



GLADSTONE
REGIONAL COUNCIL

**SPECIAL BUDGET MEETING NOTICE
AND AGENDA**

**TO BE HELD AT THE COUNCIL CHAMBERS - CIVIC CENTRE
101 GOONDOON STREET, GLADSTONE**

On Monday 25 July 2022

Commencing at 9.00am

**Leisa Dowling
CHIEF EXECUTIVE OFFICER**

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S/1. 2022/23 BUDGET

S/1.1. 2022/2023 BUDGET OVERVIEW

Responsible Officer: Chief Executive Officer

Special Budget Meeting Date: 25 July 2022

File Ref: FM6.1

Purpose:

The Mayor presenting an Overview Report on Council's 2022/23 Budget and associated Operational Plan.

Officer's Recommendation:

That Council receive the 2022/23 Budget Overview Report.

Background:

It is my privilege to present the 2022/23 Budget.

The challenges presented to our region and indeed the country have made the current budget one of the most challenging budgets to deliver.

Our challenges that we have faced and continue to face heading into the 2022/23 financial year and beyond include:

- Cost pressures associated with the 20 year high in inflation, with Queensland CPI sitting at 6.0% per annum at end of March 2022, and nationally at 5.1% per annum;
- Asset pressures, particularly in our water and sewerage networks, with the combined impacts of unit price increases and shorter than expected asset lives in some parts contributing to a 20% increase in the annual consumption cost of our assets. Cost and asset pressures mounting due to the record inflationary environment along with supply side challenges and workforce turnover have made the review and setting of the 2022/23 budget most challenging.
- Supplier and materials shortages, coupled with delays, have constrained delivery of the 2021/22 capital budget to \$52.5m or 76% of planned work, after delivering 100% of the \$65m plan just 12 months ago;
- Council's annual Federal Assistance Grant has been flagged to fall by 12% over the next 3 years or \$1.03m, with the initial 4% reduction applying in this budget;
- This budget will be the final budget where residents are reimbursed the Waste Levy by the State Government, with the current levy reimbursement to be phased out from 2023/24 to 2030/31 at the same time as the effective Waste Levy increases from \$95 per tonne to \$158 per tonne. The net difference is expected to continually compound by approximately \$250,000 a year from 23/24 reaching a net annual difference in 2030/31 of \$1.8m (if waste habits and methods remain unchanged).

Despite the above challenges, Council plans ensure our infrastructure and services are appropriately planned and delivered so that our essential services remain fit for purpose and that we appropriately provide for and support growth projects associated with projects in our State Development Areas. This will see us deliver a constrained capital spend of \$51.36m.

This budget will continue to support the appropriate planning and advocacy for our region's future as we transition our economy to a new future. The key strategic activities supported through this budget include:

- Gladstone Regional Council has been focusing on 'Energising the Gladstone Region's Future Economy' and developing an evidenced based strategy that identifies roles, responsibilities, actions and outcomes as the regional economy transitions to a less carbon intensive new economy.
- The Gladstone Region Transition Economy Strategy will be delivered in September 2022. It will focus on how we maintain our industrial heritage as our existing industries look to reduce their emissions and play their part in achieving Net-Zero Emissions targets. At the same time fostering the new economy industries powered by renewable energy and creating environmentally sustainable products. The Gladstone Region is well placed to be a leader in green energy and manufacturing into the future and our efforts in the 2022/23 financial year will help us get there.
- Review the Gladstone State Development Area Asset Strategy to provide relevant common user infrastructure to support our region's growth.

This will ensure that we are well positioned as a region to capitalise on the emerging energy sectors, as well as ensuring that our region leverages its connection to the world through the Gladstone port by holistically planning our road networks to connect our beef producers to the world, as well as advocating and planning for linkages of Council's road network to support other transport enhancement such as the Melbourne to Gladstone Inland Rail.

I am pleased to present a budget that both delivers on ensuring that key projects are continued and new projects are brought forward to support continued employment opportunities.

The capital works delivery program has been supported by both State and Federal Governments to the value of \$14.2m, encompassing capital and operating funding. This demonstrates the continued effectiveness of Council's strategy to seek specific funding for our capital project expenditure, through a focused Grants Specialist role within Council with over \$11m in funding being provided for projects in addition to the general funding offered through Works for Queensland, Transport Infrastructure Development (State) and Roads to Recovery (Federal). The continued investment by the other tiers of government, in our region, this year will contribute to the planned delivery of key capital projects including (but not limited to):

- \$3.9m for Bridge Replacement – Bindaree Road, Gorge Road, Charnwood Rd, and Stockbridge Rd bridges
- \$2.1m Sewer main renewals
- \$1m Benaraby Landfill - Capping of Cell 2
- \$1m Gladstone Aquatic Centre Upgrade - Stage 3.

Federal Local Roads and Community Infrastructure - Phase 3 projects (\$3.2m funded) to be delivered in 2022/23 are:

- o Barney Point Footpath
- o Davies Road, Captain Creek – Gravel Resheet
- o Apex Park, Gladstone - Renew/replace retaining wall
- o Norton and Dawes Streets, Nagoorin - Bitumen seal
- o Round Hill Road - Pavement Renewal
- o Aerodrome Road, Gladstone - Construct footpath from Dawson Highway.

Works for Queensland Projects (\$3.2m funded) to be delivered in 2022/23 focus on Sewerage Mains Renewal and Upgrades to the Gladstone Aquatic Centre - Stage 3.

As we continue to embrace our vision to Connect, Innovate and Diversify, funds have been allocated within our Strategic Projects to continue with three other key strategic community projects:

1. Boyne Tannum Aquatic Recreation Centre
2. the Harvey Road Sports and Event Precinct; and
3. completion of aged care investment options at Philip Street, Gladstone.

These strategic projects provide a vessel to promote our region, in partnership with our community, industry and other tiers of government to ensure that the region remains a great place to work, live and play.

The Boyne Tannum Aquatic Recreation Centre is budgeted within our capital portfolio with funds provided for the preparation and submission of relevant development approvals as well as completion of the detailed design.

\$350,000 has been allocated to continue with the development of concept plans for the Harvey Roads Sports and Event Precinct. A key component of the plan is the development of a multi-purpose sports and events complex that can be utilised all year round and with the capacity and facilities to host national, state, and local sporting matches.

Funds have been allocated to complete the business case and opportunity analysis for aged care investment on surrounding land within the new precinct.

Our focus on the economic development of our region has reaped dividends with the Gladstone Region identified as one of the nation's key hubs for existing and future industries. This is supported by dedicated in-house focused resources that are driving our economic transition with key partners throughout the region. Council has clear economic objectives to facilitate sustainable, financially, and environmentally responsible initiatives that will advance economic development in the Gladstone Region, for the community. Our Economic Development Specialist will continue to implement the Economic Development Strategy, with a focus on those region building initiatives highlighted earlier, collaborating with key business and industry leaders to attract and sustain investment in our region.

The 2022/23 Capital expenditure of \$51.36m includes:

- \$11.9 million on upgrades to water and waste water (sewerage) infrastructure
- \$11 million on capital roads projects
- \$8.6m on bridge upgrades, renewals, and replacements
- \$6.7m Capital Parks and Recreation Projects
- \$1.8 million on footpath and cycle upgrades.

Borrowings

Council is proud to declare that for the tenth consecutive year we have no new borrowings.

Our focus on reducing existing debt with no new borrowings will see interest bearing debt decline to \$92.8m by June 2023.

The resultant debt ratio equivalent reduces to 3.85% (4.16% previous budget) of physical assets by the end of June 2023.

Concessions and remissions

Council continues to support the unique needs of pensioners and to encourage our pensioners to continue to be independent and live in their own home we offer eligible pensioners a remission of 50% of the differential general rate, with the maximum assistance providing support of up to \$310 per annum. This signifies an investment of \$1m.

In addition, the State Government pensioner concession provides for a maximum of \$200.

Rates and Utility Charges

When looking at the average residential ratepayer in Gladstone, general rates have risen below CPI at 2.5%, March CPI 2022 (Brisbane) of 6.0% per annum.

To ensure the continued delivery of reliable services to the community it is necessary to increase service charges by 8.7% per annum in total, the total value of these charges before discount equates to \$4.95 per day.

The overall rate increase for the average residential rate payer is 5.66%, and is demonstrated through the basket of goods below:

	22/23	21/22	Movement
Average Valuation	\$100,675	\$100,640	Nil
General Rate	\$1,663.15	\$1,622.32	2.5%
Water Access	\$565.00	\$515.00	9.7%
Sewerage	\$815.00	\$765.00	6.5%
Waste Bin	\$382.90	\$382.90	Nil
Waste Facility Charge	\$45.00	Nil	
Gross Rates	\$3,471.05	\$3,285.22	5.66%
Discount	-\$347.10	-\$328.52	
Net Rates	\$3,123.95	\$2,956.70	5.66%

Water and sewerage charges differ across the various schemes of Boyne Island/Tannum Sands, Calliope, Agnes Water/Seventeen Seventy and Miriam Vale/Bororen.

General Rates

As our region rebounds, bigger and stronger, from the measures taken to protect our community during the COVID-19 pandemic, Council has made a conscious decision to increase the average general residential rate at 2.5%, which is below the rate of CPI, 6.0%.

The majority of general rating categories including residential have seen an increase of 4.5%, again below CPI.

The impact on each rate payer will be different depending on their valuation movement in prior years and whether properties were capped in prior years, therefore, minimising the impact of significant valuation movements.

The number of capped residential properties has reduced from 7,795 properties to 1,558 properties.

Council has introduced a rating category to cover residential uses that are not a principal place of residence, covering all variants of properties that are held to generate income for the owner but are not the primary residence of the owner.

This sees Gladstone Regional Council aligning with most major Councils in introducing this category. A 5% differential will be applied to principal place of residence property as opposed to non-principal place of residence.

Refuse Charges

Council's underlying waste service costs, excluding recycling, increased in line with CPI (6%). The associated costs of waste disposal, transfer station operation and recycling component have had significant cost pressures applied during the past financial years, exacerbated by the destruction of the Regional Recycling Facility, which has seen alternative measures put in place to ensure that our region's recycling is appropriately treated.

An additional challenge has been the classification of Gladstone Regional Council as a metropolitan Council for Waste Levy purposes which will see a net increase in the cost of our waste to landfill increase at a compounding rate through to 2031.

Recognising that all ratepayers utilise our Waste Management Facilities, Council has introduced a separate Waste Management Facility Charge to all residents of \$45 per property.

The waste service cost remains unchanged for this year at \$382.90 for a standard 240L weekly waste service, and a 240L fortnightly recycling service. This charge applies to all premises receiving a domestic waste and recycling service

Sewerage Services

Sewerage services across the region for domestic services will increase by \$50 per service. This has been necessary to ensure that the maintenance, adequate provision of replacement and necessary improvement of our sewerage network are substantially funded by the sewerage charge without subsidy from the general rate.

The charges by sewerage scheme are below:

Sewer area	2022/23	2021/22
Boyne Island, Tannum Sands and Calliope	838.00	788.00
Gladstone	815.00	765.00
Agnes Water/Seventeen Seventy	987.00	937.00

Water Availability and Consumption Charges

Our water networks have also come under increasing costs from all sides in the current climate with material and asset costs increasing at a rate at well beyond CPI in our network operations and our input costs for water as determined by Gladstone Area Water Board (GAWB) increasing at CPI and over a reduced quantity as Lake Awoonga enters a Low Supply alert phase.

Council's network costs have increased primarily due to escalating replacement costs of current infrastructure. As such it is necessary to increase the base network access costs for water by \$50 this financial year.

The input cost of water from GAWB is forecast based on both reduced demand levels and also the legislated CPI increase of 6%. This sees our bulk water price move to \$2.37 per kl (from \$2.17 per kl) for the 2022/23 financial year.

Scheme	2022/23	2021/22
Lake Awoonga	565.00	515.00
Miriam Vale and Bororen*	615.00	565.00
Agnes Water*	615.00	565.00

Scheme	Consumption Charge
Lake Awoonga	2.37
Miriam Vale and Bororen	3.98
Agnes Water	4.06

Conclusion

Our overall focus for the 2022/23 Budget and Operational Plan is to continue our recovery and transition of our region and economy continues while balancing the need for responsible budget management on both cost and revenue sides to ensure our region is in a strong position to capitalise on the opportunities ahead.

Attachments:

Nil

Tabled Items:

Nil

Report Prepared by: Mayor Matthew Burnett.

S/1.2. REVENUE STATEMENT

Responsible Officer: General Manager Finance Governance and Risk

Special Budget Meeting Date: 25 July 2022

File Ref: FM6.1, CM28.2

Purpose:

The purpose of this report is to allow Council to consider the revised Revenue Statement to support the 2022/2023 Budget.

Officer's Recommendation:

That Council, in accordance with Section 172 of the *Local Government Regulation 2012*:

1. Repeal P-2021-10 Revenue Statement Policy; and
2. Adopt P-2022-05 Revenue Statement Policy provided as Attachment 1.

Background:

Under Section 169 of the *Local Government Regulation 2012*, Council's budget for each financial year must include the adoption of a revenue statement. The revenue statement is an explanatory statement which outlines and explains the revenue raising measures adopted in the budget.

Section 172 of the *Local Government Regulation 2012* provides the information that must be stated and included within the Revenue Statement.

Consideration:

The revenue statement has been prepared using the general principles set out in Council's adopted Revenue Policy.

Officers recommend a number of amendments to the current policy, including but not limited to:

- new definitions for Land Used, Life Tenant, Non Principal Place of Residence, Pensioner, Principal Place of Residence, and Queensland Government Pensioner Rate Subsidy Scheme;
- new rating categories for land which is not the owner's principal place of residence;
- new Objection to Rating Category section which is consistent with the *Local Government Regulation 2012*;
- amendments to the amounts to be levied under the Curtis Island Wastewater Service Infrastructure Special Charge;
- new Waste sections – Waste Service Contribution Charge and Waste Management Facility Charge;
- inclusion of a fifth water scheme – the Recycled Water Scheme servicing Queensland Alumina Limited on Lot 4 SP 203074;
- amendments to the concession sections to reference the proposed one (1) concession and exemptions policy as opposed to the existing five (5) policies;
- new water consumption charge concession for home haemodialysis devices;
- amendment of the due date for the separate water consumption charge notice (issued in February) from 60 days to 30 days from the date of issue of the notice;
- amendments to the Payment by Instalments section to provide clarity;

- amendment to the interest rate to 8.17% in line with legislative requirements;
- other minor wording amendments to increase clarity and update the financial year references.

Legal Environmental and Policy Implications:

The Revenue Statement has been prepared in accordance with the requirements of Section 172 of the *Local Government Regulation 2012*. A legal review has been undertaken by Council's Legal Team.

Attachments:

1. Proposed P-2022-05 Revenue Statement;
2. Existing P-2021-10 Revenue Statement.

Tabled Items:

Nil

Report Prepared by: Governance Business Partner

S/1.3. LONG-TERM FINANCIAL FORECAST

Responsible Officer: General Manager Finance Governance and Risk

Special Budget Meeting Date: 25 July 2022

File Ref: FM6.1

Purpose:

This report seeks the adoption of the Long-Term Financial Forecast, for the 10 years through to 30 June 2032, prepared in accordance with the requirements of the *Local Government Regulation 2012*.

Officer's Recommendation:

That Council adopt the Long-Term Financial Forecast 2022-23 in accordance with section 171 of the *Local Government Regulation 2012*.

Background:

Council's annual budget for a financial year must include a long-term financial forecast. Section 171 of the *Local Government Regulation 2012* sets out what the forecast must include, being:

- income;
- expenditure; and
- the value of assets, liabilities and equity.

The Long Term Financial Plan (or forecast as it is referred to in legislation) is an integral part of the local government planning framework. The forecast is informed by not only the Gladstone Regional Council Corporate Plan, but also the latest information available at the time of preparation with respect to:

- master planning documents;
- infrastructure schedules (Local Government Infrastructure Plans) included within the Our Place Our Plan Gladstone Regional Council Planning Scheme;
- latest population growth estimates from relevant sources;
- most recent estimates of development activity; and
- Asset Management Plans for the various classes of assets.

Consideration:

It is the intent that this Long-Term Financial Forecast will be a dynamic document with all revenue and expenditure drivers and asset involvement assumptions reviewed regularly.

Legislatively, the review period is annually, however in practice it is reviewed more frequently to ensure currency.

Several key revenue and expenditure drivers have been identified by the best estimate of officers, with these assumptions having been used in the development of the 10 year forecast. Whilst these broad assumptions give some indication of what may happen over the coming 10 years, they remain flexible.

The forecast becomes a guide for Council in future years, with the forecast not replacing the requirement to consider each annual budget in detail. Departing from the forecast assumptions, where appropriately considered, to settle on an acceptable budget position for the region, will be at the prerogative of Council.

Communication and Consultation (Internal/External):

The Long-Term Financial Forecast has been prepared based on a number of individual master plans and asset management plans, all of which have been subject to individual consultation with relevant stakeholders.

Financial and Resource Implications:

The Long-Term Financial Forecast details the statement of comprehensive income, statement of financial position, statement of cash flows, and statement of changes in equity.

Attachments:

1. Long-Term Financial Forecast 2022-23

Tabled Items:

Nil

Report Prepared by: General Manager Finance Governance and Risk

S/1.4. DEBT POLICY

Responsible Officer: General Manager Finance Governance and Risk

Special Budget Meeting Date: 25 July 2022

File Ref: FM6.1, CM28.2

Purpose:

The purpose of this report is to seek Council's endorsement of the Debt Policy for the 2022/2023 financial year.

Officer's Recommendation:

That Council, in accordance with section 192 of the *Local Government Regulation 2012*:

1. Repeal P-2021-17 Debt Policy; and
2. Adopt P-2022-06 Debt Policy provided as Attachment 1.

Background:

In accordance with section 192 of the *Local Government Regulation 2012*, Council is required to prepare and adopt a debt policy for a financial year.

Debt is only used for capital purposes. The term of the debt is matched, as best as possible, to the life of the asset up to the maximum term imposed by Queensland Treasury Corporation (QTC).

The level of borrowings drawn each financial year is carefully monitored through long term financial modelling to ensure affordability. A number of financial measures are utilised to assess sustainability, including those mandated by legislation. In addition to internal assessments, Council is required to submit an annual application to the State Government, which includes the long-term financial forecast, to gain approval for all planned borrowings. The external debt assessments focus on the macro view of Council's ability to repay debt.

However, Council manages debt at a more detailed funding level internally, further ensuring the financial sustainability of borrowing decisions. Council seeks to minimise general rates as a funding source to repay debt, preferring to rely on specific revenue sources (water charges, sewerage charges) that are matched to the infrastructure being constructed.

Each year there is an amount of general borrowings that relies on the general rate as a funding source, but this is kept to a minimum.

Council when looking at managing its debt takes a holistic approach with respect to the management of both debt and cash holdings (investments) and seeks to minimise the net interest cost to Council by focusing on cash management and ensuring the Long Term Financial Forecast is optimised to minimise the holding cost of debt.

Consideration:

All borrowing metrics established by the Queensland Treasury Corporation and Department of State Development, Infrastructure, Local Government and Planning, including interest coverage ratio and net financial liabilities, are within benchmarks for the forecast period.

Following a review of the current policy, officers have identified some minor amendments required to the policy which have been incorporated in the proposed policy.

Legal Environmental and Policy Implications:

The Debt Policy has been prepared in accordance with the *Local Government Regulation 2012*.

Attachments:

1. Proposed P-2022-06 Debt Policy
2. Existing P-2021-17 Debt Policy

Tabled Items:

Nil

Report Prepared by: General Manager Finance Governance and Risk

S/1.5. PROJECTED FINANCIAL STATEMENTS FOR YEAR END 30 JUNE 2023

Responsible Officer: General Manager Finance Governance and Risk

Special Budget Meeting Date: 25 July 2022

File Ref: FM6.1

Purpose:

This report seeks the adoption of the projected financial statements for year ending 30 June 2023.

Officer's Recommendation:

That Council adopt the projected financial statements for the year ending 30 June 2023 provided as Attachment 1 in accordance with section 169 of the *Local Government Regulation 2012*, noting the contents of the Balance Sheet include the statement of estimated financial position for the previous 2021/2022 financial year in accordance with section 205 of the *Local Government Regulation 2012*.

Attachments:

1. Projected Financial Statements for year end 30 June 2023.

Tabled Items:

Nil

Report Prepared by: General Manager Finance Governance and Risk

S/1.6. RATE PAYMENT PERIOD AND DISCOUNTS

Responsible Officer: General Manager Finance Governance and Risk

Special Budget Meeting Date: 25 July 2022

File Ref: FM6.1

Purpose:

This report seeks the adoption of rate payment periods, discount, interest, and the payment of rates and charges by instalment.

Officer's Recommendation:

That Council considers each of the following as separate resolutions.

1. That:

- a. In accordance with section 107 of the *Local Government Regulation 2012* and section 114 of the *Fire and Emergency Services Act 1990*, the following rates and charges will be levied on an annual basis in August:
 - general rates;
 - special rates and charges;
 - waste cleansing charges;
 - water availability charges (fixed cost component) under section 41(4)(a) of the *Local Government Regulation 2012*;
 - sewerage and wastewater charges; and
 - State Emergency Management Levy.
- b. In accordance with section 107 of the *Local Government Regulation 2012*, the following charges will be levied on a bi-annual basis in August and February for:
 - water consumption charges under section 41(4)(b) of the *Local Government Regulation 2012*; and
 - trade waste volumetric consumption charges.
- c. In accordance with section 118 of the *Local Government Regulation 2012*, the following rates and charges are payable within 60 days of the date of issue of the notice:
 - general rates;
 - special rates and charges;
 - waste cleansing charges;
 - sewerage and wastewater charges;
 - water availability charges (fixed cost component);
 - water consumption charges levied in August; and
 - State Emergency Management Levy.
- d. In accordance with section 118 of the *Local Government Regulation 2012*, the following rates and charges are payable within 30 days of the date of issue of the notice:
 - water consumption charges levied in February, and
 - trade waste volumetric consumption charges.

2. That:

- a. In accordance with section 130 of the *Local Government Regulation 2012*, a discount of 10% will be allowed if payment of all rates and charges is made in full within the discount period of 60

days from the date of issue of the notice levied in August. The discount will only be applied to the following rates and charges made and levied:

- general rates;
- waste cleansing charges;
- sewerage charges (excluding the Yarwun and Curtis Island Industrial schemes); and
- water availability (fixed cost component) charges.

b. No discount will be offered in respect of the following rates and charges made and levied:

- special rates and charges;
- trade waste volumetric charges;
- the sewerage, trade waste and wastewater charges for the Yarwun and Curtis Island Industrial sewerage, trade waste, and wastewater facilities;
- water consumption charges; and
- State Emergency Management Levy.

3. That in accordance with section 129 of the *Local Government Regulation 2012*, ratepayers may choose to pay their complete annual rate account by instalments subject to the following conditions:

- the rate discount for payment within 60 days is forfeited;
- the amount of each instalment is to be calculated on the total amount of rates and charges for the full year;
- the ratepayer must apply in writing to Council or submit a completed and signed Rate Instalment Application Form included with each rate notice to Council within 60 days from the date of issue of the notice;
- should a Rate Instalment Application Form or written request not be received within 60 days, interest charges will apply until the date of approval of the signed Rate Instalment Application Form;
- ratepayers may make application to include their six-monthly Water Consumption Notice (levied in February) in the payment plan within 30 days from the date of issue of the notice and the payment plan will be amended accordingly;
- no reminder notices for instalments will be issued;
- monthly rate instalment payments are due on the 21st day of each month, with ratepayers being advised in writing when their first instalment payment is due;
- the maximum instalment payment frequency is to be six-monthly; however, optimally this frequency should not exceed monthly with payments on a weekly and fortnightly basis accepted;
- no interest penalty will apply to those participating in the instalment scheme provided that all payments are made in accordance with the instalment schedule; and
- should an instalment not be received by the due date, the total amount outstanding will become due and payable, and the ratepayer will forfeit the right to participate in the scheme, and interest charges will apply from the day after the due date of the unpaid instalment.

4. That in accordance with section 133 of the *Local Government Regulation 2012*, any rates or charges remaining outstanding from the date on which they become overdue will thereafter bear interest at the rate of 8.17% per annum, compounding daily.

Attachments:

Nil

Tabled Items:

Nil

Report Prepared by: General Manager Finance Governance and Risk

S/1.7. DIFFERENTIAL GENERAL RATES**Responsible Officer:** General Manager Finance Governance and Risk**Special Budget Meeting Date:** 25 July 2022**File Ref:** FM6.1**Purpose:**

This report seeks the adoption of differential general rates.

Officer's Recommendation:

That:

1. In accordance with section 81 of the *Local Government Regulation 2012* the categories into which rateable land is categorised and the description of each of those categories for 2022/2023 financial year is:

Category	Description
1A	All rateable land used, or approved for development, for residential purposes as: a) a single dwelling; or b) a lot within a 2-lot community titles scheme; with a rateable value of or not exceeding \$466,400, other than land in Categories 5 to 8 inclusive and where such land is the owner's principal place of residence.
1B	All rateable land used, or approved for development, for residential purposes as: a) a single dwelling; or b) a lot within a 2-lot community titles scheme; with a rateable value of or not exceeding \$463,260, other than land in Categories 5 to 8 inclusive and where such land is not the owner's principal place of residence.
2A	All rateable land used, or approved for development, for residential purposes as: a) a single dwelling; or b) a lot within a 2-lot community titles scheme; with a rateable value of or exceeding \$466,401, other than land in Categories 5 to 8 inclusive and where such land is the owner's principal place of residence.
2B	All rateable land used, or approved for development, for residential purposes as: a) a single dwelling; or b) a lot within a 2-lot community titles scheme; with a rateable value of or exceeding \$463,261, other than land in Categories 5 to 8 inclusive and where such land is not the owner's principal place of residence.
3	All rateable land: a) used, or approved for development, for rural activities; or b) located on any island, which is not otherwise categorised.
4	All rateable land described in section 49 of the <i>Land Valuation Act 2010</i> , which qualifies for discounted valuation under section 50 of that Act.
5	All rateable vacant residential land that has an area greater than 5 (five) hectares.

Category	Description
6A	<p>All rateable land used for:</p> <ul style="list-style-type: none"> a) the purposes of multiple dwellings (the residential use of premises involving two (2) or more dwellings, for separate households) such as flats, duplexes, boarding houses, and guest houses, other than land included in Category 7, 8, 9, 14 and 15; or b) residential purposes, as a lot within a community titles scheme, located on an island; or c) residential purposes, as a lot within a community titles scheme containing between three (3) and eight (8) lots, located on the mainland and which is not part of a gated community; <p>and where such land is the owner's principal place of residence.</p>
6B	<p>All rateable land used for:</p> <ul style="list-style-type: none"> a) the purposes of multiple dwellings (the residential use of premises involving two (2) or more dwellings, for separate households) such as flats, duplexes, boarding houses, and guest houses, other than land included in Category 7, 8, 9, 14 and 15; or b) residential purposes, as a lot within a community titles scheme, located on an island; or c) residential purposes, as a lot within a community titles scheme containing between three (3) and eight (8) lots, located on the mainland and which is not part of a gated community; <p>and where such land is not the owner's principal place of residence.</p>
7A	<p>All rateable land used for residential purposes, which is:</p> <ul style="list-style-type: none"> a) a lot within a community titles scheme containing nine (9) or more lots; and b) located on the mainland; and c) not part of a gated community; <p>and where such land is the owner's principal place of residence.</p>
7B	<p>All rateable land used for residential purposes, which is:</p> <ul style="list-style-type: none"> a) a lot within a community titles scheme containing nine (9) or more lots; and b) located on the mainland; and c) not part of a gated community; <p>and where such land is not the owner's principal place of residence.</p>
8A	<p>All rateable land used, or approved for development, for residential purposes:</p> <ul style="list-style-type: none"> a) which is a lot located within a gated community on the mainland; and b) forms part of a community titles scheme; <p>and where such land is the owner's principal place of residence.</p>
8B	<p>All rateable land used, or approved for development, for residential purposes:</p> <ul style="list-style-type: none"> a) which is a lot located within a gated community on the mainland; and b) forms part of a community titles scheme; <p>and where such land is not the owner's principal place of residence.</p>
9	<p>All rateable land used, approved for development, or zoned for business or commercial purposes, including motels and caravan parks, other than land included in Categories 10 to 24 inclusive.</p>
10	<p>All rateable land used for the purposes of a Shopping Centre with a Gross Floor Area of at least 2,000m², but less than 5,000m².</p>
11	<p>All rateable land used for the purposes of a Shopping Centre with a Gross Floor Area of at least 5,000m², but less than 10,000m².</p>
12	<p>All rateable land used for the purposes of a Shopping Centre with a Gross Floor Area of at least 10,000m², but less than 20,000m².</p>

Category	Description
13	All rateable land used for the purposes of a Shopping Centre with a Gross Floor Area of at least 20,000m ² .
14	All rateable land used, in whole or in part, for Workforce Accommodation with up to and including 500 rooms, suites and/or caravan sites.
15	All rateable land used, in whole or in part, for Workforce Accommodation, with more than 500 rooms, suites and/or caravan sites.
16	All rateable land used for industrial purposes, approved for development or zoned for industrial purposes, other than land included within Categories 17 to 22 inclusive and Category 24.
17	All rateable land: <ul style="list-style-type: none"> a) used for, or in connection or association with, major industry; or b) located within a Special Purpose Zone under the Gladstone Regional Council Planning Scheme 2015 adopted on 06 October 2015; or c) located within the Gladstone State Development Area being used for a commissioned major industrial purpose, excluding the land included in Categories 18 to 22 inclusive and Category 24; or d) used for the generation of electricity; or e) used for the manufacture of aluminium oxide.
18	All rateable land located within the Gladstone State Development Area: <ul style="list-style-type: none"> a) being developed, or approved for development, for future major industrial use; or b) upon which all or part of an industrial facility, the primary intended purpose of which is the manufacture of liquefied natural gas, is located or approved to be located.
19	All rateable land used, or being developed for use, for the purposes of storage or handling facilities for the commodities or containers shipped through the Port of Gladstone, other than land included in Category 20.
20	All rateable land used, or being developed for use, for the purposes of storage or handling facilities for commodities or containers shipped through the Port of Gladstone, which is Strategic Port Land and is occupied by a port authority, the State, or a government entity.
21	All rateable land used for the purposes of a bulk storage facility with a capacity greater than 1,000,000 litres of any combustible liquid or flammable liquid.
22	All rateable land used for the purposes of a built oil recycling facility.
23	All rateable land: <ul style="list-style-type: none"> a) used for the extraction of minerals, resources or other substances; or b) used, in connection or association with the extraction of minerals, resources or substances; or c) which is a mining lease issued under the <i>Mineral Resources Act 1989</i>.
24	All rateable land used for an operational liquefied natural gas processing facility.

2. Council delegates to the Chief Executive Officer the power, pursuant to sections 81(4) and 81(5) of the *Local Government Regulation 2012*, to identify the rating category to which each parcel of rateable land belongs.

3. In accordance with section 94 of the *Local Government Act 2009* and section 80 of the *Local Government Regulation 2012* (Regulation), the differential general rate to be made and levied for each differential general rate category, and pursuant to section 77 of the Regulation, the minimum general rate to be made and levied for each differential general rate category, and pursuant to section 116 of the Regulation, the maximum percentage by which rates levied for each differential general rate category will increase (if a limit is imposed) for the 2022/2023 financial year is as follows:

Category	Cents in the Dollar	Minimum General Rate	Limitation of Increase (Rate Cap) in Rates and Charges Levied
1A	1.652	\$1,100.00	The amount so levied shall not exceed 110% of the corresponding annual amount levied as the differential general rate in the 2021/2022 financial year.
1B	1.742	\$1,150.00	The amount so levied shall not exceed 110% of the corresponding annual amount levied as the differential general rate in the 2021/2022 financial year.
2A	0.574	\$7,705.00	The amount so levied shall not exceed 110% of the corresponding annual amount levied as the differential general rate in the 2021/2022 financial year.
2B	0.603	\$8,070.00	The amount so levied shall not exceed 110% of the corresponding annual amount levied as the differential general rate in the 2021/2022 financial year.
3	1.053	\$1,100.00	The amount so levied shall not exceed 110% of the corresponding annual amount levied as the differential general rate in the 2021/2022 financial year.
4	1.773	No minimum general rate.	No Limitation of Increase.
5	1.213	\$1,100.00	No Limitation of Increase.
6A	4.151	\$1,100.00	The amount so levied shall not exceed 110% of the corresponding annual amount levied as the differential general rate in the 2021/2022 financial year.
6B	4.622	\$1,150.00	The amount so levied shall not exceed 110% of the corresponding annual amount levied as the differential general rate in the 2021/2022 financial year.
7A	5.151	1,326.00	The amount so levied shall not exceed 110% of the corresponding annual amount levied as the differential general rate in the 2021/2022 financial year.

Category	Cents in the Dollar	Minimum General Rate	Limitation of Increase (Rate Cap) in Rates and Charges Levied
7B	5.266	\$1,380.00	The amount so levied shall not exceed 110% of the corresponding annual amount levied as the differential general rate in the 2021/2022 financial year.
8A	1.471	\$1,696.00	The amount so levied shall not exceed 110% of the corresponding annual amount levied as the differential general rate in the 2021/2022 financial year.
8B	1.487	\$1,780.00	The amount so levied shall not exceed 110% of the corresponding annual amount levied as the differential general rate in the 2021/2022 financial year.
9	3.708	\$1,182.00	The amount so levied shall not exceed 115% of the corresponding annual amount levied as the differential general rate in the 2021/2022 financial year.
10	2.288	\$32,520.00	No Limitation of Increase.
11	3.625	\$112,575.00	No Limitation of Increase.
12	4.146	\$118,182.00	No Limitation of Increase.
13	8.218	\$325,206.00	No Limitation of Increase.
14	15.979	\$101,386.00	No Limitation of Increase.
15	100.204	\$387,755.00	No Limitation of Increase.
16	5.918	\$1,182.00	The amount so levied shall not exceed 115% of the corresponding annual amount levied as the differential general rate in the 2021/2022 financial year.
17	15.148	\$2,768.00	The amount so levied shall not exceed 150% of the corresponding annual amount levied as the differential general rate in the 2021/2022 financial year.
18	15.148	\$2,768.00	The amount so levied shall not exceed 150% of the corresponding annual amount levied as the differential general rate in the 2021/2022 financial year.

Category	Cents in the Dollar	Minimum General Rate	Limitation of Increase (Rate Cap) in Rates and Charges Levied
19	12.229	\$1,199.00	The amount so levied shall not exceed 150% of the corresponding annual amount levied as the differential general rate in the 2021/2022 financial year.
20	12.911	\$2,768.00	The amount so levied shall not exceed 150% of the corresponding annual amount levied as the differential general rate in the 2021/2022 financial year.
21	18.737	\$1,199.00	No Limitation of Increase.
22	6.698	\$74,439.00	No Limitation of Increase.
23	2.577	\$1,182.00	The amount so levied shall not exceed 115% of the corresponding annual amount levied as the differential general rate in the 2021/2022 financial year.
24	77.145	\$4,131,344.00	No Limitation of Increase.

Attachments:

Nil

Tabled Items:

Nil

Report Prepared by: General Manager Finance Governance and Risk

S/1.8. WASTE CHARGES

Responsible Officer: General Manager Finance Governance and Risk

Special Budget Meeting Date: 25 July 2022

File Ref: FM6.1

Purpose:

This report seeks the adoption of waste charges for 2022/2023.

Officer's Recommendation:

That in accordance with section 94 of the *Local Government Act 2009* and section 99 of the *Local Government Regulation 2012*, the following utility charges be made and levied for the 2022/2023 financial year:

1. Domestic Mobile Waste Container (Bin) Service:
 - a. an annual charge of \$382.90 will be levied for each domestic premises in the defined cleansing service area. A domestic bin service provides for the removal from the premises of a weekly 240 litre mobile waste container of refuse and a fortnightly service of a 240 litre mobile waste container of recyclables;
 - b. optional 240 litre mobile waste container of refuse collected and disposed of weekly and one (1) 340 litre mobile waste container of recyclables collected and processed fortnightly shall be \$415.10;
 - c. optional 140 litre mobile waste container of refuse collected and disposed of weekly and one (1) 140 litre mobile waste container of recyclables collected and processed fortnightly shall be \$360.00;
 - d. optional 140 litre mobile waste container of refuse collected and disposed of weekly and one (1) 240 litre mobile waste container of recyclables collected and processed fortnightly shall be \$360.00;
 - e. optional 140 litre mobile waste container of refuse collected and disposed of weekly and one (1) 340 litre mobile waste container of recyclables collected and processed fortnightly shall be \$382.90;
 - f. additional 140 litre mobile waste container of refuse collected and disposed of weekly carried out in conjunction with the first domestic bin service shall be \$280.50
 - g. additional second 240 litre mobile waste container of refuse collected and disposed of weekly carried out in conjunction with the first domestic service shall be \$280.50;
 - h. additional second 240 litre mobile waste container of recyclables collected and processed fortnightly in conjunction with the first domestic service shall be \$147.50;
 - i. additional second 340 litre mobile waste container of recyclables collected and processed fortnightly in conjunction with the first domestic service shall be \$232.00.
2. Commercial Mobile Waste Container (Bin) Service:
 - a. an annual charge will be levied for each premises in the defined cleansing service area, with the charge of \$625.00 per Commercial Bin Service included in the Nominated Bin Unit, for the purpose of providing for the removal from the premises a weekly Commercial Refuse and a fortnightly Commercial Recycling based on 240 litre mobile waste container of recyclables;
 - b. optional annual charge will be levied for each premises in the defined cleansing service area, with the charge of \$703.30 per Commercial Bin Service included in the Nominated Bin Unit, for the purpose of providing for the removal from the premises weekly Commercial Refuse and fortnightly Commercial Recycling based on a 340 litre mobile waste container of recyclables;

- c. additional second 240 litre mobile waste container of refuse collected and disposed of weekly carried out in conjunction with the first commercial service shall be \$480.00;
- d. additional second 240 litre mobile waste container of recyclables collected and processed fortnightly in conjunction with the first commercial service shall be \$238.50;
- e. additional second 340 litre mobile waste container of recyclables collected and processed fortnightly in conjunction with the first commercial service shall be \$347.30.

3. Bulk Refuse:

In cases where an owner of commercial premises or an owner of any multi residential (over six (6) units) premises, has entered into a contract with a Waste Service Provider for a Bulk Bin service for the whole of the period from 1 July 2022 to the next succeeding June 30, which has sufficient capacity to contain all refuse likely to be generated in or on such premises then the charges specified in 2 shall be waived.

4. Waste Service Contribution for Facing Island and Curtis Island (Waste Transfer Service):

An annual charge of \$382.90 for each premises situated on Facing Island or Curtis Island, for the purpose of providing the Facing Island (including Gatcombe Head) or Curtis Island Waste Transfer Service.

5. Waste Management Facility Charge:

An annual charge of \$45.00 per each rate assessment will be levied equally on all rateable land within the region for the purpose of funding the residual cost of waste facilities and services not met from the waste cleansing charge, waste service contribution charge, and other fees and charges collected on a user pays basis.

6. New / Additional Service:

The commencement date for application of charges with respect to new and / or additional services will be the earliest of either the plumbing approval or delivery of refuse bins.

Attachments:

Nil

Tabled Items:

Nil

Report Prepared by: General Manager Finance Governance and Risk

S/1.9. WATER CHARGES**Responsible Officer:** General Manager Finance Governance and Risk**Special Budget Meeting Date:** 25 July 2022**File Ref:** FM6.1**Purpose:**

This report seeks the adoption of water charges for 2022/2023.

Officer's Recommendation:

That in accordance with section 94 of the *Local Government Act 2009* and Chapter 4, Part 7 of the *Local Government Regulation 2012*, Council make and levy the following utility charges for the 2022/2023 financial year:

1. The Lake Awoonga Treated Water Scheme, Miriam Vale Water Supply Scheme, Bororen Water Supply Scheme, and Agnes Water / Seventeen Seventy Water Scheme:
 - a. Water Availability (Fixed Cost Component):

Water Service Size	Lake Awoonga Treated Water Scheme	Miriam Vale Treated Water Schemes	Bororen Treated Water Schemes	Agnes Water / Seventeen Seventy Treated Water Scheme
Vacant	\$ 565	\$ 615	\$ 615	\$ 615
20mm	\$ 565	\$ 615	\$ 615	\$ 615
20mm add	\$ 565	\$ 615	\$ 615	\$ 615
20mm (sub-meter)	\$ 424	\$ 461	\$ 461	\$ 461
25mm (domestic)	\$ 565	\$ 615	\$ 615	\$ 615
25mm (sub-meter domestic)	\$ 565	\$ 615	\$ 615	\$ 615
25mm (all other users)	\$ 881	\$ 959	\$ 959	\$ 959
25mm (sub-meter, all other users)	\$ 881	\$ 959	\$ 959	\$ 959
32mm	\$ 1,446	\$ 1,574	\$ 1,574	\$ 1,574
32mm (sub-meter)	\$ 1,446	\$ 1,574	\$ 1,574	\$ 1,574
40mm	\$ 2,260	\$ 2,460	\$ 2,460	\$ 2,460
40mm (sub-meter)	\$ 2,260	\$ 2,460	\$ 2,460	\$ 2,460
50mm	\$ 3,531	\$ 3,844	\$ 3,844	\$ 3,844
50mm (sub-meter)	\$ 3,531	\$ 3,844	\$ 3,844	\$ 3,844
80mm	\$ 9,040	\$ 9,840	\$ 9,840	\$ 9,840
80mm (sub-meter)	\$ 9,040	\$ 9,840	\$ 9,840	\$ 9,840
100mm	\$ 14,125	\$ 15,375	\$ 15,375	\$ 15,375
100mm (sub-meter)	\$ 14,125	\$ 15,375	\$ 15,375	\$ 15,375
150mm	\$ 31,781	\$ 34,594	\$ 34,594	\$ 34,594
150mm (sub-meter)	\$ 31,781	\$ 34,594	\$ 34,594	\$ 34,594
150mm (Rail Corridor Land)	\$ 64,015	\$ 69,680	\$ 69,680	\$ 69,680
200mm	\$ 56,500	\$ 61,500	\$ 61,500	\$ 61,500
250mm	\$ 88,281	\$ 96,094	\$ 96,094	\$ 96,094
300mm	\$ 127,125	\$ 138,375	\$ 138,375	\$ 138,375
375mm	\$ 198,633			

b. Consumption Charge per Kilolitre by Supply Type and Water Scheme:

Scheme	\$ per Kilolitre
Lake Awoonga Treated Water Scheme	2.37
Miriam Vale and Bororen Treated Water Schemes	3.98
Agnes Water / Seventeen Seventy Treated Water Scheme	4.06

- i. In determining water consumption charges, based on the above unit rates, Council will apply section 102 of the *Local Government Regulation 2012* to calculating water consumption charges against land or premises for which consumption charges were made and levied, so that:
- regardless of whether the meter reading for the second half of the 2021/2022 financial year occurs before the end of that financial year or after the beginning of the 2022/2023 financial year, the consumption charge for that half year is calculated in accordance with the relevant basis of charge in Council's rating resolution for the 2021/2022 financial year; and
 - regardless of whether the meter reading for the second half of the 2022/2023 financial year occurs before the end of that financial year or after the beginning of the 2023/2024 financial year, the consumption charge for that half year is calculated in accordance with the relevant basis of consumption charge for the 2022/2023 financial year.
- ii. Council will apply section 102(2) of the *Local Government Regulation 2012* to the reading of water meters so that if a meter is due to be read on a particular day (e.g. the last day of a half year) to enable Council to calculate a consumption charge to be levied, the meter will be deemed read on that particular day if it is read within 2 weeks before the day or 2 weeks after the day.
- iii. The commencing water meter reading for a consumption charge cycle is the reading last recorded in a biannual charge cycle, or, in the case of a new meter connection, the reading recorded on the day of connection.

2. The Beecher/Burua Constant Flow Water System:

For those properties connected to the constant flow water scheme, the rate is determined based on the charges below and the flow rate permitted by the valve installed on each connection. This will determine the amount of kilolitres charged for those unmetered services.

- a. Availability (Fixed or Access) Charge \$565 per connection;
- b. Consumption Charge \$2.61 per kilolitre.

Constant Flow Water System	Availability Charge
Constant Flow - Access	\$ 565
Constant Flow - 211kl	\$ 1,116
Constant Flow - 368kl	\$ 1,526
Constant Flow - 526kl	\$ 1,938
Constant Flow - 684kl	\$ 2,350

3. The Recycled Water Scheme Servicing Queensland Alumina Limited on Lot 4 SP 203074:

- a. Water Availability (Fixed Cost Component) \$549,106.00;
- b. Consumption Charge \$0.214 per kilolitre.

Attachments:

Nil

Tabled Items:

Nil

Report Prepared by: General Manager Finance Governance and Risk

S/1.10. SEWERAGE AND WASTEWATER CHARGES**Responsible Officer:** General Manager Finance Governance and Risk**Special Budget Meeting Date:** 25 July 2022**File Ref:** FM6.1**Purpose:**

This report seeks the adoption of sewerage charges for 2022/2023.

Officer's Recommendation:

That in accordance with section 94 of the *Local Government Act 2009* and section 99 of the *Local Government Regulation 2012*, the following utility charges be made and levied for the 2022/2023 financial year:

1. Sewerage Unit Classifications:

Sewerage charges in the urban areas of Gladstone, Boyne Island, Tannum Sands, Calliope, Agnes Water, and Seventeen Seventy are levied on a "per unit" basis with the number of units allocated to particular land uses, dependent on expected demand:

No.	Category	Unit
1	Each parcel of unconnected land located within the defined sewerage service area.	7
2	Each single unit dwelling constructed on an allotment and located within the defined sewerage service area.	10
3	First Connection - each non-residential premises connected to the scheme including accommodation units and caravan parks.	10
4	Additional Connections - each non-residential premises connected to the scheme including accommodation units and caravan parks, for each additional pedestal or metre of urinal, as assessed by Council's Plumbing Inspectors.	7

2. Unit Charge:

Urban Sewerage Scheme - Gladstone	\$81.50 per unit
Urban Sewerage Scheme - Boyne Island, Tannum Sands, and Calliope	\$83.80 per unit
Urban Sewerage Scheme - Agnes Water /Seventeen Seventy	\$98.70 per unit

- The sewerage charge levied in respect of the Boyne Aluminium Smelter be \$130,728.00 being the equivalent of 156 standard dwellings which has been assessed on actual usage.
- The sewerage charge levied in respect of the NRG Power Station, located at Lot 1 CP 818823 Parish Auckland be \$7,335.00 being 20 units at a rate of \$366.75.

5. Yarwun Industrial Area:

The following charges be imposed in respect of the Yarwun Industrial Area:

Sewerage Charge:

a.	ORICA Chemical Plant	\$204,029
b.	Transpacific Plant	\$54,865
c.	Comalco Refinery	\$1,027,923
d.	ALPHA HPA (High Purity Alumina)	\$31,150

Trade Waste Charge:

a.	ORICA Chemical Plant	\$739,762
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4. Curtis Island Sewerage Scheme:

The following volumetric (consumption) charges be imposed in respect of the Curtis Island Wastewater Scheme, in accordance with the principles identified in the respective Service and Special Charge Agreements:

a.	Australia Pacific LNG	119.229 cents per kilolitre of wastewater discharged from the LNG facility.
b.	Queensland Curtis LNG	119.229 cents per kilolitre of wastewater discharged from the LNG facility.
c.	GLNG	119.229 cents per kilolitre of wastewater discharged from the LNG facility.

Attachments:

Nil

Tabled Items:

Nil

Report Prepared by: General Manager Finance Governance and Risk

S/1.11. SPECIAL CHARGES

Responsible Officer: General Manager Finance Governance and Risk

Special Budget Meeting Date: 25 July 2022

File Ref: FM6.1

Purpose:

This report seeks the adoption of special charges for 2022/2023.

Officer's Recommendation:

That:

1. In accordance with section 94 of the *Local Government Act 2009* and section 94 of the *Local Government Regulation 2012*, and pursuant to a service and special charge agreement made between Council and each of the following parties:

- Australia Pacific LNG (Shared Facilities) Pty Limited (*APLNG*), dated 16 October 2012, which is required to be assigned and novated to any successors in title;
- QCLNG Land Pty Ltd (*QCLNG*), dated 3 December 2012, which is required to be assigned and novated to any successors in title, and
- GLNG Operations Pty Ltd (*GLNG*), dated 1 December 2014, which is required to be assigned and novated to any successors in title,

Council will levy a special charge upon the following rateable land parcels at Curtis Island:

- a. Lot 3 SP 228454, Lot 5 SP 283963, Lease A SP 252872, and Lease B SP 252872 (*APLNG* Land);
 - b. Lot 2 SP 228454, TL 234259: Pt (zz) Lot 2 SP 228185, Lease A SP 252874, and Lease B SP 252874 (*QCLNG* Land); and
 - c. Lot 1 SP 235007 and Lease A SP 271500 (*GLNG* Land).
2. In accordance with section 94 of the *Local Government Act 2009* and section 94 of the *Local Government Regulation 2012*, Council levy the Curtis Island Wastewater Infrastructure Special Charges for 2022/2023 as:

a. APLNG land	-	\$2,090,978.28 per annum;
b. QCLNG land	-	\$5,106,278.39 per annum;
c. GLNG land	-	\$1,127,935.64 per annum.
 3. The purpose of the special charge is to reimburse Council the cost it incurs in operating its Curtis Island wastewater collection and reticulation infrastructure (the Wastewater Infrastructure) to provide a wastewater disposal and processing service (the Wastewater Service) for the special benefit of those land parcels, each of which is used for operations that especially contribute to the need for the service activity. Council created the collection and reticulation infrastructure pursuant to common use infrastructure agreement, dated 24 August 2011 with Gladstone Area Water Board and *APLNG*.

4. The LNG Facilities land to be levied with the special charge especially benefits from the Wastewater Service because:
 - a. operations upon each LNG Facility consume significant volumes of water and produce significant volumes of wastewater;
 - b. it was necessary for Council to construct and commission the Wastewater Infrastructure (pursuant to the common use infrastructure agreement) to enable APLNG, QCLNG and GLNG to construct and operate the LNG Facilities; and
 - c. the LNG Facilities cannot operate without the Wastewater Service.
5. The Overall Plan for the service to which the special charge applies, is as follows:
 - a. Council will operate the Wastewater Infrastructure to service the liquefied natural gas (LNG) production, storage, and distribution facilities (the LNG Facilities) that APLNG, QCLNG, and GLNG operate upon the land parcels.
 - b. Council will recoup, pursuant to the service and special charge agreements, its operating and capital costs associated with operating the Wastewater Infrastructure.
 - c. The estimated cost of operating the Wastewater Infrastructure over a 25-year period and recovering capital costs in accordance with the service and special charge agreements is \$129.887 million in current terms.
 - d. The estimated time for implementing the overall plan is 25 years, expiring on 30 June 2039.
6. The Annual Implementation Plan for the 2022/2023 financial year is that Council will operate the Wastewater Infrastructure to service the LNG Facilities, and will apply the special charge revenue, which it estimates at \$8,325,192.31, against the operating cost it incurs.
7. In accordance with section 94 of the *Local Government Act 2009* and section 94 of the *Local Government Regulation 2012*, and pursuant to a Special Charge Agreement between Council and the Gladstone City Plaza Body Corporate dated 19 January 2017, which is required to be assigned and novated to any successors in title, Council will levy a special charge upon Lot 0 BUP60138 (the Gladstone City Plaza Forecourt Land).
8. The Gladstone City Plaza Forecourt Redevelopment land to be levied with the special charge specifically benefits from the forecourt redevelopment as the owner and tenants of the Gladstone City Plaza use the improvements constructed on the land to attract business to the precinct.
9. The Special Charge will be levied over a 10-year period commencing in the 2021/2022 financial year following the completion of the redevelopment works.
10. The Overall Plan for the facility to which the special charge applies, is as follows:
 - a. Gladstone Regional Council led a redevelopment of the Gladstone City Plaza Forecourt, which has now been completed;
 - b. The purpose of the special charge is to reimburse Council the costs incurred in undertaking the redevelopment of the Gladstone City Plaza Forecourt within the Gladstone City Plaza Forecourt Land;
 - c. The costs of carrying out the Overall Plan are estimated to be \$1,958,467.28 (which includes principal and interest) over a ten year period;
11. The Annual Implementation Plan for the 2022/2023 financial year is that, as the redevelopment works are now completed to the satisfaction of both parties, the Gladstone City Plaza Body Corporate will make an annual payment in 2022/23 of \$210,106.71.

Attachments:

Nil

Tabled Items:

Nil

Report Prepared by: General Manager Finance Governance and Risk

S/1.12. RATES AND CHARGES CONCESSIONS AND EXEMPTIONS

Responsible Officer: General Manager Finance Governance and Risk

Council Meeting Date: 25 July 2022

File Ref: CM28.2

Purpose:

This report presents a consolidated Rates and Charges Concessions and Exemptions Policy proposed to be applied for the coming financial year to assist those who have limited capacity to pay and those not-for-profit and charitable organisations that provide facilities for the benefit of the broader Gladstone Region.

Officer's Recommendation:

That Council:

1. Repeal:
 - a. P-2021-11 Rating Financial Hardship Concession Policy;
 - b. P-2021-12 Concealed Water Leak Concession Policy;
 - c. P-2021-13 Water Allocation and Sewerage Connection Concessions Policy;
 - d. P-2021-15 Pensioner Concession Policy;
 - e. P-2021-16 General and Differential Rates Exemptions and Concessions Policy;
2. Adopt P-2022-04 Rates and Charges Concessions and Exemptions Policy provided as Attachment 1;
3. In accordance with the adopted P-2022-04 Rates and Charges Concessions and Exemptions Policy, and in accordance with:
 - a. Sections 119, 120, 121, 122 and 123 of the *Local Government Regulation 2012*, Council grant a concession of the differential general rate of 50% up to a maximum of \$310 per annum to all ratepayers who are pensioners and eligible for the Queensland Government Pensioner Rate Subsidy Scheme; and
 - b. Section 93(3)(i) of the *Local Government Act 2009* and section 73(b) of the *Local Government Regulation 2012*, Council provide an exemption from general rates (including differential general rates) where Council considers land is used for a charitable, recreational or sporting purpose; and
 - c. Section 93(3)(h)(i) & (ii) of the *Local Government Act 2009*, Council provide an exemption from general rates (including differential general rates) where land is primarily used for showgrounds or horseracing; and
 - d. Section 120(1)(b)(i) of the *Local Government Regulation 2012*, Council grant a concession from general rates (including differential general rates) where Council considers land is owned by an entity whose objects do not include making a profit; and
 - e. Sections 119, 120, 121 and 122 of the *Local Government Regulation 2012*, Council grant a concession to landowners who are experiencing financial hardship and are unable to pay rates and charges levied upon a property; and

- f. Sections 119, 120, 121 and 122 of the Local Government Regulation 2012, Council grant a concession for residential properties that have had a concealed water leak of 50% of the difference between the levied water consumption and the estimated average daily water consumption where the difference is greater than 40% of the average daily water consumption, up to a maximum of 600 kilolitres per billing period, on the basis that the payment of water consumption charges will result in financial hardship to the landowner; and
- g. Sections 119, 120, 121 and 122 of the Local Government Regulation 2012, Council grant a concession for water availability, water consumption, and sewerage charges to local sporting bodies and other not-for-profit community organisations, who fit within the criteria requirements of section 120(1)(b) of the Local Government Regulation 2012; and
- h. Sections 119, 120, 121 and 122 of the Local Government Regulation 2012, Council grant a concession to individuals that use home haemodialysis devices, on the basis that the payment of high water consumption charges associated with operating home haemodialysis will result in financial hardship to the landowner.

Background:

As part of pre-budget discussions Officers suggested that Council consider consolidating all rates and charges concessions and exemptions policies into a single policy for the following reasons:

1. A consolidated policy will provide a single source of information on rates and charges concessions and exemptions
2. It will assist in raising public awareness of the different forms of concessions and exemptions available
3. Consolidation will reduce the number of policies from 5 to 1; and
4. It provides an opportunity to align definitions associated with concessions and exemptions.

The consolidation process has been the major focus of change this financial year with Officers recommending that the level of concession and exemption remain at 2021/2022 financial year levels to minimise the rate burden of concessions and exemptions on other ratepayers generally. However, a new section to the policy has been put forward this year to assist those requiring home haemodialysis. The financial impact of this inclusion is very small with only one applicant seeking this assistance at the time of preparing this report. There are also some minor wording changes from last financial year's policy proposed (outlined in the Considerations section).

The sections below summarise the respective legislative provisions that allow Council to offer exemptions and concessions.

Pensioner Concession

Under section 120(1)(a) of the *Local Government Regulation 2012*, a local government may grant a concession if it is satisfied that "*the land is owned or occupied by a pensioner*". The State Government, and generally most local governments, grant a pensioner concession on rates to assist this sector of the community with meeting the costs of living in their own home. Council has offered a pensioner concession since amalgamation in 2008, with the former Councils also offering their own schemes prior to amalgamation. Currently, Council has 3339 rate assessments that are accessing the pensioner concession.

Exemptions and Concessions from General and Differential Rates

Section 93 of the *Local Government Act 2009* and section 73 of the *Local Government Regulation 2012* provides for certain types of properties which are used for the 'general public good' to be exempt from general and differential rates i.e. public hospitals, education, religious purposes. Under the Act, Council may also exercise its discretion, by resolution, to make further exemptions where Council considers that

land is used for charitable, recreational or sporting purposes, showgrounds, or horseracing. Further, section 120(1)(b) of the Regulation provides Council with the power to grant a concession for rates where it is satisfied that the land is owned by an entity whose objects do not include making a profit.

Rating Financial Hardship Concession

Under section 120(1)(c) of the *Local Government Regulation 2012*, Council may grant a concession if it is satisfied that *“the payment of rates and charges will cause hardship to the landowner”*. The primary focus for a rating financial hardship concession is to facilitate realistic payment arrangements for property owners that are not able to meet the required payment by instalments and/or the reimbursement of interest and other costs associated with overdue rates and charges.

Concealed Water Leak Concession

Under section 120(1)(c) of the *Local Government Regulation 2012*, Council may grant a concession if it is satisfied that *“the payment of rates and charges will cause hardship to the landowner”*. A concealed water leak where a landowner incurs an increase of 40% or more in water consumption charges could cause financial hardship to the landowner and accordingly, Council may grant a concession.

Water Allocations and Sewerage Connection Concession

Under section 120(1)(b) of the *Local Government Regulation 2012*, Council may grant a concession if it is satisfied that the land is owned by an entity whose objects do not include making a profit or an entity that provides assistance or encouragement for arts and culture development. This section of the policy recognises and provides assistance with the operational costs incurred by not-for-profit sporting clubs and other not-for-profit organisations whilst also encouraging the development and maintenance of publicly accessible sporting fields and recreational facilities.

Water Concession for Home Haemodialysis

Council has received an application from a resident seeking a concession on water charges due to home haemodialysis. Home haemodialysis considerably increases the need and cost of water to perform the dialysis sessions from home. Where patients elect to have treatment at home, sessions are generally required, at a minimum, three times per week with each session lasting in the vicinity of 4 to 5 hours or overnight. The associated water costs can create a considerable burden on individuals who would normally receive this treatment in a hospital and often they have limited capacity to work and pay the ongoing costs associated with their treatment. Under section 120(1)(c) of the *Local Government Regulation 2012*, Council may grant a concession if it is satisfied that *“the payment of rates and charges will cause hardship to the landowner”*.

Consideration:

Pensioner Concession

It is proposed that the annual pensioner concession offered for the 2021/2022 financial year be maintained at the rate of \$310 for eligible pensioners in the 2022/2023 financial year. This is in addition to the 20% of the gross rates and charges up to a maximum of \$200 available under the Queensland Government Pensioner Rate Subsidy Scheme. It is proposed that Council again align eligibility for the Council pensioner concession to the State Government Scheme which makes the concession available to those persons who hold a Queensland Pensioner Concession Card or a Department of Veterans' Affairs Health Card for all conditions (Gold Card) and are the owner and resident of the property. Furthermore, the proportion of benefit for the Council concession be granted in accordance with the State Government Scheme.

Exemptions and Concessions from General and Differential Rates

The intent of this section of the policy remains unchanged and seeks to recognise the important role that our charitable organisations, sporting clubs, and other not-for-profit organisations play in the community. Some improvements to the format of the table have been made in this section to more easily identify

criteria. Specific exclusions relating to commercial liquor licenses have been included to enhance the understanding that the concession does not apply to entities operating commercially.

Rating Financial Hardship Concession

This section of the policy aims to support those property owners who are experiencing financial hardship through removing or reducing the penalties and actions associated with non-payment of rates for those that agree to enter into reasonable payment arrangements based on an assessment of the property owner's financial position.

Concealed Water Leak Concession

This section of the policy continues with the practice of property owners being able to seek relief from high water charges as a result of a concealed leak. A maximum concession of an amount equivalent to 600 kilolitres per billing period calculated on 50% of the difference between the levied water consumption and the estimated average daily water consumption, where the difference is greater than 40% of the average daily water consumption of the previous four billing periods.

Water Allocations and Sewerage Connection Concession

Under the current policy, eligible sporting clubs and community organisations receive a concession on water availability (fixed cost component), water consumption, and sewerage charges.

Water Concession for Home Haemodialysis

This section is a new addition to the policy. Research into other Council policies indicates that many local governments do offer a water concession for those that require home haemodialysis. The cost of offering this concession is minimal and demand is also low.

Communication and Consultation (Internal/External):

Councillors have had some early discussions on concessions and exemptions in February 2022 as part of broader discussions on rating and revenue matters in preparation for the budget process. The General Manager Finance Governance and Risk, subject matter experts in the Rates and Revenue Team, the Manager Engagement and Partnerships and Council's General Counsel have also been engaged in the review of rates and charges concessions and exemptions.

Legal Environmental and Policy Implications:

Chapter 4, Part 1 of the *Local Government Act 2009* and Chapter 4, Part 10 of the *Local Government Regulation 2012*, allow local government to provide exemptions and concessions from rates and charges for properties that meet the requirements of the legislation as set out in the recommendation and background in this report. Council must grant the exemptions and concessions by resolution prior to the levying of the rates and charges (generating the rate and charges notices).

Financial and Resource Implications:

Council's rates concessions and exemptions package is estimated to cost approximately \$1.51M in the 2022/2023 financial year based on 2021/2022 financial year expenditure. More detailed information is shown below:

Pensioner Concession

Financial Year	Value of Concessions Granted
2021/2022	\$949,968
2020/2021	\$901,712

Concealed Water Leak Concession

It is difficult to predict the financial impact of concealed water leaks, however, the table below provides historical expenditure.

Financial Year	Value of Concessions Granted
2021/2022	\$64,442 (including out of policy \$17,117)
2020/2021	\$69,761 (including out of policy \$235)
2019/2020	\$140,490
2018/2019	\$32,349

Water Allocations and Sewerage Connection Concession

Financial Year	Number of Assessments	Value of Concessions Granted
2021/2022	60	\$502,866
2020/2021	57	\$692,426
2019/2020	48	\$679,977

Exemptions and Concessions from General and Differential Rates

Most properties which would be eligible under the policy do not have a valuation and accordingly it is not possible to accurately determine the value of these exemptions and concessions.

Rating Financial Hardship Concession

A concession by way of an alternative payment plan will create delays in the receipt of funds, however it is not expected to have a significant impact on cash flow given expenditure is spread across the financial year. Likewise, a significant impact is not expected on Council's interest earnings.

Water Concession for Home Haemodialysis

The maximum support available per annum per household is as follows:

Water Supply Scheme	Rate per kilolitre 2021/2022 rate	Total maximum concession (150kls) per annum
Lake Awoonga Scheme	2.17	\$325.50
Miriam Vale & Bororen Scheme	3.79	\$568.50
Agnes Water Scheme	3.87	\$580.50

Commentary:

Nil

Summary:

This report provides the opportunity for Council to consider its package of rates and charges concessions and exemptions ahead of levying its rates and charges for the 2022/2023 financial year.

Attachments:

1. Proposed P-2022-04 Rates and Charges Concessions and Exemptions Policy;
2. Existing P-2021-11 Rating Financial Hardship Concession Policy;
3. Existing P-2021-12 Concealed Water Leak Concession Policy;
4. Existing P-2021-13 Water Allocation and Sewerage Connection Concessions Policy;
5. Existing P-2021-15 Pensioner Concession Policy; and
6. Existing P-2021-16 General and Differential Rates Exemptions and Concessions Policy.

Tabled Items:

Nil

Report Prepared by: Governance Business Partner

S/1.13. FEES AND CHARGES FOR THE 2022/2023 FINANCIAL YEAR

Responsible Officer: General Manager Finance Governance and Risk

Special Budget Meeting Date: 25 July 2022

File Ref: FM6.1

Purpose:

This report seeks the adoption of fees and charges for the 2022/2023 financial year.

Officer's Recommendation:

That Council adopt the 2022/2023 Schedule of Fees and Charges provided as Attachment 1, to be effective from 1 July 2022.

Background:

The fees and charges have been reviewed and collated as part of the budget development process for the 2022/2023 financial year.

Fees and charges have been determined in line with the principles within Council's Revenue Policy (P-2022-05), and dependent on the type of goods or services provided, are a mixture of both:

- commercial and cost recovery fees; and
- subsidised fees that are reflective of the inherent community service value of the goods and services provided so that charging a cost reflective fee would discourage such use or service.

Communication and Consultation (Internal/External):

All Council Teams and Councillors have been consulted in the development of the fees and charges for the 2022/2023 financial year.

Financial and Resource Implications:

Levying fees and charges in line with Council's Revenue Policy will enable Council to maintain financial viability and ensure that there is an appropriate recognition of the cost provision of Council services, and recovery through relevant fees and charges where appropriate.

Attachments:

1. Fees and Charges 2022-23 All of Council Register.

Tabled Items:

Nil

Report Prepared by: General Manager Finance Governance and Risk

S/1.14. OPERATIONAL PLAN AND BUDGET ADOPTION

Responsible Officer: General Manager Finance Governance and Risk

Special Budget Meeting Date: 25 July 2022

File Ref: FM6.1

Purpose:

This report recommends the adoption of Gladstone Regional Council Operational Plan and Budget 2022/23.

Officer's Recommendation:

That Council adopt the Gladstone Regional Council Operational Plan and Budget 2022/23 provided as Attachment 1.

Background:

Council will develop five annual Operational Plans and Budgets for the duration of the Corporate Plan 2021-2026 adopted on 18 May 2021.

The Operational Plan and Budget identifies initiatives and provides budget that enables the incremental delivery of the goals, outcomes and objectives contained in Corporate Plan 2021-26.

This is the second Operational Plan to come out of Council's Corporate Plan 2021-2026. The Operational Plan was prepared alongside our annual budget to ensure both core services and new initiatives are appropriately funded.

In accordance with sections 169 -170 of the *Local Government Regulation 2012*, the formulation of the Budget for the 2022/23 financial year has incorporated the:

- (a) statement of financial position;
- (b) statements of cash flow;
- (c) statements of income and expenditure;
- (d) statements of changes in equity;
- (e) long-term financial forecast ;
- (f) Revenue Statement;
- (g) Revenue Policy (adopted by Council resolution on 17 May 2022 (*GM/22/4746*));
- (h) relevant measures of financial sustainability;
- (i) total value of the change, expressed as a percentage, in the rates and utility charges levied for the financial year compared with the rates and utility charges levied in the previous budget.

Council's focus for 2022/23 is 'Proudly GRC', building on last year's 'Collective Delivery' theme that saw a focus on a pragmatic approach using the combined efforts of our community, business, industry and different levels of government to efficiently deliver our services and initiatives.

This year a *Proudly GRC* lens will bring a purposeful focus on supporting our people to deliver quality services for the region and supporting Council to be a place that our people enjoy working every day, where we can be proud of what we do for our community.

Consideration:

The attached Operational Plan and Budget provides for the delivery of services in 2022/23 and identifies:

- what initiatives will be delivered;
- how these initiatives link with the Corporate Plan 2021-26;
- how progress of each of the initiatives is to be measured, with respect to the delivery of that service in line with the objectives of the Corporate Plan.

Communication and Consultation (Internal/External):

The Operational Plan and Budget 2022/23 were prepared in consultation with employees, the Executive Leadership Team, and Elected Members.

Legal Environmental and Policy Implications:

Section 104(5)(a) of the *Local Government Act 2009*, identifies the annual Operational Plan as one of the key financial planning documents of Council.

The Operational Plan is required to be prepared under section 174(1) of the *Local Government Regulation 2012* and must be consistent with the annual budget, showing how Council will progress the implementation of the five (5) year Corporate Plan and state how Council will manage its operational risks.

Section 174(5) of the *Local Government Regulation 2012* requires Council to discharge its responsibilities in a way that is consistent with its annual Operational Plan.

Financial and Resource Implications:

In accordance with section 169(8)(b) of the *Local Government Regulation 2012* the budget must be consistent with its annual operational plan. The proposed operational plan and budget meet this requirement.

Attachments:

1. 2022-23 Operational Plan and Budget

Tabled Items:

Nil

Report Prepared by: General Manager Finance, Governance and Risk / General Manager Strategy and Transformation

ATTACHMENTS