POLICY: REVENUE POLICY

Purpose

The Revenue Policy sets out how Barcoo Shire Council (Council) manages rates and charges, including:

- levying of rates and charges
- granting concessions
- recovery of overdue rates and charges, and
- cost-recovery methods.

Policy statement

Barcoo Shire Council is a small, rural local government that is well known for its diverse and complex landscapes which change depending on the climate. Barcoo Shire is vast in its jurisdiction and as such has a complex and varied range of services and responsibilities. Recognising this, Council aims to maintain a fair, transparent and equitable approach to managing rates and charges that supports sustainable service delivery and balance community capacity.

Key strategies include:

- differential rates and minimum rates to acknowledge different patterns for the use of Council's services and ensuring equitable contributions.
- conservative budgeting processes to contain overall rate increases while meeting community and service delivery obligations.
- rate caps, concessions, discounts and rebates, where appropriate.

Scope

The policy applies to:

- council members and staff responsible for setting and managing Council budgets, levying of rates and charges, payment and cost recovery processes, and
- ratepayers within the local council area.

Definitions

Nil.

Responsibilities

Council: Approves the Revenue Policy.

CEO: Policy implementation.

Director, Corporate and Community Services: Manage processes for payment of rates, concessions, collection and recovery.

Ratepayers: Comply with payment obligations.

Principles used for the making of rates and charges

In general Council will be guided by the principle of user pays in the making of rates and charges to minimise the impact of rating on the efficiency of the local economy.

Council will also have regard to the principles of:

- Transparency in the making of rates and charges.
- Having in place a rating regime that is simple and inexpensive to administer.
- Equity by taking account of the different levels of capacity to pay within the local community.
- Flexibility to take account of changes in the local economy.

In accordance with section 94 of the *Local Government Act 2009*:

1. *Each local government:*

    a. *must levy general rates on all rateable land within the local government area, and*
    b. *may levy:*

        i. *special rates and charges; and*
        ii. *utility charges; and*
        iii. *separate rates and charges.*

    Without limiting subsection (1), a local government may categorise rateable land, and decide differential rates for rateable land, according to whether or not the land is the principal place of residence of the owner.

2. *A local government must decide, by resolution at the local government's budget meeting for a financial year, what rates and charges are to be levied for that financial year.*

Where possible, Council will endeavour to base all rates and charges on a full cost recovery basis.

In making its decisions regarding the quantum of rates and charges, Council will endeavour to avoid undertaking borrowings. It is understood however, that for Council to undertake certain specific projects, borrowing may be a necessary requirement.

General rates

Council recognises that different categories of land use will generate different needs and requirements for Council services and facilities. Council also recognises that it will incur a different level of resource expenditure to provide the necessary services and facilities.

Although a single general rate would provide simplicity, its adoption would necessitate Council setting a high minimum rate to deal with the fact that land values in the 3 towns are very low in relation to rural land but those who live in the towns have greater access to Council services.

Council believes that the existing distribution of the general rate burden through its differential rates regime is generally equitable as it reflects incremental changes over many years.

Council proposes therefore to continue to levy differential general rates to ensure that the rate burden is distributed in similar fashion to the pattern in recent years. Council will continue to gather data and to consider this information to further refine this process.

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

Special rates and charges

Council may make and levy a special rate or charge on rateable land, to help defray the cost of providing a service, facility and or an activity where, in Council's opinion:

- the land, or the occupier of the land, has or will especially benefit from the provision of the service, facility or activity, or
- the occupier of the land, or the use made or to be made of the land, has, or will, especially contribute to the need for the service, facility or activity.

Utility charges

Council may make and levy a utility charge on any land, whether vacant or occupied, and whether or not it is rateable land or a structure, to recover costs in relation to the provision of services and/or facilities. Barcoo Shire operates water treatment and reticulates services to all 3 communities and will charge within the bounds of fairness and equity of charges with reference to similar charges across the State. Cost Recovery will not be achieved in the near future.

Regulatory and non-regulatory charges

Regulatory charges shall be measured based on the estimated cost of providing the goods or service. Non-regulatory charges shall be measured on a commercial basis unless it is considered necessary to reduce the charge to maintain access to certain services for disadvantaged persons.

Interest

Council may impose interest on rates and charges that remain unpaid after discount period expires and may include assessments that are making payments of outstanding rates by instalments.

Principles used for the levying of rates and charges

In levying rates Council will apply the principles of:

- Making clear what is the Council's and each ratepayer's responsibility to the rating system
- Making the levying system simple and inexpensive to administer.
- Timing the levy of rates to consider the financial cycle of local economic activity, to assist smooth running of the local economy.
- Equity through flexible payment arrangements for ratepayers with a lower capacity to pay.

Council will issue a rates notice to the owner of the land on which a rate or charge has been applied.

Rates notices shall include the date the notice was issued, the date by which time the rate must be paid and any discounts, rebates or concessions applied.

Council will issue notices on a half yearly basis during the periods 1 July to 31 December and 1 January to 30 June in the respective financial year.

Council will responsibly ensure that the rates and charges applied are correct and are generally issued within the months of August/September and February/March to better consider the financial cycle of the local economy.

Payment of rates and charges

Owner liability

It is the liability of the 'owner' to pay rates and charges levied against land held in their name. It is the liability of persons at whose request a service is supplied to a structure or land that is not rateable land (section 106 of the *Local Government Regulation 2012*).

Where joint ownership of a property exists or other persons are liable to pay a rate, all owners or other persons are jointly and severally liable.

Rates and charges will exist with the land (i.e. where a change in ownership occurs and a rate or charge exists against the land the 'owner' of the land will become liable for payment).

Where land ceases to be rateable land the owner of said land immediately before it ceased to be rateable land is taken to continue as the owner of the land, and the land is taken to continue to be rateable land for the levy, collection or refund of a rate on the land for any period before it ceased to be rateable land.

Methods of payment

Council may accept the payment of rates and charges by differing methods. These may include cash, direct debit, BPAY, credit card or cheque.

Payments in advance

Payments in advance by way of lump sum or instalments may be accepted, however interest will not be payable on any credit balances held.

Payments by instalment

Council may allow payments by instalment where it will benefit both the individual and the collection of overdue rates and charges.

Time in which rates must be paid

The rates and charges levied by Council must be paid within 30 clear days after the notice is issued (section 118 of the *Local Government Regulation 2012*).

Principles used for the recovery or rates and charges

Council will exercise its rate recovery powers to reduce the overall rate burden on ratepayers. It will be guided by the principles of:

- Transparency by making clear the obligations of ratepayers and the processes used by Council in assisting them meet their financial obligations.
- Making the processes used to recover outstanding rates and charges clear, simple to administer and cost effective.
- Capacity to pay in determining appropriate arrangements for different sectors of the community.
- Equity by having regard to providing the same treatment for ratepayers with similar circumstances.
- Flexibility by responding where necessary to changes in the local economy.

An overdue rate is an amount of a rate payable to a local government that remains unpaid at the end of the period specified in the rate notice as the period within which the amount of the rate is payable, (including any amount of interest on the rate).

With due regard for financial hardship, Council shall actively pursue the collection of outstanding rates and charges.

Where there has been no movement on an account, or an instalment plan has defaulted Council may refer overdue rates to a mercantile agent or a solicitor for recovery.

Generally, an account will not be referred for external recovery action unless it is $500 or greater in value.

Council may negotiate payment plans for any debt that may be referred to an external recovery agent.

Concessions, discounts and rebates

Concessions

In considering the application of concessions, Council will be guided by the principles of:

- Equity by having regard to the different levels of capacity to pay within the local community.
- The same treatment for ratepayers with similar circumstances.
- Transparency by making clear the requirements necessary to receive concessions.
- Flexibility to allow Council to respond to local economic issues.

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

Discount

In accordance with section 130 of the *Local Government Regulation 2012*, Council may allow a discount on all general rates if payment is made within 30 clear days from the date of issue of the notice.

If Council is satisfied that a person liable to pay a rate has been prevented, by circumstances beyond the person's control, from paying the rate in time to benefit from a discount under section 130 of the *Local Government Regulation 2012*, may still allow the discount following written application by the ratepayer.

General rate caps

Because general rates are made and levied upon the unimproved value of land determined by the Department of Resources, Council recognises that the statutory valuation process may result in unusually high valuation increases for at least some classes of land, if not for all land. Where it considers that applying the differential general rate to affected lands or classes of land will produce inequities between ratepayers or classes of ratepayer, Council may cap general rate increases for the lands or classes of land concerned.

Other rebates and concessions

Council may, at its discretion allow other concessions or remissions. These may include pensioner rebates, natural hardship and or social and economic incentives.

Principles used for determining cost recovery fees

The Council recognises the validity of fully imposing the user pays principle for its cost-recovery fees, unless the imposition of the fee is contrary to its express social economic, environmental and other corporate goals. This is considered the most equitable and effective revenue approach and is founded on the basis that the Shire's rating base cannot subsidise the specific users or clients of Council's regulatory products and services (section 97 of the *Local Government Act 2009*).

Governing legislation, regulations and references

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

Document references and control:

Policy owner:	Director, Corporate Services
Policy reference no.:	BSC-037
Related policies:	Barcoo Shire Council Corporate Plan Barcoo Shire Council Operational Plan Barcoo Shire Council Debtors Policy
Related forms:	Nil
Version:	7.2
Council resolution no:	SM2026.07.014
Date approved:	8 July 2026
Review:	30 June 2027 **Review notes** This policy is reviewed when any of the following occur: 3. At least annual intervals. 4. The related information is amended or replaced. 5. Other circumstances as determined from time to time by the Chief Executive Officer. The Chief Executive Officer may, without referral to Council, review and make amendments of a minor administrative nature that do not affect the intent of the policy (e.g., change of legislation, change of personnel responsibilities, repair drafting error).