to sewerage treatment or reticulation activities.	Zero
Dry weather sewerage releases	Number of dry weather sewerage overflows, bypasses or releases to environment that were not caused by a third party or natural phenomenon.	Zero
Responsible Governance		
Reduction in lost time injuries	Number of lost time injuries recorded.	Zero

Index and Financial Policies



Index of Tables

Table 1 - Operating Budget Summary.....	20
Table 2 - Capital Budget Summary	20
Table 3 - Summary of Rate and Utility Charges	22
Table 4 - Statement of Income and Expenditure	25
Table 5 - Statement of Financial Position	26
Table 6 - Statement of Cash Flows.....	27
Table 7 - Statement of Changes in Equity.....	27
Table 8 - Statement of Business Activities.....	28
Table 9 - Community Service Obligations.....	29
Table 10 - Change in Rates and Utilities Levied	29
Table 11 - Statement of Income and Expenditure (Long-Term)	30
Table 12 - Statement of Financial Position (Long-Term).....	31
Table 13 - Statement of Cash Flows (Long-Term).....	32
Table 14 - Statement of Changes in Equity (Long-Term)	33
Table 15 - Summary of Council's Financial Sustainability.....	33
Table 16 - Townsville Waste Services Community Service Obligations	52
Table 17 - Waste Services Performance Targets.....	54
Table 18 - Townsville Water Community Service Obligations.....	57
Table 19 - Water and Wastewater Services Performance Targets	59

Index of Diagrams

Diagram 1 - Map of Townsville's Local Government Area with Electorate.....	12
Diagram 2 - Key Projects Map	14
Diagram 3 - What this budget means for you.....	16
Diagram 4 - Budget Allocation Summary	19
Diagram 5 - Strategic Planning Framework.....	35

Index of Financial Policies

Financial Policy A: Revenue Statement	62
Financial Policy B: Revenue Policy	67
Financial Policy C: Debt Policy	70
Financial Policy D: Investment Policy	72
Financial Policy E: Hardship Concession Policy.....	74
Financial Policy F: Pensioner Rates Concession Policy.....	78
Financial Policy G: First Home Buyers Concession Policy.....	83
Financial Policy H: City Activation and Jobs Growth Policy	85
Financial Policy I: Charitable and Community Organisations Rates and Charges Concession Policy.....	89
Financial Policy J: General Rates and Utility Charges Concession Schedule	92
Financial Policy K: Differential Rating Categories	98
Financial Policy L: Differential Rates, Limitations on Increases, Minimum General Rates.....	105
Financial Policy M: Utility Charges - Water.....	106
Financial Policy N: Utility Charges – Wastewater and Trade Waste	108
Financial Policy O: Utility Charges – Waste Management and Recycling.....	110
Financial Policy P: Nelly Bay Harbour Development Operational Plan.....	112
Financial Policy Q: Rural Fire Levy.....	113

Financial Policy A: Revenue Statement

Overview

This revenue statement explains the revenue raising measures adopted in Council's 2021/22 budget.

Applicability

It is not intended that this Revenue Statement reproduce all related policies. Related policies will be referred to where appropriate and will take precedence if clarification is required.

Making and Levying of General Rates Rationale

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). Council is required to raise an appropriate amount of revenue to maintain assets and provide services to the region as a whole.

Under Queensland legislation, land valuation is used as the basis for levying general rates in Queensland. The general rate could be determined by dividing the income needed from general rates by the rateable valuation of lands; however that would be inequitable because of the considerable diversity in the Townsville region in terms of land use and location, land values, access to, and actual and potential demands for, services and facilities. To provide a more equitable and reasonable basis for its revenue raising, Council has adopted a general rating system that takes into account a combination of specific user charges, separate charges, special rates and charges and differential general rates.

In summary, rates and charges are determined after consideration of:

- Council's legislative requirements
- the needs and expectations of the general community
- the expected cost of providing services
- equity – that is, ensuring the fair and consistent approach of lawful rating and charging principles, taking account of all relevant considerations, and disregarding irrelevancies such as the perceived personal wealth of individual ratepayers or ratepayer classes.

Differential General Rating

Council levies differential general rates, which means the amount of general rates payable for any property depends upon:

- the land's unimproved capital or site value as advised by the Department of Natural Resources Mines and Energy (DNRME)
- the Differential General Rating Category that Council gives to the land.

All land within Townsville is given a Differential General Rating Category based upon the primary Land Use Code assigned by DNRME and the additional criteria of:

- the City Plan (that is, the current Planning Scheme)
- the availability of services to the land
- whether the land is occupied as a principal place of residence
- whether any attribute of the land (including the status of the land under the Planning Scheme) is likely to contribute to increased costs for Council, whether at the land or elsewhere.

In accordance with Chapter 4 of the Local Government Regulation 2012, Council has decided that:

- there will be 23 categories of rateable land for 2021/22 as stated and described in Financial Policy K – Differential Rating Categories

- the description of each of the rating categories of rateable land in the local government area is set out in Financial Policy K – Differential Rating Categories
- the rates and charges to be levied for each of the 23 differential general rating categories are detailed in Financial Policy L – Differential Rates, Limitations on Increases, Minimum General Rates.

Rateable Value of Land

To determine the rateable value of land, Council uses the unimproved capital or site valuation as advised by the DNRME. The last valuation of the city was carried out on 1 October 2019 with the valuation being applied from 1 July 2020.

Limitation of Increase in Rates

Council applies capping to all owner-occupied residential lands which ensures that lands categorised as Category 1 as at 1 July 2021 will not exceed the amount of general rates levied for the property for the previous financial year (year ending 30 June 2021) plus a percentage increase resolved by Council.

The differential general rate for eligible land will not exceed the higher of:

- the relevant minimum rate for the property or
- the amount of general rates levied for the property for the year ending 30 June 2021, plus an increase of 30%.

This is subject to a minimum rate for each category and the following conditions:

- capping will apply only to general rates
- capping will apply only to category 1 land
- capping is not available retrospectively and will only apply from the beginning of a financial year
- if ownership of the land to which capping applies is transferred in the period after 1 July of any year, then capping will cease to apply for the following year
- if a dwelling is completed during 2021/22, on vacant land purchased during 2020/21, the owner will be eligible for capping from 1 July 2022.

Nelly Bay Harbour Development Special Rate

The Nelly Bay Harbour Development Special Rate levy is applied to maintaining water quality in the canals, dredging the canals, maintaining the rock walls around the canal area and maintaining the sediment basin in Gustav Creek. The Operational Plan for the Nelly Bay Harbour Development Special Rate for 2021/22 is detailed in Financial Policy P – Nelly Bay Harbour Development Operational Plan.

Rural Fire Brigades Special Charge

The Rural Fire Brigade Special Charge is levied on rateable lands serviced by the rural fire brigades detailed in Financial Policy Q - Rural Fire Levy. The funds raised from this charge are provided to the voluntary rural fire services so they can acquire and maintain fire-fighting equipment; provide training to volunteers and to enable them to operate throughout the rural areas of the region.

The overall plan for the Rural Fire Brigades Special Charge is to provide financial assistance to the brigades to enable provision of a rural fire service in each area on an ongoing basis. The amount of the charge is based upon the 3-year budget for each brigade that has been provided to Council by the Queensland Fire and Rescue Service.

The annual implementation plan is to remit to the respective brigades the levy collected twice a year.

Commercial Business Activity - Water Utility Charges

Council conducts water services as a business activity on a commercial basis. The utility charges and other fees and charges for this business activity are set in accordance with full cost recovery principles outlined in the Local Government Regulation 2012.

Non-residential water customers, including commercial, industrial and government agencies, will be levied a fixed charge together with a consumption-based charge.

Council offers residential customers a choice between the Standard Plan and the Water Watchers Plan.

Standard Plan customers will be charged for a fixed allocation of water, plus a charge for any consumption in excess of the allocation. Water Watchers Plan residential consumers will be charged a two-part tariff which includes a fixed service charge and consumption-based charge. All developed and undeveloped residential properties within the water supply area connected to the water supply are placed on the Standard Plan. Residential property owners can opt into the Water Watchers Plan by application.

All undeveloped residential land within the water supply area not connected to the water supply is placed on the Water Watchers Plan.

Undeveloped residential and undeveloped non-residential land in a declared water service area will incur an undeveloped land charge as a contribution towards the cost of water infrastructure available for connection.

The fees charged for the Water Services Activity are detailed in Council's Schedule of Rates and Charges 2021/22, and the utility charges for this activity are detailed in Financial Policy M – Utility Charges – Water.

Commercial Business Activity – Wastewater and Trade Waste Utility Charges

Council conducts wastewater (sewerage) services as a business activity on a commercial basis. The utility charges and other fees and charges for this business activity are set in accordance with full cost recovery principles outlined in the Local Government Regulation 2012.

A fixed service charge will be levied for each dwelling, home unit, flat or lot.

Non-residential wastewater customers, including commercial, industrial and government agencies will be levied a fixed service charge each pedestal.

An additional wastewater charge is levied on applicable non-residential customers in respect of liquid trade waste in accordance with Council's Trade Waste Policy.

Undeveloped residential and undeveloped non-residential land in the declared sewer service area will incur an undeveloped land charge each lot as a contribution towards the cost of wastewater infrastructure available for connection.

Where a property is in a declared sewer area but is not connected to a sewer that property will be levied sewerage utility charges as if it were connected. This acts as an incentive for property owners to connect their premises to the sewerage system.

The fees charged for the wastewater activity are detailed in Council's Schedule of Rates and Charges 2021/22 and the utility charges for this activity are detailed in Financial Policy N – Utility Charges – Wastewater and Trade Waste.

Commercial Business Activity – Waste Management and Recycling Utility Charges

Council conducts the waste management and recycling services as a business activity on a commercial basis. The utility charges and other fees and charges for this business activity are set in accordance with full cost recovery principles outlined in the Local Government Regulation 2012.

Residential properties will be levied each dwelling, home unit or flat for a combined waste and recycling service for domestic waste disposal at Council's landfill sites.

For non-residential premises, separate charges will apply on the basis of:

- waste collection charge based upon each waste collection service provided
- recycling collection charge based upon each recycling collection service provided
- all additional or special waste services are charged on a user-pays basis each service provided.

The Queensland Government has developed a resource, recovery and waste strategy to help reduce the disposal of waste to landfill, increase recycling rates and recover valuable resources. The focus of the strategy is the Queensland Government Waste Levy, which came into effect 1 July 2019.

To ensure there will be no direct impact on household, the State Government is providing Council with an annual payment to offset the cost of the Queensland Government Waste Levy on households.

The Queensland Government Waste Levy will be payable on the disposal of commercially generated waste.

Local Waste Management Levy

A fixed annual Waste Management Levy will be charged for the provision of one hard rubbish collection for each eligible property, access to free green waste disposal, and free recyclables drop-off at Council's waste facilities and wheelie bin repairs/replacements.

The levy will apply to each dwelling, home unit or flat which is:

- classified as Category 1, 2 and 3a to 3k for rating purposes
- inside or outside the defined waste collection area.

The Levy does not apply to undeveloped land.

The fees charged for the waste management and recycling activities are detailed in Council's *Schedule of Rates and Charges 2021/22*, and the utility charges for this activity are detailed in Financial Policy O – Utility Charges – Waste Management and Recycling.

Hardship Concession

Council has adopted to allow concessions as set out in Council's Hardship Concession Policy to eligible ratepayers in accordance with section 120(1)(c) of the Local Government Regulation 2012.

Pensioner Rates Concessions

Council has adopted a Pensioner Rates Concession Policy in accordance with section 120(1)(a) of the Local Government Regulation 2012 that grants certain pensioners who own and occupy their property as their principal place of residence, a concession of 85% of the general rate, with a maximum limit as resolved as part of Council's annual budget. A pro-rata concession applies to ratepayers who receive a part pension. Council's Pensioner Rates Concession Policy outlines the details of eligibility and application of this concession. Any pensioner concession allowed in the financial year will be reversed if rates and charges due for the financial year are not paid in full by 31 May 2022.

General Rates and Utility Charges Concessions

Concessions for general rates, water and sewerage charges as set out in Council's Concessions Policy will be granted to certain organisations and ratepayers that satisfy Council that they meet the eligibility criteria set out in Part 10 of Chapter 4 of the Local Government Regulation 2012. Concessions will not be considered for undeveloped land.

First Home Buyers Concession

Council has adopted to allow concessions as set out in Council's First Home Buyers Concession Policy to eligible ratepayers in accordance with section 120(1)(d) of the Local Government Regulation 2012.

Prompt Payment Discount

Council acknowledges that the failure to pay rates when due can increase the level of future rate increases and offers a prompt payment discount on certain rates and charges when full payment of all rates and charges, including any arrears, is received by the due date shown on the notice as follows:

- Differential General Rating Category 1 – Residential Principal Place of Residence – 10%
- Differential Rating Categories 2 through to 6 – 5%.

Interest Charges on Overdue Rates

Unpaid rates are considered overdue after midnight on the designated due date on the notice. Interest will be charged from 30 days after the designated due date of each charge until the date of payment, at the rate of 8.03% each year in accordance with section 133 of the Local Government Regulation 2012.

Interest, at the rate of 8.03% each year will also be charged from 1 July of the new financial year, on approved Pensioner rates, charges and fire levies, which are in arrears as at 30 June of the previous financial year.

Cost-Recovery and Other Fees and Charges

In setting cost-recovery and other fees and charges, Council will apply the following criteria:

- regulatory fees will be set at no more than the full cost of providing the service or taking the action for which, the fee is charged. Council may choose to subsidise the fee from other sources (e.g. general rate revenue) when Council considers that it would not be reasonable to charge the full cost
- charges for commercial services will be set to recover the full cost of providing the service and, if provided by a business of Council, may include a component for return on capital.

Council's adopted fees and charges include a mixture of cost recovery and commercial user-pays fees. The cost-recovery (regulatory) charges are identified as such in Council's Fees and Charges Schedule. Council's Fees and Charges Register contains full details of fees and charges adopted by Council for 2021/22 and is available on Council's [website](#).

Financial Policy B: Revenue Policy

1.0 Policy Statement

In 2021/22 Council will levy rates and charges in compliance with this policy.

2.0 Principles

Council makes decisions about levying rates and charges consistently with the *Local Government Principles*:

- (a) Transparent and effective processes, and decision-making in the public interest
- (b) Sustainable development and management of assets and infrastructure, and delivery of effective services
- (c) Democratic representation, social inclusion and meaningful community engagement
- (d) Good governance of, and by, local government
- (e) Ethical and legal behaviour of Councillors and local government employees.

3.0 Scope

The Revenue Policy demonstrates the principles that Council intends to apply in the preparation and adoption of the 2021/22 budget. This policy identifies the principles Council intends to apply for:

- the making and levying of rates and charges
- granting concessions for rates and charges
- recovering overdue rates and charges
- setting of cost-recovery fees and methods.

This Policy also addresses:

- the purpose for concessions
- infrastructure charges for Council.

4.0 Responsibility

Councillors, the Chief Executive Officer and the Chief Financial Officer are responsible for ensuring that this policy is understood and followed.

5.0 Definitions

All definitions are in accordance with the *Local Government Act 2009* and the Local Government Regulation 2012.

6.0 Policy

6.1. Principles used for the levying of rates and charges

When levying rates and charges the Council will seek to achieve financial sustainability while minimising the impact of Council rates and charges upon the community and distributing the burden of payments equitably across the community having regard to the consumers of each service, the benefit to the community, and to all factors that contribute to the Council's costs.

Council accepts that land valuations are generally an appropriate basis to achieve the equitable imposition of general rates, with differential rating categories determined by land use, ownership, availability of services, consumption of and demand for services, and whether any attribute of the land (including the status of the land under the Planning Scheme) gives rise to, or is likely to give rise to, increased costs for the Council, whether at that land or elsewhere.

When levying the rates and charges, Council will:

- have regard to its long-term financial forecast when setting rates and charges

- seek to minimise the revenue required to be raised from rates and charges by:
 - maximising income from available grants and subsidies
 - imposing cost-recovery fees in respect of services and activities for which it believes cost recovery is appropriate.
- have regard to the prevailing local economic conditions, and when possible, limit increases in an attempt to avoid significant price escalation in any one year and
- offer an early payment discount to provide an incentive for the timely payment of rates and charges.

Council will levy special rates and charges to minimise the extent to which the general community subsidises the unique costs arising from the provision of local government benefits or services to particular land.

6.2. Principles used for recovering overdue rates and charges

Council will exercise its rate recovery powers in order to reduce the overall rate burden upon ratepayers while:

- making clear the obligations of ratepayers and the process used by Council in assisting them to meet their financial obligations
- making the processes used to recover outstanding rates and utility charges clear, simple to administer and cost effective
- considering the capacity to pay in determining appropriate payment plans for different sectors of the community
- endeavouring to treat ratepayers with similar circumstances in a consistent way
- flexibility to ratepayers experiencing financial hardship through concessional arrangements
- flexibility responding when necessary to city wide events such as natural disasters or changes in the local economy.

6.3. Principles used for granting concessions for rates and charges

Council will support desirable community objectives by providing concessions for certain categories of landowners and in respect of properties used for certain purposes when those concessions:

- reduce the financial burden of rates and charges payable by pensioners
- support the community activities of not-for-profit organisations encourage the economic or development of all or part of the local government area or
- support entities that provide assistance or encouragement for arts or cultural development
- encourage the preservation, restoration or maintenance of land that is of cultural, environmental, historic, heritage or scientific significance to the local government area.

6.4. Setting of cost-recovery fees

Council considers that in almost all instances it is appropriate and in the community interest to apply full cost recovery to its water, sewerage, and refuse and recycling utility charges, which includes obtaining a return on capital for assets used in the delivery of these services. In accordance with section 97 of the *Local Government Act 2009*, cost-recovery fees will also be set for other services and activities for which Council believes it is appropriate. A return on capital will only be charged where permissible under the *Local Government Act 2009* or Local Government Regulation 2012. By imposing charges that accurately reflect the full cost of the provision of services, the Council will promote efficiency in both provision and use of the services.

Council may choose to subsidise the charges from other sources (e.g. general rate revenue) when the Council believes that is in the community interest.

6.5. Funding of new development to support city activation and job creation

To the fullest extent permissible by law, the Council will fund the physical and social costs of any new development by levying charges upon that development. The Council considers that the current law strikes a reasonable balance between minimising costs for new developments and managing the burden of new developments upon existing ratepayers. The Council considers that this approach promotes efficiency by and competition between developers and achieves development at the least overall cost to the community.

Council may choose to subsidise from other sources (e.g. general rates) the charges payable for the development when the Council believes that it is in the community interest.

To support and enhance the local economy, Council will encourage development that provides local jobs through the reduction in fees and charges, including building improvements and event activation as set out in Council's *City Activation and Jobs Growth Policy*.

7.0 Legal parameters

- *Local Government Act 2009*
- Local Government Regulation 2012.

8.0 Associated Documents

- Charitable and Community Organisation General Rate and Utility Charges Concessions Policy
- Revenue Statement
- Pensioner Rates Concession Policy
- Debt Recovery Policy
- Rate Discount Policy
- Financial Hardship Policy.

Financial Policy C: Debt Policy

1.0 Policy Statement

Council will utilise a debt management strategy based on sound financial management guidelines.

2.0 Principles

The purposes of establishing an annual debt policy are to:

- comply with legislative requirements
- establish when borrowings will be made by Council and for what purpose
- provide a view of the city's long-term debt requirements and
- demonstrate to lending institutions that Council adopts a disciplined approach to borrowing.

3.0 Scope

This policy applies to all Councillors and Council staff.

4.0 Responsibility

The Chief Executive Officer and Chief Financial Officer are responsible for ensuring that this policy is understood and adhered to by all personnel.

5.0 Definitions

All definitions are in accordance with the *Local Government Act 2009* and the Local Government Regulation 2012.

6.0 Policy

Borrowings are only available for capital investment purposes.

- Council may meet capital investment requirements by first using any surplus cash available (even if these are surplus only for a short term) before undertaking a new borrowing. This is the case even if using existing funds only defers the need to borrow for a short period of time
- Council cannot use long-term debt to finance operating activities or recurrent expenditure. A working capital facility or overdraft may be utilised to help fund short-term cash flow requirements that may arise from time to time
- Council recognises and accepts that infrastructure demands placed upon Council can often only be met through borrowings but will always be mindful of the additional cost incurred by the community when assets are acquired through borrowings, which increases the cost of providing capital infrastructure
- Council will endeavour to fund all capital renewal projects from operating cash flows in the first instance and borrow for new and upgrade capital projects
- Where borrowing is constrained, borrowings for infrastructure that provides a return on capital will take precedence over borrowings for other assets
- When Council finances capital projects through borrowings, it will repay the loans in a term not exceeding the life of those assets and in accordance with Queensland Treasury Corporation's borrowing guidelines
- Council will maintain close scrutiny of its level of debt to ensure its relevant financial sustainability indicators will not exceed the minimum limits recommended by the Queensland Treasury Corporation
- Council will use as its basis for determining funding options the Strategic Asset Management Plan, together with the Long-Term Financial Plan
- The amount of new debt to be borrowed in a year must be approved as part of the annual budget process, excluding working capital and bank overdraft facilities. New borrowing applications must also be approved by the Department of Local Government, Racing and Multicultural Affairs

- In accordance with section 192 of the Local Government Regulation 2012, details of the planned borrowings for the budget year and the following nine (9) financial years will be presented at Council's annual budget meeting. The details will include the planned borrowings for each year, the purpose of the borrowings and the term of repayment of existing and planned borrowings.

Planned borrowings are as follows:

Year and Purpose of Borrowing	Amount \$'000
Year ended 30/6/2022 – New and upgrade infrastructure	70,000
Year ended 30/6/2023 – New and upgrade infrastructure	45,000
Year ended 30/6/2024	-
Year ended 30/6/2025	-
Year ended 30/6/2026 – New and upgrade infrastructure	20,000
Year ended 30/6/2027	-
Year ended 30/6/2028	-
Year ended 30/6/2029	-
Year ended 30/6/2030	-
Year ended 30/6/2031	-

Repayment term of new loans is up to 20 years with existing loans at 30 June 2022 having repayment terms between 2 and 20 years. The amount projected to be outstanding at 30 June 2022 is \$417.1 million.

Anticipated loan principal repayments for the year ended 30 June 2022 is \$38.8 million.

A temporary working capital facility has been established for the purpose of managing operating cashflows. The facility limit is \$100 million and is available on a permanent basis (subject to Queensland Treasury Corporation's annual credit review).

7.0 Legal parameters

- *Local Government Act 2009*
- Local Government Regulation 2012
- *Statutory Bodies Financial Arrangements Act 1982.*

8.0 Associated documents

- Adopted Budget
- Revenue Statement
- Revenue Policy
- Strategic Asset Management Plan
- Long Term Financial Plan
- Treasury Management Administrative Directive.

Financial Policy D: Investment Policy

1.0 Policy statement

Council will manage its investments on a corporate basis and in a centralised manner in accordance with Council's Treasury Management Administrative Directive.

2.0 Principles

This policy identifies Council's overall financial risk philosophy and objectives.

3.0 Scope

This policy applies to all staff that are responsible for transactions which may affect Council's investment accounts.

4.0 Responsibility

The Chief Executive Officer and Chief Financial Officer are responsible for ensuring this policy is understood and adhered to by staff.

5.0 Definitions

- **At call** – an investment that can be redeemed and the moneys invested can be retrieved by the investor from the financial institution within 30 days without penalty
- **Counterparty** – a legal and financial term that refers to the other individual or institution to an agreement or contract
- **Credit risk** – the risk of loss due to the failure of the counterparty of an investment to meet its financial obligations in a timely manner
- **Financial institution** – an authorised deposit-taking institution within the meaning of the *Banking Act 1959 (Cwlth)*
- **Interest rate risk** – is the risk of a change in the market value of the investment portfolio, which arises due to a change in interest rates
- **Investment portfolio** – a collection of short, medium and long-term cash deposit investment accounts
- **Liquidity risk** – the risk that Council will have insufficient cash available to meet its working capital needs
- **Market average rate of return** – for performance purposes, the investment portfolio will be compared to the Bloomberg Bank Bill Index
- **Transaction risk** – the risk of a direct or indirect loss resulting from inadequate or failed internal processes, people or systems
- **Preservation of capital** – An investment strategy with the primary goal of preventing losses in an investment's total value. In modern portfolio theory terms, it refers to a guaranteed investment of principal, which would provide a return of at least inflation
- **Responsible officer** – Council officers who are responsible for activity directly related to the transfers of cash between Council's investment accounts e.g. Finance Officers.

6.0 Policy

Council's investment portfolio will be managed centrally on a corporate basis and a conservative investment approach will be applied. Council will:

- endeavour to preserve capital through the effective management of the investment portfolios exposure to credit risk, interest rate risk, liquidity risk and transaction risk
- maintain sufficient liquidity of its investment portfolio to meet all reasonably anticipated cash flow requirements, as and when they fall due
- maintain an investment portfolio which is expected to achieve a market average rate of return.

6.1. Reporting and Performance Measurement

Reporting will be undertaken on a monthly basis reviewing all investment related exposures, specifically detailing information on the investment portfolio in terms of interest rate, counterparty percentage exposure and year to date running yield.

Regular cash management reports (weekly) will be prepared by the Financial Reporting and Budgets Team.

6.2. Documentation and Approval

Any transaction occurring between Council's transactional bank account and at call cash deposit accounts will require approval from an authorised account signatory.

Any transactions occurring between Council's at call cash deposit accounts and cash deposit accounts, with a term to maturity of one month or more, will require approval from the Chief Executive Officer.

Each transaction will require written confirmation by the approved financial institution. Council will maintain the necessary documents related to all transactions with approved financial institutions.

7.0 Legal parameters

- *Statutory Bodies Financial Arrangement Act 1982*
- *Statutory Bodies Arrangements Regulations 2007*
- *Local Government Regulation 2012*
- *Banking Act 1959 (Cwlth).*

8.0 Associated documents

- List of Authorised Deposit-taking Institutions (<http://www.apra.gov.au/adi>)
- Treasury Management Administrative Directive.

Financial Policy E: Hardship Concession Policy

1.0 Policy statement

Council has an ability to provide concessions when payment of the rates or charges will cause hardship to the landowner. Those concessions will be made in accordance with this policy.

2.0 Principles

The payment of rates and charges may cause hardship to:

- the whole or a sizeable portion of the community because of a disaster – for example, a cyclone or flood
- a particular landowner because of that landowner's circumstances.

The granting of concessions has the potential to adversely impact upon the Council's services and burden other ratepayers.

The Council will deal with applications for concessions under this policy on the grounds of hardship in a way that is:

- compassionate
- equitable
- transparent
- responsive to the landowner's capacity to pay
- financially responsible, having regard to the demand for the Council's services and the obligation upon Council to maintain its financial sustainability
- otherwise in accordance with the requirements of applicable legislation.

3.0 Scope

This policy applies to the granting of concessions on the grounds that payment of the rates or charges will cause hardship to certain landowners.

4.0 Responsibility

The Chief Executive Officer and the Chief Financial Officer are responsible for ensuring that this policy is understood and adhered to by all staff involved in the recovery of rates and charges.

5.0 Key Concepts and Definitions

Any term used in this policy that is defined in the *Local Government Act 2009* or Local Government Regulation 2012 has that definition. The term 'hardship' is not specifically defined in this legislation and will be interpreted according to its ordinary and plain meaning.

What is Hardship?

Explanatory Note: Hardship may arise in a variety of situations, including in a situation where payment of rates and charges by a landowner will cause the landowner an appreciable detriment of some form, whether that be financial, personal or otherwise.

Each situation affecting a landowner needs to be assessed on a case by case basis, and consider a range of matters affecting the landowner including but not limited to:

- loss of employment of the landowner or family member
- family breakdown, including domestic violence
- physical and mental health issues, including illness, physical incapacity, hospitalisation, or mental illness of the landowner or landowner's family member
- a disaster within the Townsville Local Government Area affecting the landowner or their dependants
- a death in the family of the landowner
- other factors resulting in unforeseen change in the landowner's capacity to meet their payment obligations, whether through a reduction in income or through an increase in non-discretionary expenditure.

What is a Disaster? – has the same meaning as “disaster” under the *Disaster Management Act 2003*

Explanatory Note: This means a serious disruption to the community caused by a cyclone, flood, storm, bushfire, earthquake, public health emergency including a pandemic, or other event within the meaning of the term ‘disaster’ in that Act.

6.0 Policy

6.1. Classes of Hardship Concession

The Council resolves to provide concessions under this policy to landowners in the following classes:

Class 1 - Hardship Arising Because Property Directly Affected by a Disaster

- Eligibility
 - (a) All landowners within Townsville Local Government Area.
- Concession criteria
 - (a) Landowner’s property located within the Townsville Local Government Area has been substantially and directly impacted by a disaster
 - (b) Landowner provides sufficient information to demonstrate that it will suffer Hardship if required to pay rates and charges when due.
- Assessment material

The Chief Executive Officer is to assess the provision of Concessions to Class 1 Landowners using any information that he or she believes to be relevant.

- Types of Concessions provided:
 - a 3-month (interest-free) deferral of the due date (and discount date) for the rates and charges and/or
 - an interest-free payment plan for the overdue rates or charges under which the overdue rates and charges and any accruing rates and charges will be paid within 12 months of the date of the agreement.

The Council intends that the provision of Class 1 Landowner concessions will be a comprehensive response to a disaster and applications for additional concessions will be considered only when the applicant establishes that the disaster impacted upon them in a unique and exceptionally severe way.

Class 2 - Hardship Arising Because of Circumstances Outside Landowner’s Control.

- Eligibility includes:
 - (a) a natural person resident in Townsville Local Government Area
 - (b) concession relates to the person’s principal place of residence in Townsville, and
 - (c) the landowner’s capacity to pay rates and charges on that property when due has been substantially compromised by circumstances outside the landowner’s control that have arisen from a disaster or emergency situation (i.e. not over time).
- Concession Criteria:
 - (a) Landowner provides sufficient information to demonstrate that they will suffer Hardship if required to pay rates and charges when due.
- Assessment material:

The Chief Executive Officer is to assess the provision of Concessions to Class 2 Landowners using any information that he or she believes to be relevant. To assist in that assessment the Chief Executive Officer may require the provision of a statutory declaration detailing:

- (a) the event that impacted upon the landowner’s ability to pay the rates and charges
- (b) the landowner’s estimated income and expenditure from all sources for the year in which the application is made and the previous financial year
- (c) The current balances of any bank accounts and investment accounts held by or for the landowner
- (d) the landowner’s assets - whether the asset is owned by the landowner or a by a company in which the landowner has a controlling interest - including the estimated value of each asset. For clarity, “assets” includes:

- all real property
- all other assets such as shareholdings, vehicles, boats, livestock etc.
- and estimated value; including information on the listing of any property for sale
- (e) the landowner's financial circumstances, including details about amount of funds held in accounts and a description of all loans including balances owing and an explanation about the extent to which any loan payment is overdue (Note that account numbers must not be provided or requested)
- (f) Details of any refusal of loan or credit applications that have been sought to assist in paying the landowner's debts
- (g) Details of superannuation fund balances and if an early release has been sought to assist in paying the debts
- (h) Any other information that the landowner believes to be relevant to the application.
- Types of Concessions provided:
 - a 3-month (interest-free) deferral of the due date (and discount date) for the rates and charges and/or
 - an interest free payment plan for the overdue rates or charges under which the overdue rates and charges and any accruing rates and charges will be paid within 12 months of the date of the agreement.

The Chief Executive Officer is delegated authority to assess applications and grant concessions to Class 1 and 2 landowners.

6.2. Individual Hardship Applications

Nothing in this policy prevents any landowner making an application for an individual hardship concession under section 120(1)(c) of the Local Government Regulation 2012.

Landowners applying for a concession on the grounds of individual hardship must do so by providing the Council with a statutory declaration detailing:

- a) estimated income and expenditure from all sources for the year in which the application is made and the previous financial year
- b) the current balances of bank accounts and, if applicable, investment accounts
- c) the landowner's assets - whether owned by the landowner or a by a company in which the landowner has a controlling interest - including the estimated value of each asset. For clarity, "assets" includes:
 - all real property
 - all other assets such as shareholdings, vehicles, boats, livestock etc.
 - and estimated value; including information on the listing of any property for sale.
- d) the landowner's financial circumstances, including details about amount of funds held in accounts and a description of all loans including balances owing and an explanation about the extent to which any loan payment is overdue (note that account numbers must NOT be provided)
- e) details of any refusal of loan or credit applications that have been sought to assist in paying the landowner's debts
- f) details of superannuation fund balances and if an early release has been sought to assist in paying the debts and
- g) any other information that the landowner believes to be relevant to the application.

The Council may request additional information or may agree to accept an application that does not contain all of the listed information.

The Council will determine individual hardship concession applications.

- Types of Concessions provided:
 - a 3-month (interest-free) deferral of the due date (and discount date) for the rates and charges and/or

- an interest-free payment plan for the overdue rates or charges under which the overdue rates and charges and any accruing rates and charges will be paid within 12 months of the date of the agreement
- a rebate of all or part of the rates or charges
- an agreement to accept a transfer of unencumbered land in full or part payment of rates or charges.

6.3. Payment Plans and Interest

Payment plans under this policy will be interest free for a maximum period of 12 months from the date the plan is approved by Council. Interest accrued prior to this date will not be reversed. Interest will accrue again from the date of any default in making a payment under the plan.

Council's usual debt recovery action will be suspended while a payment plan is in place and being followed.

6.4. Further Applications for Concessions

After applying for a concession under this policy, a landowner is not eligible to make another application for one year unless the applicant:

- a) has been granted a concession and complied with the terms of the concession or
- b) demonstrates in the fresh application that he or she has made significant progress in reducing the value of arrears (generally a one-third reduction in the debt will be regarded as a significant reduction) or
- c) demonstrates that he or she has exhausted all other avenues to alleviate the situation – for example by seeking additional finance and financial advice and making real efforts to sell the property and other assets.

7.0 Legal Parameters

- *Local Government Act 2009*
- Local Government Regulation 2012.

8.0 Associated Documents

- Revenue Policy
- Revenue Statement
- Pensioner Rates Concession Policy
- Debtor Management Administrative Directive
- Payment Plan application form
- Rates Relief application form.

Financial Policy F: Pensioner Rates Concession Policy

1.0 Policy Statement

Council will provide rates concession to assist approved pensioner ratepayers.

2.0 Principles

Pensioners occupying their own homes should be supported.

3.0 Scope

This policy applies to the levying of rates upon residential properties of approved pensioners.

4.0 Responsibility

Chief Financial Officer is responsible for ensuring this policy is understood and followed by all staff involved in administering pensioner rates concessions.

5.0 Definitions

Approved pensioner is a person who:

- is and remains throughout the rating period, the holder of a Queensland "Pensioner Concession Card" issued by Centrelink or Department of Veterans' Affairs Health Card (All Conditions within Australia) or Department of Veterans' Affairs Health Card (Totally and Permanently Incapacitated) and
- is the owner or life tenant (either jointly or solely) of the property which is his/her principal place of residence and
- is either solely or jointly with a co-owner, legally responsible for the payment of rates and charges for the specified property as defined in this policy.

Owner - as defined in the *Local Government Act 2009*.

Spouse - a person's partner in marriage or a de facto relationship as recognised by the *Acts Interpretation Act 1954* S. 32DA (1) and (5) (a).

Pension - a pension, allowance or benefit paid under a law of the Commonwealth or State.

6.0 Policy

Council will provide rates concessions to approved pensioners as follows.

6.1. The Rates Concession

The maximum pensioner rates concession available is \$800 each year. The amount of pensioner rates concession available to each approved pensioner will be calculated by reference to the proportion of a full pension that the ratepayer receives. That is if an approved pensioner ratepayer receives:

- (a) a full pension, they will qualify for the maximum pensioner rates concession
- (b) a part-pension, they will qualify for a pro rata portion of the maximum pensioner rates concession equivalent to the percentage of a full pension that they receive in the form of a part-pension, excluding any additional benefit or allowance
- (c) an allowance or benefit (other than under the *Military Rehabilitation and Compensation Act 2004*) and not a pension or part-pension, they will qualify for a pro rata portion of the maximum pensioner rates concession equivalent to the percentage of a full pension that they receive in the form the additional benefit or allowance
- (d) a payment under the *Military Rehabilitation and Compensation Act 2004*, then:
 - they will qualify for a pro rata portion of the maximum pensioner rates concession calculated by reference to their assessed impairment points as advised by Department of Veteran Affairs, on the basis of 60 impairment points being equivalent to 75% of a qualifying pension and 80 impairment points being equivalent to 100% of a qualifying pension and
 - if they also receive a qualifying pension, then the pensioner rates concession will be calculated by adding the *Military Rehabilitation and Compensation Act 2004* based concession to the pension-based concession, (up to 100% of the maximum pensioner rates concession).

- (e) if an approved pensioner ratepayer receives an Australian qualifying supplementary pension payment in addition to a qualifying foreign pension payment, the concession of general rates will be assessed according to the total amount of Australian dollar being received, after converting the foreign pension payment to \$ Australian at the current conversion rate applicable at the date of concession application, and adding that to the Australian dollar qualifying supplementary pension payment being received.

No pensioner rates concession is applicable where only a foreign pension payment is being received.

All annual applications must be confirmed by written advice by the Department of Human Services.

6.2. Ownership

In cases of co-ownership, the pensioner rates concession will apply only to the approved pensioner's proportionate share of the general rates as recorded on the title for the property as registered at the Titles Office and advised to Council on the Property Transfer Information for change of ownership and rates purposes.

This method of determining an approved pensioner's proportionate share will apply except when the co-owners are:

- an approved pensioner and a bank, other financial institution, or government department where the latter holds joint title for debt security purposes and has no responsibility for rates, charges or other costs of maintaining the property. In this situation, the tenure is to be treated as sole ownership and the pensioner rates concession processed as if the pensioner were the sole owner
- an approved pensioner and his/her spouse, but the spouse does not reside at the property. In these circumstances it must be established that the approved pensioner is wholly responsible for the payment of all rates and charges levied in respect of the property. The approved pensioner's responsibility for payment of all rates and charges in this circumstance must be established to the satisfaction of Council by sighting and placing on file a copy of a Court Order or statutory declaration completed by the applicant. In this situation, the tenure is to be treated as sole ownership and the pensioner rates concession processed as if the pensioner were the sole owner.

Under no circumstances is a pensioner to be regarded as an owner or co-owner unless:

- he or she is listed by name as an owner on the registered Title for the property or
- it can be clearly established that the title to the property is held in the name of a bank, other financial institution or government department for debt security reasons and the pensioner has not been relieved of the responsibility to pay all rates and charges levied in respect of the property or
- the pensioner is eligible as a life tenant to receive the pensioner rates concession as set out in the next part of this policy.

The criteria for determining eligible life tenants will be that:

- the pensioner must not have a major ownership interest in any other residential property (in Townsville or elsewhere) and
- the life tenancy must be created by a valid Will which applies to the property in question, or by a Supreme or Family Court Order and
- there must be no provision in the Will or Court Order which would relieve the life tenant of the obligation to pay the rates and charges levied in respect of the property.

6.3. Tenancies

With the exception of life tenancies as described in Clause 6.2 of this policy, tenancies of any other sort (including life-time leases) are not regarded as the type of tenure that would entitle the pensioner to the pensioner rates concession even though he/she might be responsible for payment of rates and charges. Strict adherence to this principle is important to avoid breaking into areas which are, or are very close to, normal lease or rental.

6.4. Residential Requirements

The pensioner rates concession is available only in respect of rates levied on an approved pensioner's principal place of residence located in Townsville, and while the pensioner is residing on the property.

For the purpose of determining whether an approved pensioner's residence constitutes his/her principal place of residence Council will give consideration to the following:

- the address shown on any driver's licence held by the pensioner
- the address of the pensioner as recorded on any State Electoral Roll
- the Branch and State where his/her Department of Human Services or Department of Veterans' Affairs file is held
- the State and the address shown on his/her Pensioner Concession Card
- whether or not the residence to which the application refers is rented or how otherwise occupied during his/her absences
- whether or not he/she receives any pensioner rating concessions on other property/s in Australia and if so the type and level of concessions being received.

The words 'principal' and 'residence' are to be given their normal meaning. The principal place of residence must be located in the Council area. Under no circumstance is an approved pensioner to receive a pensioner concession in respect of the same period for more than one property that is his/her principal place of residence, within or outside the Council area.

When a pensioner, for reasons of ill health or infirmity does not permanently reside in the principal place of residence but instead resides in a nursing home or similar type accommodation where personal care is available on site and provided as required, or with family or friends, a pensioner rates concession may be allowed in respect of the pensioner's principal place of residence if it is not occupied on a paid tenancy basis during the absence of the approved pensioner owner/s. The pensioner must satisfy Council that the residence is not occupied on a paid tenancy basis and that the approved pensioner, as property owner, is responsible for the payment of rates and charges levied in respect of the property.

In cases where a pensioner owns a multi-unit property, commercial property or a rural property which is his/her principal place of residence, the pensioner rates concession may be applied to that property. The provision of the maximum pensioner rates concession has been included to prevent unduly large concessions being granted in such cases.

Notwithstanding these ownership requirements, when the sole registered owner dies and is, at the time of death, an approved pensioner in receipt of the pensioner rates concession, the surviving spouse will be entitled to the pensioner rates concession on a pro-rata basis from the date of his/her spouse's death, provided that:

- he/she is eligible to be an approved pensioner at the time of his/her spouse's death
- title to the property has been or will be recorded with the surviving spouse as the registered owner
- Council is satisfied that the transmission of the title occurs within a reasonable time. The surviving spouse is to be encouraged to expedite the transfer of the property's title.

6.5. Trusteeships

In the case of property held in trust, in order to be considered for eligibility the applicant must be considered by Council to have legal responsibility for payment of all rates and charges levied in respect of the property, regardless of whether the applicant is the trustee or the beneficiary of the trust.

6.6. Withdrawal or Cessation of Pensioner Rates Concession

Pensioner rates concessions will only be allowed if the rates and charges for the period to which the concession relates are paid in full by 31 May of each financial year. Council will reverse the pensioner rates concession for the current financial year if rates remain outstanding after 31 May.

If rates, charges and fire levies are in arrears as at 30 June, compound interest at the rate of 8.03% each year will apply from 1 July.

Pension concessions will cease when:

- approved pensioners no longer meet the required eligibility criteria
- on the date of death of the approved pensioner
- on the date that the approved pensioner's property is sold.

Upon the sale of the property, it is the pensioner's responsibility to ensure that usual conveyancing practice is applied and an adjustment (based on the pensioner concession entitlement at the time of sale and normal rate charges thereafter) made at settlement. Council will not make refunds or allow further concessions as a consequence of this adjustment not being performed.

6.7. Administration

Unless otherwise provided under this policy, pensioner rates concessions will apply only to rates actually levied subsequently to the application being received by Council.

Late Applications

Council may accept late applications when the applicant met all the eligibility requirements at the commencement of the rating period but had not applied at that time. When a late application is accepted, the pensioner rates concession will apply to the rates levied in the rating period in which the application was received and future rates periods only.

A concession will not be applied retrospectively to previous rating periods other than in exceptional circumstances, in which case a concession may be applied to the immediately prior rates period. The applicant must make a written request advising the reason for the late application. Applicants may be required to obtain payment details and documentation from the Department of Human Services or the Department of Veteran Affairs to support their application. The application will be reviewed by the Chief Financial Officer or delegated officer, who will decide if backdating to the maximum period will apply.

Confirmation of Eligibility

An application is required:

- when applying for the pensioner rates concession for the first time or
- when Council needs to re-establish eligibility (e.g.: after having a qualifying pension or concession card re-granted, changing the address of the principal place of residence, etc.) or
- as instructed by relevant Commonwealth Agency (the Department of Human Services or The Department of Veterans' Affairs).

Initial or Re-established Eligibility

Council will only allow a pensioner rates concession when there are no rates arrears on the property as at the date the application is received.

Application for the pensioner rates concession must be made on the prescribed form and be supported by a statement from the Department of Human Services or the Department of Veterans' Affairs containing details of the type and amount of pension received along with a copy of both sides of the applicant's current qualifying pension or concession card.

When interstate pensioners move permanently to Queensland, the Department of Human Services and the Department of Veterans' Affairs may not immediately issue a Queensland card. In the interim, an application may be accepted if Council is satisfied that the pensioner's permanent place of residence is now located in Townsville. For example, proof of residence could be met by the pensioner providing a letter of confirmation of payment from the Department of Human Services or the Department of Veterans' Affairs listing the address of the property on which the pensioner concession is being claimed.

Continuing Eligibility

Council will verify continuing eligibility for the pensioner rates concession on at least an annual basis by obtaining from the pensioner:

- authority for Council to verify with the relevant Commonwealth Agency (the Department of Human Services or Department of Veterans' Affairs) either by electronic data matching or
- authority for Council to use the Department of Human Services Confirmation eServices (online enquiry) to perform a Department of Human Services/Department of Veteran's Affairs enquiry to confirm eligibility and status of your current concession or
- a copy of a written verification from the relevant Commonwealth agency.

If Council is unable to confirm continuing eligibility, the pensioner rates concession will cease, and the pensioner will have to re-apply if they wish to receive the concession.

Pro-Rata Calculations

When pensioner concessions are applied to rates on a property during only part of a rating period – such as upon the death of a pensioner or the purchase or the sale of the property – Council will calculate rates having regard to the dates of change evidenced by the Property Transfer Information or other official advice forwarded to Council regarding change of ownership.

7.0 Legal Parameters

- *Local Government Act 2009*
- Local Government Regulation 2012.

8.0 Associated Documents

- Pensioner Rates Concession Application Form
- Revenue Policy
- Rate Discount Policy
- Debt Recovery Policy.

Financial Policy G: First Home Buyers Concession Policy

1.0 Policy Statement

To encourage the economic development of Townsville the Council will provide a concession to first home buyers by way of a rebate of general rates.

2.0 Principles

Under section 120(1)(d) of the Local Government Regulation 2012 the Council has an ability to provide concessions for rates and charges when the Council is satisfied that will encourage the economic development of all or part of the local government area.

The Council recognises that the granting of concessions has the potential to adversely impact upon the Council's services and burden other ratepayers. The Council is satisfied that supporting first home buyers to acquire homes in Townsville will encourage development of the Townsville economy and provide a many-fold return upon that investment.

3.0 Scope

This policy applies to the granting of concessions to first home buyers. It is intended to support and does not replace the support provided to first home buyers by other levels of government.

4.0 Responsibility

The Chief Executive Officer and the Chief Financial Officer are responsible for ensuring that this policy is understood and adhered to by all staff involved in the levying of rates and charges.

5.0 Definitions

Any term used in this policy that is defined in the *Local Government Act 2009* or Local Government Regulation 2012 has that definition.

6.0 Policy

6.1. The Concession

The First Home Buyers Concession of up to \$1,000 will be provided to eligible persons who acquire their first home in the period commencing on 1 July 2020 and ending on the earlier of:

- 30 June 2022 or
- the time that the budget allocation for this concession is fully allocated.

The concession will be provided by a rebate up to \$1,000 of the first general rates that are levied on the property after the date of acquisition. Under no circumstances will the concession be provided in or convertible to a cash payment or refund to the ratepayer.

6.2. Eligibility

Eligibility for the rebate is restricted to people who meet the following criteria:

- the application must be made by all property owners
- all applicants must be natural persons (e.g. not a company, trust or other legal construct)
- all applicants must be at least 18 years of age
- at least one applicant must be an Australian citizen or permanent resident
- all applicants must be eligible first homeowners, meaning all applicants do not currently own a home in Australia and have not previously owned a home in Australia
- all applicants must be buying or building a new or established home in the Townsville local government area
- the contract for the purchase or an existing property, or the construction of a new home, must be signed by the applicants on a date between 1 July 2020 and 30 June 2022
- the value of the home, including the land, must be less than \$450,000
- the home must be legally and physically occupiable as a private residence before 1 July 2022

- the home is occupied as the principal place of residence of all applicants for a continuous period of at least 6 months before 31 December 2022.

6.3. Determining the Value

For applicants who purchase an existing home, the 'value' will be determined by the price listed on the contract of sale.

For applicants who are building their first home, the 'value' will be determined by the price of the land listed on the contract of sale plus the price to build the home.

7.0 Legal Parameters

- *Local Government Act 2009*
- Local Government Regulation 2012.

8.0 Associated Documents

- Revenue Policy
- Revenue Statement.

Financial Policy H: City Activation and Jobs Growth Policy

1.0 Policy Statement

To assist the economy and city activation by generating investment, community activities and employment opportunities.

2.0 Principles

The attraction of investment and employment opportunities has a multiplier effect across the Townsville economy. Investment in development, activation and the creation of new jobs is the most cost-effective measure Council can take to support the Townsville economy.

Council is satisfied that the investment will encourage city activation, new development and jobs growth.

3.0 Scope

This policy applies to city activation, investment and employment opportunities in a defined geographic area (City Core and City Fringe) of the Townsville Central Business District (CBD) and meets the eligibility criteria stated in this policy.

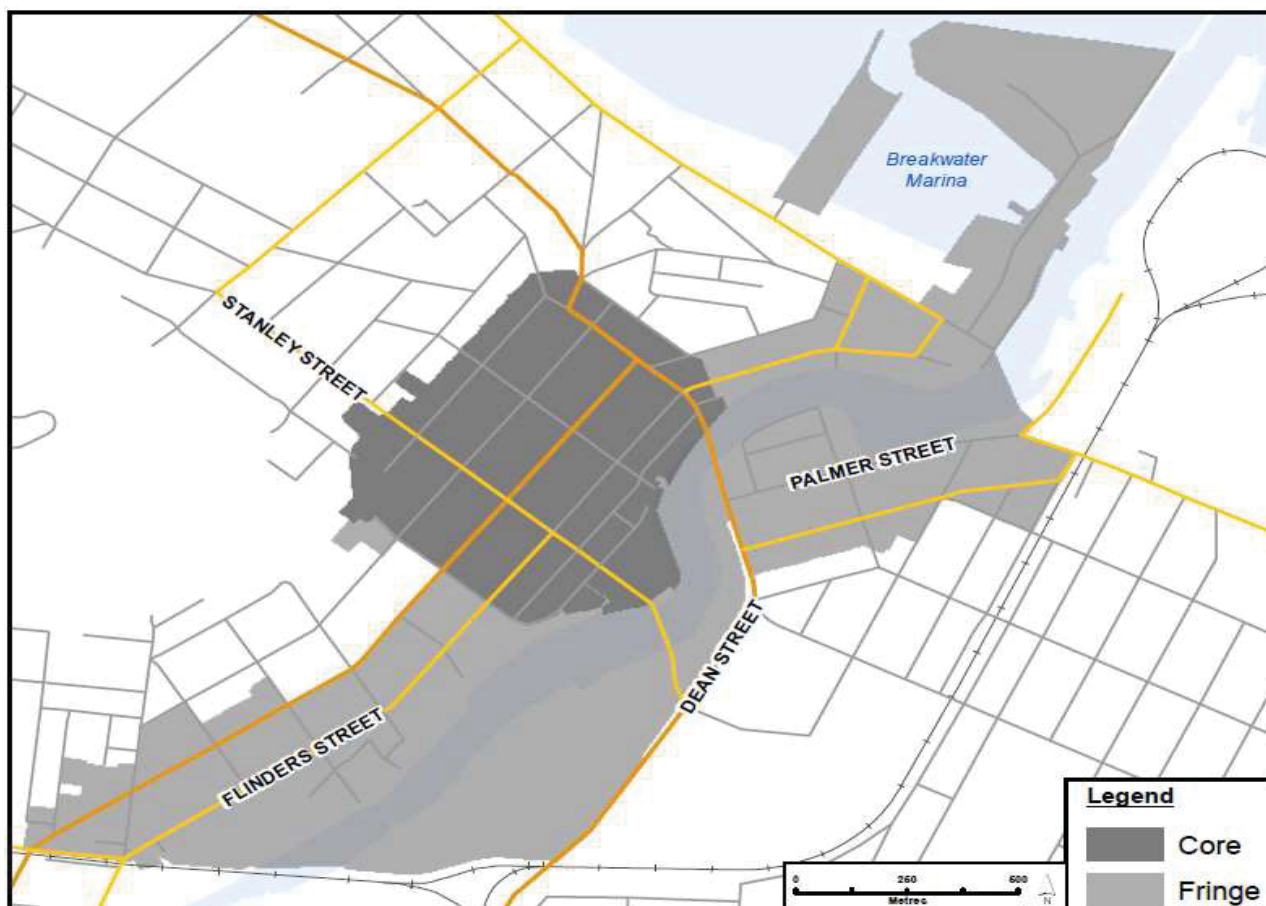
4.0 Responsibility

The Chief Executive Officer and the Director Lifestyle, Economy, Environment and Planning are responsible for ensuring that this policy is understood and adhered to by all staff involved in the operational application of this policy.

5.0 Definitions

Any term used in this policy that is defined in the *Local Government Act 2009* or Local Government Regulation 2012 has that definition.

Townsville CBD (Core and Fringe incentive areas) is defined in accordance with the "Townsville Central Business District Core and Fringe areas map" as below.



6.0 Policy

6.1. Eligibility

6.1.1. Component 1 – New and Repurposed Development

Component 1 supports identified development in the Central Business District (CBD) and surrounds to enhance and support the broader economy and create additional jobs in accordance with the below criteria:

- (a) The proposed development is within the geographic area of the Townsville local government area
- (b) Be an approved land use eligible to receive the support and funding as defined below

Current eligible use All areas Up to 100% concession (Refer to section 6.2)	Proposed eligible use City Core Area Up to 100% Concession (Refer to section 6.2)	Proposed eligible use City Fringe Areas Up to 50% Concession (Refer to section 6.2)
Multiple Dwelling	Multiple Dwelling	Multiple Dwelling
Short-term accommodation	Short-term accommodation	Research and technology
Shop	Research and technology	Tourist Attraction
Food and drink outlet	Tourist Attraction	Community Use
Shopping Centre	Community Use	Function facility
Hotel or Motel	Function Facility	Educational Establishment
Research and technology	Educational Establishment	Retirement Facility
Community Use	Retirement Facility	Indoor Sports and Recreation
Educational Establishment	Indoor Sports and Recreation	Childcare Centre
Retirement Facility	Childcare Centre	Rooming Accommodation (includes student accommodation)
Rooming Accommodation (includes student accommodation)	Rooming Accommodation (includes student accommodation)	Community care Centre
Community care Centre	Hotel	Major sport, recreation, and entertainment facility
	Shopping Centre	Re-use of buildings that involves refurbishment and/or adaptive reuse of existing buildings to accommodate eligible uses
	Night club Entertainment Facility	
	Food and drink outlet	
	Bar	
	Shop	
	Theatre	
	Health care services	
	Re-use of buildings that involves refurbishment and/or adaptive reuse of existing buildings to accommodate eligible uses	

- (c) Has a project cost in excess of \$750,000
- (d) Substantially commence construction within 12 months from Council confirmation of eligibility
- (e) Commitment and demonstration of a minimum of 90% of construction workforce sourced locally
- (f) The development must demonstrate a positive increase in the population density of persons living and/or working in the incentive area
- (g) Must complement the vision of the area
- (h) Must improve amenity, streetscape, and benefits to the public realm
- (i) Must benefit the public by creating new attractive activity spaces and activations and

- (j) Provide social and economic benefits.

6.1.2. Component 2 – Attracting Jobs to the City

Council proposes to directly target businesses to locate in Townsville. This is intended to fill vacant commercial space and bring new jobs to the city. Component 2 offers rental subsidies for eligible businesses looking to operate within the Townsville CBD. A bespoke incentives package may be negotiated with any large business or company proposing to locate at least 50 FTE employees full-time in the Townsville CBD Core Area.

Eligible businesses are those having no, or less than 10 staff presently located in the Townsville Local Government Area that:

- (a) Propose to locate at least 50 full-time employees (FTE) into the core area of the Townsville CBD
- (b) Sign a minimum 3-year lease on a building within the City Core area of the Townsville CBD
- (c) Locate within 8 weeks of starting a lease and maintain 50 FTE for the duration of the lease
- (d) Occupancy to commence prior to 30 June 2022 and
- (e) Be free of debt to Townsville City Council.

6.1.3. Component 3 – Modernising Buildings and Activating Spaces

Component 3 offers grants to support a wide variety of initiatives which activates the Policy Core and Fringe incentive areas, including improving the attractiveness, vibrancy or safety of the city centre. This includes carrying out events to activate the City or improvements to buildings and shopfront facades or retrofitting buildings to open them onto the street. The submissions will be assessed in accordance with the below criteria:

- (a) The extent to which the project will contribute to improving the attractiveness and safety of the interface between the building and the public realm
- (b) The project provides sufficient value to the community (as distinct from the property owner) to warrant the project being supported and if the project warrants a grant to the maximum value available under this component
- (c) The extent to which the project will support local jobs
- (d) 90% use of local trades and products
- (e) Whether the project is likely to retain existing business or attract new business to the site
- (f) The extent to which the project will support other activities with the CBD and surrounds
- (g) The project is not related to achieving regulatory compliance, in which case the application will not be supported
- (h) Eligible Event projects must involve the conduct of an activity that attracts at least 1000 people to the CBD city core but does not substantially compete with current event offerings and
- (i) Works and events to be completed by the 30 June 2022.

6.2. The Support

6.2.1. Component 1 – New and Repurposed Development

Component 1 offers the following incentives. Percentage of waiver is at Council's discretion and is dependent on the location of the property and subject to funds remaining in the budget allocation for the financial year (2021/22 total budget allocation is \$500,000). This will be confirmed in writing from Council and may include one or more of the following:

- (a) Waiver of infrastructure charges
- (b) Other fee waivers including Operational Works, Compliance Assessment, Miscellaneous Infrastructure fees, Hydraulic Services, water meter and service connections
- (c) Charge and fee waivers are capped at \$500,000 per eligible development
- (d) Site and access assistance relating to road and footpath closures to facilitate development and/or

- (e) Services of a Development Advocate as a central point of contact for the incentives in the assessment of the eligibility of projects.

6.2.2. Component 2 – Attracting Jobs to the City

Component 2 offers the following incentives at Council's discretion and subject to funds remaining in the budget allocation for the financial year (2021/22 total budget allocation \$75,000). This will be confirmed in writing from Council:

- (a) Grant funding up to 50% of the building rental costs incurred in the first six months of tenancy, up to maximum of \$50,000 per project and
- (b) The grant will be paid monthly in arrears for up to six months of the tenancy provided the eligibility of at least 50 employees (FTE) has been maintained.

6.2.3. Component 3 – Modernising Buildings and Activating Spaces

Component 3 offers the following incentives at Council's discretion and subject to funds remaining in the budget allocation for the financial year (2021/22 total budget allocation is \$90,000). This will be confirmed in writing from Council and may include the following:

- (a) Grant funding up to 50% of the eligible repair works to a maximum of \$30,000 per project
- (b) Grant funding up to 50% of the eligible event to a maximum of \$30,000 per event and
- (c) Council will pay the incentive for eligible works in two payments, the first upon completion of 25% of the Eligible works and the balance upon completion of the eligible works and/or
- (d) Payment for an eligible event will occur in stages having regard to all of the circumstances relating to the staging of the event.

6.3. Securing Compliance

The Chief Executive Officer has delegated authority to:

- (a) Accept applications that demonstrate substantial compliance with the eligibility criteria and
- (b) Extend the period for achieving that compliance.

6.4. Other Support Packages

If a development qualifies for support under this policy and any other development incentive package offered by the Council, the development is to receive only the incentive that is available under the policy or package that provides the highest level of support for the development. That is, in no circumstances will support be provided to a development under both this policy and another development incentive package.

7.0 Legal Parameters

- *Local Government Act 2009*
- Local Government Regulations 2012.

8.0 Associated Documents

- Revenue Policy
- Revenue Statement.

Financial Policy I: Charitable and Community Organisations Rates and Charges Concession Policy

1.0 Policy Statement

Council will allow a concession of rates and utility charges to not-for-profit charitable groups in recognition of the contribution their activities make to the community, and will allow certain other targeted concessions where the granting of the concession encourages:

- economic development of all or part of the Townsville local government area or
- the preservation, restoration and maintenance of land that is of cultural, environmental, historical, heritage or scientific significance to Townsville.

2.0 Principles

The Council's power to provide targeted concessions will be used when the concessions benefit the general community, either directly by encouraging certain activities, or indirectly by supporting not-for-profit charitable groups the activities of which benefit the community generally.

The Council is unlikely to grant a concession to a group that has a primary focus upon social interaction between members unrelated to preserving cultural links or activities, for example a workers' social club or a business persons' association is unlikely to be granted a concession.

In making its assessment the Council will look to a range of factors including the extent to which the group:

- creates or provides facilities or services for the community that are not generally available from commercial providers
- does not restrict eligibility for membership and the criteria upon which membership is available – it is unlikely that Council will grant concessions to groups that restrict membership and
- the group engages in activities of interest to the general community (including sectors of the community) that are not primarily social interaction.

3.0 Scope

This Policy applies to all concessions for rates and charges that the Council has power to make under Part 10 of Chapter 4 of the Local Government Regulation 2012 other than concessions granted to pensioners (which are dealt with in a separate Pensioner Rates Concession Policy).

4.0 Responsibility

The Chief Financial Officer and General Manager Townsville Water and Waste are responsible for this policy.

5.0 Definitions

Words in this policy have the same meaning as those words in the *Local Government Act 2009* and the Local Government Regulation 2012.

In addition, the following definitions apply:

- **Not-for-profit** – means:
 - the organisation is incorporated under *Queensland's Associations Incorporations Act 1981* and listed as a non-profit community organisation, as determined by the Australian Taxation Office (ATO)
 - there is no profit or gain by individual members of the group
 - its constitution or governing documents prevent it from distributing profits or assets for the benefit of particular persons, both while it is operating and on winding up
 - whilst a surplus or revenue can be made, all profits must be used to carry out the purpose and functions of the organisation.
- **Charitable purposes** – means that the land is used on a not-for-profit basis for purposes relating to:
 - Education, or
 - assistance to the ill or infirm or

- assistance to the poor or
- other purposes of benefit to the community generally.

6.0 Policy

Council will allow a concession of rates, and utility charges (as set out in Financial Policy J) to eligible groups and organisations in recognition of their activities and contribution to the community, and to encourage:

- economic development of all or part of the Townsville local government area or
- the preservation, restoration and maintenance of land that is of cultural, environmental, historical, heritage or scientific significance to Townsville.

6.1. Application

Applications for concession must:

- be lodged in writing on the prescribed form, addressed to The Chief Executive Officer and
- include a copy of the Constitution or Memorandum and Articles of Association of the organisation which must clearly detail that the organisation is not-for-profit and
- if available, include any other supporting documentation such as a Taxation Exemption certificate that confirms that the organisation is not-for-profit and
- identify the principal use of the land for which the concession is being requested.

Council will decide about the application within 45 days of receipt of the application. Additional evidence to support the application may be requested in some circumstances. Decisions regarding the outcome of the application will be advised to the owner in writing.

6.2. Effective Date

The concession will commence from the beginning of the current half-year rating period in which the application is received and will apply to rates and charges included on the current half-year rate notice issued or, on a pro-rata basis from the date from which the eligible activity commenced. The concession will not be applied retrospectively to rates and charges included in rate notices issued previously.

6.3. Eligibility

To be eligible for a concession the land against which the rates and charges have been levied must be:

- owned by an entity whose objects do not include making a profit, and that does not hold a gaming licence at the premises for greater than 25 gaming machines and
- must be solely used for a purpose detailed in the constitution or memorandum and articles of association of the entity, and which meets a definition in Council's Concessions Schedule.

Concessions will not be provided in respect of utility charges levied upon State or Commonwealth property.

If an applicant might qualify for a concession under more than one of the categories in the attached Concessions Schedule, the concession will be provided only for the most specifically applicable category. For example, concessions will provide consistency to all schools regardless of whether or not the school is owned by a church or other religious entity.

6.4. Transparency

The approved concession will be displayed on rate notices issued to the owner of the land. A listing of owners receiving a concession detailing the value of the concession will be presented to Council as part of the annual budget process.

Council will maintain a Concessions Schedule. The schedule will include concessional categories, description of purpose and the percentage of concession granted. It will also note that some land is exempt from rating but may be eligible for a concession of charges.

The schedule will be reviewed and updated periodically by Financial Services and will be adopted by Council each year at the budget meeting.

The Concessions Schedule may be amended at any time during a financial year by Council resolution.

6.5. Dispute

Any dispute regarding a decision to not grant a concession must be lodged in writing addressed to the Chief Executive Officer within 14 days of the date of notification of the decision and must include all reasons relied upon to dispute the decision. All disputed decisions will be reviewed by the Chief Financial Officer. The Chief Financial Officer's decision regarding the dispute will be advised to the applicant in writing within 45 days from the date of receipt of the objection.

7.0 Legal Parameters

- *Local Government Act 2009*
- Local Government Regulation 2012.

8.0 Associated Documents

- Concessions Schedule
- Application Form for General Rates and Utility Charges Concession.

Financial Policy J: General Rates and Utility Charges Concession Schedule

Category	Description and Purpose	Considerations for Granting Concession	Exclusions	% Concession (Non-Gaming Licenced Premises)	% Concession (Gaming Licenced Premises Up To 25 Machines)
Not-for-profit and charitable organisations	Land is owned or leased (registered lease with DNRM) by a not-for-profit and charitable organisation and is being used to provide benefit to the community.	<p>Concession granted by Council resolution under Local Government Regulation 2012.</p> <ul style="list-style-type: none"> S.120(1)(b)(i) – land owned by not-for-profit entity - for owned land S.120(1)(c) – <i>Payment will cause hardship to the Landowner</i> for leased land, so as to treat not-for-profit lessees equitably with not-for-profit landowners. 	<p>The land must not be used for any other purpose.</p> <p>The land must not be commercially leased to any other entity.</p> <p>Concessions for Utility Charges for Sports field Irrigation are set out elsewhere in this policy.</p>	100% General Rates	50% General Rates
Clubhouses and halls for not-for-profit and charitable organisations	Land is owned or leased (registered lease with DNRM) by an entity whose objects do not include making a profit and is being used for clubhouse purposes.	<p>Concession granted by Council resolution under Local Government Regulation 2012.</p> <ul style="list-style-type: none"> S.120(1)(b)(i) – land owned by not-for-profit entity - for owned land S.120(1)(c) – <i>Payment will cause hardship to the Landowner</i> for leased land, so as to treat not-for-profit lessees equitably with not-for-profit landowners. 	<p>The land must be used only for not-for-profit or charitable purposes.</p> <p>The land must not be commercially leased to any other entity.</p> <p>Concessions for Utility Charges for Sports field Irrigation are set out elsewhere in this policy.</p>	<p>100% General Rates</p> <p>73% Volumetric Water Charges up to a \$100,000 each year cap</p> <p>50% Sewerage charges</p>	<p>50% General Rates</p> <p>36% Volumetric Water Charges up to a \$100,000 each year cap</p>
Not-for-profit and charitable aged care facilities	Land is owned or leased (registered lease with DNRM) by an entity whose objects do not include making a profit and the land is being used for the care of the aged.	<p>Concession granted by Council resolution under Local Government Regulation 2012.</p> <ul style="list-style-type: none"> S.120(1)(b)(i) – land owned by not-for-profit entity - for owned land S.120(1)(c) – <i>Payment will cause hardship to the Landowner</i> for leased land, so as to treat not-for-profit lessees equitably with not-for-profit landowners. 	<p>The land must not be used for any other purpose.</p> <p>The land must not be commercially leased to any other entity.</p>	<p>100% General Rates</p> <p>55% Volumetric Water Charges up to a \$100,000 each year cap.</p>	N/A

Category	Description and Purpose	Considerations for Granting Concession	Exclusions	% Concession (Non-Gaming Licenced Premises)	% Concession (Gaming Licenced Premises Up To 25 Machines)
Sports field irrigation – no restriction of public access	Land is owned or leased (registered lease with DNRM) by a not-for-profit and charitable organisation and is being used for sports purposes.	<p>Concession granted by Council resolution under Local Government Regulation 2012.</p> <ul style="list-style-type: none"> • S.120(1)(b)(i) – land owned by not-for-profit entity - for owned land • S.120(1)(c) – <i>Payment will cause hardship to the Landowner</i> for leased land, so as to treat not-for-profit lessees equitably with not-for-profit landowners. 	<p>The land must not be used for any other purpose. The land must not be commercially leased to any other entity. Schools, tertiary institutions and other higher education facilities – whether owned by a church or religious entity, or by the State or Commonwealth - are not eligible for utility concessions under this category.</p>	73% Volumetric Water Charges up to a \$100,000 each year cap.	36% Volumetric Water Charges up to a \$100,000 each year cap.
Sports field irrigation – no restriction of public access	Land is owned or leased (registered lease with DNRM) by a not-for-profit and charitable organisation and is being used for sports purposes.	<p>Concession granted by Council resolution under Local Government Regulation 2012.</p> <ul style="list-style-type: none"> • S.120(1)(b)(i) – land owned by not-for-profit entity - for owned land • S.120(1)(c) – <i>Payment will cause hardship to the Landowner</i> for leased land, so as to treat not-for-profit lessees equitably with not-for-profit landowners. 	<p>An approved water efficiency management plan must be in place to be eligible for this benefit. If a plan is not in place the concession would be the same as for restricted public access grounds. The land must not be commercially leased to any other entity. Schools, tertiary institutions and other higher education facilities – whether owned by a church or religious entity, or by the State or Commonwealth - are not eligible for utility concessions under this category.</p>	95% Volumetric Water Charges up to a \$100,000 each year cap.	45% Volumetric Water Charges up to a \$100,000 each year cap.

Category	Description and Purpose	Considerations for Granting Concession	Exclusions	% Concession (Non-Gaming Licenced Premises)	% Concession (Gaming Licenced Premises Up To 25 Machines)
Churches and church halls	<p>Land used by a Church or Religious entity and is being used for one or more of the following purposes;</p> <ul style="list-style-type: none"> a) religious purposes including public worship, b) the provision of education, health or community services, c) the administration of the religious entity d) housing incidental to any of the above purposes. 	<p>If the land is owned by a religious entity the land is exempt from General rates under the <i>Local Government Act 2009</i> section 93(3)(j)(ii) and the <i>Local Government Regulation 2012</i>, S.73(a)(i) – <i>used for religious purposes</i>. Utilities concession granted by Council resolution under <i>Local Government Regulation 2012</i> S.120(1)(b)(i) – <i>land owned by not-for-profit</i>.</p>	<p>The land must not be used for any other purpose. The land must not be commercially leased to any other entity. Schools, tertiary institutions and other higher education facilities are not eligible for utility concessions under this category. Concessions for Utility Charges for Sports field Irrigation are set out elsewhere in this policy.</p>	<p>General Rates Exempt 15% Sewerage Charges 55% Volumetric Water Charges up to \$100,000 each year cap.</p>	N/A
Schools and educational institutions including not-for-profit day care facilities and kindergartens	<p>Land is being used for childcare and/or educational purposes.</p>	<p>If the land is owned by a religious entity and used for educational purposes, the land is exempt from General rates under the <i>Local Government Act 2009</i> section 93(3)(j)(ii) and the <i>Local Government Regulation 2012</i> S.73(a)(ii) – <i>provision of education</i>. State schools are exempt from General rates under the <i>Local Government Act 2009</i> S.93(3)(b) – <i>land occupied by State</i>. Not-for-profit organisations that are not religious entities the concession is granted by Council resolution under the <i>Local Government Regulation 2012</i>, S.120(1)(a) – <i>land owned by not-for-profit</i> or</p>	<p>The land must not be used for any other purpose. The land must not be commercially leased to any other entity.</p>	<p>General Rates Exempt (No utility concessions)</p>	N/A (No utility concessions)

Category	Description and Purpose	Considerations for Granting Concession	Exclusions	% Concession (Non-Gaming Licenced Premises)	% Concession (Gaming Licenced Premises Up To 25 Machines)
War Graves	Land is owned or leased (registered lease with DNRM) and is being used for historic purposes.	S.120(1)(c) – <i>Payment will cause hardship to the Landowner.</i> Land is exempt from General rates under the <i>Local Government Act 2009 S.93(3)(j)(ii) - exempted by regulation</i> and Local Government Regulation 2012 S.73(e) – <i>cemetery.</i> Concession granted by Council resolution under Local Government Regulation 2012. S.120(1)(e) – <i>preservation of cultural, historic or heritage land.</i>	The land must not be used for any other purpose. The land must not be commercially leased to any other entity.	General Rates Exempt 5% Volumetric Water Charges up to a \$100,000 each year cap.	N/A
Historic Society	Land is owned or leased (registered lease with DNRM) and is being used to preserve and maintain the historic and heritage significance to the Council area.	Land is being used to preserve and maintain land of historic and heritage significance to the Council area and a concession is granted by Council resolution under the Local Government Regulation 2012. S.120(1)(e) – <i>preservation of cultural, historic or heritage land.</i>	The land must not be used for any other purpose. The land must not be commercially leased to any other entity.	100% General Rates	N/A
Caravan Parks	Land is used for the purpose of a Caravan Park.	Use of land is considered by Council to benefit the community in the promotion of tourism to the area and a concession is granted by Council resolution under the Local Government Regulation 2012. S.120(1)(d) – <i>encourage economic development</i>	The land must not be used for any other purpose. The land must not be commercially leased to any other entity (does not apply to Council-owned caravan parks).	30% Volumetric Water Charges up to a \$100,000 each year cap. 30% Sewerage Charges	N/A
Retirement / Lifestyle Villages	Land is being used as a retirement village catering for the aged.	Use of land is considered by Council to benefit the aged in the city in providing a comfortable lifestyle in retirement, and a concession is granted by Council resolution under the Local Government Regulation 2012. S.120(1)(a) – land occupied by pensioner or	The land must not be used for any other purpose.	55% Volumetric Water Charges up to a \$100,000 each year cap.	N/A

Category	Description and Purpose	Considerations for Granting Concession	Exclusions	% Concession (Non-Gaming Licenced Premises)	% Concession (Gaming Licenced Premises Up To 25 Machines)
Boarding and lodging houses	Land is being used for the provision of reasonably priced accommodation.	<p>1.1. S.120(1)(c) – hardship</p> <p>Council considers that the land is being used to provide for the benefit of less privileged in the community, and a concession is granted by Council resolution under the Local Government Regulation 2012.</p> <p>S.120(1)(a) – land occupied by pensioner or</p> <p>S.120(1)(c) – hardship</p>	The land must not be used for any other purpose.	20% Volumetric Water Charges up to a \$100,000 each year cap. 20% Sewerage Charges	N/A
Showgrounds / Horseracing	Land is owned or leased (registered lease with DNRM) by a not-for-profit and charitable organisation and is being used primarily for showgrounds or horseracing purposes.	<p>General Rate Exemption in accordance with the <i>Local Government Act 2009</i>,</p> <p>S.93(3)(h) – <i>Land used primarily for showgrounds or horseracing and exempted by local government resolution.</i></p> <p>Concession granted by Council resolution under the Local Government Regulation 2012:</p> <p>S.120(1)(e) – <i>preservation of cultural, historic or heritage land or</i></p> <p>S.120(1)(d) – <i>encourage economic development or</i></p> <p>S.120(1)(c) – <i>Payment will cause hardship to the landowner</i></p>	<p>The land must not be used for any other purpose.</p> <p>The land must not be commercially leased to any other entity.</p>	<p>General Rates Exempt</p> <p>73% Volumetric Water Charges up to a \$100,000 each year cap.</p> <p>62% Sewerage Charges</p>	<p>General Rates Exempt</p> <p>36% Volumetric Water Charges up to a \$100,000 each year cap.</p> <p>31% Sewerage Charges</p>
Special consideration for sale of Council owned lands	Lands included in Riverside Ridge subdivision while it is held in the name of Riverside Ridge (Qld) Pty Limited.	<p>All lands in the subdivision in the name of Riverside Ridge (Qld) Pty Limited have been granted the concession as part of the sale contract negotiated at the time of the sale of Council owned land.</p> <p>Council Resolution 20/09/2005 authorised that a concession of the general rates, vacant land water services charges and vacant land sewerage services charges will apply in accordance with the</p>	N/A	<p>100% General Rates</p> <p>100% Water Service Charges</p> <p>100% Sewerage Charges</p>	N/A

Category	Description and Purpose	Considerations for Granting Concession	Exclusions	% Concession (Non-Gaming Licenced Premises)	% Concession (Gaming Licenced Premises Up To 25 Machines)
		<p>specific contract terms and for a period of and until the earlier of:</p> <p>(a) 90 days after that land has been reconfigured to create a new lot from that land or</p> <p>(b) that land has been reconfigured to create a new lot and that lot is sold.</p> <p>Concession granted by Council resolution under the Local Government Regulation 2012, S.120(1)(d) – to encourage economic development.</p>			
Water supplied for irrigation purposes	Land is being used for Commercial and Industrial purposes.	<p>Subject to the application and installation of a separate irrigation water meter and reticulation system.</p> <p>The number of irrigation meters allowed must not exceed the number of commercial meters.</p> <p>Concession granted by Council resolution under the Local Government Regulation 2012, S.120(1)(d) – to encourage economic development.</p>	The land must be used for commercial and industrial purposes only.	15% Volumetric Water Charges up to a \$100,000 each year cap.	N/A
Water supplied for irrigation purposes	Land is being developed, however a proportion is retained as open space and irrigated in preparation for donating to Council.	Concession granted by Council resolution under the Local Government Regulation 2012, S.120(1)(d) – to encourage economic development.	The land must be under development and a concession may be applied to the land parcel that will be donated to Council as open space.	15% Volumetric Water Charges up to a \$100,000 each year cap.	N/A

Financial Policy K: Differential Rating Categories

Council levies differential general rates, which means the amount of general rates payable for any property depends upon:

- the land’s unimproved capital or site value as advised by the Department of Natural Resources Mines and Energy (DNRME) and
- the Differential General Rating Category that the Council gives to the land.

All land within Townsville is given a Differential General Rating Category based upon the primary Land Use Code assigned by DNRME and the additional criteria of:

- where indicated, the City Plan (that is, the current Planning Scheme)
- the availability of services to the land
- whether the land is occupied as a principal place of residence and
- whether any attribute of the land (including the status of the land under the Planning Scheme) is likely to contribute to increased costs for the Council, whether at the land or elsewhere.

Differential General Rating Category (DGR Category)	Criteria by which land is assigned to a DGR Category	
	Land Use	Additional Criteria
Category 1 Residential Principal Place of Residence	1, 2, 4, 5, 6, 8, 9 and 94.	<ul style="list-style-type: none"> • The predominant use of the land is, or having regard to any improvements or activities conducted upon the land, the potential predominant use of the land is, a principal place of residence • The land is used by the landowner as their principal place of residence and • The land is within any of the following zone codes within the Townsville City Plan: Low Density – Medium Density Residential High Density Residential – Character Residential Sport and Recreation – Emerging Residential.
Category 2 Residential Non-Principal Place of Residence	1, 2, 4, 5, 6, 8, 9, 72 and 94.	<ul style="list-style-type: none"> • The predominant use of the land is, or having regard to any improvements or activities conducted upon the land, the potential predominant use of the land is, a principal place of residence • The land is used for a residential purpose • The land is not the landowner’s principal place of residence and • The land is within any of the following zone codes within the Townsville City Plan: Low Density – Medium Density Residential High Density Residential – Character Residential Sport and Recreation – Emerging Residential Open Space – Environmental Management/Conversion Rural Residential – Rural.

Differential General Rating Category (DGR Category)	Criteria by which land is assigned to a DGR Category	
	Land Use	Additional Criteria
Category 3a Multi-Unit Dwelling 2-4 Units	3 and 3/98	Land with building(s): <ul style="list-style-type: none"> comprised of 2-4 individual residential accommodation units and not registered on a building units plan or group titles plan and/or within a community title scheme under the <i>Body Corporate and Community Management Act 1997</i> predominately used for a residential purpose and that is not within DGR Categories 1 or 2.
Category 3b Multi-Unit Dwelling 5-9 Units	3 and 3/98	Land with building(s): <ul style="list-style-type: none"> comprised of 5-9 individual residential accommodation units and not registered on a building units plan or group titles plan and/or within a community title scheme under the <i>Body Corporate and Community Management Act 1997</i> predominately used for a residential purpose and that is not within DGR Categories 1 or 2.
Category 3c Multi-Unit Dwelling 10-14 Units	3 and 3/98	Land with building(s): <ul style="list-style-type: none"> comprised of 10-14 individual residential accommodation units and not registered on a building units plan or group titles plan and/or within a community title scheme under the <i>Body Corporate and Community Management Act 1997</i> predominately used for a residential purpose and that is not within DGR Categories 1 or 2.
Category 3d Multi-Unit Dwelling 15-19 Units	3 and 3/98	Land with building(s): <ul style="list-style-type: none"> comprised of 15-19 individual residential accommodation units and not registered on a building units plan or group titles plan and/or within a community title scheme under the <i>Body Corporate and Community Management Act 1997</i> predominately used for a residential purpose and that is not within DGR Categories 1 or 2.
Category 3e Multi-Unit Dwelling 20-29 Units	3 and 3/98	Land with building(s): <ul style="list-style-type: none"> comprised of 20-29 individual residential accommodation units and not registered on a building units plan or group titles plan and/or within a community title scheme under the <i>Body Corporate and Community Management Act 1997</i> predominately used for a residential purpose and that is not within DGR Categories 1 or 2.

Differential General Rating Category (DGR Category)	Criteria by which land is assigned to a DGR Category	
	Land Use	Additional Criteria
Category 3f Multi-Unit Dwelling 30-39 Units	3 and 3/98	<p>Land with building(s):</p> <ul style="list-style-type: none"> comprised of 30-39 individual residential accommodation units and not registered on a building units plan or group titles plan and/or within a community title scheme under the <i>Body Corporate and Community Management Act 1997</i> predominately used for a residential purpose and that is not within DGR Categories 1 or 2.
Category 3g Multi-Unit Dwelling 40-49 Units	3 and 3/98	<p>Land with building(s):</p> <ul style="list-style-type: none"> comprised of 40-49 individual residential accommodation units and not registered on a building units plan or group titles plan and/or within a community title scheme under the <i>Body Corporate and Community Management Act 1997</i> predominately used for a residential purpose and that is not within DGR Categories 1 or 2.
Category 3h Multi-Unit Dwelling 50-59 Units	3 and 3/98	<p>Land with building(s):</p> <ul style="list-style-type: none"> comprised of 50-59 individual residential accommodation units and not registered on a building units plan or group titles plan and/or within a community title scheme under the <i>Body Corporate and Community Management Act 1997</i> predominately used for a residential purpose and that is not within DGR Categories 1 or 2.
Category 3i Multi-Unit Dwelling 60-69 Units	3 and 3/98	<p>Land with building(s):</p> <ul style="list-style-type: none"> comprised of 60-69 individual residential accommodation units and not registered on a building units plan or group titles plan and/or within a community title scheme under the <i>Body Corporate and Community Management Act 1997</i> predominately used for a residential purpose and that is not within DGR Categories 1 or 2.
Category 3j Multi-Unit Dwelling 70+ Units	3 and 3/98	<p>Land with building(s):</p> <ul style="list-style-type: none"> comprised of 70 or more individual residential accommodation units and not registered on a building units plan or group titles plan and/or within a community title scheme under the <i>Body Corporate and Community Management Act 1997</i> predominately used for a residential purpose and that is not within DGR Categories 1 or 2.

Differential General Rating Category (DGR Category)	Criteria by which land is assigned to a DGR Category	
	Land Use	Additional Criteria
Category 3k Retirement Villages/Boarding Houses	7 and 21	Does not include premises involving supervised accommodation where the use includes medical and other support facilities for residents who cannot live independently and require regular nursing or personal care, i.e. a convalescent home or nursing home.
Category 4a Commercial	8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 55, 56, 57, 58, 91, 92, 95, 96, 97 and 99.	<ul style="list-style-type: none"> the predominant use of the land is, or having regard to any improvements or activities conducted upon the land, the potential predominant use of the land is, a non-residential purpose and the land is not within DGR categories 4b-c, 5a, 5b, 5c, 5d and 5e.
	1, 4, 6, 72 and 94.	<ul style="list-style-type: none"> the predominant use of the land is, or having regard to any improvements or activities conducted upon the land, the potential predominant use of the land is, a non-residential purpose and the land is zoned within any of the following zone codes within the Townsville City Plan: Low Impact Industry - Medium Impact Industry High Impact Industry - Community Facilities Local Centre - District Centre Major Centre - Neighbourhood Centre Principal Centre (CBD) - Specialised Centre Special Purpose - Mixed Use.
Category 4b Heavy Industry	31, 32, 35, 37, 39 and 40.	<ul style="list-style-type: none"> the predominant use of the land is, or having regard to any improvements or activities conducted upon the land, the potential predominant use of the land is, an industrial activity or activities that include manufacturing, producing, processing, altering, recycling, refining, storing, distributing, transferring or treating of any, or any combination of, products, raw materials (excluding livestock), minerals, chemicals, oils, gases or metals, and includes such premises when they are under care and maintenance and the land has an area of 50 Hectares or more.

Differential General Rating Category (DGR Category)	Criteria by which land is assigned to a DGR Category	
	Land Use	Additional Criteria
Category 4c Special Development >10ha	1, 4, 5, 18, 35, 37, 65 and 66.	The Land parcels are greater than 10 Hectares in area and are wholly within the Townsville State Development Area or the Elliott Springs master planned community.
Category 4d Land not otherwise defined		The Land is not included in DGR categories 1, 2, 3a-k, 4a-c, 5a-e and 6.
Category 5a Large Retail greater than 2,000 but less than 20,000 sqm	10, 11, 12, 13, 14, 15, 16, 23 and 28	<ul style="list-style-type: none"> the predominant use of the land is, or having regard to any improvements or activities conducted upon the land, the potential predominant use of the land is, retail and the building or buildings upon the land have a gross floor area of greater than 2,000sqm but less than 20,000sqm.
Category 5b Large Retail 20,000 sqm or more, but less than 30,000 sqm	10, 11, 12, 13, 14, 15, 16, 23 and 28	<ul style="list-style-type: none"> the predominant use of the land is, or having regard to any improvements or activities conducted upon the land, the potential predominant use of the land is, retail and the building or buildings upon the land have a gross floor area of greater than 20,000sqm but less than 30,000sqm.
Category 5c Large Retail 30,000 sqm or more, but less than 40,000 sqm	10, 11, 12, 13, 14, 15, 16, 23 and 28	<ul style="list-style-type: none"> the predominant use of the land is, or having regard to any improvements or activities conducted upon the land, the potential predominant use of the land is, retail and the building or buildings upon the land have a gross floor area of greater than 30,000sqm but less than 40,000sqm.
Category 5d Large Retail 40,000 sqm or more, but less than 50,000 sqm	10, 11, 12, 13, 14, 15, 16, 23 and 28	<ul style="list-style-type: none"> the predominant use of the land is, or having regard to any improvements or activities conducted upon the land, the potential predominant use of the land is, retail and the building or buildings upon the land have a gross floor area of greater than 40,000sqm but less than 50,000sqm.
Category 5e Large Retail 50,000 sqm or more	10, 11, 12, 13, 14, 15, 16, 23 and 28	<ul style="list-style-type: none"> the predominant use of the land is, or having regard to any improvements or activities conducted upon the land, the potential predominant use of the land is, retail and the building or buildings upon the land have a gross floor area of greater than 50,000sqm.
Category 6 Agriculture and Grazing	60, 61, 64, 65, 66, 67, 68, 69, 70, 71, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 93.	

Dictionary

Any term that is not defined in this dictionary, unless the context or subject matter otherwise indicates or requires, is to have a meaning given to it by the following:

- (a) the *Local Government Act 2009* and that Act's subordinate legislation
- (b) if not defined in the *Local Government Act 2009* and that Act's subordinate legislation, the Macquarie Dictionary
- (c) if (a) and (b) do not apply, the Oxford English Dictionary.

gross floor area means the total floor area of all storeys of a building, Council deems appropriate (measured from the outside of the external walls or the centre of a common wall) other than areas used for the following:

- (a) building services, plant and equipment
- (b) access between levels
- (c) ground floor public lobby
- (d) a mall
- (e) the parking, loading and manoeuvring of motor vehicles and
- (f) unenclosed private balconies, whether roofed or not

as determined by Council from any information source.

multi-unit dwelling means a property which contains more than one self-contained dwelling house/unit, either detached, semi-detached or integrated, whether for use by the same family or by unrelated occupants, with the exception of:

- (a) self-contained accommodation, either detached, semi-detached or integrated, for the care and shelter of an aged or infirm family member of the occupant/s or
- (b) a hotel, motel/motor inn/motor lodge
- (c) a property that is within the Council's Differential Rates Category 3k.

In determining whether a property meets this definition, consideration may be given, but not restricted to:

- (i) the existence of separate or multiple:
 - kitchens/food preparation areas (identified by the presence of a stove and/or oven) or
 - metered water, electricity or gas supplies or
 - waste collection services or
 - mailboxes or
 - displayed house/unit numbers or
 - pedestrian or vehicular entrances or
- (ii) the existence of dividing walls that prohibit free internal access from one living unit to another or
- (iii) the number of occupants' residing at the property.

predominant use means the single use, or in the case of multiple uses the main use, for which in the opinion of Council the property is being used or could potentially be used by virtue of improvements or activities conducted upon the property.

principal place of residence means a single dwelling house or dwelling unit that is the place of residence at which at least one person who constitutes the owner(s) of the land predominantly resides. In establishing principal place of residence, Council may consider (but is not limited to) the owner's declared address for electoral, taxation, government social security or national health registration purposes, or any other form of evidence deemed acceptable by Council.

A single dwelling house or dwelling unit will not be a principal place of residence, if it is:

- (a) a premises fully or partially held in other than the name of an individual or more than one individual (for example, where the land is owned or partially owned by companies, trusts, organisations or any other entity other than an individual)
- (b) not occupied by at least one person/s who constitute the owner(s), but occupied by any other person/s, whether in return for rent or remuneration or not, including members of the owner's family.

retail means the offering of goods or services by means of any combination of sale, hire, supply, membership, subscription or other method of trade or commerce, and includes premises used wholly or predominantly for a retail business.

retail business has the meaning in the Retail Shop Leases Regulation 2016 as at 30 June 2020.

storey means that part of a building between floor levels and if there is no floor above, it is the part between the floor level and the ceiling.

Financial Policy L: Differential Rates, Limitations on Increases, Minimum General Rates

Category	Description	Rate-in-\$	Minimum (\$)	Limitation (cap)
1	Residential - Principal Place of Residence	0.010323	1,125	30%
2	Residential - Non-Principal Place of Residence	0.012130	1,322	No Limit
3a	Multi-Unit Dwelling 2-4 Units	0.013420	2,250	No Limit
3b	Multi-Unit Dwelling 5-9 Units	0.013420	5,625	No Limit
3c	Multi-Unit Dwelling 10-14 Units	0.013420	11,251	No Limit
3d	Multi-Unit Dwelling 15-19 Units	0.013420	16,876	No Limit
3e	Multi-Unit Dwelling 20-29 Units	0.013420	22,501	No Limit
3f	Multi-Unit Dwelling 30-39 Units	0.013420	33,752	No Limit
3g	Multi-Unit Dwelling 40-49 Units	0.013420	45,002	No Limit
3h	Multi-Unit Dwelling 50-59 Units	0.013420	56,253	No Limit
3i	Multi-Unit Dwelling 60-69 Units	0.013420	67,504	No Limit
3j	Multi-Unit Dwelling 70+ Units	0.013420	78,754	No Limit
3k	Retirement Villages/Boarding Houses	0.013420	1,407	No Limit
4a	Commercial	0.018582	1,407	No Limit
4b	Heavy Industry	0.027874	2,109	No Limit
4c	Special Development > 10 ha	0.035970	19,848	No Limit
4d	Land not otherwise defined	0.018582	1,407	No Limit
5a	Large Retail greater than 2,000 but less than 20,000 sqm	0.026015	1,407	No Limit
5b	Large Retail 20,000 sqm or more, but less than 30,000 sqm	0.033448	225,073	No Limit
5c	Large Retail 30,000 sqm or more, but less than 40,000 sqm	0.033448	337,518	No Limit
5d	Large Retail 40,000 sqm or more, but less than 50,000 sqm	0.033448	450,024	No Limit
5e	Large Retail 50,000 sqm or more	0.033448	562,530	No Limit
6	Agriculture and Grazing	0.012130	1,407	No Limit

Financial Policy M: Utility Charges - Water

Council, trading as Townsville Water, is a registered water service provider under the *Water Supply (Safety and Reliability) Act 2008*. It supplies potable and non-potable water to properties within the Townsville local government area. The declared water area is the area to which Council is able to offer a potable water service to properties. Not all properties within the local government area will have access to a potable water service.

Residential

Residential properties are:

- those properties categorised as Category 1, 2 and 3a to 3k for rating purposes, unless the property has been approved for a non-residential use
- those properties not categorised because they are exempt from general rates that are used for residential purposes.

When charging for the supply and consumption of water at a residential property, Council offers a choice between (1) a Standard Plan water billing option and (2) a Water Watchers Plan water billing option.

Standard Plan

For each dwelling, home unit, flat or lot:

- the fixed annual charge for access to the water service and an allocation of up to 772kL of water will be \$864 each year
- an excess water charge of \$3.31 per kL will apply for all consumption over the allowance of 772kL during the consumption year.

Water Watchers Plan

For each dwelling, home unit, flat or lot, including undeveloped residential land:

- the fixed annual access residential water service charge will be \$395 each year
- the residential consumption charge will be \$1.59 per kL of water used during the consumption year.

All developed and undeveloped residential properties that are within the declared water supply area and that are connected to the water supply are placed on the Standard Plan. Residential property owners can opt into the Water Watchers Plan by application.

All undeveloped residential properties that are within the declared water supply area but not connected to the water supply are placed on the Water Watchers Plan.

Election of Water Billing Option

When applying for a water meter to be connected to a residential property, the property owner or their agent may choose the water billing option that will apply to the property by completing an Authorisation for Residential Water Pricing Plan form. The Standard Plan will be applied if the property owner or their agent does not indicate a preference at the time of applying for a water meter to be connected.

A residential property owner can change the water billing option for their property during a Water Opt-in period each year. Only the body corporate / managing agent can change the billing method for residential properties with shared water meters, e.g. units, duplexes. All multiple dwellings/units connected to the same meter/s must be on the same plan.

Upon being notified that a residential property has been purchased, Council will send a letter to the owner giving them an option to change their water billing option. The owner has four weeks from the date of the letter to make an election to change their water billing option. The change will be effective from the next scheduled meter read.

Non-residential

When charging for the supply and consumption of water at a non-residential property, for each lot including undeveloped land:

- the fixed annual access water service charge will be \$411 each year
- the consumption charge will be \$3.23 per kL of water used during the consumption year.

Commencement Date for Charges

Additional fixed charges will apply from the date the water meter is connected and will be based upon the proposed development of the land as set out in the Building/Development Application; and Water consumption charges will apply from the date the water meter is connected.

- for land within the declared water supply area
- fixed charges will apply from the date of registration of the land.

Additional Connections

It is Council's preference that only one connection be made to each property. Additional connections will only be granted at Council's discretion and additional charges may apply for each additional connection.

Metered Standpipes

A hire fee and bond deposit will apply for standpipes at the rate detailed in Council's Fees and Charges Register. For water consumed, a charge of \$3.23 per kL will apply.

Bulk Water

There is no fixed charge for bulk water supply. Bulk water consumed will be charged at \$2.56 per kL.

Non-Potable Supply

There is no fixed charge for a non-potable water supply. Non-potable water consumed will be charged at \$2.56 per kL.

Non-Contributing Consumers

Where the applicable contribution to Council's Water Supply, under Council's Planning Policies, has not been received, a surcharge of \$0.60 per kL on the actual consumption from Council's Water Supply Scheme will apply. The surcharge will be added to the Water Watchers Plan charge or the Standard Plan charge.

Water Restrictions

Use of water is subject to water restrictions which may apply during the financial year. See Council's [website](#) for further information.

Reading of Water Meters and Notification of High Usage

Water meters are read by Council four times each year. As a courtesy to residential water users, high usage alert letters are issued after the property's quarterly read when usage exceeds 2.5 kL each day. It is the owner's responsibility to monitor and manage water consumption at the property.

Financial Policy N: Utility Charges – Wastewater and Trade Waste

Council, trading as Townsville Water, is a registered water service provider under the *Water Supply (Safety and Reliability) Act 2008*. Council collects and treats sewage and trade waste from properties within the Townsville local government area and supplies recycled water for irrigation purposes only.

The declared sewer area is the area to which Council is able to offer a sewerage service to properties. Not all properties within the local government area will have access to a sewerage service.

Residential

Residential properties are:

- those properties categorised as Category 1, 2 and 3a to 3k for rating purposes, unless the property has been approved for a non-residential use
- those properties not categorised because they are exempt from general rates that are used for residential purposes.

The sewerage utility charge for residential properties is \$806 each year. Each dwelling, home unit, flat or lot is a separate sewerage service.

The sewerage utility charge for each undeveloped residential lot is \$724 each year.

For the purpose of sewerage charges only, aged care facilities and retirement and/or lifestyle villages/communities will be levied at the residential sewerage utility charge each pedestal.

Non-Residential

The sewerage utility charge for each non-residential customer is \$945 each pedestal, each year.

The sewerage utility charge for each undeveloped non-residential lot is \$851 each year.

Where a separate habitation space on a non-residential property is occupied as a principal place of residence, the owner may request that the pedestals within that space be charged at the residential sewerage utility charge. If approved, the change will commence from the financial year in which the application is received, unless Council decides it should apply from a later date.

Unconnected Premises

A sewerage utility charge applies to each property in a declared sewer area that is not connected to the sewerage service. The charge will be at the residential or non-residential rate depending upon use of the property.

Commencement Date for Charges

Sewerage charges will be imposed from the earlier of the:

- date of inspection of the installation of sewerage pedestals by Council's Hydraulic Services section or
- date of the final inspection certificate and/or certification of classification.

Undeveloped land sewerage charges will apply from the date of registration of the land where the land is within the declared sewer area.

Properties outside the Declared Sewer Area

Council may provide services outside the declared sewer area upon application. The decision as to whether services will be supplied is entirely at Council's discretion. Individual charging arrangements will apply to each service.

Sewerage Infrastructure Alternative Access Fee

Where the applicable contribution to Council's Sewer Network, under Council's Planning Policies, has not been received, an additional surcharge of \$597 each lot applies.

Trade Waste Charges

Liquid trade waste charges will be:

- an annual access fee for each liquid trade waste approval each year. The amount of the annual access fee will be dependent on the risk rating of the approval holder
- a volume charge for the trade waste discharge
- a pollutant charge may apply to liquid trade waste approval holders in discharge category 2.0.

Charges will apply for liquid trade waste discharge in accordance with Council's Trade Waste Policy.

Trade Waste Management Plan and will be effective from the date the trade waste approval is issued.

The annual access fee will apply based on the risk rating of the approval holder as set out in the table below:

Risk Rating	Annual Access Fee (\$)
1	1,359
2	724
3	527
4	285
5	187
6	89

The trade waste volume discharged to sewer will be levied in accordance with the table below:

Discharge Category	Volume Charge (\$/kL)
Category 1.1	2.07
Category 1.2	1.83
Category 1.3	1.69
Category 1.4	1.47
Category 1.5	2.07

Discharge Category	Volume Charge (\$/kL)	Pollutant Charges (\$)		
		Chemical Oxygen Demand (COD) (kg)	Suspended Solids (Kg)	SO4
Category 2.0	2.23	1.19	1.12	0.64

Note: Trade Waste discharge volume = (Water consumption – Allowances) x discharge factor.

Allowance Type	Allowance Volume (kL)	Measure
Pedestal	60	Each pedestal

Commencement Date

For Trade Waste Charges, Trade Waste charges will be effective from the date of issue of a trade waste discharge approval.

Financial Policy O: Utility Charges – Waste Management and Recycling

Council provides waste collection and disposal services to properties within the Townsville local government area.

The defined waste collection area is the area to which Council routinely provides waste collection services. Council provides waste collection services outside of the defined collection area by special arrangement.

Residential

Residential properties are:

- those categorised as Category 1, 2 and 3a to 3k for rating purposes, unless the property has been approved for a non-residential use
- those properties not categorised because they are exempt from general rates that are used for residential purposes.

Wheelie Bin Service Charge

Council imposes an annual fixed charge for each residential dwelling, home unit or flat within the defined waste collection area for the collection of one waste bin each week and one recycling bin each fortnight:

Description	Annual Charge (\$)
240L waste and 240L recycle wheelie bin	224
240L waste and 360L recycle wheelie bin	252
140L waste and 240L recycle wheelie bin	214
140L waste and 360L recycle wheelie bin	243

Additional waste collection services can be requested. One waste collection service is one waste bin collected each week.

Description	Annual Charge (\$)
Additional permanent 240L waste wheelie bin	157
Additional permanent 140L waste wheelie bin	147

Additional recycling collection services can be requested. One recycling collection service is one recycling bin collected each fortnight.

Description	Annual Charge (\$)
Additional permanent 240L recycle wheelie bin	64
Additional permanent 360L recycle wheelie bin	93

Council imposes an annual fixed charge for each residential dwelling, home unit or flat within the Paluma area, and for waste collection services that Council provides outside the defined waste collection area. One waste collection service is one waste bin collected each week. This service will be provided at Council's absolute discretion.

Defined Paluma Area and Non-Defined Areas	Annual Charge (\$)
240L waste wheelie bin	159
140L waste wheelie bin	149

Council may choose to supply a bulk bin to a customer instead of a wheelie bin where multiple collections are required each week.

Commencement Date for Full Charges

Developed properties within the defined waste collection area will be charged waste and recycling collection charges from the earlier of:

- the date collection services are requested or commenced or
- the date of the final inspection certificate.

Local Waste Management Levy

A fixed annual Waste Management Levy of \$44 will be charged for the provision of one hard rubbish collection for each eligible property and access to free green waste disposal at Council's waste facilities.

The levy will apply to each dwelling, home unit or flat which is:

- classified as Category 1, 2 and 3a to 3k for rating purposes and
- is inside or outside the defined waste collection area.

The levy does not apply to undeveloped land.

Non-Residential

Non-residential waste collections services within the defined waste collection area are provided upon request.

All non-residential disposed waste will incur a Waste Levy Service Fee due to Queensland Government's Waste Levy that was introduced on 1 July 2019.

Council imposes an annual fixed charge for each non-residential waste collection service:

Description	Annual Charge (\$)	Queensland Government Waste Levy Service Fee (\$)	Total Annual Charge (\$)
Waste 140L wheelie bin	191.00	61.88	252.88
Waste 240L wheelie bin	201.00	106.08	307.08
Recycling 240L wheelie bin	98.00	-	98.00
Recycling 360L wheelie bin	146.00	-	146.00

The waste service charge is for one waste bin collection each week.

The recycling service charge is for one recycling bin collection each fortnight.

Council can supply a range of container sizes to meet specific waste management needs. Prices are available on application.

Financial Policy P: Nelly Bay Harbour Development Operational Plan

Council plans to levy a special rate on identified properties in the Nelly Bay Harbour Development in 2021/22, in accordance with section 94 of the Local Government Regulation 2012.

The Annual Operational Plan detailed in this report sets out the actions and processes to be carried out the actions and processes to be carried out in 2021/22 for the Nelly Bay Harbour.

2021/22 Annual Operational Plan for Nelly Bay Harbour is as follows:

Gross Pollutant Traps

- Pre and post wet season inspections
- Pre and post wet season pollutant removal
- Disposal and barge costs.

Rock Revetment Walls

- Annual inspection and condition rating

Gustav Creek

- Annual inspections of sediment loading (during the wet season)
- Extraction of sediment out of sediment basin
- Implementation of Gustav Creek Management Plan – extract sediment loading to reduce future dredging requirements.

Canals

- Water quality monitoring/floating booms where required
- Dredging activities may include:
 - bed levelling and dredging to remove sediment from the harbour
 - survey of new bed level
 - dispersal costs.

Financial Policy Q: Rural Fire Levy

Rural Fire Brigade Area	Annual Charge for each Property
	(\$)
Black River and Districts	35
Bluewater	55
Bluewater Estate	-
Clevedon	40
Crystal Creek	-
Cungulla	40
Horseshoe Bay	35
Lime Hills-Elliott	30
Majors Creek	25
Oak Valley	20
Paluma	35
Purono Park	15
Rangewood	55
Reid River	-
Rollingstone	50
Rupertswood	40
Saunders Beach	30
West Point	30