



GLADSTONE
REGIONAL COUNCIL

**SPECIAL BUDGET MEETING NOTICE
AND AGENDA**

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

On Tuesday 20 June 2023

Commencing at 9.00am

**Leisa Dowling
CHIEF EXECUTIVE OFFICER**

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S/1. 2023/2024 BUDGET

S/1.1. 2023/2024 BUDGET OVERVIEW

Responsible Officer: Mayor Matthew Burnett

Prepared By: Mayor Matthew Burnett

Council Meeting Date: 20 June 2023

File Ref: FM6.1

Purpose:

The Mayor presenting an Overview Report on Council's 2023/24 Budget and associated Operational Plan.

Officer's Recommendation:

That Council receive the 2023/24 Budget Overview Report.

Background:

I am proud to present the 2023/24 Budget.

Council has faced a unique mixture of challenge and opportunity when framing the 2023/2024 budget.

Challenge, like all parts of our community and country we are grappling with the ever increasing costs of goods and services, this has meant that the costs to provide core services has been under pressure, Council has constrained costs where necessary, however to ensure that our community enjoys an acceptable standard of service to ensure that this great region remains one which we are all proud of, it is necessary to allow for that expenditure in this budget.

Challenge, in ensuring that we are delivering on the infrastructure repairs to essential road infrastructure through Queensland Reconstruction Authority which sees up to \$40m worth of repairs and improved infrastructure, principally in our southern and western road network;

Challenge, ensuring our work is planned and procured in a manner that is agile to cater for the supply chain challenges that continue to emerge due to both specific material shortages such as concrete pipes and structures, as well as a contractor market that is becoming increasingly constrained in regional areas;

Opportunity, our region is at the heart of the transition of our national economy, our unique mix of industrial and natural assets sees several significant Hydrogen and associated industries seeking to make the Gladstone Region home, providing for, and supporting these developments in a sustainable manner is a fantastic opportunity for our region.

Opportunity, for one off investment in the region's assets and its people, afforded through the return to the community of a share of the commercial returns from Gladstone Area Water Board., facilitating in part also the accelerating investment in Council's maintenance focus.

Opportunity, for the commencement of the delivery of generational community infrastructure and continuation of essential infrastructure repairs with over \$64m worth of funding from State and Federal Government partners, facilitating the commencement of projects such as Boyne Tannum Aquatic Recreation Centre (BTARC).

Our challenges that we have faced and continue to face heading into the 2023/24 financial year and beyond include:

- Cost pressures associated with the generationally high in inflation, with Queensland CPI sitting at 7.4% per annum at end of March 2023, and nationally at 7.0% per annum;
- Asset pressures, particularly in our waste, water and sewerage networks, with the combined impacts of regulatory and environment changes, unit price increases and shorter than expected asset lives in some parts contributing to a 9% increase in the annual consumption cost of our assets. These cost and asset pressures mounting due to the record inflationary environment along with supply side challenges have made the review and setting of the 2023/24 budget most challenging.
- Council's annual Federal Assistance Grant has been flagged to fall by 12% over three years or \$1.03m, with the 2023/24 years being the second year of this phased reduction, seeing a further 4% real reduction in this budget;
- This budget will be the first budget where residents are not reimbursed the Waste Levy in full by the State Government, with the levy reimbursement being phased out, at the same time as the effective Waste Levy increases from \$92 per tonne to \$113 per tonne over next eight years. Council is actively investigating waste diversion and new waste technologies to minimise the cost to ratepayers and the environment. The net difference is expected to compound annually from \$175,000 a year from 23/24 reaching a net annual difference in 2030/31 of \$1.8m per annum, (if waste habits and methods remain unchanged), doing nothing is not an option.

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 enabling infrastructure to support growth projects in our State Development Areas. This will see us deliver an expanded capital spend in 2023 / 2024 of \$68.6m.

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, with the key action items identified in the nation leading Economic Transition Roadmap. The key strategic activities supported through this budget include:

- Continuing and finalising the Gladstone Region Hydrogen Ecosystem, a key collaboration piece that will ensure that interaction, co-ordination and opportunity is understood by existing and future industries;
- Implementing and working with proponents in the Gladstone State Development Area to ensure infrastructure is appropriately planned, 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 through continued advocacy efforts in:

- Bringing Defence to Central Queensland through connecting to the Federal Defence Strategic Review;
- planning our road networks to connect our beef producers to the world;
- advocating for the strategic role 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 \$64m, 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 \$13m 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):

- \$1.7m for the Miriam Vale Community Centre Upgrade
- \$4.1m Lowmead Road Safety and Sealing Upgrade
- \$960,000 Tom Jeffery Park, Agnes Water – Bridge Renewal
- \$1m Agnes Water Waste Water Treatment Plant – Back Up Generator Supply
- \$573,450 Red Rover Road – Bridge Upgrade
- \$414,224 – Apex Park, Gladstone – Renew and replace Retaining Wall

Works for Queensland Projects (\$2.3m funded) to be delivered in 2023/24 focus on Sewerage Manhole Renewal and Upgrades to the Tondoon Botanic Gardens Bonsai House, Utility Connections.

Council is expecting to receive dividend and tax equivalents returns originating from Gladstone Area Water Board, as a result of the advocacy to rightfully return a share of the water charges from the community, back to the community, and to this end we are expecting to receive \$32m over the 2022/2023 and 2023/2024 financial years. This is a significant one off increase of over \$25m over this period. As this return is extraordinary, Council is committed to reinvest this money into the Gladstone Region through strategic community projects and an accelerated maintenance program, this is demonstrated in the budget through :

1. \$20m Future Works Allocation;
2. \$5m in accelerated maintenance programs;
3. \$6m in Water and Sewerage Renewals; and
4. Facilitation of aged care investment options at Philip Street, Gladstone.

These strategic projects provide a vessel to promote our region, in partnership with our community, and re-invest community funds ensuring that the region remains a great place to work, live and play.

The Boyne Tannum Aquatic Recreation Centre is budgeted within our capital portfolio to commence work in 2023/2024 following the completion of detailed design, with funds provided to proceed with the project, supported by the Federal Government Funding for the project.

The 2023/24 Capital expenditure of \$68.6m includes:

- \$21 million on upgrades to water and wastewater (sewerage) infrastructure
- \$19 million on capital roads and drainage projects
- \$12m Capital Parks, Sport and Recreation Projects
- \$2.4 million on footpath and cycle upgrades.

Borrowings

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

Our focus remains on reducing existing debt with no new borrowings and will see interest bearing debt decline to \$86.8m by June 2024, a reduction of \$6m.

The resultant debt ratio equivalent reduces to 3.41% (3.85% 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 Queensland CPI at 4%, with the March CPI 2023 (Brisbane) sitting at 7.4% per annum.

To ensure the continued delivery of reliable services to the community it is necessary to increase service charges by 7.6% per annum in total, the total value of these charges before discount equates to \$5.33 per day.

The overall rate increase for the average residential rate payer is 5.84%, and is demonstrated through the basket of goods below:

	2023/24	2022/23	Movement
Average General Rate	\$1,790.34	\$1,721.46	4.01%
Water	\$615.00	\$565.00	8.85%
Sewerage	\$865.00	\$815.00	6.13%
Waste	\$465.30	\$427.90	8.74%
Gross Rates	\$3,735.64	\$3,529.36	5.84%
Discount	-\$373.56	-\$352.94	
Net Rates	\$3,362.08	\$3,176.42	5.84%

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

General Rates

Council has made the decision to increase the average general residential rate by 4%, which is still below the rate of CPI, 7.4%.

The Department of Resources, as part of the 2023 valuation program issued new land valuations and the Gladstone Region that meant 28,662 properties were revaluated with an overall increase of 40%.

The impact of the significant valuation movements on the residential ratepayers has been mitigated by Council resolving to maintain the maximum percentage that rates levied will increase by (capping) is 10%

Waste Charges

Council's underlying waste service costs, excluding recycling, increased in line with CPI (7.4%). The associated costs of waste disposal, transfer station operation and recycling component have had significant cost pressures applied during the past few 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.

The domestic waste services will have an overall increase of 8.74%. All premises receiving a domestic waste and recycling service, will increase with \$26.80 for a standards 240L weekly waste service and a 240L fortnightly recycling service to \$409.70 and an additional \$10.60 on the Waste Management Facility Charge to \$55.60.

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	2023/24	2022/23
Boyne Island, Tannum Sands and Calliope	888.00	838.00
Gladstone	865.00	815.00
Agnes Water/Seventeen Seventy	1037.00	987.00

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 remains in 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 the legislated CPI increase of 7.4%. This sees our bulk water price move to \$2.77 per kl (from \$2.37 per kl) for the 2023/24 financial year.

Scheme	2023/24	2022/23
Lake Awoonga	615.00	565.00
Miriam Vale and Bororen*	665.00	615.00
Agnes Water*	665.00	615.00

Scheme	Consumption Charge 2023/24
Lake Awoonga	2.77
Miriam Vale and Bororen	4.27
Agnes Water	4.36

Conclusion

Our overall focus for the 2023/24 Budget and Operational Plan is to deliver on our accelerated maintenance investments and projects that are subject to substantial external funding, whilst balancing the need for responsible budget management on both cost and revenue sides to ensure our region remains in a position to capitalise on the opportunities ahead.

S/1.2. REVENUE STATEMENT

Responsible Officer: General Manager Finance Governance and Risk

Prepared By: Governance Business Partner

Council Meeting Date: 20 June 2023

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 2023/2024 Budget.

Officer's Recommendation:

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

1. Repeal P-2022-05 Revenue Statement; and
2. Adopt P-2023-08 Revenue Statement 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.

A number of amendments are recommended to the current Revenue Statement to give Council's 2023/24 revenue raising proposals effect. The major changes are summarised below:

- New rating categories for rural land and vacant land including new definitions for Primary Land Use Code, Primary Land Use Code 64 to 69, animal husbandry and unimproved valuation
- Amendments to the Defined Sewerage Service Area and Defined Water Service Area to clarify that these areas exclude land that cannot be practically or economically serviced
- The removal of the definition for Non-Principal Place of Residence with an associated amendment to Principal Place of Residence to simply the understanding of the Principal Place of Residence rating category
- Minor amendment to the definition of Pensioner to align with the concession cards currently issued

- Minor wording amendments to Rating Categories 1 and 2 to remove the words '*or approved for development*' and a change to Category 3 wording to accommodate the introduction of the new categories for vacant and rural land
- A new section (Section 6.4.7) to detail the management of financial adjustments that occur for rates and charges levied on land as a result of category or service charge change that occurs during the financial year (ie. Land moves from NPPR to PPR or there is a change in a utility service ie. sewer connected and garbage service provided for a newly constructed home)
- Section 6.2.5.1 - Principal Place of Residence was updated to reflect the change in definition
- Section 6.4.2.1 - Curtis Island Wastewater Service Infrastructure Special Charge (Section 6) amounts have been increased to reflect the increase in costs for the 2023/24 financial year
- Section 6.4.2.2 - Gladstone City Plaza Forecourt Redevelopment Special Charge has been reduced to reflect the agreement in place that funded the development
- A new provision has been included in the water and sewerage sections that allows Council to consider applying only a single access charge for these services where a non-residential structure is built across two separately titled allotments
- An amendment has been made to the interest rate to 11.64% in line with interest rate increases
- Updates to the financial year references and other minor wording amendments as required.

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*.

Attachments:

1. Proposed P-2023-08 Revenue Statement;
2. Existing P-2022-05 Revenue Statement.

S/1.3. LONG-TERM FINANCIAL FORECAST

Responsible Officer: General Manager Finance Governance and Risk

Prepared By: General Manager Finance Governance and Risk

Council Meeting Date: 20 June 2023

File Ref: FM6.1

Purpose:

This report seeks the adoption of the Long-Term Financial Forecast, for the 10 years through to 30 June 2033, prepared in accordance with the requirements of the *Local Government Regulation 2012*.

Officer's Recommendation:

That Council adopt the Long-Term Financial Forecast 2023-24 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 Council's 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 2023-24

S/1.4. DEBT POLICY

Responsible Officer: General Manager Finance Governance and Risk

Prepared By: General Manager Finance Governance and Risk

Council Meeting Date: 20 June 2023

File Ref: FM6.1, CM28.2

Purpose:

The purpose of this report is to seek Council's endorsement of the Debt Policy for the 2023/2024 financial year.

Officer's Recommendation:

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

1. Repeal P-2022-06 Debt Policy; and
2. Adopt P-2023-09 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 debt service 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 including:

- updates to the cash and debt balances graph (Graph 1) and the external loan summary (Attachment 1);
- reflection of nil borrowings in the 10-year forecast period (Table 1); and
- other minor wording amendments.

Legal Environmental and Policy Implications:

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

Attachments:

1. Proposed P-2023-09 Debt Policy;
2. Existing P-2022-06 Debt Policy.

S/1.5. PROJECTED FINANCIAL STATEMENTS FOR YEAR END 30 JUNE 2024

Responsible Officer: General Manager Finance Governance and Risk

Prepared By: General Manager Finance Governance and Risk

Council Meeting Date: 20 June 2023

File Ref: FM6.1

Purpose:

This report seeks the adoption of the projected financial statements for year ending 30 June 2024.

Officer's Recommendation:

That Council adopt the projected financial statements for the year ending 30 June 2024 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 2022/2023 financial year in accordance with section 205 of the *Local Government Regulation 2012*.

Attachments:

1. Projected Financial Statements for year end 30 June 2024.

S/1.6. RATE PAYMENT PERIOD AND DISCOUNTS

Responsible Officer: General Manager Finance Governance and Risk

Prepared By: General Manager Finance Governance and Risk

Council Meeting Date: 20 June 2023

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;
 - recycled water scheme (fixed and consumption)
 - 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 quarterly; 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.
- Legal action may be taken in the year that rates become outstanding including approved rate instalment payments that are not maintained

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 11.64% per annum, compounding daily.

S/1.7. DIFFERENTIAL GENERAL RATES**Responsible Officer:** General Manager Finance Governance and Risk**Prepared By:** General Manager Finance Governance and Risk**Council Meeting Date:** 20 June 2023**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 2023/2024 financial year is:

Category	Description
1A	All rateable land used, for residential purposes as: a) a single dwelling; or b) a lot within a 2-lot community titles scheme; with a rateable value not exceeding \$810,000, other than land in Categories 5 to 8A inclusive and where such land is the owner's principal place of residence.
1B	All rateable land used for residential purposes as: a) a single dwelling; or b) a lot within a 2-lot community titles scheme; with a rateable value not exceeding \$810,000, other than land in Categories 5 to 8B inclusive and where such land is not the owner's principal place of residence.
2A	All rateable land used, 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 \$810,001, other than land in Categories 5 to 8A inclusive and where such land is the owner's principal place of residence.
2B	All rateable land used, 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 \$810,001, other than land in Categories 5 to 8B inclusive and where such land is not the owner's principal place of residence.
3	All rateable land: a) where the land is valued with an unimproved valuation; or b) located on any island, excluding land used for commercial or industrial purpose
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 7A, 7B, 8A, 8B, 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 7A, 7B, 8A, 8B, 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, 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, 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>

Category	Description
12	All rateable land used for the purposes of a Shopping Centre with a Gross Floor Area of at least 10,000m ² , but less than 20,000m ² .
13	All rateable land used for the purposes of a Shopping Centre with a Gross Floor Area of at least 20,000m ² or greater
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: 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: 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: 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.
25	All rateable vacant land intended to be used for residential purposes, and not otherwise categorised

Category	Description
26	All rateable vacant land intended to be used for residential purposes which is a lot within a community titles scheme, and not located on an island
27	All rateable land used for animal husbandry, with the primary land use codes 64, 65, 66, 67, 68 & 69, and with an unimproved land valuation greater than or equal to \$1,000,000.

- 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.
- 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 2023/2024 financial year is as follows:

Category	Cents in the Dollar	Minimum General Rate	Limitation of Increase (Rate Cap) in Rates and Charges Levied
1A	1.568	\$1,144.00	The amount so levied shall not exceed 110% of the corresponding annual amount levied as the differential general rate in the 2022/2023 financial year.
1B	1.881	\$1,254.00	The amount so levied shall not exceed 110% of the corresponding annual amount levied as the differential general rate in the 2022/2023 financial year.
2A	0.918	\$8,013.00	The amount so levied shall not exceed 110% of the corresponding annual amount levied as the differential general rate in the 2022/2023 financial year.
2B	0.784	\$8,796.00	The amount so levied shall not exceed 110% of the corresponding annual amount levied as the differential general rate in the 2022/2023 financial year.
3	0.665	\$1,144.00	The amount so levied shall not exceed 110% of the corresponding annual amount levied as the differential general rate in the 2022/2023 financial year.
4	1.881	No minimum general rate.	No Limitation of Increase.
5	0.827	\$1,144.00	No Limitation of Increase.

Category	Cents in the Dollar	Minimum General Rate	Limitation of Increase (Rate Cap) in Rates and Charges Levied
6A	3.242	\$1,144.00	The amount so levied shall not exceed 110% of the corresponding annual amount levied as the differential general rate in the 2022/2023 financial year.
6B	4.935	\$1,254.00	The amount so levied shall not exceed 110% of the corresponding annual amount levied as the differential general rate in the 2022/2023 financial year.
7A	4.342	\$1,380.00	The amount so levied shall not exceed 110% of the corresponding annual amount levied as the differential general rate in the 2022/2023 financial year.
7B	5.853	\$1,504.00	The amount so levied shall not exceed 110% of the corresponding annual amount levied as the differential general rate in the 2022/2023 financial year.
8A	1.456	\$1,764.00	The amount so levied shall not exceed 110% of the corresponding annual amount levied as the differential general rate in the 2022/2023 financial year.
8B	1.709	\$1,940.00	The amount so levied shall not exceed 110% of the corresponding annual amount levied as the differential general rate in the 2022/2023 financial year.
9	3.673	\$1,229.00	The amount so levied shall not exceed 115% of the corresponding annual amount levied as the differential general rate in the 2022/2023 financial year.
10	2.380	\$33,820.00	No Limitation of Increase.
11	3.770	\$117,078.00	No Limitation of Increase.
12	4.289	\$122,910.00	No Limitation of Increase.
13	8.547	\$338,214.00	No Limitation of Increase.
14	13.333	\$105,441.00	No Limitation of Increase.
15	52.106	\$403,265.00	No Limitation of Increase.
16	4.776	\$1,265.00	The amount so levied shall not exceed 115% of the corresponding annual amount levied as the differential general rate in the 2022/2023 financial year.

Category	Cents in the Dollar	Minimum General Rate	Limitation of Increase (Rate Cap) in Rates and Charges Levied
17	16.141	\$2,962.00	The amount so levied shall not exceed 150% of the corresponding annual amount levied as the differential general rate in the 2022/2023 financial year.
18	16.141	\$2,962.00	The amount so levied shall not exceed 150% of the corresponding annual amount levied as the differential general rate in the 2022/2023 financial year.
19	12.460	\$1,283.00	The amount so levied shall not exceed 150% of the corresponding annual amount levied as the differential general rate in the 2022/2023 financial year.
20	13.815	\$2,962.00	The amount so levied shall not exceed 150% of the corresponding annual amount levied as the differential general rate in the 2022/2023 financial year.
21	16.462	\$1,283.00	No Limitation of Increase.
22	7.167	\$79,650.00	No Limitation of Increase.
23	2.411	\$1,265.00	The amount so levied shall not exceed 115% of the corresponding annual amount levied as the differential general rate in the 2022/2023 financial year.
24	82.139	\$4,420,538.00	No Limitation of Increase.
25	1.895	\$1,144.00	The amount so levied shall not exceed 110% of the corresponding annual amount levied as the differential general rate in the 2022/2023 financial year.
26	4.935	\$1,144.00	The amount so levied shall not exceed 110% of the corresponding annual amount levied as the differential general rate in the 2022/2023 financial year.
27	0.643	\$1,144.00	The amount so levied shall not exceed 110% of the corresponding annual amount levied as the differential general rate in the 2022/2023 financial year.

S/1.8. WASTE CHARGES

Responsible Officer: General Manager Finance Governance and Risk

Prepared By: General Manager Finance Governance and Risk

Special Budget Meeting Date: 20 June 2023

File Ref: FM6.1

Purpose:

This report seeks the adoption of waste charges for 2023/2024.

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 2023/2024 financial year:

1. Domestic Mobile Waste Container (Bin) Service:

Domestic Mobile Waste Container (Bin) Service:	Annual Charge
<u>Standard</u> First Domestic Collection *	
General Waste 240l / Recyclable 240l	\$409.70
<u>Optional</u> First Domestic Collection	
General Waste 240l / Recyclable 340l	\$444.20
General Waste 140l / Recyclable 140l	\$385.20
General Waste 140l / Recyclable 240l	\$385.20
General Waste 140l / Recyclable 340l	\$409.70
<u>Additional</u> and in conjunction First Domestic Collection	
General Waste 140l	\$300.10
General Waste 240l	\$300.10
Recyclable 140l	\$157.80
Recyclable 240l	\$157.80
Recyclable 340l	\$248.20

***An annual charge for the first domestic collection will be levied for each domestic premises in the defined cleansing service area.**

2. Commercial Mobile Waste Container (Bin) Service:

Commercial Mobile Waste Container (Bin) Service:	Annual Charge
<u>Standard</u> First Commercial Collection *	
General Waste 240l / Recyclable 240l	\$668.80
<u>Optional</u> First Commercial Collection	
General Waste 240l / Recyclable 340l	\$752.50
<u>Additional</u> and in conjunction First Commercial Collection	
General Waste 240l	\$513.60
Recyclable 240l	\$255.20
Recyclable 340l	\$371.60

**** An annual charge for the first commercial collection will be levied for each commercial premises in the defined cleansing service area.***

3. Bulk Refuse:

In cases where an owner of a 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 2023 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 \$409.70 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 \$55.60 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.

S/1.9. WATER CHARGES**Responsible Officer:** General Manager Finance Governance and Risk**Prepared By:** General Manager Finance Governance and Risk**Council Meeting Date:** 20 June 2023**File Ref:** FM6.1**Purpose:**

This report seeks the adoption of water charges for 2023/2024.

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 2023/2024 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/Unconnected	\$ 615	\$ 665	\$ 665	\$ 665
20mm	\$ 615	\$ 665	\$ 665	\$ 665
20mm add	\$ 615	\$ 665	\$ 665	\$ 665
20mm (sub-meter)	\$ 461	\$ 499	\$ 499	\$ 499
25mm (domestic)	\$ 615	\$ 665	\$ 665	\$ 665
25mm (sub-meter domestic)	\$ 615	\$ 665	\$ 665	\$ 665
25mm (all other users)	\$ 959	\$ 1,037	\$ 1,037	\$ 1,037
25mm (sub-meter, all other users)	\$ 959	\$ 1,037	\$ 1,037	\$ 1,037
32mm	\$ 1,574	\$ 1,702	\$ 1,702	\$ 1,702
32mm (sub-meter)	\$ 1,574	\$ 1,702	\$ 1,702	\$ 1,702
40mm	\$ 2,460	\$ 2,660	\$ 2,660	\$ 2,660
40mm (sub-meter)	\$ 2,460	\$ 2,660	\$ 2,660	\$ 2,660
50mm	\$ 3,844	\$ 4,156	\$ 4,156	\$ 4,156
50mm (sub-meter)	\$ 3,844	\$ 4,156	\$ 4,156	\$ 4,156
80mm	\$ 9,840	\$ 10,640	\$ 10,640	\$ 10,640
80mm (sub-meter)	\$ 9,840	\$ 10,640	\$ 10,640	\$ 10,640
100mm	\$ 15,375	\$ 16,625	\$ 16,625	\$ 16,625
100mm (sub-meter)	\$ 15,375	\$ 16,625	\$ 16,625	\$ 16,625
150mm	\$ 34,594	\$ 37,406	\$ 37,406	\$ 37,406
150mm (sub-meter)	\$ 34,594	\$ 37,406	\$ 37,406	\$ 37,406
150mm (Rail Corridor Land)	\$ 69,680	\$ 75,345	\$ 75,345	\$ 75,345
200mm	\$ 61,500	\$ 66,500	\$ 66,500	\$ 66,500
250mm	\$ 96,094	\$ 103,906	\$ 103,906	\$ 103,906
300mm	\$ 138,375	\$ 149,625	\$ 149,625	\$ 149,625
375mm	\$ 216,211			

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

Scheme	\$ per Kilolitre
Lake Awoonga Treated Water Scheme	2.77
Miriam Vale and Bororen Treated Water Schemes	4.27
Agnes Water / Seventeen Seventy Treated Water Scheme	4.36

- 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 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 charge in Council's rating resolution for the 2022/2023 financial year; and
 - regardless of whether the meter reading for the second half of the 2023/2024 financial year occurs before the end of that financial year or after the beginning of the 2024/2025 financial year, the consumption charge for that half year is calculated in accordance with the relevant basis of consumption charge for the 2023/2024 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 \$ 615.00 per connection;
- b. Consumption Charge \$ 3.05 per kilolitre.

Constant Flow Water System	Availability Charge
Constant Flow – Access Only	\$ 615
Constant Flow – 211kl + Access	\$ 1,259
Constant Flow – 368kl + Access	\$ 1,737
Constant Flow – 526kl + Access	\$ 2,219
Constant Flow – 684kl + Access	\$ 2,701

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

- a. Water Availability (Fixed Cost Component) \$ 445,548.00;
- b. Consumption Charge \$0.25811 per kilolitre.

S/1.10. SEWERAGE AND WASTEWATER CHARGES**Responsible Officer:** General Manager Finance Governance and Risk**Prepared By:** General Manager Finance Governance and Risk**Council Meeting Date:** 20 June 2023**File Ref:** FM6.1**Purpose:**

This report seeks the adoption of sewerage charges for 2023/2024.

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 2023/2024 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	\$ 86.50 per unit
Urban Sewerage Scheme - Boyne Island, Tannum Sands, and Calliope	\$ 88.80 per unit
Urban Sewerage Scheme - Agnes Water /Seventeen Seventy	\$ 103.70 per unit

- The sewerage charge levied in respect of the Boyne Aluminium Smelter be \$ 138,528.00 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 \$ 7,785.00 being 20 units at a rate of \$ 389.25.

5. Yarwun Industrial Area:

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

Sewerage Charge:

a.	ORICA Chemical Plant	\$ 218,713.00
b.	Transpacific Plant	\$ 58,814.00
c.	Comalco Refinery	\$ 1,092,067.00
d.	Alpha HPA (High Purity Alumina)	\$ 33,232.00

Trade Waste Charge:

a.	ORICA Chemical Plant	\$ 299,875.00
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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	128.052 cents per kilolitre of wastewater discharged from the LNG facility.
b.	Queensland Curtis LNG	128.052 cents per kilolitre of wastewater discharged from the LNG facility.
c.	GLNG	128.052 cents per kilolitre of wastewater discharged from the LNG facility.

S/1.11. SPECIAL CHARGES

Responsible Officer: General Manager Finance Governance and Risk

Prepared By: General Manager Finance Governance and Risk

Council Meeting Date: 20 June 2023

File Ref: FM6.1

Purpose:

This report seeks the adoption of special charges for 2023/2024

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 2023/2024 as:

a. APLNG land	-	\$ 2,115,964.34 per annum;
b. QCLNG land	-	\$ 5,278,480.23 per annum;
c. GLNG land	-	\$ 1,149,573.14 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 2023/2024 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 \$8,544.017.71, 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 \$ 1,959,093.19 (which includes principal and interest) over a ten year period;

11. The Annual Implementation Plan for the 2023/2024 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 2023/2024 of \$ 205,334.12.

S/1.12. RATES AND CHARGES CONCESSIONS AND EXEMPTIONS

Responsible Officer: General Manager Finance Governance and Risk

Prepared By: General Manager Finance Governance and Risk

Council Meeting Date: 20 June 2023

File Ref: CM28.2

Purpose:

This report seeks the adoption of a revised Rates and Charges Concessions and Exemptions Policy, applying to the 2023/2024 financial year.

Officer's Recommendation:

That Council:

1. Repeal P-2022-04 Rates and Charges Concessions and Exemptions Policy;
2. Adopt P-2023-07 Rates and Charges Concessions and Exemptions Policy provided as Attachment 1;
3. In accordance with the adopted P-2023-07 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.

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 2023/2024 financial year.

Background:

The below summarises 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 3504 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*, a local government 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*, a local government 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*, a local government 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 assists 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

Under section 120(1)(c) of the *Local Government Regulation 2012*, a local government may grant a concession if it is satisfied that *"the payment of rates and charges will cause hardship to the landowner"*. 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 (3) times per week with each session lasting in the vicinity of four (4) to five (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.

Consideration:

It is the officer's recommendation that the types and values of the concessions and exemptions be consistent with that of the 2022/2023 financial year.

Minor changes are proposed to the policy including:

- reordering of sections – Rating Financial Hardship Concession section has been moved to the forefront of the policy content;
- correction of the name of Department of Veterans' Affairs card eligible to receive a pensioner concession (Veteran Gold Card); and
- minor wording amendments to improve readability and provide clarity of intent.

Stakeholder Engagement:

Councillors were engaged in some discussions on concessions and exemptions earlier this year as part of broader discussions on rating and revenue matters in preparation for the budget process. Feedback was also sought from the General Manager Finance Governance and Risk and subject matter experts in the Revenue Services Team.

Legal and Regulatory Implications:

Chapter 4, Part 1 of the *Local Government Act 2009* and Chapter 4, Part 10 of the *Local Government Regulation 2012*, allow a 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 sections of 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 \$1.55M in the 2023/2024 financial year based on 2022/2023 financial year expenditure. More detailed information is shown below (noting the 2022/2023 figures have been provided for the period 1 July 2022 to 6 June 2023):

Pensioner Concession

Financial Year	Value of Concessions Granted
2022/2023	\$983,875
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
2022/2023	\$42,649 (including out of policy \$0)
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
2022/2023	62	\$528,900
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 2023/2024 rate	Total maximum concession (150kls) per annum
Lake Awoonga Scheme	2.77	\$415.50
Miriam Vale & Bororen Scheme	4.27	\$640.50
Agnes Water Scheme	4.36	\$654.00

In 2022/2023, 1 concession was granted totaling \$355.50.

Attachments:

1. Proposed P-2023-07 Rates and Charges Concessions and Exemptions Policy;
2. Existing P-2022-04 Rates and Charges Concessions and Exemptions Policy.

S/1.13. FEES AND CHARGES FOR THE 2023/2024 FINANCIAL YEAR

Responsible Officer: General Manager Finance Governance and Risk

Prepared By: General Manager Finance Governance and Risk

Council Meeting Date: 20 June 2023

File Ref: FM6.1

Purpose:

This report seeks the adoption of fees and charges for the 2023/2024 financial year.

Officer's Recommendation:

That Council adopt the 2023/2024 Schedule of Fees and Charges provided as Attachment 1, to be effective from 1 July 2023.

Background:

The fees and charges have been reviewed and collated as part of the budget development process for the 2023/2024 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 Councilor's have been consulted in the development of the fees and charges for the 2023/2024 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 2023/24 All of Council Register.

S/1.14. OPERATIONAL PLAN AND BUDGET ADOPTION 2023/24

Responsible Officer: General Manager Community Development and Events, General Manager Finance Governance and Risk and General Manager Strategy and Transformation

Prepared By: General Manager Finance Governance and Risk and General Manager Strategy and Transformation

Council Meeting Date: 20 June 2023

File Ref: FM6.1

Purpose:

This report recommends the adoption of Gladstone Regional Council's 2023/24 Operational Plan and Budget.

Officer's Recommendation:

That Council adopt Gladstone Regional Council's 2023/24 Operational Plan and Budget, provided as Attachment 1.

Background:

Council will develop five annual Operational Plan and Budgets for the duration of the Corporate Plan 2021-2026 adopted on 18 May 2021. This is the third Operational Plan and Budget developed to support Council's Corporate Plan 2021-2026.

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

The Operational Plan was prepared alongside our annual Budget to ensure both core services and new initiatives are appropriately funded.

Council's focus for 2023/24 is again 'Proudly GRC', bringing 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 2023/24 and identifies:

- What priority initiatives will be delivered;
- How these initiatives link with the Corporate Plan 2021-26;
- How the 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.

The 2023/24 Operational Plan and Budget contains nine initiatives and 50 core services that enable us to progress the goals in our Corporate Plan and meet the needs of our community. The 2023/24 Budget totals \$333.3M to deliver these initiatives and core services for our community.

2023/24 Operational Plan Initiatives				
Corporate Goal	Initiative	Budget	Lead	Sponsor
Connecting Communities	Disability, Access and Inclusion Action Plan	\$50,000	Manager Community Partnerships	GM CDE
	Social Infrastructure Strategic Plan Review and Update	Internal Resources	Economic Development Specialist	GM S&T
	Planning Scheme Review	\$150,000	Principle Planning Lead	GM CX
Delivering Value	Works Delivery	\$2.2M	Transformation Lead	GM S&T
	Community Waste Education	\$180,000	Manager Communications	GM CDE
	Future of Fleet	\$138,000	Manager Operations Support Services	GM Ops
Resilient Economy	<i>No proposed initiatives for 2023/24</i>			
Our People	Creating Constructive Culture	\$159,240	Manager Culture and Capability	GM PCS
	Psychosocial Safety	Internal Resources	Manager Health Safety Wellbeing	GM PCS
Accountable Council	Information Management	\$10,000	Manager Governance and Risk	GM FGR

Communication and Consultation (Internal/External):

The 2023/24 Operational Plan and Budget was prepared in consultation with employees, the Executive Leadership Team, and Elected Members.

Legal Environmental and Policy Implications:

In accordance with sections 169 -170 of the *Local Government Regulation 2012*, the formulation of the Budget for the 2023/24 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 16 May 2023 (*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.

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.

To be Tabled:

1. 2023-24 Operational Plan and Budget