

Agenda



SPECIAL MEETING OF COUNCIL (BUDGET ADOPTION)

AGENDA

28 JUNE 2023

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1. MEETING OPENED**1.1 Acknowledgement of Country**

The traditional owners of the land on which the meeting is held to be acknowledged.

2. LEAVE OF ABSENCE

No Leave Of Absence.

3. DECLARATION OF ANY PRESCRIBED CONFLICT OF INTERESTS/DECLARABLE CONFLICTS OF INTEREST BY COUNCILLORS**3.1 Declaration of Prescribed Conflict of Interest on any Item of Business**

Pursuant to Chapter 5B, Part 2 of the *Local Government Act 2009*, a councillor who has a prescribed conflict of interest in an issue to be considered at a meeting of a local government, or any of its committees must:

- (a) inform the meeting of the prescribed conflict of interest in the matter, including the following about the interest –
 - i. if it arises because of a gift, loan or contract, the value of the gift, loan or contract
 - ii. if it arises because of an application or submission, the subject of the application or submission
 - iii. the name of any entity other than the councillor that has an interest in the matter
 - iv. the nature of the councillor's relationship with the entity that has an interest in a matter
 - v. details of the councillor's and any other entity's interest in the matter; and
- (b) leave the meeting room, including any area set aside for the public, and stay out of the meeting room while the matter is being discussed and voted on unless the subject councillor has written notice from the Minister to participate in the matter.

3.2 Declaration of Declarable Conflict of Interest on any Item of Business

Pursuant to Chapter 5B, Part 3 of the *Local Government Act 2009*, a councillor who has a declarable conflict of interest in a matter to be considered at a meeting of the local government or any of its committees must inform the meeting about the personal interest in the matter, including the following particulars about the interests:

- (a) the nature of the interests
- (b) if it arises because of the councillor's relationship with a related party:
 - i. the name of the related party to the councillor
 - ii. the nature of the relationship of the related party to the councillor
 - iii. the nature of the related party's interest in the matter
- (c) if it arises because of a gift or loan from another person to the councillor or a related party:
 - i. the name of the other person
 - ii. the nature of the relationship of the other person to the councillor or related party
 - iii. the nature of the other person's interest in the matter
 - iv. the value of the gift or loan and the date the gift or loan was made.
- (d) how the councillor intends to handle the matter i.e. leave the meeting or proposes to stay in a meeting.

4. MAYOR'S BUDGET ADDRESS AND PRESENTATION

5. EXECUTIVE OFFICE REPORTS**5.1 2023-2024 Financial Policies**

Author: Kirsty Johnson, Coordinator Revenue Services; Scott Norman, Contract Accountant
Responsible Officer: Ian Church, Chief Executive Officer

Purpose:

The purpose of this report is to seek Council's adoption of the financial policies and procedures as part of the 2023-24 Budget.

Officer's Recommendation:

THAT Council adopt the following policies as attached to this report:

- **2023-24 Investment Policy;**
- **2023-24 Debt Policy;**
- **2023-24 Procurement Policy;**
- **Local Benefit and Supply Procedure;**
- **Rates and Charges Debt Collection and Recovery Policy;**
- **Sundry Debt Collection and Recovery Policy;**
- **Hardship Policy**

Executive Summary

The attached financial policies have been reviewed and amended as part of the 2023-24 Budget process. The main change has been to align the amount of overdue interest charged with the maximum amount allowed by legislation.

The Investment Policy, Debt Policy and Procurement Policy are key Statutory policies of Council. The adoption of these policies satisfies Council's legislative obligations and provides clear guidance to staff to ensure ongoing understanding and compliance. The Debt Policy is required to be adopted each financial year with the Investment Policy and Procurement Policy reviewed on an annual basis.

The Rates and Charges Debt Collection and Recovery Policy, Sundry Debt Collection and Recovery Policy and Hardship Policy have also been reviewed and updated for inclusion in the policy register as per the *Local Government Act 2009*.

The adoption of these Policies satisfies Council's legislative obligations and provides clear guidance to staff to ensure ongoing understanding and compliance.

The Local Benefit and Supply Procedure has been compiled to assist in developing competitive local businesses and industry by providing a governing framework to maximise opportunities for local businesses.

Proposal

Overview

Council regularly reviews its policies to ensure that they are current and compliant with the *Local Government Act 2009* and *Local Government Regulation 2012*.

Investment Policy

Under Section 191 of the *Local Government Regulation 2012*, Council must prepare and adopt an Investment Policy that outlines Council's investment objectives and overall risk philosophy together with the procedures for achieving the goals outlined in the Policy.

The attached Investment Policy provides Council's finance officers with an investment framework within which to place Council investments to achieve competitive returns whilst adequately managing risk exposure and ensuring cash funds are available to meet Council's short-term cash requirements. The priority order of investment activities is preservation of capital, liquidity and return. The Investment Policy remains unchanged from the previous version.

Debt Policy

Under Section 192 of the *Local Government Regulation 2012*, Council must prepare and adopt a Debt Policy each financial year. The Debt Policy must state new borrowings for the current financial year and the next nine years and the time over which Council plans to repay existing and new borrowings.

The attached Debt Policy forecasts no borrowings for the life of the long-term financial plan.

Under Council's Debt Policy, Council will not utilise loan funds to finance operating activities and where capital assets are funded through borrowings, Council will repay the loans within the shortest term possible with the maximum term not exceeding the life of the asset. It is planned to have all existing debt repaid by 2031-32. Additional repayments will be made where sufficient funds are available, and it is advantageous to do so.

Procurement Policy

The Procurement Policy covers the principles of procurement applicable under the *Local Government Regulation 2012* and provides clarity on the sound contracting principles which underpin Council's procurement and contracting functions.

Local Benefit and Supply Procedure

This procedure has been compiled to assist in developing competitive local businesses and industry by providing a governing framework to maximise opportunities for local businesses. It was a new procedure in 2022-23 and there have been minor changes and updates for 2023-24.

Currently, Council are including as many local suppliers as possible as part of the Procurement invitation process, however inviting local suppliers isn't always possible. On the occasions when Council requires goods and/or services that no suppliers in the local area can accommodate, every effort is put in by the business areas, and procurement, to find suppliers that are as close to the local area as practicable. For this reason, a six (6) zone score matrix has been established to ensure locality is still given due consideration at the evaluation stage. Local benefit is also considered during the evaluation phase, by assessing supplier's commitment to the region.

The procedure also acknowledges that value for money goes beyond choosing the cheapest price, and instead considers the potential investment in local businesses and genuine employment opportunities for Lockyer Valley businesses.

Rates and Charges Debt Collection and Recovery Policy

The Rates and Charges Debt Collection and Recovery Policy provides a process which is consistent and ethical for the recovery of outstanding rates and charges in accordance with the *Local Government Regulation 2012*.

This Policy remains unchanged from the previous year, excluding the increase in the interest on overdue rates and charges from 8.17% per annum compounding daily, to 11.64% per annum compounding daily. This is to conform with changes to the *Local Government Regulation 2012* which has increased the maximum amount of interest Councils can charge on overdue rates and charges.

Setting the level of interest at the maximum amount is a powerful incentive for property owners to pay their rates and charges within the shortest possible time.

Sundry Debt Collection and Recovery Policy

The Sundry Debt Collection and Recovery Policy sets out Council's debt management principles for the recovery of outstanding sundry debt.

This Policy remains unchanged from the previous year, excluding the increase in the interest on overdue sundry debts from 8.17% per annum compounding daily, to 11.64% per annum compounding daily. This is to maintain consistency with the amount of interest charged on outstanding sundry debts and reduce the administration of managing multiple overdue interest rates.

The Rates and Charges Debt Collection and Recovery Policy and the Sundry Debt Collection and Recovery Policy are key policies of Council and provide guidance to officers when dealing with monies owed to Council.

Hardship Policy

The Hardship Policy remains unchanged from the previous year.

Options

Option One: That Council adopt the policies and procedure as attached to this report.

Previous Council Resolutions

Special Meeting of Council 20 July 2022 (20-24/0586)

THAT Council adopt the following policies as attached to these minutes:

- *2022-23 Investment Policy;*
- *2022-23 Debt Policy;*
- *2022-23 Procurement Policy;*
- *Local Benefit and Supply Procedure;*
- *Rates and Charges Debt Collection and Recovery Policy;*
- *Sundry Debt Collection and Recovery Policy;*
- *Hardship Policy*

Critical Dates

Under the *Local Government Act 2009* Chapter 4 Finances and Accountability, Part 3 Financial planning and Accountability Section 107(a) Approval of the Budget the local government must adopt a budget before 1 August in the financial year to which the budget relates.

Strategic Implications

Corporate Plan

Lockyer Leadership and Council

Undertake robust and accountable financial, resource and infrastructure planning and management to ensure affordable and sustainable outcomes for our community.

Compliance with relevant legislation

Finance and Resource

These Policies underpin elements of the 2023-24 budget.

The increase in the interest rate charged will slightly increase Council's revenue however the amount cannot be determined as it is dependent on the amount of outstanding debt and the length of time it has been outstanding. Total revenue from interest on outstanding debts is usually between \$220,000 and \$290,000 per annum.

Legislation and Policy

The *Local Government Regulation 2012* Sections 191, 192 and 198 require Council to prepare an Investment Policy, Debt Policy and Procurement Policy.

The *Local Government Act 2009* section 95 and Part 12 of the *Local Government Regulation 2012* govern the process contained within the Rates and Charges Debt Collection and Recovery Policy.

The adoption of the 2023-24 financial policies by Councillors supersedes the 2021-22 financial policies.

Risk Management

Key Corporate Risk Code and Category: FE2

Key Corporate Risk Descriptor: Finance and Economic
Decision making governance, due diligence, accountability and sustainability.

Consultation

Portfolio Councillor Consultation

The policies were workshoped with Councillors in June 2023.

Internal Consultation

The implications of these policies and procedure will be incorporated into extensive communications associated with the 2023-24 Budget. The updated policies will be included in Council's policy register and uploaded to Council's website.

External Consultation

Due to the internal administrative nature of these policies, there has been no external consultation.

Community Engagement

The implications of these policies and procedure will be incorporated into extensive communication associated with the 2023-24 Budget and uploaded to Council's website.

Attachments

1	Investment Policy	2 Pages
2	Debt Policy	3 Pages
3	Procurement Policy	4 Pages
4	Local Benefit and Supply Procedure	8 Pages
5	Rates and Charges Debt Collection and Recovery Policy	5 Pages
6	Sundry Debt Collection and Recovery Policy	4 Pages
7	Hardship Policy	4 Pages



STATUTORY

INVESTMENT

Head of Power

Section 191 of the *Local Government Regulation 2012* states a Local Government must prepare an investment policy each financial year. Council must also consider the *Statutory Bodies Financial Arrangements (SBFA) Act 1982* and *Statutory Bodies Financial Arrangements Regulation 2007*.

Key Supporting Council Document

Lockyer Valley Regional Council Corporate Plan (2022-2027):
Lockyer Leadership and Council –

Undertake robust and accountable financial, resource and infrastructure planning and management to ensure affordable and sustainable outcomes for our community.

Definitions

N/A

Policy Objective

To provide Council's finance officers with an investment framework within which to place Council investments to achieve competitive returns whilst adequately managing risk exposure and ensuring cash funds are available to meet Council's short-term cash requirements.

Policy Statement

This policy is applicable to the investment of Lockyer Valley Regional Council's cash balances as they occur throughout the year. It specifically does not apply to the long-term loan arrangement with Urban Utilities.

Council's overall objective is to invest its funds at the most advantageous interest rate available to it at the time, for that type of investment and in a way that it considers most appropriate.

Without specific approval from Council or the treasurer, investments are limited to those prescribed by Part 6 of the *Statutory Bodies Financial Arrangements Act 1982* for local governments with Category 1 investment power.

Group: Executive Office
Branch: Financial Services
Approved: Special Council Meeting (Resolution Number: 20-24/XXXX)
Date Approved: XX/XX/2023
ECM: 4547482

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Version: 1 Last Updated: 12/06/2023
Review Date: 30/06/2024

Superseded/Revoked: Investment Policy ECM: 4349002

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In order of priority, the order of investment activities will be preservation of capital, liquidity and return.

This policy prohibits any investments carried out for speculative purposes.

Council's bank balances and short-term cash flows will be reviewed daily.

Investments will be placed to minimise the cash held in low/no interest operating bank accounts whilst ensuring sufficient cash is available to meet Council's financial obligations on a day-to-day basis.

Funds will be invested for a term not exceeding 12 months.

To mitigate risk and protect the Capital value of Investments, funds will only be placed with recognised financial institutions with a Standard and Poor's Long-Term Rating of BBB- or better and operating in Australia. Investments will be placed with various financial institutions such that the maximum percentage of the total investment portfolio does not exceed:

Standard and Poor's Long-Term Rating	Maximum % Investment in any one Institution	Maximum % Investment all institutions in this category
QTC (currently AA+)	100%	100%
AAA to A+ (excluding QTC)	35%	85%
A to BBB+	25%	45%
BBB to BBB-	20%	30%

The Chief Financial Officer is to ensure an appropriate system is maintained at all times to ensure all investments are accounted for and the portfolio managed appropriately.

The Chief Financial Officer will ensure that effective internal controls are established to ensure that investment objectives are met and that investments are protected from loss, theft or inappropriate use. These controls will address control of collusion, separation of transaction activity from accounting and record keeping, safekeeping, physical delivery of securities, delegation to investment officers, requirements for the settlement of securities, compliance and oversight of investment parameters and compliance reporting.

Investments and associated internal controls will be subject to periodic reviews by Council's Internal Audit function to verify compliance with this policy and legislation.

Any breach of this policy must be reported to the Chief Executive Officer within 24 hours and be rectified as soon as reasonably possible of the breach occurring.

Quarterly reports detailing compliance with the policy and earning performance compared to the benchmark are to be prepared by the Chief Financial Officer and provided to Council.

Earning Performance will be benchmarked against the Bank Bill Swap Rate and the Bloomberg AUSBOND Index which includes the 90-day bank bills from a number of Australian institutions.

Related Documents

Lockyer Valley Regional Council – 2023-2024 Budget and Long-Term Financial Forecast

Group: Executive Office
Branch: Financial Services
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STATUTORY

DEBT

Head of Power

Section 192 of the *Local Government Regulation 2012* requires a Local Government to annually prepare a Debt Policy. Council's borrowing activities continue to be governed by the *Statutory Bodies Financial Arrangements Act 1982* and the *Statutory Bodies Financial Arrangements Regulation 2007*.

Key Supporting Council Document

Lockyer Valley Regional Council Corporate Plan (2022-2027):

Lockyer Leadership and Council –

Undertake robust and accountable financial, resource and infrastructure planning and management to ensure affordable and sustainable outcomes for our community.

Definitions

N/A

Policy Objective

To establish a responsible debt management framework for the management of Council's existing and future debt.

Policy Statement

This policy provides clear guidance for staff in the management of Council's debt portfolio and the maintenance of appropriate debt and debt servicing levels.

External Loans

Council will not utilise loan funds to finance operating activities.

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Branch: Financial Services
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Superseded/Revoked: Debt Policy 2022/2023 ECM: 4349003
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Council recognises that the infrastructure requirements placed upon it in many instances can only be funded through borrowings but is mindful of the additional cost incurred by property owners when assets are acquired through borrowings.

Council will endeavour to fund all capital renewal projects from operating cash flows and borrow only for new or upgrade projects having regard to sound financial management principles and considering intergenerational equity for the funding of long-term assets.

Borrowings for infrastructure that provide a return on assets will take priority over borrowings for other assets.

Where capital assets are funded through borrowings, Council will repay the loans within the shortest term possible with the maximum term not exceeding the life of the asset. Current loans are planned to be repaid within their existing loan terms.

Consideration will be given to renegotiating loans where it is in Council's long-term interests to do so.

If surplus funds become available and where it is advantageous to do so, one-off loan repayments will be made to reduce the balance of existing loans.

Council will maintain scrutiny of debt levels to try and ensure that sustainability indicators do not exceed the target parameters recommended by the Queensland Treasury Corporation and the *Local Government Regulation 2012*.

Council will raise all external borrowings at the most competitive rates available from sources defined by legislation. Loans will be drawn down annually subject to cash flow requirements to minimise interest expenses.

Pursuant to Section 192 of the *Local Government Regulation 2012*, proposed borrowings for capital works projects as outlined in the adopted budget for the current financial year and subsequent financial years are as follows:

Financial Year	\$'000
2023/2024	-
2024/2025	-
2025/2026	-
2026/2027	-
2027/2028	-
2028/2029	-
2029/2030	-
2030/2031	-
2031/2032	-
2032/2033	-
2033/2034	-

Internal Loans

The provision of internal loans will depend upon the availability of excess Council funds and the capacity of the internal business unit to repay the loan.

Group: Executive Office
Branch: Financial Services
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Superseded/Revoked: Debt Policy 2022/2023 ECM: 4349003
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The term of the internal loan will not exceed the life of the asset being financed.

The interest rate of the internal loan will be the sum of the equivalent Queensland Treasury Corporation borrowing rate, the Queensland Treasury Corporation administrative charge for the loan and an addition risk margin of no less than 1%. The provision for the interest and redemption payments of internal loans will be included in the annual budget for the business unit.

Related Documents

Lockyer Valley Regional Council – 2023-2024 Budget and Long-Term Financial Forecast

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Group: Executive Office
Branch: Financial Services
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STRATEGIC

PROCUREMENT

Head of Power

Section 198 of the *Local Government Regulation 2012*

[Key Supporting Council Document](#)

Lockyer Valley Regional Council Corporate Plan 2022-2027:
Lockyer Leadership and Council –

Undertake robust and accountable financial, resource and infrastructure planning and management to ensure affordable and sustainable outcomes for our community.

Definitions

Procurement	means the whole process of acquisition of external goods, services and works. This process spans the whole life cycle from initial concept through to the end of the useful life of an asset (including disposal) or the end of a service or construction contract.
Sound contracting principles	means the principles as outlines in the <i>Local Government Act 2009</i> , s.104.
Ethical behaviour	encompasses the concepts of honesty, integrity, probity, diligence, fairness, trust, respect, and consistency. Ethical behaviour includes avoiding conflicts of interest, and not making improper use of an individual's position.
Council	Lockyer Valley Regional Council (Council)

Policy Objective

This policy establishes the procurement principles to be used by Lockyer Valley Regional Council (LVRC) in undertaking all procurement and contracting activities for the organisation.

Will apply ethics principles of integrity and impartiality, promoting the public good, commitment to the system of government, accountability, and transparency in undertaking Council procurement activities.

Group: Executive Office
Branch: Financial Services
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Superseded/Revoked: ECM: 4349004
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This policy applies to the procurement and contracting of all goods, equipment and related services, including applicable contracts, and disposal of non-current assets.

Policy Statement

Lockyer Valley Regional Council will carry out all procurement and contracting activities in accordance with the prescribed legislative framework and its Procurement Guidelines.

To do so, Council will apply the sound contracting principles of:

- **Value for money**

Council must harness its purchasing power to achieve the best value for money. The concept of value for money is not restricted to price alone. The value for money assessment must include consideration of:

- alignment to the objectives of Council outlined in its corporate and operational plans and contribution to the advancement of Council's priorities
- fit for purpose, quality, services, work health and safety, and support
- whole-of-life costs including costs of acquiring, using, maintaining and disposal
- internal administration costs
- technical compliance issues
- the performance history of each prospective supplier
- risk exposure
- timely delivery and post-delivery support
- effective warranties
- value-add proposals
- the value of any associated social and environmental benefits

- **Open and effective competition**

Procurement methods should be well considered, providing interested suppliers with the opportunity to provide works, goods and services resulting in effective competition in the provision of works, goods and services. Council must give fair and equitable consideration to all prospective suppliers.

- **The development of competitive local business and industry**

Council has implemented a Local Benefit and Supply Procedure to inform the procurement procedure ensuring that local businesses and industry is provided relevant opportunities to service Council. This procedure details the actions Lockyer Valley Regional Council and its Officers apply to the appointment of Suppliers under a contracted arrangement or any other relevant agreements, committing to support the development of the local economy.

Where price, performance, quality, suitability, and other evaluation criteria are comparable, the following areas may be considered in evaluating offers:

- creation of local employment opportunities
- more readily available servicing support

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- relevant and informative opportunities for communication during contract management stage
 - the benefit to Council of an associated local commercial transactions
- **Environmental protection**
Council promotes environmental protection through its purchasing procedures. By law any party entering into a contract with Council for the carrying out of work or the supply of goods or services must not cause an environmental nuisance or unlawful environmental harm pursuant to the *Environmental Protection Act 1994 (Qld)*. Further, the party must also comply with any other relevant laws and regulation.
 - **Social sustainability**
Council promotes social sustainability through its procurement procedures. In undertaking procurement activities Council will consider environmental, social, and economic elements, taking into consideration the following State and Federal Government Policies:
 - *Queensland Social Enterprise Strategy 2019*
 - *Social Procurement Guide – Adding Social Value When Buying For Government – Queensland Government (2018)*
 - **Ethical behaviour and fair dealing**
Council conducts its procurement and contracting activities in a transparent manner which demonstrates probity and accountability. Council will apply the ethics principles of integrity and impartiality, fairness, independence, professionalism, promoting the public good, and commitment to the system of government in undertaking its procurement and contracting activities.

Ethical behaviour and fair dealing will be promoted by fulfilling the requirements of Council's Code of Conduct, working with sound ethics, and ensuring Council:

- promotes high standards of professionalism in procurement and contracting activities
- uses procurement and contracting processes, systems and procedures that provide a consistent approach to Council's policy requirements
- develops evaluation and probity plans for contracting activities, where appropriate
- develops contract management plans and systems for identified contracting activities
- notes interactions with suppliers and record content of meetings
- safeguards suppliers' commercially confidential information and/or intellectual property
- ensures procurement and contracting processes are transparent so that suppliers are treated equitably
- ensures that Council officers involved in procurement avoid and/or declare any conflicts of interest consistent with the Code of Conduct, Conflicts of Interest and Gifts Policy, and the relevant legislation.

Procurement activities, of works, goods and / or services must be made in accordance with this policy, the Procurement Guidelines, and the *Local Government Regulation 2012*.

Procurement must only be undertaken where there is a budget for the expenditure, or it is otherwise authorised by a Council resolution. All purchases must be approved by the relevant financial delegate.

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Council will also provide a framework for the development and implementation of systems, practices, and controls for efficient, effective, and economic financial and performance management in its procurement activities.

Roles and Responsibilities

Chief Executive Officer (CEO) is responsible for organisation wide procurement outcomes.

Executive Leadership Team (ELT) is responsible for promoting consistency in procurement practice across the organisation.

Procurement Coordinator is responsible for creating and maintaining an appropriate procurement control framework, and for ensuring this policy, the administrative directive and code of practice procedure are appropriate, reflect better practice and facilitate a high standard of procurement performance.

Managers and supervisors are responsible for ensuring that employees are aware of, and comply with, this policy.

Anyone approving any procurement activities must ensure compliance prior to exercising their legislative sub-delegation.

All Council officers and Councillors are required to be aware of and comply with this policy. Detailed roles and responsibilities are outlined in the Procurement Guideline.

Related Documents

Procurement Guideline
Code of Conduct

Group: Executive Office
Branch: Financial Services
Approved: Special Council Meeting (Resolution Number: 20-24/XXXX)
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LOCAL BENEFIT AND SUPPLY

July 2023

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Document Control

This page will be re-issued every time amendments are made to controlled documents. Amended documents will have their revision status and issue date updated accordingly.

Version	Clause(s)	Changes	Author	Issue Date
1.0	Final	New Procedure	Chief Financial Officer	July 2022
1.1		Approved	Council	20 July 2022
1.2	Reviewed	Document Review & Update	Coordinator Procurement	May 2023
	Reviewed		Governance	June 2023
1.3		Approved		

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1. Introduction

The purpose of this procedure is to develop competitive local businesses and industry by providing a governing framework to maximise opportunities for local businesses when bidding for Council's contracts.

The outcome of this procedure is to give local businesses opportunity to quote or tender on Council's goods, services and works. This procedure details the actions Lockyer Valley Regional Council (LVRC) and its Officers apply to the appointment of Suppliers under a contracted arrangement or any other relevant agreements.

LVRC commits through its Procurement Policy to support the development of the local economy by undertaking procurement and contracting *in accordance with*:

- *Local Government Act 2009*
- *Local Government Regulation 2012*
- The sound contracting principles which include the development of competitive local business and industry.

This procedure acknowledges that value for money goes beyond choosing the cheapest price and instead considers the potential investment in local businesses and genuine employment opportunities for Lockyer businesses (best value). This might include creating new jobs, ensuring sustainability of existing local jobs, or upskilling local workforces and creating new opportunities.

The level of participation and determination of benefit to the Region, by a business or undertaking, is measured under the following categories:

- Location of the business's office or usual place of operations
- Benefits and initiatives the business contributes to the community as part of their day-to-day business.
- Past community contributions initiated by the business.
- Commitments made by the business if awarded the contract, that are reportable under the contract.
- Contributions that form part of the contract and scope of services.

Where quotes or tenders from non-local suppliers are sought and evaluated, the officer with the delegation relevant to the procurement, will need to be satisfied that such an approach clearly reflects the most advantageous outcome for the Lockyer Valley Region in terms of value for money.

This procedure is effective from the approval date and is to be read in conjunction with the Procurement Policy and the Procurement Guidelines.

Group: Executive Office
Branch: Financial Services
Approved: Special Council Meeting (Resolution Number: 20-24/XXXX)
Date Approved: xx/xx/2023

ECM: 4547490

Effective Date: XX/XX/2023
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Superseded/Revoked: Local Benefit and Supply 2022 ECM:
4352650

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2. Definitions

Term	Definition
<i>Best value</i>	Best value considers financial and non-financial costs and benefits. This includes competitive whole of life pricing, with the ability to generate a blend of social, economic and environmental outcomes for the Lockyer Valley Region.
<i>Supplier</i>	A business or entity that provide services, goods or works for monetary trade
<i>Exemption</i>	Forgo the inclusion of local supplier in a quotation process
<i>Local</i>	Within the boundaries of Lockyer Valley, Queensland
<i>Local Government Area</i>	Lockyer Valley Region
<i>LVRC</i>	Lockyer Valley Regional Council (Council)
<i>Local Buy</i>	A Government funded organisation under Local Government Association of Queensland (LGAQ), established to provide procurement services and solutions to Queensland councils whilst promoting the use of local suppliers. A web-based portal used for locating Suppliers by region, utilising Local Buy (LGAQ) arrangements and issuing of Quotes and Tenders to select suppliers and the public market.
<i>Vendorpanel</i>	

For additional procurement definitions refer to the Procurement Guidelines.

3. Local Supplier vs Local Benefit vs Local Buy

3.1 Local Supplier

Zone 1 – Local Supplier:

- Is owned and operated by residents or ratepayers of the Local Government area.
- Has its principal place of business within the Local Government area.
- Has a place of business within the Local Government area of LVRC that employs persons who are residents or ratepayers of the Local Government area of LVRC.

Other zoning:

- Local Zone 2 – Within an adjoining Region.
- Local Zone 3 – Within South-East Queensland.
- Local Zone 4 – Broader Queensland.
- Local Zone 5 - Another Australian state.
- Local Zone 6 – Internationally.

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By prioritising the use of local businesses, we are putting our community first in creating and supporting quality local jobs that create genuine connections within the community and help to reduce long-term unemployment.

3.2 Local Benefit

Local benefits are recognised by assessing suppliers' commitment to the Region, this may include:

- The location of the supplier office which holds additional benefits such as a building lease or employment of local residents.
- The number of other suppliers in the Region that are supported by their day-to-day operations.
- Contributions to the Region and its community groups.
- Contributions to the community through employment initiatives.
- Economic growth for the Region and expansion outside of typical core service to meet new demands.
- Direct supply of goods, services and support within the Region.
- The number of other suppliers in the Region that are supported by their day-to-day operations.

3.3 Local Buy

Local Buy is a government funded organisation that promotes the use of local suppliers through the appointment of Panel contracts. These contracts are in place for use by Local Governments in Queensland and other states.

The level of which the suppliers meet the 'local' criteria will differ between suppliers however you can refer to the Local Buy Supplier Matrix for the registered business locations.

Local Buy lists are accessible to LVRC through the VendorPanel platform.

3.4 VendorPanel Market Place

VendorPanel is the digital facilitation portal or 'marketplace' used to release quotes and tenders, including searching for suppliers. It also allows users to refine supplier searches to within a set radius making it a useful tool to determine Suppliers nearest your area.

4. Economic Impacts

Direct economic impacts:

- by supporting local sustainable businesses that are more likely to prosper, expand, innovate, train, invest
- by supporting local labour market outcomes (such as training, new opportunities, employment security)

Direct and/or indirect economic impacts:

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- by supporting local supply chains and the circular flow of money to maximise regional impact (i.e. supply chain benefits)
- by supporting local manufacturers, and supply chains that source goods manufactured locally

Indirect economic impacts:

- by supporting sustainable activity in the local economy, which may have broader impacts through more sustainable local industries, where sustainability in one local industry may generate flow-on effects and support sustainability.
- by supporting community cohesion (e.g. local businesses are encouraged to support local initiatives, thereby stabilising the population base, increasing liveability in regional areas through employment opportunities and creating local leaders).

5. Achieving Local Benefit through Procurement

5.1 Developing local business and industry

LVRC contributes to the successful growth and development within the Region by acknowledging suppliers providing additional benefits to the Region as part of their daily business. This is achieved by including questions (evaluation criteria) in the quote or tender offer document, aligning with the type of service LVRC is seeking and scoring the benefits through evaluation process criteria and associated weightings.

Including local benefit questions as part of the evaluation criteria allows suppliers to understand what we value in terms of developing our local supply chains and community and encourages suppliers to see what additional contributions they can make both now, and in the future.

5.2 Local Benefit Sample Questions

The questions below are examples of the kinds of questions that may be asked of suppliers to assist council in evaluating responses. Suppliers will have the opportunity to demonstrate any commitment made to the Region and its economic development in the Respondents Offer or Tender response:

- How many full-time staff do you employ that recurrently reside within the Lockyer Valley Region?
- How many Trainees /Apprentices do you currently have?
- How many additional Trainees /Apprentices/Employees will you employ for the term of this contract that reside within the Lockyer Valley Region?
- What training is currently provided to your staff on a regular basis and where is this training delivered?
- Detail your membership within Community groups based in the Lockyer Valley Region including volunteering, memberships, and donations.

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- Detail the economic and community benefits you propose to bring to the Region during the delivery of this contract? For example, local supplies, community participation etc. And how will you engage local resources (personnel, equipment, sub-contractors)?
- What percentage of the contract value do you commit to spending during the term of the contract within the Region and what is this percentage made up of.

6. Evaluation Criteria

6.1 Mandatory Requirements

- Minimum 10% Local Supplier weighting on all Tier 3 and 4 procurement processes.
- Obtain a minimum of one quote from a local supplier for all Tier 1 and 2 procurements, where available.
- In instances where the supply market does not exist in the Lockyer Region (with evidence to support), a mandatory fifteen (15%) Local Benefits non-price evaluation weighting criteria is applied to deliver local growth and economic contribution.

6.2 Local Supplier Evaluation

- Local Zone 1 = Full score of 10%
- Local Zone 2 = Four fifths score of 8%
- Local Zone 3 = Three fifths 6%
- Local Zone 4 = Two fifths 4%
- Local Zone 5 = One fifth 2%
- Local Zone 6 = Score of 0%.

7. Related Documents

Procurement Policy
Procurement Guidelines

Group: Executive Office
Branch: Financial Services
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STRATEGIC

RATES AND CHARGES DEBT COLLECTION AND RECOVERY

Head of Power

Local Government Regulation 2012 - sections 132 - 134

Key Supporting Council Document

Lockyer Valley Regional Council Corporate Plan 2022-2027:
Lockyer Leadership and Council –

Commit to open and accountable governance to ensure community confidence and trust in council and our democratic values

Compliant with relevant legislation

Definitions

Rates and charges are defined in the *Local Government Regulation 2012* as including differential general rates, minimum general rate levies, separate rates and charges, special rates and charges, utility charges and accrued interest on outstanding balances.

In addition, as defined in Section 132 of the *Local Government Regulation 2012*, overdue rates or charges are made up of:

- if the local government takes the property owner to court to recover rates or charges and the court orders the property owner to pay Council's costs—the costs; and
- the interest, if interest is payable, on the rates or charges, or costs

Policy Objective

Group: Executive Office
Unit: Financial Services
Approved: Special Council Meeting (Resolution Number: 20-24/XXXX)
Date Approved: XX/XX/2023

ECM: 4547485

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Superseded/Revoked: Rates and Charges Debt Collection and Recovery Policy ECM: 4333575

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The objective of this policy is to set out Council’s principles regarding the management of debt, and to provide a process which is consistent and ethical for the recovery of outstanding rates and charges across the organisation in accordance with the parameters and requirements of the *Local Government Regulation 2012*.

Policy Statement

The management and recovery of outstanding revenue is an important aspect of Council’s financial management function. It is Council’s policy to pursue the collection of outstanding revenue diligently but with due concern for any financial hardship faced by property owner.

The principles that will apply in the management of and recovery of debt are as follows:

- Transparency by making clear the obligations of the property owner and the processes used by Council in assisting them meet their financial obligations
- Making the processes used to recover overdue rates and charges simple to administer and cost effective
- Equity by having regard to providing the same treatment for property owners with similar circumstances
- Flexibility by responding where necessary to changes in the local economy

Recovery Actions – Overdue Rates and Charges

STAGE	TIMING	ACTION TYPE	AUTHORITY LEVEL
1.	14 days after expiration of the discount period	<p>Reminder Letter 1 - Notice advising of overdue rates and charges amount and interest charges are continuing to accrue at 11.64%. Legal action may be initiated unless the debt is paid in full or approved repayment arrangements are entered into. A reminder notice will be sent to all rate payers with an outstanding balance greater than \$5.00.</p> <p>Separate Reminder Notice to property owners who are already with a Debt Recovery Agent – Notice advising of the balance outstanding with the debt recovery agent and the balance that remains with Council and interest charges are continuing to accrue at 11.64%.</p> <p>Further action will be suspended if:</p> <ul style="list-style-type: none"> • payment is made in full or • property owner enters into and maintains an approved repayment arrangement 	Coordinator Financial Operations

Group: Executive Office
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STAGE	TIMING	ACTION TYPE	AUTHORITY LEVEL
2.	14 days after issue date of Reminder Letter 1	<p>Reminder Letter 2 – Notice advising of overdue rates and charges amount and interest charges are continuing to accrue at 11.64%. Legal action may be initiated unless the debt is paid in full or approved repayment arrangements are entered into. A reminder notice will be sent to all rate payers with an outstanding balance greater than \$100.00 and up to \$1,499.00.</p> <p>Notice of Proposed Legal Action – Notice advising property owner and mortgagee (if any) that legal action may be initiated unless the debt is paid in full or approved repayment arrangements are entered into within fourteen (14) days of the issue date of Notice of Proposed Legal Action. A notice of Proposed Legal Action will be sent to all rate payers with an outstanding balance greater than \$1,500.00.</p> <p>Further action will be suspended if:</p> <ul style="list-style-type: none"> • payment is made in full or • property owner enters into and maintains an approved repayment arrangement • hardship application form has been submitted to Council 	Chief Financial Officer
3.	14 days after issue date of Notice of Proposed Legal Action	<p>Council shall proceed with legal recovery action against any property owner who has not satisfactorily responded to any Notices previously sent.</p> <p>Council will advise the property owner that the debt has been referred to Council’s appointed Legal Representative or Debt Recovery Agent, if applicable. Generally, the debt outstanding will be greater than \$1,500.00.</p> <p>Council or Council’s appointed Legal Representative or Debt Recovery Agent will issue a letter of final demand to advise that if payment in full or an agreed payment arrangement is not entered into within fourteen (14) days, legal recovery action may commence. Council will seek full payment of outstanding rates and charges. It will also advise that action may involve the Sale of Land should rates and charges be in arrears for:</p> <ul style="list-style-type: none"> • 1 year - vacant land; and • 3 years - for all other land 	Chief Financial Officer

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STAGE	TIMING	ACTION TYPE	AUTHORITY LEVEL
4.	Potential Sale of Land Letter	Notice informing owners their property will be considered for the Sale of Land process if the outstanding rates and charges are not paid in full or an approved payment commitment is not entered into and honoured with the outstanding balance being reduced to under the three years in arrears within the time frame stated on the Potential Sale of Land Notice (1 month from the date of notice)	Council
5.	Notice of Sale of Land	Notice in accordance with legislation informing owner of Council’s intention to make a resolution to sell the land for recovery of outstanding rates and charges in arrears for: <ul style="list-style-type: none"> • 1 year - vacant land; and • 3 years - for all other land Full payment including costs will be required to cease action.	Council
6.	Sale of Land within Legislative Timeframes	Sale of Land should rates and charges be in arrears for: <ul style="list-style-type: none"> • 1 year - vacant land; and • 3 years - for all other land Full payment including costs will be required to cease action.	Council

Reminder Letter 1 will not be issued to:

- Property owners with an outstanding balance of less than \$5.00
- Property owners who are maintaining an approved payment commitment
- Property owners who have lodged a formal notice of Objection or have advised Council of a formal dispute with their most recent notice of rates and charges
- Property owners who have lodged a hardship application

Council does not verbally contact property owners who are in arrears via telephone. If Council has a current mobile number of a property owner, Council will contact via text message, utilising a bulk distribution method. Council will not use the text message contact if the property owners opt out to receiving the text message reminders.

Payment Arrangements

Council will consider any reasonable offer for periodic payments. To avoid recovery action these requests are to be made to Council **in writing** at which time the Chief Financial Officer or Council delegate will consider the offer on a case-by-case basis. If approved, the Chief Financial Officer or Council delegate will document the arrangement to be brought into effect and a copy will be provided in writing to the property owner.

An agreed periodic payment commitment should ensure all current rates and charges are paid as issued, to ensure the account does not fall further into arrears. An appropriate periodic payment commitment will generally result in all overdue rates and charges being paid in full, by the end of the half year period in which the payment commitment is made.

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Council reserves the right to renegotiate or cancel a payment commitment should circumstances change where the debt will not be paid within Council's current policy time frame. In these circumstances, Council will not initiate further recovery action without reference to the property owner concerned.

Council will not pursue further recovery action against a property owner who has an agreed written periodic payment commitment, while the commitment is current, and the property owner adheres to the agreed repayment schedule.

In the event that a payment commitment is not maintained within the agreed terms, the following action will occur:

The first payment default - A payment commitment First Notice of Default Letter will be issued to the property owner, advising that the commitment has been dishonoured, the overdue amount and the next payment commitment due date.

The second and final payment default - The payment commitment will be removed from Council's rate assessment and the debt forwarded to Council's external debt recovery agency. The Chief Financial Officer will formally advise the property owner that the debt has been referred to Council's appointed Legal Representative or Debt Recovery Agent.

Hardship Application

Hardship application can be completed if property owners are unable to meet financial obligations due to unexpected events or unforeseen changes resulting in their inability to meet basic requirements including food, clothing, medicine, housing and other necessities due to family tragedy, financial misfortune, serious illness, natural disaster, and other serious or difficult circumstances.

The objective of the hardship policy is to set out Council guidelines for the assessment of requests for rates and charges or other financial obligation relief due to financial hardship.

The hardship policy applies to property owners and/or customers experiencing financial hardship. They are recognised as those who intend to pay but do not have the financial capacity to make payment in full by the end of the current rating period or by a payment commitment applicable under the current Rates and Charges Debt Collection and Recovery Policy or Sundry Debt Collection and Recovery Policy process.

Sundry Debt Transferred to Rates

Unpaid sundry debts for administration and slashing charges on properties are transferred to the land as unpaid rates under the provisions of section 152 of the *Local Government Act 2009* which states that if the debt is not paid within 30 days after the date of the notice, Council may recover the debt as if the debt were overdue rates.

Interest

In accordance with Section 133 of the *Local Government Regulation 2012*, rates and charges which remain outstanding for greater than 30 days, shall bear interest at the rate of 11.64%, compounding on daily rests.

Related Documents

Hardship Policy

Group: Executive Office
Unit: Financial Services
Approved: Special Council Meeting (Resolution Number: 20-24/XXXX)
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STATUTORY

SUNDRY DEBT COLLECTION AND RECOVERY

Head of Power

Local Government Act 2009

Key Supporting Council Document

Lockyer Valley Regional Council Corporate Plan - 2022-2027:

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Compliant with relevant legislation

Definitions

Sundry debt refers to any debt owed to Council that is not a rate, special charge, separate charge, or utility charge which is levied on a property in accordance with Council's Revenue Statement.

Policy Objective

The objective of this policy is to set out Council's principles regarding the management of sundry debt, and a consistent and ethical process for the recovery of outstanding sundry debt without fear or favour across the organisation.

Policy Statement

Council recognises that in order to achieve its strategic objectives it is vital to manage and recover outstanding sundry debts. It is Council's policy to pursue the collection of outstanding revenue diligently but with due concern for any financial hardship faced by debtors.

The principles that apply in the management and recovery of debt are as follows:

- Transparency by making clear the obligations of debtors and the processes used by Council in assisting them meet their financial obligations

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- Making the processes used to recover overdue accounts receivable simple to administer and cost effective
- Capacity to pay in determining appropriate payment arrangements (in exceptional circumstances only)
- Equity by having regard to providing the same treatment for debtors with similar circumstances
- Flexibility by responding where necessary to changes in the local economy

Recovery Actions – Overdue Sundry Debtors

All debtors other than Rental agreements invoices

STAGE	TIMING	ACTION TYPE	AUTHORITY LEVEL
1.	30 days from Invoice date	Statement issued to debtor with copy of outstanding Tax Invoice.	Accounts Receivable Officer
2.	60 days from Invoice date	Reminder Notice – Letter attaching copy of outstanding Tax Invoice advising debtor that payment is overdue and interest charges are accruing at 11.64% compounding on daily rests.	Coordinator Financial Operations
3.	90 days from Invoice date	Notice of Proposed Legal Action – Notice advising debtor that legal action may be initiated unless the debt is paid in full or approved repayment arrangement has been entered into within 30 days from the issued date of Reminder Notice. Further action will be suspended if: <ul style="list-style-type: none"> • Payment is made in full or • Debtor enters into and maintains an approved repayment arrangement 	Coordinator Financial Operations
4.	120 days from Invoice date	Legal action without further advice to Debtor.	Chief Financial Officer

Recovery Actions – Rental Agreements Invoices

STAGE	TIMING	ACTION TYPE	AUTHORITY LEVEL
1.	15 days from Invoice date	Statement issued to debtor with copy of outstanding Tax Invoice.	Accounts Receivable Officer

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2.	45 days from Invoice date	Reminder Notice – Letter attaching copy of outstanding Tax Invoice advising debtor that payment is overdue and interest charges are accruing at 11.64% compounding on daily rests.	Coordinator Financial Operations
3.	75 days from Invoice date	<p>Notice of Proposed Legal Action – Notice advising debtor that legal action may be initiated unless the debt is paid in full or approved repayment arrangement has been entered into within 30 days from the issued date of Reminder Notice.</p> <p>Further action will be suspended if:</p> <ul style="list-style-type: none"> • Payment is made in full or • Debtor enters into and maintains an approved repayment arrangement 	Chief Financial Officer
4.	105 days from Invoice date	Legal action without further advice to debtor.	Chief Financial Officer

Council does not guarantee a phone call for outstanding debt. It is the responsibility of the debtor to make contact and ensure their contact details are current with Council to avoid interest penalties or further debt collection.

Payment Arrangements

As a general guide Council will not accept any requests for periodic payments except in exceptional circumstances. All offers are referred to the Chief Financial Officer for determination on a case-by-case basis.

If a payment commitment has been entered into by the debtor, Council will take no further recovery action whilst the commitment is current, and the committed payments honoured. Interest will continue to accrue until the debt is paid in full.

If the agreed commitment is not honoured, legal action will commence without further notice to the debtor.

Interest

Debtor invoices which remain outstanding for greater than 30 days, shall bear interest at the rate of 11.64%, compounding on daily rests.

Unpaid Debts Transferred to Rates

Unpaid debts for administration and slashing charges on properties are transferred to the land as unpaid rates under the provisions of section 142 of the *Local Government Act 2009*, which states that if the debt is not paid

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within 30 days after the date of the notice, the local government may recover the debt as if the debt were overdue rates.

Debt Write Off

Amounts deemed unrecoverable up to \$25.00 may be written off by delegated authority granted to the Coordinator Financial Operations.

Amounts deemed unrecoverable up to \$500.00 may be written off by delegated authority granted to the Chief Financial Officer.

Amounts deemed unrecoverable up to \$1,000.00 may be written off by delegated authority granted to the Chief Executive Officer.

Amounts deemed unrecoverable of greater than \$1,000.00 can only be written off by Council resolution.

Related Documents

Nil

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Unit: Financial Services
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STRATEGIC

HARDSHIP

Head of Power

Local Government Act 2009
Local Government Regulation 2012

Key Supporting Council Document

Lockyer Valley Regional Council Corporate Plan 2022-2027:

Lockyer Leadership and Council –

Commit to open and accountable governance to ensure community confidence and trust in council and our democratic values.

Definitions

Financial hardship Unable to meet financial obligations due to unexpected events or unforeseen changes resulting in their inability to meet basic requirements including food, clothing, medicine, housing and other necessities due to family tragedy, financial misfortune, serious illness, natural disaster, and other serious or difficult circumstances.

Policy Objective

The objective of this policy is to set out Council's guidelines for the assessment of requests for rates and charges or other financial obligation relief due to financial hardship.

It is to provide assistance and options to property owners experiencing difficulties in paying Council rates and charges and other related fees and charges due to financial hardship under the following categories:

- Category One – Rates and Charges Serious Financial Hardship - Rates and Charges (Residential)
- Category Two – Financial Hardship due to Declared Natural Disaster (Drought, Flood, Fire, Health Pandemic - Rates and Charges (Short Term)

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- Category Three - Other Financial Hardship Applications due to financial hardship (Drought, Flood, Fire, Health Pandemic and other Declared Natural Disasters – Other Financial Obligations (Short Term)

Policy Statement

This policy applies to property owners and/or customers experiencing financial hardship. They are recognised as those who intend to pay but do not have the financial capacity to make payment in full by the end of the current rating period or by a payment commitment applicable under the current Rates and Charges Debt Collection and Recovery Policy or Sundry Debt Collection and Recovery Policy process.

Category 1 – Rates and Charges Serious Financial Hardship (Residential)

Eligibility

- The property owner is experiencing serious financial hardship and the hardship has arisen from unexpected or unforeseen events (death of a family member, serious illness, sudden loss of job)
- It is the property owner's principal place of residence
- The property owner does not own multiple properties
- The property is not vacant land
- The property is not in a company or business name
- Usually, the unforeseen change should have occurred within the last 12 months
- The property owner is unable to maintain a realistic payment commitment

Types of Assistance

- Agreed payment commitment outside the current debt recovery action
- Freezing of interest charges up to a maximum of 2 half yearly rating periods
- Short term payment extension for the current half year rates only – deferment to a maximum period of 6 months to pay the current rates and charges with no loss of discount. *Must be applied for within 60 days from the date of issue of the current rate notice
- A rebate of all or part of the rates and charges
- An agreement to accept a transfer of unencumbered land in full or part payment of the rates and charges

Requirements for Assessments

1. Statutory Declaration detailing:
 - a. Estimated income and expenditure from all sources for the current financial year
 - b. The current balances of bank accounts and, if applicable, investment accounts
 - c. Details of any real property owned and estimated value, including information on the listing of any property for sale
 - d. Details of any other assets (i.e. boats, cars, livestock etc.) and estimated value
 - e. Description, interest rate and balance of other debts such as personal loans, mortgages, credit cards etc., and if repayments are up to date or in arrears
 - f. Details of any refusal of loans or credit that have been sought to assist in paying the debts
 - g. Details of superannuation fund balances and if an early release has been sought to assist in paying the debts, and
 - h. Any other information that is relevant to your current financial situation

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Unit: Financial Services

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Category 2 – Financial Hardship due to Drought, Flood, Fire, Health Pandemic and other Declared Natural Disasters (Short Term)

Eligibility

- The property owner is experiencing financial hardship due to drought, flood, fire, health pandemic or other declared natural disaster
- Loss of income/employment due to drought, flood, fire, health pandemic or other declared natural disaster
- The property is not vacant land
- Usually, the unforeseen change should have occurred within the last 6 months
- The property owner is unable to maintain a realistic payment commitment

Types of Assistance

- Agreed payment commitment outside the current debt recovery action
- Freezing of interest charges up to a maximum of 6 months
- Short term payment extension for the current half year rates only – deferment to a maximum period of 6 months to pay the current rates and charges with no loss of discount. *Must be applied for within 60 days from the date of issue of the current rate notice

Requirements for Assessments

1. Statutory Declaration detailing:
 - a. Evidence of employment or income loss
 - b. Evidence of situation if not a declared natural disaster or pandemic
 - c. Any other information that is relevant to your current short-term financial situation

Category 3 – Other Financial Hardship Applications Due to Financial Hardship, Drought, Flood, Fire, Health Pandemic and other Declared Natural Disasters – Other Financial Obligations (Short Term)

Eligibility

- The customer is experiencing financial hardship and the hardship has arisen from unexpected or unforeseen events (death of a family member, serious illness, sudden loss of job)
- Usually, the unforeseen change should have occurred within the last 6 months
- The customer is unable to maintain a realistic payment commitment
- The customer is experiencing financial hardship due to drought, flood, fire, health pandemic or other declared natural disaster
- Loss of income/employment due to drought, flood, fire, health pandemic or other declared natural disaster
- The customer has a balance due with Council in relation to Waste and Animal Control Fees (those not included on a rate notice)

Types of Assistance

- Freezing of interest charges up to a maximum of 6 months
- Short term payment extension for the current outstanding fees or charges for a period of up to 6 months
- Agreed payment commitment outside the current debt recovery action process
- Waiving of fees, charges and billed reimbursements

Requirements for Assessments

1. Statutory Declaration detailing:

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Effective Date: 01/07/2024
Version: 1 Last updated 12/06/2023

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- 
- a. Evidence of employment or income loss
 - b. Evidence of situation if not a declared natural disaster or pandemic
 - c. Any other information that is relevant to your current short-term financial situation

Review of the Application

A review of the hardship will be completed regularly and may be renegotiated by the property owner/customer and the responsible officer to take into consideration changes in the property owner's/customer's circumstances.

Failure to Comply

If the property owner/customer:

- Fails to commit to the agreed payment commitment
- Fails to comply to the Council's offer of relief
- Does not reply to Council's offer

If the agreed decision is forfeited Council will continue with normal debt recovery action and charging of interest. Interest will be back dated to the date it ceased. The property owner/customer will be contacted prior to commencement of debt recovery action. No further hardship application from the property owner/customer will be accepted for the following 12 months.

Related Documents

Lockyer Valley Regional Council - Rates and Charges Debt Collection and Recovery
Lockyer Valley Regional Council - Sundry Debt Collection and Recovery Policy

Group: Executive Office
Unit: Financial Services

Approved: Special Council Meeting (Resolution Number: 20-24/XXXX)
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5.2 **2023 - 2024 Revenue Policy**

Author: Kirsty Johnson, Coordinator Revenue Services; Scott Norman, Contract Accountant
Responsible Officer: Ian Church, Chief Executive Officer

Purpose:

The purpose of this report is to seek Council's adoption of the Revenue Policy as part of the 2023-24 Budget.

Officer's Recommendation:

THAT Council adopt, pursuant to Section 193 of the *Local Government Regulation 2012*, the 2023-2024 Revenue Policy (Attachment 1) for inclusion in the 2023-24 Budget.

Executive Summary

Section 169 (2) (c) of the *Local Government Regulation 2012* requires Council to include a Revenue Policy in its annual budget.

Section 193 (3) of the *Local Government Regulation 2012* requires Council to review its Revenue Policy annually and in sufficient time to allow an annual budget that is consistent with the revenue policy to be adopted for the next financial year.

The 2023-24 Revenue Policy has been reviewed and no significant changes are recommended.

Proposal**Overview**

Section 193 (3) of the *Local Government Regulation 2012* requires Council to review its Revenue Policy annually and in sufficient time to allow an annual budget that is consistent with the revenue policy to be adopted for the next financial year.

The purpose of the Revenue Policy is to set out the principles used by Lockyer Valley Regional Council for:

- The making and levying of rates and charges;
- Determining the purpose of and the granting of concessions for rates and charges;
- Recovering overdue rates and charges;
- Methods for setting cost recovery fees; and
- The extent to which physical and social infrastructure costs for new developments are to be funded by charges for the development.

Council levies rates and charges to fund the provision of valuable services to our community. When adopting its annual budget Council will set rates and charges at a level that will provide for both current and future community requirements. Council also provides concessions to pensioners to assist property owners to remain in their own homes, and concessions to non-profit community, sporting and cultural groups as they contribute to the health and well-being of the community and to the social cohesion of the region.

The Revenue Policy also sets out the principles that will apply in the management of and recovery of debt. These principles are as follows:

- Transparency by making clear the obligations of ratepayers and the processes used by Council in assisting them to meet their financial obligations;
- Efficiency by ensuring the processes used to recover overdue rates and charges are simple to administer and cost effective;
- Equity by having regard to providing the same treatment for ratepayers with similar circumstances; and
- Flexibility by responding where necessary to changes in the local economy.

The Revenue Policy has been reviewed as part of the 2023-24 Budget process and as noted above, no significant changes have been made from the previous year.

Options

Option One: THAT Council adopt the Revenue Policy 2023-24, as attached, with an effective date of 1 July 2023.

Previous Council Resolutions

Special Meeting of Council 20 July 2022 (Resolution 20-24/0587)

THAT Council adopt, pursuant to Section 193 of the Local Government Regulation 2012, the 2022-2023 Revenue Policy as attached to these minutes, for inclusion in the 2022-23 Budget.

Critical Dates

Under the *Local Government Act 2009* Chapter 4 Finances and Accountability, Part 3 Financial Planning and Accountability Section 107(a) Approval of the Budget the local government must adopt a budget before 1 August in the financial year to which the budget relates.

Strategic Implications

Corporate Plan

Lockyer Leadership and Council
Undertake robust and accountable financial, resource and infrastructure planning and management to ensure affordable and sustainable outcomes for our community.
Excellence in customer service to our community.
Compliance with relevant legislation.

Finance and Resource

The Revenue Policy is a key statutory document of Council and is required to be adopted as part of the annual budget. The Revenue Policy is reviewed every year as part of the budget development process. Changes made to the document reflect the wishes of Council in making and levying rates for the coming financial year.

The adoption of the 2023-2024 Revenue Policy and 2023-2024 Revenue Statement ensures that Council can rate in accordance with the proposed 2023-2024 Budget.

Legislation and Policy

Section 104 (5) (c) of the *Local Government Act 2009*, identifies the Revenue Policy as a financial policy that must be included in a local governments system of financial management.

Section 193 of the *Local Government Regulation 2012*, outlines the requirements to be stated in the Revenue Policy and the requirement for the Policy to be reviewed annually.

The adoption of the Revenue Policy ensures Council's compliance with the requirements of the *Local Government Act 2009* and *Local Government Regulation 2012* and supersedes Council's 2022-2023 Revenue Policy.

Risk Management

Key Corporate Risk Code and Category: FE2

Key Corporate Risk Descriptor: Finance and Economic
Decision making governance, due diligence, accountability and sustainability.

Consultation

Portfolio Councillor Consultation

Councillors were consulted through the development of the 2023-2024 Council budget at Councillor Workshops held between February 2023 to June 2022.

Internal Consultation

The implications of this policy will be incorporated into extensive communications associated with the 2023-2024 Budget. The updated policies will be included in Council's policy register and uploaded to Council's website.

External Consultation

Due to the internal administrative nature of this policy, there has been no external consultation.

Community Engagement

The implications of the 2023-24 Revenue Policy will be incorporated into extensive communications associated with the 2023-24 Budget and uploaded to Council's website.

Attachments

1 [📄](#) 2023-24 Revenue Policy 4 Pages



STATUTORY

REVENUE

Head of Power

Local Government Act 2009
Section 193 Local Government Regulation 2012

Key Supporting Council Document

Lockyer Valley Regional Council Corporate Plan 2022-2027:
Lockyer Leadership and Council –

Undertake robust and accountable financial, resource and infrastructure planning and management to ensure affordable and sustainable outcomes for our community.

Definitions

All terms within this policy have the meaning assigned under the Dictionary from the schedule contained within the *Local Government Regulation 2012*.

Policy Objective

The purpose of the 2023/2024 Revenue Policy is to set out the principles used by Lockyer Valley Regional Council for:

- The making and levying of rates and charges
- Determining the purpose of and the granting of concessions for rates and charges
- Recovering overdue rates and charges
- Methods for setting cost recovery fees
- The extent to which physical and social infrastructure costs for new development are to be funded by development application charges

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Unit: Financial Services
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Policy Statement

The Levying of Rates and Charges

Rates and charges are defined in the *Local Government Regulation 2012* as including differential general rates, minimum general rate levies, separate rates and charges, special rates and charges, utility charges and accrued interest on outstanding balances.

Council levies rates and charges to fund the provision of valuable services to our community. When adopting its annual budget, Council will set rates and charges at a level that will provide for both current and future community requirements. Council will apply the principle of transparency in making rates and charges.

General Rates

General rates revenue provides essential whole of community services not funded through trading income, subsidies, grants, contributions or donations received from other entities or not provided for by other levies or charges. Council will consider all full cost recovery options before calculating the general rate.

Council is required to raise an amount of revenue it sees as being appropriate to maintain assets and provide services to the region as a whole. In deciding how that revenue is raised, Council has formed the opinion that a differential general rating scheme, based primarily on land use, provides the most equitable basis for the distribution of the general rate burden.

The rateable value for each property is the basis for determining the amount of the general rate levied. The value of land for a financial year, is its value under the *Land Valuation Act 2010* when a liability for payment of rates or charges for the land arises for the financial year.

The *Local Government Regulation 2012* allows Council in accordance with Section 77 (1) to fix a minimum amount of general rates. Under Section 80, Council may levy differential general rates.

Special and Separate Rates and Charges

Where appropriate, Council will fund certain services, facilities or activities by means of separate or special rates or charges.

Special rates:

In accordance with Section 94 of the *Local Government Regulation 2012* Council will levy special rates and charges on certain properties that are considered to be specially benefited by the provision of a specific service, facility or activity.

Special rates are charged on the rateable value of the land and special charges are a flat charge per assessment, other than specifically identified exclusions, as this is considered to provide a more equitable basis for the sharing of the cost.

Separate rates:

In accordance with Section 103 of the *Local Government Regulation 2012* Council will levy a separate rate or charge on all rateable land, subject to stated exceptions, in the region to fund a particular service, facility or activity.

The Levying of Rates and Charges

In levying rates and charges, Council will apply the principles of:

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- Consistency in timing the levy of rates in a predictable way to enable property owners to plan for their rating obligations by the issue of rate notices on a half yearly basis
- Flexibility by providing short-term payment commitment plans to property owners in financial difficulty, along with a wide array of payment options
- Communication by clearly setting out the Council's and each property owner's obligations in relation to rates and charges by advising property owners about rate notice issue dates and discount dates
- Clarity by providing meaningful information on rate notices to enable property owners to clearly understand their responsibilities

In the making and levying of rates and charges, Council will be guided by the principles of:

- Efficiency through having a rating regime that is efficient to administer
- Full cost pricing and user pays where appropriate
- Equitable distribution of the general rates burden as broadly as possible
- Transparency in the making and levying of rates
- Flexibility, to take into account changes in the local economy
- Clarity in terms of responsibilities (Council's and property owner's) in regard to the rating process
- National Competition Policy legislation where applicable

The Purpose of and Granting of Concessions for Rates and Charges

Council Pension Subsidy:

Council has determined that pensioners as defined by the *Local Government Regulation 2012* are entitled to receive concessions on rates and charges levied by Council. Council may grant a concession for land that is owned by a pensioner under Section 120(1)(a) of the *Local Government Regulation 2012*.

The Lockyer Valley Regional Council Pension Subsidy aims to help pensioner property owners to remain in their own homes by reducing the financial impact of rates and charges levied.

Council Remissions – Non-Profit Community, Cultural and Sporting Groups:

In accordance with section 120(1)(b) of the *Local Government Regulation 2012* non-profit community, sporting and cultural groups may be entitled to concessions.

The purpose of these concessions is to encourage and support non-profit community, sporting and cultural groups as they contribute to the health and well-being of the community and to the social cohesion of the region.

Upon written application, Council will consider applications for concessions on rates and charges received from property owners who are qualifying pensioners or non-profit community, cultural and sporting organisations.

In exercising these concession powers, Council will be guided by the principles of:

- Transparency by making clear the requirements necessary to receive concessions; and
- Equity by ensuring that all applicants of the same type receive the same concession

The Recovery of Overdue Rates and Charges

Council will exercise its rate recovery powers pursuant to the provisions of Chapter 4 Part 12 of the *Local Government Regulation 2012* in order to reduce the overall rate burden on property owners.

Council has adopted a policy for the recovery of outstanding rates and charges. The objective of this policy is to set out Council's principles in regard to the management of debt, and to provide consistent and ethical recovery

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of outstanding rates and charges across the organisation in accordance with the parameters and requirements of the *Local Government Regulation 2012*.

The principles that will apply in the management of and recovery of debt are as follows:

- Transparency by making clear the obligations of property owners and the processes used by Council in assisting them to meet their financial obligations
- Efficiency by ensuring the processes used to recover overdue rates and charges are simple to administer and cost effective
- Equity by having regard to providing the same treatment for property owners with similar circumstances
- Flexibility by responding where necessary to changes in the local economy

Fees and Charges

In general, Council will be guided by the principle of “user pays” in making all other charges. All fees and charges will be set with reference to full cost pricing.

When determining Commercial Charges, Council takes into account “user pays” principles and market conditions when determining commercial charges for Council services and facilities.

When determining Regulatory Fees, Council takes into account “user pays” principles and sets regulatory fees at a level sufficient to recover no more than the full cost of providing the service or taking the action for which, the fee is charged.

All fees set by Council are included in a Register of Fees and Charges as adopted by Council at the meeting held on 17 May 2023 and amended from time to time.

New Development Costs

Developer contributions for infrastructure are determined each year in accordance with the philosophy that a developer should pay reasonable and relevant contributions towards the capital cost of the provision of infrastructure to meet past and future augmentation costs associated with this new development. Council assesses the level of contribution towards physical and social infrastructure in respect of new developments during the development application approval process to ensure an equitable contribution is made by developments which increase the demand on Council infrastructure. Infrastructure agreements are negotiated outcomes between Council and the developer.

Guiding Principles

The principles contained within the Revenue Policy are applied in the determination of Council’s revenue statement, rates, fees and charges, rating concessions and recovery of overdue rates and charges.

Roles and Responsibilities

All Council staff are bound by the principles outlined in this policy in determining the level of rates, fees and charges, and in the application of rebates and concessions relating to those fees.

Related Documents

Local Government Act 2009

Local Government Regulation 2012

Rates and Charges Debt Collection and Recovery Policy
2023/2024 Revenue Statement

Group: Executive Office
Unit: Financial Services
Approved: Special Council Meeting (Resolution Number 20-24/XXXX:)
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5.3 2023-2024 Revenue Statement

Author: Kirsty Johnson, Coordinator Revenue Services; Scott Norman, Contract Accountant
Responsible Officer: Ian Church, Chief Executive Officer

Purpose:

The purpose of this report is to seek Council's adoption of the 2022-2023 Revenue Statement as part of the 2022-2023 Budget process.

Officer's Recommendation:**THAT Council:**

a) Pursuant to Section 81 of the *Local Government Regulation 2012*, adopt the categories into which rateable land is categorised, and the description of those categories, as follows:

Category Number	Category Name	Description
101a	Rural Residential \leq \$140,000	Land, with a rateable value of less than or equal to \$140,000, located within the Rural Fire Service Boundaries, which is:
		(a) used for residential purposes as the Principal Place of Residence of at least one of the owners, other than land in categories 105 and 110; and
		(b) not otherwise categorised
101b	Rural Residential \geq \$140,001 & \leq \$350,000	Land, with a rateable value of equal to or greater than \$140,001 and less than or equal to \$350,000, located within the Rural Fire Service Boundaries, which is:
		(a) used for residential purposes as the Principal Place of Residence of at least one of the owners, other than land in categories 105 and 110; and
		(b) not otherwise categorised
101c	Rural Residential \geq \$350,001	Land, with a rateable value of equal to or greater than \$350,001, located within the Rural Fire Service Boundaries, which is:
		(a) used for residential purposes as the Principal Place of Residence of at least one of the owners, other than land in categories 105 and 110; and
		(b) not otherwise categorised
102a	Urban Residential \leq \$120,000	Land, with a rateable value less than or equal to \$120,000, not located within the Rural Fire Service Boundaries, which is:
		(a) used for residential purposes as the Principal Place of Residence of at least one of the owners, other than land in categories 105 and 110; and
		(b) not otherwise categorised
102b	Urban Residential \geq \$120,001 & \leq \$240,000	Land, with a rateable value of equal to or greater than \$120,001 and less than or equal to \$240,000, not located within the Rural Fire Service Boundaries, which is:
		(a) used for residential purposes as the Principal Place of Residence of at least one of the owners, other than land in categories 105 and 110; and
		(b) not otherwise categorised
102c	Urban Residential \geq 240,001	Land, with a rateable value of equal to or greater than \$240,001, not located within the Rural Fire Service Boundaries, which is:

		(a) used for residential purposes as the Principal Place of Residence of at least one of the owners, other than land in categories 105 and 110; and (b) not otherwise categorised
103a	Non-Principal Place of Residence Urban Residential \leq \$120,000	Land, with a rateable value of less than or equal to \$120,000, not located within the Rural Fire Services Boundaries, which is: (a) used for residential purposes other than as the Principal Place of Residence of at least one of the owners, other than land in categories 101a, 101b, 101c, 102a, 102b, 102c, 105, 110 or 121; and (b) not otherwise categorised
103b	Non-Principal Place of Residence Urban Residential \geq \$120,001 & \leq \$240,000	Land, with a rateable value of equal to or greater than \$120,001 and less than or equal to \$240,000, not located within the Rural Fire Services Boundaries, which is: (a) used for residential purposes other than as the Principal Place of Residence of at least one of the owners, other than land in categories 101a, 101b, 101c, 102a, 102b, 102c, 105, 110 or 121; and (b) not otherwise categorised
103c	Non-Principal Place of Residence Urban Residential \geq 240,001	Land, with a rateable value of equal to or greater than \$240,001, not located within the Rural Fire Services Boundaries, which is: (a) used for residential purposes other than as the Principal Place of Residence of at least one of the owners, other than land in categories 101a, 101b, 101c, 102a, 102b, 102c, 105, 110 or 121; and (b) not otherwise categorised
103d	Non-Principal Place of Residence Rural Residential \leq \$140,000	Land, with a rateable value of less than or equal to \$140,000, located within the Rural Fire Services Boundaries, which is: (a) used for residential purposes other than as the Principal Place of Residence of at least one of the owners, other than land in categories 101a, 101b, 101c, 102a, 102b, 102c, 105, 110 or 121; and (b) not otherwise categorised
103e	Non-Principal Place of Residence Rural Residential \geq \$140,001 & \leq \$350,000	Land, with a rateable value of equal to or greater than \$140,001 and less than or equal to \$350,000, located within the Rural Fire Services Boundaries, which is: (a) used for residential purposes other than as the Principal Place of Residence of at least one of the owners, other than land in categories 101a, 101b, 102a, 102b, 105, 110 and 121; and (b) not otherwise categorised
103f	Non-Principal Place of Residence Rural Residential \geq \$350,001	Land, with a rateable value of equal to greater than \$350,001, located within the Rural Fire Services Boundaries, which is: (a) used for residential purposes other than as the Principal Place of Residence of at least one of the owners, other than land in categories 101a, 101b, 101c, 102a, 102b, 102c, 105, 110 or 121; and (b) not otherwise categorised
104a	Urban Vacant \leq \$120,000	Land, with a rateable value of less than or equal to \$120,000, not located within the Rural Fire Services Boundaries, which is: (a) Vacant Land; and (b) not included in Category 121 or otherwise categorised
104b	Urban Vacant \geq \$120,001 & \leq \$240,000	Land, with a rateable value of equal to or greater than \$120,001 and less than or equal to \$240,000, not located within the Rural Fire Services Boundaries, which is: (a) Vacant Land; and (b) not included in Category 121 or otherwise categorised
104c	Urban Vacant \geq 240,001	Land, with a rateable value of equal to greater than \$240,001, not located within the Rural Fire Services Boundaries, which is: (a) Vacant Land; and

		(b) not included in Category 121 or otherwise categorised
104d	Rural Vacant \leq \$140,000	Land, with a rateable value of less than or equal to \$140,000, located within the Rural Fire Services Boundaries, which is:
		(a) Vacant Land; and
		(b) not included in Category 121 or otherwise categorised
104e	Rural Vacant \geq \$140,001 & \leq \$350,000	Land, with a rateable value of equal to or greater than \$140,001 and less than or equal to \$350,000, located within the Rural Fire Services Boundaries, which is:
		(a) Vacant Land; and
		(b) not included in Category 121 or otherwise categorised
104f	Rural Vacant \geq \$350,001	Land, with a rateable value of greater than or equal to \$350,001, located within the Rural Fire Services Boundaries, which is:
		(a) Vacant Land; and
		(b) not included in Category 121 or otherwise categorised
105	Multiple Dwellings	Land used for residential purposes on which there is a multi-unit residential building, which does not form part of a community title scheme or residential group title, consisting of 2 or more flats or units, or a duplex. This also includes properties with 2 or more residential dwellings.
106a	Commercial \leq \$1.5M	Land, with a rateable value of less than or equal to \$1.5M, which is:
		(a) used or intended to be used, in whole or in part for commercial purposes, other than Primary Production or Industrial; and
		(b) not included in category 104a, 104b, 104c, 104d, 107a, 107b, 107c, 108a, 108b, 109a, 109b, 110, 115a, 115b, 115c, 116a, 116b, 116c, 117 or 118
106b	Commercial $>$ \$1.5M	Land, with a rateable value of greater than \$1.5M, which is:
		(a) used or intended to be used, in whole or in part for commercial purposes, other than Primary Production or Industrial; and
		(b) not included in category 104a, 104b, 104c, 104d, 107a, 107b, 107c, 108a, 108b, 109a, 109b, 110, 115a, 115b, 115c, 116a, 116b, 116c, 117 or 118
107a	Supermarkets and Retail Warehouses \leq \$375,000	Land used or intended to be used, in whole or in part for a Supermarket or Retail Warehouse, with a rateable value of less than or equal to \$375,000
107b	Supermarkets and Retail Warehouses \geq \$375,001 & \leq \$1M	Land used or intended to be used, in whole or in part for a Supermarket or Retail Warehouse, with a rateable value of equal to or greater than \$375,001 and less than or equal to \$1M
107c	Supermarkets and Retail Warehouses $>$ \$1M	Land used or intended to be used, in whole or in part for a Supermarket or Retail Warehouse, with a rateable value greater than \$1M
108a	Shopping Centres \leq 7000sqm	Land used or intended to be used, in whole or in part for a Shopping Centre, which has:
		(a) a property land area of less than or equal to 7000 square metres; or
		(b) less than or equal to 120 onsite car parking spaces
108b	Shopping Centres \geq 7001 sqm	Land used or intended to be used, in whole or in part for a Shopping Centre which has:
		(a) a property land area of greater than or equal to 7001 square metres, or
		(b) greater than or equal to 121 onsite car parking spaces
109a	Service Stations/Garages \leq \$500,000	Land used or intended to be used, in whole or in part for fuel retailing, with a rateable value of less than or equal to \$500,000

109b	Service Stations/Garages >= \$500,001	Land used or intended to be used, in whole or in part for fuel retailing, with a rateable value of greater than or equal to \$500,001
110a	Accommodation – Caravan parks, Camping and Workers Accommodation	Land used or intended to be used, in whole or in part for accommodation purposes such as caravan park, camping grounds and workers accommodation
110b	Accommodation - Motels	Land used or intended to be used, in whole or in part for accommodation purposes such as motel
110c	Accommodation – Nursing Homes	Land used or intended to be used, in whole or in part for accommodation purposes such as aged care nursing or as a retirement village
111a	Animal Farming <= \$830,000	Land used or intended to be used, in whole or in part for animal farming purposes with a rateable value less than or equal to \$830,000, except land included in categories 113a, 113b, 113c, 113d and 114. Properties in this category receive a concessional value for primary production
111b	Animal Farming >= \$830,001	Land used or intended to be used, in whole or in part for animal farming purposes with a rateable value of equal to or greater than \$830,001, except land included in categories 113a, 113b, 113c, 113d and 114. Properties in this category receive a concessional value for primary production
112a	Crop Farming <= \$750,000	Land used or intended to be used, in whole or in part for crop farming purposes with a rateable value less than or equal to \$750,000, except land included in categories 113a, 113b, 113c, 113d and 114. Properties in this category receive a concessional value for primary production
112b	Crop Farming >= \$750,001	Land used or intended to be used, in whole or in part for crop farming purposes with a rateable value of greater than or equal \$750,001, except land included in categories 113a, 113b, 113c, 113d and 114. Properties in this category receive a concessional value for primary production
113a	Intensive Agriculture Poultry <= 200,000 Birds	Land used or intended to be used, in whole or in part for intensive poultry farming requiring approval by Council or requiring licensing as an Environmentally Relevant Activity with a capacity of less than or equal to 200,000 birds
113b	Intensive Agriculture Poultry >= 200,001 Birds	Land used or intended to be used, in whole or in part for intensive poultry farming requiring approval by Council or requiring licensing as an Environmentally Relevant Activity with a capacity of equal to or greater than 200,001 birds
113c	Intensive Agriculture Piggeries >= 3001 SPU	Land used or intended to be used, in whole or in part for intensive pig farming requiring approval by Council or requiring licensing as an Environmentally Relevant Activity with a capacity of equal to and greater than 3,001 SPU
113d	Intensive Agriculture Piggeries <= 3000 SPU	Land used or intended to be used, in whole or in part for intensive pig farming requiring approval by Council or requiring licensing as an Environmentally Relevant Activity with a capacity of less than or equal to 3,000 SPU
114	Farming/Agriculture on Farm Packing	Land used or intended to be used, in whole or in part for farming or agricultural purposes containing an On Farm Packing Operation
115a	Extractive & Mining > 100,000 t	Land used or intended to be used, in whole or in part for extractive industry and land which is a mining lease, where more than 100,000 tonne of material is removed per annum
115b	Extractive & Mining 5,001 - 100,000 t	Land used or intended to be used, in whole or in part for extractive industry and land which is a mining lease, where between 5,001 and 100,000 tonne of material is removed per annum
115c	Extractive & Mining up to 5,000 t	Land used or intended to be used, in whole or in part for extractive industry and land which is a mining lease, where no more than 5,000 tonne of material is removed per annum
116a	Noxious/Offensive Industry - Explosive Factory	Land used or intended to be used, in whole or in part for the manufacture of explosives

116b	Noxious/Offensive Industry - Abattoirs	Land used or intended to be used, in whole or in part as an abattoir having more than 20 employees and a rateable value of greater than \$500,000
116c	Noxious/Offensive Industry - Other	Land used or intended to be used, in whole or in part for the purpose of a sawmill, tannery, storage of explosives or any other industrial purpose or any use associated or connected with an industrial purpose, other than land included in categories 116a or 116b
117	Power Stations	Land used or intended to be used, in whole or in part for:
		(a) the generation of electricity from a coal and/or gas fired power station; or (b) any other purpose ancillary to, associated with, or connected with (a)
118	Transmission & Gas Compressor Sites	Land used or intended to be used, in whole or in part for:
		(a) the transmission or distribution of electricity from a coal and/or gas fired power station/plant, including, but not limited to, a substation; or
		(b) the transportation of gas under compression; or (c) any other purpose ancillary to, associated with, or connected with (a) or (b)
119a	Sporting Clubs & Facilities	Land used or intended to be used, in whole or in part for sporting clubs and facilities associated with a sporting club where the operator does not hold a liquor and/or gaming licence, except land included in category 119b
119b	Licensed Clubs & Sporting Clubs	Land used or intended to be used, in whole or in part for the operation of a sporting club and facilities associated with a sporting club where the land is subject to a liquor and/or gaming licence
120	Sundry Purposes	Land used or intended to be used, in whole or in part for a permit to occupy, water storage, or a pump site and land which is not otherwise categorized
121	Land which is subject Ch2 Pt2	Land, which is subject to Chapter 2, Part 2, Division 5, Subdivision 3 of the <i>Land Valuation Act 2010</i>
122	Industrial	Land used or intended to be used, in whole or in part for:
		(a) for industrial purposes such as builders and contractors' yards, general and light industrial purposes (b) not included in category 106a and 106b

b) Delegate 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.

c) Pursuant to Section 94 of the *Local Government Act 2009* and Section 80 of the *Local Government Regulation 2012*, resolve the differential general rate to be made and levied for each differential general rate category and, pursuant to Section 77 of the *Local Government Regulation 2012*, that the minimum general rate to be made and levied for each differential general rate category, is as follows:

Category Number	Category Name	RID	Minimum
101a	Rural Residential <= \$140,000	\$ 0.009046	\$ 1,202.00
101b	Rural Residential >= \$140,001 & <= \$350,000	\$ 0.008790	\$ 1,266.00
101c	Rural Residential >= \$350,001	\$ 0.006151	\$ 3,078.00

102a	Urban Residential </= \$120,000	\$ 0.011099	\$ 1,209.00
102b	Urban Residential >/= \$120,001 & </= \$240,000	\$ 0.010252	\$ 1,332.00
102c	Urban Residential >/= 240,001	\$ 0.008171	\$ 2,460.00
103a	Non-Principal Place of Residence Urban Residential </= \$120,000	\$ 0.013319	\$ 1,451.00
103b	Non-Principal Place of Residence Urban Residential >/= \$120,001 & </= \$240,000	\$ 0.012302	\$ 1,598.00
103c	Non-Principal Place of Residence Urban Residential >/= 240,001	\$ 0.009805	\$ 2,953.00
103d	Non-Principal Place of Residence Rural Residential </= \$140,000	\$ 0.010855	\$ 1,443.00
103e	Non-Principal Place of Residence Rural Residential >/= \$140,001 & </= \$350,000	\$ 0.010548	\$ 1,520.00
103f	Non-Principal Place of Residence Rural Residential >/= \$350,001	\$ 0.007382	\$ 3,693.00
104a	Urban Vacant </= \$120,000	\$ 0.012209	\$ 1,330.00
104b	Urban Vacant >/= \$120,001 & </= \$240,000	\$ 0.011277	\$ 1,465.00
104c	Urban Vacant >/= 240,001	\$ 0.008988	\$ 2,707.00
104d	Rural Vacant </= \$140,000	\$ 0.009498	\$ 1,263.00
104e	Rural Vacant >/= \$140,001 & </= \$350,000	\$ 0.009229	\$ 1,330.00
104f	Rural Vacant >/= \$350,001	\$ 0.006459	\$ 3,231.00
105	Multiple Dwellings	\$ 0.013122	\$ 1,513.00
106a	Commercial </= \$1.5M	\$ 0.011607	\$ 2,305.00
106b	Commercial > \$1.5M	\$ 0.006114	\$ 18,077.00
107a	Supermarkets and Retail Warehouses </= \$375,000	\$ 0.013702	\$ 3,797.00
107b	Supermarkets and Retail Warehouses >/= \$375,001 & </= \$1M	\$ 0.015806	\$ 9,762.00
107c	Supermarkets and Retail Warehouses > \$1M	\$ 0.018547	\$ 25,790.00
108a	Shopping Centres </= 7000sqm	\$ 0.071600	\$ 61,785.00
108b	Shopping Centres >/= 7001 sqm	\$ 0.032907	\$ 185,352.00
109a	Service Stations/Garages </= \$500,000	\$ 0.022446	\$ 6,087.00
109b	Service Stations/Garages >/= \$500,001	\$ 0.028219	\$ 16,270.00
110	Accommodation – Caravan parks, Camping and Workers Accommodation	\$ 0.022093	\$ 3,626.00
110b	Accommodation – Motels	\$ 0.016671	\$ 2,183.00
110c	Accommodation – Nursing Homes	\$ 0.026382	\$ 13,000.00
111a	Animal Farming </= \$830,000	\$ 0.007812	\$ 1,610.00
111b	Animal Farming >/= \$830,001	\$ 0.008568	\$ 7,700.00
112a	Crop Farming </= \$750,000	\$ 0.007999	\$ 1,610.00
112b	Crop Farming >/= \$750,001	\$ 0.008662	\$ 6,700.00
113a	Intensive Agriculture Poultry </= 200,000 Birds	\$ 0.016085	\$ 6,824.00
113b	Intensive Agriculture Poultry >/= 200,001 Birds	\$ 0.028413	\$ 20,436.00
113c	Intensive Agriculture Piggeries >/= 3001 SPU	\$ 0.054315	\$ 15,987.00
113d	Intensive Agriculture Piggeries </= 3000 SPU	\$ 0.062980	\$ 7,840.00
114	Farming/Agriculture On Farm Packing	\$ 0.009756	\$ 10,497.00
115a	Extractive & Mining > 100,000 t	\$ 0.024838	\$ 48,531.00
115b	Extractive & Mining 5,001 - 100,000 t	\$ 0.043029	\$ 24,959.00
115c	Extractive & Mining up to 5,000 t	\$ 0.023218	\$ 10,816.00
116a	Noxious/Offensive Industry - Explosive Factory	\$ 0.019307	\$ 35,735.00
116b	Noxious/Offensive Industry - Abattoirs	\$ 0.038612	\$ 35,735.00
116c	Noxious/Offensive Industry - Other	\$ 0.023271	\$ 6,125.00
117	Power Stations	\$ 0.026797	\$ 55,750.00

118	Transmission & Gas Compressor Sites	\$ 0.049848	\$ 12,337.00
119a	Sporting Clubs & Facilities	\$ 0.007757	\$ 1,330.00
119b	Licensed Clubs & Sporting Clubs	\$ 0.007758	\$ 1,330.00
120	Sundry Purposes	\$ 0.016498	\$ 254.00
121	Land which is subject Ch2 Pt2	\$ 0.011973	NA
122	Industrial	\$ 0.011214	\$ 2,281.00

d) Pursuant to Section 94 of the *Local Government Act 2009* and Section 103 of the *Local Government Regulation 2012*, make and levy a separate charge (to be known as the “Emergency Preparedness Levy”), in the sum of \$104.00 per annum per rateable assessment, to be levied equally on all rateable land in the region, and a pro-rata charge effective from the date of valuation will apply to new assessments created during the financial year. The purposes of the levy are:

- 1. Funding infrastructure restoration projects (such as bridges, roads) funding shortfalls, interest and redemption payments on loans associated with recovery work and community resilience recovery through community recovery programs, and**
- 2. Funding expenditure on the disaster management initiatives associated with improving the region’s preparedness for and response to future natural disasters including the implementation of the recommendations of the Queensland Flood Commission of Inquiry, and**
- 3. Funding recurrent and capital expenditure for the Volunteer State Emergency Services Units operating within the Lockyer Valley Regional Council area together with the provision of disaster planning and management support for the units.**

e) Pursuant to Section 94 of the *Local Government Act 2009* and Section 103 of the *Local Government Regulation 2012*, make and levy a separate charge (to be known as the “Environmental Levy”), in the sum of \$16.00 per annum per rateable assessment, to be levied equally on all rateable land in the region, for the purposes of funding expenditure on the implementation of physical/biological, cultural, social and economic environmental initiatives throughout the Region. A pro-rata charge effective from the date of valuation will apply to new assessments created during the financial year.

f) Pursuant to Section 94 of the *Local Government Act 2009* and Section 103 of the *Local Government Regulation 2012*, make and levy a separate charge (to be known as the “Resilient Rivers Initiative Levy”), in the sum of \$2.00 per annum per rateable assessment, to be levied equally on all rateable land in the region, for the purposes of funding Council’s contribution for the Council of Mayors South East Queensland’s (COMSEQ’s) Resilient Rivers Initiative, which will deliver projects to keep soil on the land, protect water security, promote partnerships and improve climate resilience. A pro-rata charge effective from the date of valuation will apply to new assessments created during the financial year.

g) Pursuant to Section 94 of the *Local Government Act 2009* and Section 94 of the *Local Government Regulation 2012*, make and levy a special charge (to be known as the “Rural Fire Levy”) of \$30.00 per annum on all rateable land to which the overall plan applies to fund the maintenance of fire trails within the Lockyer Valley Council Region and to provide for the operations, maintenance and provision of buildings, land and/or equipment for Rural Fire Brigade groups in accordance with agreements between Council and the Lockyer Local Area

Finance Committee. A pro-rata charge effective from the date of valuation will apply to new assessments created during the financial year.

1. The overall plan for the Rural Fire Levy is as follows:
 - i. To fund a range of fire mitigation activities including the maintenance of fire trails within the Lockyer Valley Council Region and to provide for the operations, maintenance and provision of buildings, land and/or equipment for Rural Fire Brigade groups in accordance with agreements between Council and the Lockyer Local Area Finance Committee.
 - ii. The rateable land to which the plan applies is all land in areas serviced by a Rural Fire Brigade.
 - iii. The estimated cost of carrying out the overall plan is \$290,580.
 - iv. The estimated time for carrying out the overall plan is one year.
2. The rateable land or its occupier specially benefits from the service, facility or activity funded by the special charge because of the Rural Fire Brigade Group operating in the area.
3. \$50,000 will be retained by Lockyer Valley Regional Council for a range of fire mitigation activities including but not limited to the maintenance of fire trails within the Lockyer Valley Council Region on Council owned and controlled land and

h) Pursuant to Section 94 of the *Local Government Act 2009* and Section 99 of the *Local Government Regulation 2012*, make and levy waste recycling and collection utility charges, for the supply of waste management services by the Council, as follows:

1. Waste Recycling and Collection Charges:
 - i. Subject to paragraphs ii) and iii) below, waste recycling and collection charges shall be levied according to the service type and the service description identified in the following table (“Waste Recycling and Collection Charge”):

Service Type	Service Description	Annual Charge Amount
Residential	First Service - Dual Bins	\$326.00
Residential	Additional Waste Bin	\$204.00
Residential	Additional Recycling Bin	\$122.00
Commercial	First Service - Dual Bins	\$556.00
Commercial	Additional Waste Bin	\$380.00
Commercial	Additional Recycle Bin	\$176.00

- ii. The Waste Recycling and Collection Charge shall be levied for the First Service on every parcel of land in the region where waste services are made available except where:
 1. there is a demolition of premises, as certified by an approved person; or
 2. land is vacant for a full year, as established by a Statutory Declaration.
- iii. Any services required in addition to the first service for a parcel of land shall be levied at the applicable amount stated in paragraph i) above for each additional service provided.
- iv. For new first services or new additional services, the charge will be levied on a pro-rata basis from the date of commencement of the service.

2. Waste Management Charge:

- i. A utility charge of \$167.00 per annum per assessment will be levied on all rateable land in the region (“Waste Management Charge”) to fund recurrent and capital expenditure and the administration costs associated with the provision, improvement and management of Council’s waste management facilities throughout the region. Waste management facilities include landfill sites, transfer stations, weighbridge and waste bins located throughout the region.
- ii. The Waste Management charge will also be levied to all non-rateable land to which a waste collection service is provided.
- iii. For new assessments created during the year, the charge will be levied on a pro-rata basis from the effective date of valuation for the assessment.
- i) Pursuant to Section 130 of the *Local Government Regulation 2012*, the differential general rates and waste recycling and collection charges made and levied shall be subject to a discount of five percent (5%) if paid within the discount period of 30 days of the date of issue of the rate notice provided that:
1. all of the aforementioned rates and charges are paid within 30 days of the date of issue of the rate notice; and
 2. all other rates and charges appearing on the rate notice (that are not subject to a discount) are paid within 30 days after the date of issue of the rate notice; and
 3. all other overdue rates and charges, and interest relating to the rateable assessment are paid within 30 days of the date of issue of the rate notice.
- j) Pursuant to section 74 and 76 of *Local Government Regulation 2012*, for the purpose of making and levying a Differential General Rate for the 2022/23 financial year on all parcels of rateable land in the local government area, the rateable value of a parcel of land in the local government area is to be the 3-year averaged value of the land.
- k) Pursuant to section 133 of the *Local Government Regulation 2012*, compound interest on daily rests at the rate of eleven point six four (11.64%) per annum is to be charged on all overdue rates and charges.
- l) Pursuant to Section 107 of the *Local Government Regulation 2012* and Section 114 of the *Fire and Emergency Services Act 1990*, Council’s rates and charges, and the State Government’s Emergency Management, Fire and Rescue Levy be levied:
1. For the half year 1 July 2023 to 31 December 2023; and
 2. For the half year 1 January 2024 to 30 June 2024.
- m) Pursuant to Section 118 of the *Local Government Regulation 2012*, that Council’s rates and charges, and the State Government’s Emergency Management, Fire and Rescue Levy, be paid within 30 days of the date of the issue of the rate notice.
- n) Pursuant to Sections 120, 121, and 122 of the *Local Government Regulation 2012*, a rebate of the differential general rate to a maximum of \$30.00 per half year per rateable

assessment will be granted following an application in the approved form and where the eligibility requirements in paragraphs 1) to 6) below are met:

1. The applicant is the sole owner, joint owner, part owner or life tenant of a property; and
 2. The property is the principal place of residence of the pensioner or life tenant; and
 3. The applicant has, either solely or jointly with a co-owner, the legal responsibility for the payment of rates and charges as defined herein, which are made and levied by Council in respect of the property; and
 4. The applicant must be a current holder of one of the following cards:
 - i. Queensland 'Pensioner Concession Card' issued by Centrelink;
 - ii. a Veterans' Affairs Gold card;
 - iii. a Veterans' Affairs Pensioner Concession card; or
 - iv. Repatriation Health card for all conditions, and
 5. The applicant receives a full pension entitlement under one of these Government Pensions:
 - i. Age pension;
 - ii. Carer payment;
 - iii. Disability Support pension;
 - iv. Wife pension;
 - v. Widow pension;
 - vi. Parenting Payment Single and Service pension;
 - vii. War Widow/Widower pensions with full Income Support Supplement; or
 - viii. Veterans' Affairs' Disability/TPI pension.
 6. Where the applicant meets all of the criteria in paragraphs 1) to 4) above, but receives a part pension entitlement for a Government Pension identified in paragraph 5) above, the rebate shall be a maximum of \$15.00 per half year per rateable assessment.
 7. Where eligibility for the rebate in relation to a rateable assessment is established by more than one applicant, only one rebate (the rebate of the higher value) will be applied to the assessment per half year.
- o) Pursuant to Sections 120, 121, and 122 of the *Local Government Regulation 2012*, a rebate of up to one hundred percent (100%) of the differential general rate will be granted on a property following an application in the approved form where the following eligibility requirements are met:
1. The applicant organisation must be a non-profit community based organisation; and
 2. The applicant organisation must be the owner or lessee of the land and be able to demonstrate that they are required to pay the rates levied; and
 3. The land or any part of the land must not be rented or leased to a third party on a commercial basis; and
 4. A Liquor Licence (allowing trading on more than three days per week) must not be held by the organisation or any affiliate relating to the property subject to the application.
- p) Pursuant to Sections 120, 121, and 122 of the *Local Government Regulation 2012*, a one hundred percent (100%) rebate of the Rural Fire Levy, Waste Management Charge, Environmental Levy, Resilient Rivers Initiative Levy and the Emergency Preparedness Levy may be granted for separately rateable mining leases where the land over which the leases are

granted are already subject to these charges.

q) Pursuant to Sections 120, 121, and 122 of the *Local Government Regulation 2012*, a one hundred percent (100%) rebate of the Rural Fire Levy, Waste Management Charge, Environmental Levy, Resilient Rivers Initiative Levy and the Emergency Preparedness Levy may be granted for land used for a permit to occupy, water storage or as a pump site where the payment of the charges would cause hardship to the property owner.

r) Pursuant to Section 169 (2)(b) of the *Local Government Regulation 2012* to adopt the 2023-2024 Revenue Statement (Attachment 1) for inclusion in the 2023-2024 Budget.

Executive Summary

Council is required under Section 169 (2) (b) of the *Local Government Regulation 2012* to include a revenue statement in its annual budget. This report recommends the adoption of this document as part of the 2023-2024 Budget as well as other key measures that Council will use to generate its rating revenue. The 2023-2024 Revenue Statement will achieve an initial yield of \$47.17 million in rates and utility charges with \$1.93 million allowed for discounts and remissions. Budget parameters include a conservative growth rate of approximately 1.00%.

Proposal

Overview

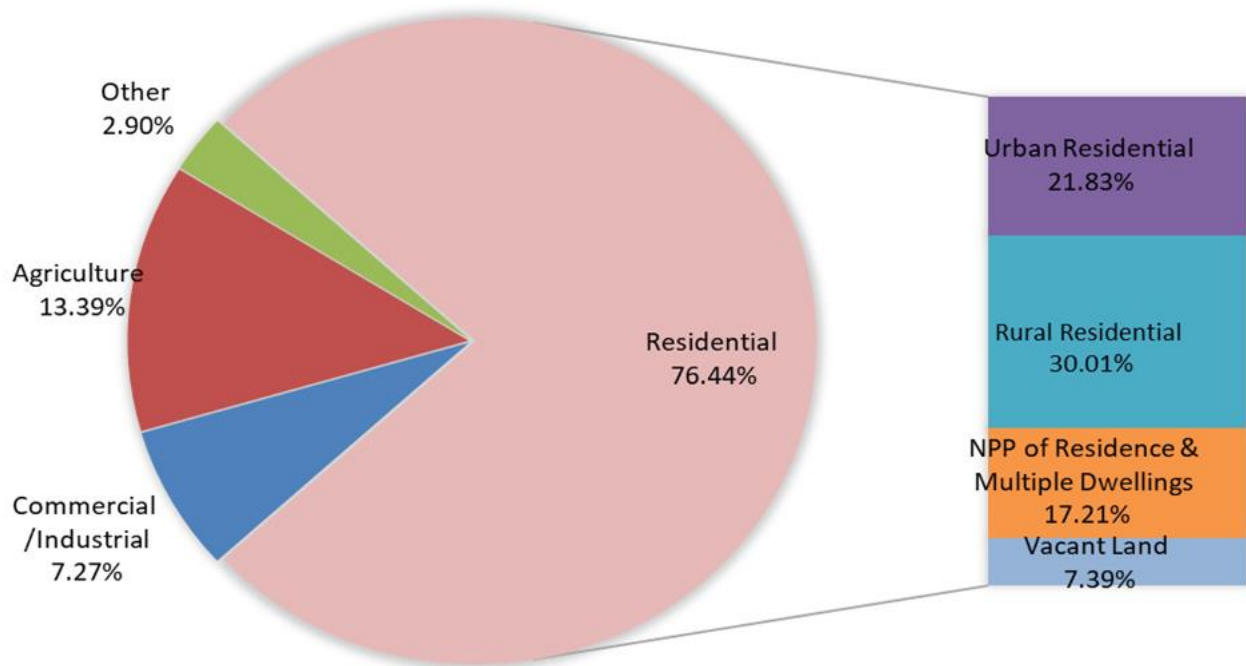
The Revenue Statement is a key statutory document of Council detailing the revenue measures adopted in Council's 2023-2024 Budget and is required to be reviewed and adopted as part of the annual budget. Changes made to the documents reflect the wishes of Council in making and levying rates for the coming financial year and provides the basis for the generation of Council's rates revenue for 2023-2024.

Following a series of budget workshops, Council is now able to formalise its Revenue Statement for the 2023-2024 financial year. In 2023-2024, general rates revenue will continue to be levied using a system of differential rating. The system includes sixty (60) differential categories.

The re-valuations issued by The Department of Natural Resources, Mines and Energy has increased with an average change of 30.95%. For the 2023-2024 budget Council has continued with 3-year averaged land valuation calculation method to mitigate the impact of substantial fluctuations in the rates charged for a particular parcel of rateable land arising from changed valuations from year to year.

Amendments to the category banding for Rural and Urban Residential, Non-Principal place of Residence, Vacant Land, Animal and Crop Farming categories have also been applied to ensure consistency and limit the impact to majority of properties. This will mean that some properties within each category will see a reduction in their general rates, while other properties will remain the same or have an increase depending on the movement of the valuation. The amount of change is dependent on the valuation of the property and new bandings within categories.

The key items in the attached Revenue Statement include:



- A 4.72% increase in the yield from the general rates for all residential categories including the Non-Principal Place of Residence and Vacant land categories;
- Animal Farming and Crop Farming categories see an increase in yield of \$190,834;
- General Commercial, Supermarkets and Retail Warehouses, Shopping Centres and Service Stations have a yield increase of \$110,860;
- Domestic and Commercial Waste Recycling and Collection Charges to increase 8.5%;
- The Waste Management Charge increase at 8.5% from \$154.00 to \$167.00 per annum;
- The separate charge Emergency Preparedness Levy has remained at \$104.00 per annum;
- The separate charge Environmental Levy has remained at \$16.00 per annum;
- The separate charge Resilient Rivers Initiative Levy has remained at \$2.00 per annum;
- The special charge for Rural Fire Brigades has remained at \$30.00 per assessment;
- Retention of early payment discounts of 5% on general rates and waste recycling and collection charges;
- Retention of the amount for Council's pensioner concessions at \$30.00 per half year for full concessions and \$15.00 per half year for partial concessions; and
- Increase in the compound interest charged on overdue rates and charges from 8.17% per annum to 11.64% per annum in order to conform to the new maximum allowed under legislation.

Options

Option One: THAT Council adopt the 2023-2024 Revenue Statement, as attached with an effective date of 1 July 2023.

Option Two: THAT Council does not adopt the 2023-2024 Revenue Statement, as attached.

Previous Council Resolutions

Special Meeting of Council 20 July 2022 (Resolution 20-24/0588).

Critical Dates

Under the *Local Government Act 2009* Chapter 4 Finances and accountability, Part 3 Financial planning and accountability section 107a Approval of the budget the local government must adopt a budget before 1 August in the financial year to which the budget relates.

Strategic Implications

Corporate Plan

Lockyer Leadership and Council

- Undertake robust and accountable financial, resource and infrastructure planning and management to ensure affordable and sustainable outcomes for our community.
- Compliance with relevant legislation

Finance and Resource

Rates and charges are the largest source of revenue for Council. The adoption of the 2023-2024 Revenue Statement ensures that Council can rate in accordance with the proposed 2023-2024 Budget.

The 2023-2024 Revenue Statement will achieve an initial yield of \$47.17 million in rates and utility charges with \$1.93 million allowed for discounts and remissions.

The budget assumes a growth rate in assessments of 1.00%. As this is dependent on changes in the number of properties through land development, this growth may not always be achieved. The growth rate will need to be monitored throughout the year with any loss in revenue matched by corresponding expenditure reductions in formal amendments to Council's 2023-2024 Budget.

Council's Long Term Financial Plan assumes annual rate increases on top of natural growth which are consistent with forecast CPI movement. Natural growth in assessments is estimated at 1.00% over the term of the plan.

Changes in the future rate increases or natural growth estimates will impact on the amount of rates revenue generated and will affect Council's long-term sustainability unless there are corresponding reductions in costs or increases in other revenues.

Legislation and Policy

The adoption of the 2023-2024 Revenue Statement ensures Council's compliance with the requirements of the *Local Government Regulation 2012* and provides the basis for the levying of rates and charges for the 2023-2024 financial year.

Section 172 of the *Local Government Regulation 2012* details what must be included in the Revenue Statement while Section 193 (2) of the *Local Government Regulation 2012* states that the guidelines for preparing the Revenue Statement may be included in the Revenue Policy.

The 2023-2024 Revenue Statement is consistent with Council's 2023-2024 Revenue Policy.

Risk Management

Key Corporate Risk Code and Category: FE1

Key Corporate Risk Descriptor: Finance and Economic

Financial sustainability to support the achievement of strategy, goals and objectives in the medium to long term

Consultation

Portfolio Councillor Consultation

Councillors were consulted through the development of the 2023-2024 Council Budget at Councillor Workshops held between February 2023 to June 2023.

Internal Consultation

The implications of this policy will be incorporated into extensive communications associated with the 2023-2024 Budget. The updated policies will be included in Council's policy register and uploaded to Council's website.

External Consultation

Due to the internal administrative nature of this policy, there has been no external consultation.

Community Engagement

The implications of the 2023-2024 Revenue Statement will be incorporated into extensive communications associated with the 2023-2024 Budget and uploaded to Council's website.

Attachments

[1](#) Revenue Statement 25 Pages



2023-2024 REVENUE STATEMENT

1. INTRODUCTION

1.1 Revenue Statement adoption

Sections 169 and 170 of the *Local Government Regulation 2012* require a local government to prepare and adopt a Revenue Statement each financial year as part of its budget.

Section 172 of the *Local Government Regulation 2012* specifies what a Revenue Statement must state.

Pursuant to sections 169, 170 and 172 of the *Local Government Regulation 2012*, Council resolves to adopt the following Revenue Statement for the 2023/2024 financial year, which provides details of the following:

- Administration:
 - Issue of rate notices
 - Time within which rates and charges must be paid
 - Early payment discount on rates and charges
 - Allowance of early payment discount for late payments
 - Interest on overdue rates and charges
 - Council's pensioner rate concession/rebate
 - Queensland State Government Pensioner Rate Subsidy Scheme
 - Other concessions on rates and charges
 - The recovery of overdue rates and charges; and
 - The criteria used by Council to decide the amount of cost-recovery fees and the amount of the charges for goods and services of each business activity the Council conducts on a commercial basis
- General rates (made and levied on all rateable land)
- Utility charges:
 - Waste and Recycling Collection Charge
 - Waste Management Charge
- Special charge (a charge made and levied on some, but not all, rateable land):
 - Rural Fire Levy

Group: Executive Office
Branch: Finance
Approved: Budget Meeting (Resolution Number: 20-24/XXXX)
Date Approved: XX/XX/2023

Effective Date: XX/XX/2023
Version: 2.0
Review Date: 30/06/2024
Superseded/Revoked: 2021/2022 Revenue Statement ECM:
4333574

ECM: 45474884

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- Separate charges (each a charge made and levied equally on all rateable land):
 - Emergency Preparedness Levy
 - Environmental Levy; and
 - Resilient Rivers Initiative Levy
- Whether Council has made any resolution limiting an increase of rates and charges
- Definitions

1.2 Brief explanation of the measures adopted for raising revenue

Council has developed this Revenue Statement in accordance with its Revenue Policy, which aims to raise sufficient revenue to enable it to maintain assets and to provide services to the community at a level that the Council considers appropriate for both current and future community requirements.

Council applies the following criteria to structuring its adopted revenue raising measures:

- Efficiency through having a rating regime that is efficient to administer
- Full cost pricing and user pays where appropriate
- Equitable distribution of the general rates burden as broadly as possible
- Transparency in the making and levying of rates
- Flexibility, to take into account changes in the local economy
- Clarity in terms of responsibilities (Council's and property owner's) in regard to the rating process; and
- National Competition Policy legislation where applicable

In levying rates and charges, Council will have regard to:

- Consistency in timing the levy of rates in a predictable way to enable property owners to plan for their rating obligations by the issue of rate notices on a half yearly basis
- Flexibility by providing short-term payment commitment plans to property owners in financial difficulty, caused by circumstances beyond their control, along with a wide array of payment options
- Communication by clearly setting out the Council's and each property owner's obligations in relation to rates and charges by advising property owners about rate notice issue dates and discount dates
- Clarity by providing meaningful information on rate notices to enable property owners to clearly understand their responsibilities

1.3 Interpretation

Section 7 of this Revenue Statement sets out definitions specific to this Revenue Statement. Other words within this Revenue Statement shall be as defined under the *Local Government Act 2009* and the *Local Government Regulation 2012*.

Related Policies and Legislation

Local Government Act 2009

Local Government Regulation 2012

Lockyer Valley Regional Council Rates and Charges Debt Collection and Recovery Policy

Rating Category Identification Policy for Financial Year 2023/2024

Group: Executive Services
Branch: Finance
Approved: Budget Meeting (Resolution Number: 20-24/XXXX)
Date Approved: XX/XX/2023

Effective Date: XX/XX/2023
Version: 5.0
Review Date: 30/06/2024
Superseded/Revoked: 2021/2022 Revenue Statement ECM:
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ECM: 45474884

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2. ADMINISTRATION

2.1 Issue of rate notices

Pursuant to section 104(1) of the *Local Government Regulation 2012*, a local government may levy rates or charges only by a rate notice. Section 104(2) of the *Local Government Regulation 2012* provides as follows:

- A **rate notice** is a document stating—
 - (a) the date when the rate notice is issued; and
 - (b) the due date for payment of the rates or charges; and
 - (c) if the local government has decided a discount applies to the rates or charges—
 - (i) the terms of the discount; and
 - (ii) the last day of the discount period; and
 - (d) if the local government has decided rates or charges may be paid by instalments—the requirements for paying by instalments; and
 - (e) the ways in which the rates or charges may be paid

Council will issue rate notices in the first six months of the financial year (July to December 2023) for the rating period 1 July 2023 to 31 December 2023; and in the second six months of the financial year (January to June 2024) for the rating period 1 January 2024 to 30 June 2024.

Supplementary rate notices for variations in rates and charges payable may be issued as required during the year.

A rate notice, including a rating category statement contained in or accompanying the rate notice, may be given electronically to a person who has provided written consent to Council. Where a property owner gives written consent to the receipt of rate notices and the accompanying rating category statements electronically, they forgo receiving the rate notices and the accompanying rating category statements via post.

2.2 Time within which rates and charges must be paid

Pursuant to section 118 of the *Local Government Regulation 2012*, Council resolves that Council’s rates and charges, and the State Government’s Emergency Management, Fire and Rescue Levy, must be paid within thirty (30) days of the date of the issue of the rates notice.

The property owner will be liable to pay the amount of the rates and charges levied by a rate notice even if the owner properly objects to the rating category for the property and/or makes any enquiries to Council relating to or not relating to the property.

Notwithstanding any such objection or enquiries, the rate notice remains due and payable by the due date stated on the rate notice.

2.3 Early payment discount on rates and charges

Pursuant to section 130 of the *Local Government Regulation 2012*, Council resolves that Differential General Rates (Section 3.1 below) and Waste Collection and Recycling Utility Charges (Section 4.1 below) made and levied in the twelve months ending 30 June 2024, shall be subject to a 5% discount if paid within the discount period of 30 days of the date of issue of the rate notice, provided that:

- all of the aforementioned rates and charges are paid within 30 days of the date of issue of the rate notice
- all other rates and charges appearing on the rate notice (that are not subject to a discount) are paid within 30 days after the date of issue of the rate notice; and

Group: Executive Services Branch: Finance Approved: Budget Meeting (Resolution Number: 20-24/XXXX) Date Approved: XX/XX/2023 ECM: 45474884	Effective Date: XX/XX/2023 Version: 5.0 Review Date: 30/06/2024 Superseded/Revoked: 2021/2022 Revenue Statement ECM: 4333574
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- all other overdue rates and charges relating to the rateable assessment are paid within 30 days of the date of issue of the rate notice

Payments must be made at a Council Customer Service Centre, an approved agency, or by electronic funds transfer.

Where payments are made by electronic funds transfer, to be eligible for the discount, the payments must all be received by Council within three (3) business days of the due date stated on the rate notice.

No discount is allowable on the following rates or charges which may appear on any rate notice issued for a property in respect of the period of twelve months ending 30 June 2024:

- Special rates and charges
- Separate rates and charges not listed above
- Utility charges other than Waste Collection and Recycling Charges
- Any property charge relating to the carrying out of Council works on or in connection with the property
- Any non-rate item included on rate notice
- Legal costs incurred by Council in rate collection
- Interest charges on overdue rates
- Overdue rates or charges
- Any other rate, charge or amount unless a discount is specifically permitted by this Revenue Statement

2.4 Allowance of early payment discount for late payments

Pursuant to section 130(10) of the *Local Government Regulation 2012*, if the Council is satisfied that a property owner has been prevented, by circumstances beyond their control, from paying the rates or charges in time to get a discount, the Council may still allow the discount.

Events, the proof of which, may satisfy Council that a property owner has been prevented, by circumstances beyond their control, from paying the rates or charges in time to get a discount, include:

- illness involving hospitalisation and/or incapacitation of the property owner at or around the time of the rates being due for payment
- the death or major trauma (accident/life threatening illness/emergency operation) of the property owner and/or associated persons (spouse/children/parents) at or around the time of the rates being due for payment; or
- the loss of records or failure of mail delivery resulting from factors beyond the property owner's control (fire/flood etc.)

All applications for an early payment discount for late payments must be made in writing accompanied by all material relied upon by the property owner to satisfy Council that they were prevented, by circumstances beyond their control, from paying the rates and charges in time to get an early payment discount.

Payment of all rates and charges levied on the property (including any overdue rates) must be paid in full before Council will consider any allowance of the early payment discount for late payments.

The property owner's prior rates and charges payment history may be taken into account when considering whether to allow the early payment discount for late payments. The property owner will be notified of the outcome in writing and Council's decision will be final.

The early payment discount for late payments will **NOT** be allowed by Council due to the following events:

- the failure of the property owner to ensure that Council was given correct notification of its postal address prior to the issue of the Rate Notices; or

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- the failure of the property owner to ensure that Council was given the correct notification of the email address for notices prior to the issue of the Rate Notices where the option for delivery by electronic means has been selected; or
- a change of ownership, where Council received notification of the change of ownership after the issue of the Rates Notice

Property owners are obliged to notify Council of their contact details in writing. A mail re-direction or verbal communication with Council is not sufficient notice to Council. It is the responsibility of the property owner to ensure the delivery method of rate notices and correspondence is up to date.

2.5 Interest on overdue rates and charges

Pursuant to Section 133 of the *Local Government Regulation 2012*, Council resolves that compound interest on daily rests at the rate of eleven point six four percent (11.64%) per annum is to be charged on all overdue rates or charges from the day the rates or charges become overdue.

2.6 Council's pensioner rate concession/ rebate – Lockyer Valley Regional Council Pension Subsidy

The aim of the Council's pensioner rate concession/rebate – Lockyer Valley Regional Council Pension Subsidy, is to help eligible pensioner property owners to remain in their own homes by reducing the financial impact of rates and charges levied.

Council's pensioner rate concession/rebate – Lockyer Valley Regional Council Pension Subsidy, will be allowed by way of a rebate to eligible pensioners under Chapter 4, Part 10 of the *Local Government Regulation 2012*.

In exercising these concession powers, Council will be guided by the principles of:

- Transparency by making clear the requirements necessary to receive concessions; and
- Equity by ensuring that all applicants of the same type receive the same concession

2.6.1 Eligibility criteria

To be eligible the property owner **must** meet **all** of the following eligibility criteria:

- Complete and submit a written application form to Council (Pensioner Application- Rates Remission)
- Be a pensioner as defined in the *Local Government Regulation 2012*
- Possess a current, valid, qualifying concession card, namely:
 - Queensland 'Pensioner Concession Card' issued by Centrelink; or
 - Veterans' Affairs Gold card; or
 - Veterans' Affairs Pensioner Concession card; or
 - Repatriation Health card for all conditions
- Be the owner (either solely or jointly), or be an eligible life tenant, in accordance with the guidelines for the Queensland State Government Rate Subsidy Scheme, of a property within the Council's local government area, which is their Principal Place of Residence, and must have (either solely or jointly with a co-owner/s), the legal responsibility for payment of rates and charges which are levied in respect of the property; and

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In the case of life tenancy, to be eligible the applicant property owner must meet the above criteria and in addition provide:

- a certified copy of the Will, stating the applicant is a life tenant and responsible for paying the rates; **OR**
- a Court Order and a duly signed copy of Death Certificate

The following cards do not satisfy the concession eligibility criteria:

- Seniors Cards
- Health Care Cards
- Health Benefit Cards

Where eligibility for the rebate in relation to a property is established by more than one applicant, only one rebate (of the higher amount) will be applied to the rateable assessment/property per half year.

2.6.2 Method of calculation – per assessment/ property

A pensioner may be eligible for a **full** concession by way of a rebate on the rates and charges payable if the pensioner receives the **full pension entitlement** under one of these Government pensions:

- Age pension
- Carer payment
- Disability Support pension
- Wife pension
- Widow pension
- Parenting Payment Single and Service pension
- War Widow/Widower pensions with full Income Support Supplement
- Veterans' Affairs' Disability/TPI pension

A pensioner may be eligible for a **partial** concession by way of rebate on the rates and charges payable if the pensioner receives the **part pension entitlement** under one of these Government pensions:

- Age pension
- Carer payment
- Disability Support pension
- Wife pension
- Widow pension
- Parenting Payment Single and Service pension
- War Widow/Widower pensions with partial or no Income Support Supplement
- Veterans' Affairs' Disability/TPI pension

Pension Rate	Maximum Council Pensioner Concession/Rebate, per property
Maximum level of the pension (full pension entitlement)	\$60.00 per annum \$30.00 per half year
Not maximum level of the pension (partial pension entitlement)	\$30.00 per annum \$15.00 per half year

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2.7 Queensland State Government Pensioner Rate Subsidy Scheme

Upon written application, a concession by way of rebate on rates will be granted to all pensioners who are eligible in accordance with the Administrative Guidelines of the Queensland State Government Pensioner Rate Subsidy Scheme. The Queensland State Government currently grants a 20% remission on rates up to a maximum of \$100 per half year (\$200 per year).

Council adheres to the Administrative Guidelines of the Queensland State Government Pension Rate and Subsidy Scheme when determining the proportional eligibility of the applicant in terms of ownership.

This Subsidy concession will only be granted for a particular half year where the application is received by Council prior to the commencement of the period. No pro-rata adjustments will be applied.

2.8 Other concessions for rates and charges

2.8.1 Concession for Non-Profit or Arts /Cultural Development Entities

Council may grant a differential general rates concession to a stated property owner where it is satisfied in terms of section 120(1)(b) of the *Local Government Regulation 2012*, that land is owned by:

- an entity whose objects do not include making a profit; or
- an entity that provides assistance or encouragement for arts or cultural development

The purpose of these concessions is to encourage and support non-profit or arts/cultural development entities as they contribute to the health and well-being of the community and to the social cohesion of the region.

In exercising its power to grant such a concession Council will be guided by the principles of:

- Transparency by making clear the requirements necessary to receive concessions; and
- Equity by ensuring that all applicants of the same type receive the same concession

To be eligible the property owner **must** meet **all** of the following eligibility criteria:

- Complete and submit a written application form to Council
- Satisfy Council that in terms of section 120(1)(b) of the *Local Government Regulation 2012*, that the relevant land is owned by an entity whose objects do not include making a profit; or that provides assistance or encouragement for arts or cultural development
- Be the owner or lessee of the land and be able to demonstrate that they are required to pay the rates levied
- The land or any part of the land must not be rented or leased to a third party on a commercial basis
- A Liquor Licence (allowing trading on more than three days per week) must not be held by the owner or occupier organisation or any affiliate relating to the land subject to the application

Where differential general rates do not apply to a property by virtue of a condition contained in a lease of a reserve from Council, no further relief will be available.

Council may grant a maximum differential general rates rebate of up to 100% for a property to approved applicants.

Council will not approve requests for financial contributions to reimburse rate payments unless proof of hardship in terms of section 120(1)(b) of the *Local Government Regulation 2012* can be demonstrated in writing to the satisfaction of Council.

Applications for such a concession to a stated property owner will be for assessment and resolution by elected members at a Council meeting pursuant to section 122(1)(a) of the *Local Government Regulation 2012*.

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2.8.2 Concession for land that is subject to mining tenures

Council may grant a concession to a stated property owner where it is satisfied in terms of section 120(1)(g) of the *Local Government Regulation 2012*, that the land is subject to a GHG tenure, mining tenement or petroleum lease.

Council may grant such concession in respect of any (or all) of the following particular rates and charges:

- Rural Fire Levy
- Waste Management Charge
- Environmental Levy
- Resilient Rivers Initiative Levy
- Emergency Preparedness Levy

In considering whether to grant any such concession to an eligible applicant Council may have regard to the extent to which the land over which the GHG tenure, mining tenement or petroleum lease is granted is already subject to these particular rates and charges.

Applications for such a concession to a stated property owner will be for assessment and resolution by elected members at a Council meeting pursuant to section 122(1)(a) of the *Local Government Regulation 2012*.

2.8.3 Concession for hardship

Council may grant a concession to a stated property owner for land used for a permit to occupy, water storage or as a pump site, where it is satisfied in terms of section 120(1)(c) of the *Local Government Regulation 2012*, that the payment of rates or charges would cause hardship to the property owner for the following rates and charges:

- Rural Fire Levy
- Waste Management Charge
- Environmental Levy
- Resilient Rivers Initiative Levy
- Emergency Preparedness Levy

Applications for such a concession to a stated property owner will be for assessment and resolution by elected members at a Council meeting pursuant to section 122(1)(a) of the *Local Government Regulation 2012*.

2.9 The Recovery of overdue rates and charges

Council will exercise its rate recovery powers pursuant to the provisions of Chapter 4 Part 12 of the *Local Government Regulation 2012* in order to reduce the overall rate burden on property owners.

Council has adopted a Rates and Charges Debt Collection and Recovery Policy for the recovery of overdue rates and charges. The objective of this policy is to set out Council's principles in regard to the management of debt, and to provide consistent and ethical recovery of overdue rates and charges across the region in accordance with the parameters and requirements of the *Local Government Regulation 2012*.

Council has adopted a Hardship Policy for those property owners experiencing financial hardship. The objective of that policy is to set out Council guidelines for the assessment of applications for rates and charges relief due to financial hardship in terms of section 120(1)(c) of the *Local Government Regulation 2012*.

Council does not verbally contact property owners who are in arrears via telephone. If Council has a current mobile number of a property owner, Council will contact via text message, utilising a bulk distribution method. Council will not use the text message contact if the property owner opts out to receiving the text message reminders.

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Council will have regard to the following principles in management of and recovery of overdue rates and charges:

- Communication by making clear the obligations of property owners and the processes used by Council in assisting them meet their financial obligations
- Transparency by making the processes used to recover overdue rates and charges simple to administer and cost effective
- Equity by treating all property owners in similar circumstances in the same manner; and
- Flexibility by responding where necessary to changes in the local economy

2.9.1 Payment commitments

As a general guide a periodic payment commitment may be agreed between Council and the property owner. To avoid recovery action being taken, requests are to be made to Council in writing before the last date on the legal action letter at which time the relevant Council officer or Council delegate will consider the offer on a case-by-case basis. The property owner must begin payments on the date they have supplied to Council. If approved, the Council officer or Council delegate will document the commitment and a copy will be provided in writing to the property owner. Council's preferred payment method with regards to payment commitments is direct debit.

Regular reviews will be undertaken by Council officers of all payment commitments.

An agreed periodic payment commitment should ensure all current rates and charges are paid as issued so that the account does not fall further into arrears. An appropriate periodic payment commitment will generally result in all overdue rates and charges being paid in full by the end of the half year period in which the payment commitment is made.

Council reserves the right to renegotiate or cancel a payment commitment should circumstances change where the debt will not be paid within Council's current policy time frame. In these circumstances, Council will not initiate further recovery action without reference to the property owner concerned.

Council will not pursue further recovery action against a property owner who has an agreed written periodic payment commitment, while the commitment is current, and the property owner adheres to the agreed repayment schedule. In the event that a payment commitment is not maintained within the agreed terms, the following action will occur:

The first payment default - A payment commitment First Notice of Default Letter will be issued to the property owner advising that the commitment has been dishonoured and stating the overdue amount and the next payment commitment due date.

The second and final default - The payment commitment will be removed from Council's rate assessment and the debt forwarded to Council's external debt recovery agency with written notice to the property owner.

All payment commitments are removed from Council's rating system at the end of the six (6) month rating period. The property owner will be required to enter into a new approved payment commitment once the new rates are issued.

An approved payment commitment does not negate the charging of interest.

2.10 Criteria used to decide cost-recovery fees and commercial business activity charges

In general, Council will be guided by the principle of "user pays" in making all other charges. This includes cost-recovery fees as defined under Section 97(2) of the *Local Government Act 2009*. For a significant business activity, all fees and charges will be set with reference to full cost pricing.

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When determining Commercial Charges for Council services and facilities that are not defined as a cost-recovery fee but relate to a business activity Council conducts on a commercial basis, Council takes into account “user pays” principles and market conditions.

When determining Regulatory Fees which are defined as cost-recovery fees, Council takes into account as the criteria for deciding the amount of the cost-recovery fee “user pays” principles and sets regulatory fees at a level sufficient to recover no more than the full cost of providing the service or taking the action for which, the fee is charged.

All fees set by Council are included in a Register of Fees and Charges as originally adopted by Council at the meeting held on 17 May 2023 and as amended from time to time.

New Development Costs

Developer contributions for infrastructure are determined each year in accordance with the philosophy that a developer should pay reasonable and relevant contributions towards the capital cost of the provision of infrastructure, to meet past and future augmentation costs associated with this new development. Council assesses the level of contribution towards physical and social infrastructure in respect of new developments during the development application approval process to ensure an equitable contribution is made by developments which increase the demand on Council infrastructure. Infrastructure charges are determined with reference to Council’s charges resolution made under the *Planning Act 2016*. Infrastructure agreements are sometimes used to negotiate outcomes between Council and the developer.

3. GENERAL RATES

Section 92(2) of the *Local Government Act 2009* provides that general rates are for services, facilities and activities that are supplied or undertaken for the benefit of the community in general (rather than a particular person).

Pursuant to section 94(1) of the *Local Government Act 2009*, Council must levy general rates on all rateable land within its local government area.

3.1 Averaging of Valuations

Pursuant to section 74 and 76 of the *Local Government Regulation 2012*, and in order to mitigate the impact of potentially substantial annual valuation changes, Council resolves as follows for levying rates on rateable land in the Region for the budget financial year:

1. For sections 74(4) and 74(5) of the Regulation, the value of the land will be the 3-year averaged value of the land unless the 3-year averaged value is more than the value of the land for the budget financial year in which case the value of the land will be the budget financial year value
2. The 3-year averaged value of the land will be the value calculated under section 76 (Working out the 3-year averaged value) of the Regulation; namely the amount that equals:
 - a. If the land had a value for the previous two financial years:
 - i. the sum of the value of the land for each of the past two financial years;
 - ii. plus the value of the land for the budget financial year;
 - iii. divided by 3; or
 - b. If the land did not have a value for the past two financial years, the value of the land for the current financial year multiplied by the 3-year averaging number
3. The 3-year averaging number, for a financial year, is the number calculated to 2 decimal places by applying the formula:

$$T/3V$$
 Where:
 - a. T is the total of the values of all rateable land in Council’s area for the current and previous 2 financial years; and

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- b. V is the value of all rateable land in Council's local government area for the current (budget) financial year

3.2 Differential general rates

Pursuant to chapter 4, part 5 of the *Local Government Regulation 2012*, Council will use a system of differential rating for the 2023/2024 financial year.

3.2 Categorisation of land and minimum general rates for land

Pursuant to section 81 of the *Local Government Regulation 2012*, the Council has decided that for the 2023/2024 financial year the rating categories into which rateable land is to be categorised and the description of each of those rating categories, shall be as set out in **Table 1**.

Pursuant to section 94 of the *Local Government Act 2009* and section 80 of the *Local Government Regulation 2012*, Council has decided that for the 2023/2024 financial year, the differential general rate to be made and levied for each differential general rate category and, pursuant to section 77 of the *Local Government Regulation 2012*, the minimum general rate to be made and levied for each different rating category, shall be as set out in **Table 1**.

For sections 81(4) and 81(5) of the *Local Government Regulation 2012*, Council has decided to delegate to the Chief Executive Officer, the power to identify the rating category to which each parcel of rateable land in the Region belongs. For section 82(2) of the *Local Government Regulation 2012*, Council has decided to delegate to the Chief Executive Officer power to decide what rating category any land as referred to in Section 82(1) should be in.

The Council has made a Rating Category Identification Policy as a guide to the identification of the rating category to which each parcel of rateable land in the Region should belong.

3.3 Limiting increase in rates and charges

Council has not resolved to limit any increase in rates and charges relative to the previous financial year.

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Table 1 - Differential General Rates Table

Category Number	Category Name	Description	RID	Minimum
101a	Rural Residential <= \$140,000	Land, with a rateable value of less than or equal to \$140,000, located within the Rural Fire Service Boundaries, which is: (a) used for residential purposes as the Principal Place of Residence of at least one of the owners, other than land in categories 105 and 110; and (b) not otherwise categorised	0.009046	\$ 1,202.00
101b	Rural Residential >= \$140,001 & <= \$350,000	Land, with a rateable value of equal to or greater than \$140,001 and less than or equal to \$350,000, located within the Rural Fire Service Boundaries, which is: (a) used for residential purposes as the Principal Place of Residence of at least one of the owners, other than land in categories 105 and 110; and (b) not otherwise categorised	0.008790	\$ 1,266.00
101c	Rural Residential >= \$350,001	Land, with a rateable value of equal to or greater than \$350,001, located within the Rural Fire Service Boundaries, which is: (a) used for residential purposes as the Principal Place of Residence of at least one of the owners, other than land in categories 105 and 110; and (b) not otherwise categorised	0.006151	\$ 3,078.00
102a	Urban Residential <= \$120,000	Land, with a rateable value less than or equal to \$120,000, not located within the Rural Fire Service Boundaries, which is: (a) used for residential purposes as the Principal Place of Residence of at least one of the owners, other than land in categories 105 and 110; and (b) not otherwise categorised	0.011099	\$ 1,209.00

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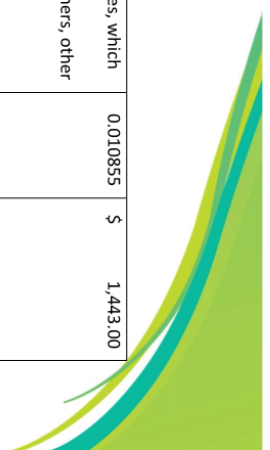


102b	Urban Residential >/= \$120,001 & </= \$240,000	Land, with a rateable value of equal to or greater than \$120,001 and less than or equal to \$240,000, not located within the Rural Fire Service Boundaries, which is: (a) used for residential purposes as the Principal Place of Residence of at least one of the owners, other than land in categories 105 and 110; and (b) not otherwise categorised	0.010252	\$ 1,332.00
102c	Urban Residential >/= 240,001	Land, with a rateable value of equal to or greater than \$240,001, not located within the Rural Fire Service Boundaries, which is: (a) used for residential purposes as the Principal Place of Residence of at least one of the owners, other than land in categories 105 and 110; and (b) not otherwise categorised	0.008171	\$ 2,460.00
103a	Non-Principal Place of Residence Urban Residential </= \$120,000	Land, with a rateable value of less than or equal to \$120,000, not located within the Rural Fire Services Boundaries, which is: (a) used for residential purposes other than as the Principal Place of Residence of at least one of the owners, other than land in categories 101a, 101b, 101c, 102a, 102b, 102c, 105, 110 or 121; and (b) not otherwise categorised	0.013319	\$ 1,451.00
103b	Non-Principal Place of Residence Urban Residential >/= \$120,001 & </= \$240,000	Land, with a rateable value of equal to or greater than \$120,001 and less than or equal to \$240,000, not located within the Rural Fire Services Boundaries, which is: (a) used for residential purposes other than as the Principal Place of Residence of at least one of the owners, other than land in categories 101a, 101b, 101c, 102a, 102b, 102c, 105, 110 or 121; and (b) not otherwise categorised	0.012302	\$ 1,598.00
103c	Non-Principal Place of Residence Urban Residential >/= 240,001	Land, with a rateable value of equal to or greater than \$240,001, not located within the Rural Fire Services Boundaries, which is: (a) used for residential purposes other than as the Principal Place of Residence of at least one of the owners, other than land in categories 101a, 101b, 101c, 102a, 102b, 102c, 105, 110 or 121; and (b) not otherwise categorised	0.009805	\$ 2,953.00

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103d	Non-Principal Place of Residence Rural Residential <=/ \$140,000	Land, with a rateable value of less than or equal to \$140,000, located within the Rural Fire Services Boundaries, which is: (a) used for residential purposes other than as the Principal Place of Residence of at least one of the owners, other than land in categories 101a, 101b, 101c, 102a, 102b, 102c, 105, 110 or 121; and (b) not otherwise categorised	0.010855	\$ 1,443.00
103e	Non-Principal Place of Residence Rural Residential >/= \$140,001 & </= \$350,000	Land, with a rateable value of equal to or greater than \$140,001 and less than or equal to \$350,000, located within the Rural Fire Services Boundaries, which is: (a) used for residential purposes other than as the Principal Place of Residence of at least one of the owners, other than land in categories 101a, 101b, 102a, 102b, 105, 110 and 121; and (b) not otherwise categorised	0.010548	\$ 1,520.00
103f	Non-Principal Place of Residence Rural Residential >/= \$350,001	Land, with a rateable value of equal to or greater than \$350,001, located within the Rural Fire Services Boundaries, which is: (a) used for residential purposes other than as the Principal Place of Residence of at least one of the owners, other than land in categories 101a, 101b, 101c, 102a, 102b, 102c, 105, 110 or 121; and (b) not otherwise categorised	0.007382	\$ 3,693.00
104a	Urban Vacant </= \$120,000	Land, with a rateable value of less than or equal to \$120,000, not located within the Rural Fire Services Boundaries, which is: (a) Vacant Land; and (b) not included in Category 121 or otherwise categorised	0.012209	\$ 1,330.00
104b	Urban Vacant >/= \$120,001 & </= \$240,000	Land, with a rateable value of equal to or greater than \$120,001 and less than or equal to \$240,000, not located within the Rural Fire Services Boundaries, which is: (a) Vacant Land; and (b) not included in Category 121 or otherwise categorised	0.011277	\$ 1,465.00
104c	Urban Vacant >/= 240,001	Land, with a rateable value of equal to or greater than \$240,001, not located within the Rural Fire Services Boundaries, which is: (a) Vacant Land; and (b) not included in Category 121 or otherwise categorised	0.008988	\$ 2,707.00

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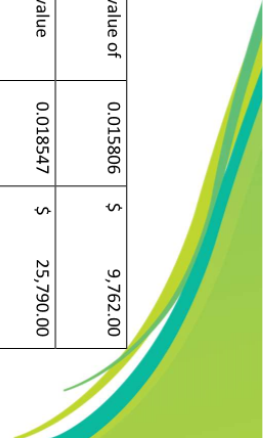


104d	Rural Vacant <= \$140,000	Land, with a rateable value of less than or equal to \$140,000, located within the Rural Fire Services Boundaries, which is: (a) Vacant Land; and (b) not included in Category 121 or otherwise categorised	0.009498	\$	1,263.00
104e	Rural Vacant >= \$140,001 & <= \$350,000	Land, with a rateable value of equal to or greater than \$140,001 and less than or equal to \$350,000, located within the Rural Fire Services Boundaries, which is: (a) Vacant Land; and (b) not included in Category 121 or otherwise categorised	0.009229	\$	1,330.00
104f	Rural Vacant >= \$350,001	Land, with a rateable value of equal to or greater than \$350,001, located within the Rural Fire Services Boundaries, which is: (a) Vacant Land; and (b) not included in Category 121 or otherwise categorised	0.006459	\$	3,231.00
105	Multiple Dwellings	Land used for residential purposes on which there is a multi-unit residential building, which does not form part of a community title scheme or residential group title, consisting of 2 or more flats or units, or a duplex. This also includes properties with 2 or more residential dwellings.	0.013122	\$	1,513.00
106a	Commercial <= \$1.5M	Land, with a rateable value of less than or equal to \$1.5M, which is: (a) used or intended to be used, in whole or in part for commercial purposes, other than Primary Production or Industrial; and (b) not included in category 104a, 104b, 104c, 104d, 107/a, 107/b, 107/c, 108a, 108b, 109a, 109b, 110, 115a, 115b, 115c, 116a, 116b, 116c, 117 or 118	0.011607	\$	2,305.00
106b	Commercial > \$1.5M	Land, with a rateable value of greater than \$1.5M, which is: (a) used or intended to be used, in whole or in part for commercial purposes, other than Primary Production or Industrial; and (b) not included in category 104a, 104b, 104c, 104d, 107a, 107b, 107c, 108a, 108b, 109a, 109b, 110, 115a, 115b, 115c, 116a, 116b, 116c, 117 or 118	0.006114	\$	18,077.00
107a	Supermarkets and Retail Warehouses <= \$375,000	Land used or intended to be used, in whole or in part for a Supermarket or Retail Warehouse, with a rateable value of less than or equal to \$375,000	0.013702	\$	3,797.00

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107b	Supermarkets and Retail Warehouses >/= \$375,001 & </= \$1M	Land used or intended to be used, in whole or in part for a Supermarket or Retail Warehouse, with a rateable value of equal to or greater than \$375,001 and less than or equal to \$1M	0.015806	\$ 9,762.00
107c	Supermarkets and Retail Warehouses >\$1M	Land used or intended to be used, in whole or in part for a Supermarket or Retail Warehouse, with a rateable value greater than \$1M	0.018547	\$ 25,790.00
108a	Shopping Centres </= 7000sqm	Land used or intended to be used, in whole or in part for a Shopping Centre, which has: (a) a property/land area of less than or equal to 7000 square metres; or (b) less than or equal to 120 onsite car parking spaces	0.071600	\$ 61,785.00
108b	Shopping Centres >/= 7001sqm	Land used or intended to be used, in whole or in part for a Shopping Centre which has: (a) a property/land area of greater than or equal to 7001 square metres; or (b) greater than or equal to 121 onsite car parking spaces	0.032907	\$ 185,352.00
109a	Service Stations/Garages </= \$500,000	Land used or intended to be used, in whole or in part for fuel retailing, with a rateable value of less than or equal to \$500,000	0.022446	\$ 6,087.00
109b	Service Stations/Garages >/= \$500,001	Land used or intended to be used, in whole or in part for fuel retailing, with a rateable value of greater than or equal to \$500,001	0.028219	\$ 16,270.00
110a	Accommodation – Caravan parks, Camping and Workers Accommodation	Land used or intended to be used, in whole or in part for accommodation purposes such as caravan park, camping grounds and workers accommodation	0.022093	\$ 3,626.00
110b	Accommodation – Motels	Land used or intended to be used, in whole or in part for accommodation purposes such as motel	0.016671	\$ 2,183.00
110c	Accommodation – Nursing Homes	Land used or intended to be used, in whole or in part for accommodation purposes such as aged care nursing or as a retirement village	0.026382	\$ 13,000.00
111a	Animal Farming </= \$830,000	Land used or intended to be used, in whole or in part for animal farming purposes with a rateable value less than or equal to \$830,000, except land included in categories 113a, 113b, 113c, 113d and 114. Properties in this category receive a concessional value for primary production	0.007812	\$ 1,610.00
111b	Animal Farming >/= \$830,001	Land used or intended to be used, in whole or in part for animal farming purposes with a rateable value of equal to or greater than \$830,001, except land included in categories 113a, 113b, 113c, 113d and 114. Properties in this category receive a concessional value for primary production	0.008568	\$ 7,700.00

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112a	Crop Farming <=\$750,000	Land used or intended to be used, in whole or in part for crop farming purposes with a rateable value less than or equal to \$750,000, except land included in categories 113a, 113b, 113c, 113d and 114. Properties in this category receive a concessional value for primary production	0.007999	\$	1,610.00
112b	Crop Farming >=\$750,001	Land used or intended to be used, in whole or in part for crop farming purposes with a rateable value of greater than or equal to \$750,001, except land included in categories 113a, 113b, 113c, 113d and 114. Properties in this category receive a concessional value for primary production	0.008662	\$	6,700.00
113a	Intensive Agriculture Poultry </=200,000 Birds	Land used or intended to be used, in whole or in part for intensive poultry farming requiring approval by Council or requiring licensing as an Environmentally Relevant Activity with a capacity of less than or equal to 200,000 birds	0.016085	\$	6,824.00
113b	Intensive Agriculture Poultry >/=200,001 Birds	Land used or intended to be used, in whole or in part for intensive poultry farming requiring approval by Council or requiring licensing as an Environmentally Relevant Activity with a capacity of equal to or greater than 200,001 birds	0.028413	\$	20,436.00
113c	Intensive Agriculture Piggeries >/=3001 SPU	Land used or intended to be used, in whole or in part for intensive pig farming requiring approval by Council or requiring licensing as an Environmentally Relevant Activity with a capacity of equal to and greater than 3,001 SPU	0.054315	\$	15,987.00
113d	Intensive Agriculture Piggeries </=3000 SPU	Land used or intended to be used, in whole or in part for intensive pig farming requiring approval by Council or requiring licensing as an Environmentally Relevant Activity with a capacity of less than or equal to 3,000 SPU	0.062980	\$	7,840.00
114	Farming/Agriculture On Farm Packing	Land used or intended to be used, in whole or in part for farming or agricultural purposes containing an On Farm Packing Operation	0.009756	\$	10,497.00
115a	Extractive & Mining > 100,000t	Land used or intended to be used, in whole or in part for extractive industry and land which is a mining lease, where more than 100,000 tonne of material is removed per annum	0.024838	\$	48,531.00
115b	Extractive & Mining 5,001 - 100,000t	Land used or intended to be used, in whole or in part for extractive industry and land which is a mining lease, where between 5,001 and 100,000 tonne of material is removed per annum	0.043029	\$	24,959.00
115c	Extractive & Mining up to 5,000t	Land used or intended to be used, in whole or in part for extractive industry and land which is a mining lease, where no more than 5,000 tonne of material is removed per annum	0.023218	\$	10,816.00

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116a	Noxious/Offensive Industry - Explosive Factory	Land used or intended to be used, in whole or in part for the manufacture of explosives	0.019307	\$ 35,735.00
116b	Noxious/Offensive Industry - Abattoirs	Land used or intended to be used, in whole or in part as an abattoir having more than 20 employees and a rateable value of greater than \$500,000	0.038612	\$ 35,735.00
116c	Noxious/Offensive Industry - Other	Land used or intended to be used, in whole or in part for the purpose of a sawmill, tannery, storage of explosives or any other industrial purpose or any use associated or connected with an industrial purpose, other than land included in categories 116a or 116b	0.023271	\$ 6,125.00
117	Power Stations	Land used or intended to be used, in whole or in part for: (a) the generation of electricity from a coal and/or gas fired power station; or (b) any other purpose ancillary to, associated with, or connected with (a)	0.026797	\$ 55,750.00
118	Transmission & Gas Compressor Sites	Land used or intended to be used, in whole or in part for: (a) the transmission or distribution of electricity from a coal and/or gas fired power station/plant, including, but not limited to, a substation; or (b) the transportation of gas under compression; or (c) any other purpose ancillary to, associated with, or connected with (a) or (b)	0.049848	\$ 12,337.00
119a	Sporting Clubs & Facilities	Land used or intended to be used, in whole or in part for sporting clubs and facilities associated with a sporting club where the operator does not hold a liquor and/or gaming licence, except land included in category 119b	0.007757	\$ 1,330.00
119b	Licensed Clubs & Sporting Clubs	Land used or intended to be used, in whole or in part for the operation of a sporting club and facilities associated with a sporting club where the land is subject to a liquor and/or gaming licence	0.007758	\$ 1,330.00
120	Sundry Purposes	Land used or intended to be used, in whole or in part for a permit to occupy, water storage, or a pump site and land which is not otherwise categorized	0.016498	\$ 254.00
121	Land which is subject Ch2 Pt2	Land, which is subject to Chapter 2, Part 2, Division 5, Subdivision 3 of the <i>Land Valuation Act 2010</i>	0.011973	NA
122	Industrial	Land used or intended to be used, in whole or in part for: (a) for industrial purposes such as builders and contractors' yards, general and light industrial purposes (b) not included in category 106a and 106b	0.011214	\$ 2,281.00

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4. UTILITY CHARGES

4.1 WASTE RECYCLING AND COLLECTION UTILITY CHARGE

Pursuant to section 94(1)(b)(ii) of the *Local Government Act 2009* and section 99 of the *Local Government Regulation 2012*, Council has decided for the 2023/2024 financial year, to make and levy waste recycling and collection utility charges for the supply of waste management services by Council, as set out below.

Waste recycling and collection utility charges shall apply to all rateable lands and/or premises within Council's Serviced Area (where waste services are made available) and all non-rateable land where the owner or occupier has requested that a waste collection service be provided.

Waste recycling and collection utility charges will be levied on a pro-rata basis from the date of commencement for additional services or new first services.

4.1.1 Residential:

First service: \$326.00 per annum. The First service consists of one x 240 litre waste bin collected on a weekly basis and one x 240 litre recycle bin collected fortnightly and applies to all Residential properties serviced by Council's waste collection contractor in accordance with their contract with the Council.

Additional services: Additional services may be made available upon application to Council. Additional services consist only of additional bins which will be collected on the normal service day of the property concerned. Council will not provide additional services to the property on any other day.

Charges for additional services:

- Dual bins: \$326.00 per annum
- Additional Waste Bin collected weekly: \$204.00 per annum
- Additional Recycling Bin collected fortnightly: \$122.00 per annum

4.1.2 Commercial:

First service: Waste Commercial Service (240L) Dual - \$556.00 per annum. The First service consists of one x 240 litre waste bin collected on a weekly basis and one x 240 litre recycle bin collected fortnightly and applies to all commercial properties serviced by Council's waste collection contractor in accordance with their contract with the Lockyer Valley Regional Council.

4.1.3 Additional services

Additional services: Additional services may be made available on application to Council. Additional services consist only of additional bins which will be collected on the normal service day of the property concerned. Council will not provide additional services to the property on any other day.

Charges for additional services:

- Waste Commercial Service (240L) Waste only - \$380.00 per annum

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- Waste Commercial Service (240L) Recycle only - \$176.00 per annum

4.1.4 Service cancellations and suspensions

Council has resolved that the whole of the Lockyer Valley Region is in the 'Serviced Area'.

As such, the waste recycling and collection charge shall be levied for the First service on every parcel of land in the Region where waste services are made available except where:

- for non-rateable land the service has not been requested or
- there is a demolition of premises, as certified by an approved person or
- land is vacant for a full year, as established by a Statutory Declaration

Permitted cancellations as above or cancellation of additional services must be made in the form required by Council and a pro rata adjustment from the date of service cancellation or suspension will be allowed.

Bins remain the property of Lockyer Valley Regional Council's waste collection contractor and are provided to be used specifically for the storage of waste and recycling materials only.

4.2 WASTE MANAGEMENT CHARGE

Pursuant to Section 94(1)(b)(ii) of the *Local Government Act 2009* and section 99 of the *Local Government Regulation 2012*, Council has decided for the 2023/2024 financial year, to make and levy a waste management utility charge of \$167.00 per annum per assessment on all rateable land in the region for the services and activities detailed herein.

This utility charge will also be levied to all non-rateable land where the owner or occupier has requested that a waste collection service be provided and to which Council's waste collection service is provided.

The waste management utility charge shall be applied to defray the cost of operating, maintaining and managing Council's waste management facilities throughout the region. Waste management facilities include landfill sites, transfer stations, weighbridge and waste bins located throughout the region.

A pro-rata charge effective from the date of valuation will apply to new assessments created during the financial year.

5. SPECIAL CHARGES

5.1 Special Charge – Rural Fire Levy

Pursuant to Section 94(1)(b)(i) of the *Local Government Act 2009* and section 94 of the *Local Government Regulation 2012*, Council has decided for the 2023/2024 financial year, to make and levy a special charge (to be known as the **Rural Fire Levy**) of \$30.00 per assessment per annum on all rateable land to which the overall plan applies, to contribute to the maintenance of rural fire trails and the operational costs of fire-fighting and the ongoing provision and maintenance of rural fire-fighting equipment for rural fire brigades operating in the area to which the overall plan applies.

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5.1.1 Rateable land to which the special charge applies

The rateable land to which the Rural Fire Levy applies is all land within the Rural Fire Service Boundaries of the Council's local government area.

5.1.2 Overall plan

The overall plan for the Rural Fire Levy is as follows:

- The service, facility or activity for which the plan is made is funding the costs of the maintenance of rural fire trails and the operational costs of fire-fighting and the ongoing provision and maintenance of rural fire-fighting equipment for rural fire brigades operating in the area to which the overall plan applies (the benefited area). The properties within the benefited area are specially benefited by the maintenance of rural fire trails and maintenance of rural fire fighting services provided by rural fire brigades as they are not serviced by urban firefighting services.
- The rateable land to which the Rural Fire Levy applies is all land within the Rural Fire Service Boundaries of the Council's local government area as shown, as shown on the map available from Queensland Fire and Emergency Services:
<https://publicsafetyqld.maps.arcgis.com/apps/PanelsLegend/index.html?appid=c50813e4c4f9421d99ebfedf3c447123>
- The estimated cost of the overall plan is \$290,580.
- \$50,000 will be retained by Lockyer Valley Regional Council for a range of fire mitigation activities including but not limited to the maintenance of fire trails within the Lockyer Valley Council Region on Council owned and controlled land and
- The balance will be remitted to the Lockyer Local Area Finance Committee which acts for the rural fire brigade groups within the Lockyer Valley Regional Council area
- The estimated time for implementing the overall plan is one year ending on 30 June 2024

For each property levied the Rural Fire Levy, Council will retain an administration charge of \$1.50 per assessment to cover administration of the plan.

A pro-rata charge effective from the date of valuation will apply to new assessments created during the financial year.

6. SEPARATE CHARGES

Section 94(1)(b)(iii) of the *Local Government Act 2009* permits the levy of separate rates and charges. A separate rate or charge must be, and will be, levied equally upon all rateable land in the Council's local government area.

6.1 Emergency Preparedness Levy

Pursuant to Section 94(1)(b)(iii) of the *Local Government Act 2009* and section 103 of the *Local Government Regulation 2012*, Council has decided for the 2023/2024 financial year to make and levy a separate charge (to be known as the Emergency Preparedness Levy), in the sum of

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\$104.00 per rateable assessment per annum, equally on all rateable land within the Council's local government area.

The Emergency Preparedness Levy is levied to fund infrastructure restoration projects (such as bridges, roads) funding shortfalls, interest and redemption payments on loans associated with recovery work and community resilience recovery through agreed community recovery programs.

The proceeds from the separate charge shall also be applied to fund expenditure on the disaster management initiatives associated with improving the region's preparedness for and response to future natural disasters including the implementation of the recommendations of the Queensland Floods Commission of Inquiry.

Furthermore, the proceeds from the separate charge shall be applied to fund recurrent and capital expenditure for the Volunteer State Emergency Services Units operating within the Lockyer Valley Regional Council area together with the provision of disaster planning and management support for the units

A pro-rata charge effective from the date of valuation will apply to new assessments created during the financial year.

6.2 Environmental Levy

Pursuant to Section 94(1)(b)(iii) of the *Local Government Act 2009* and section 103 of the *Local Government Regulation 2012*, Council has decided for the 2023/2024 financial year, to make and levy a separate charge (to be known as the Environmental Levy) in the sum of \$16.00 per rateable assessment per annum, equally on all rateable land within the region.

The Environmental Levy is levied to fund expenditure on the implementation of physical/biological, cultural, social and economic environmental initiatives throughout the region.

A pro-rata charge effective from the date of valuation will apply to new assessments created during the financial year.

6.3 Resilient Rivers Initiative Levy

Pursuant to Section 94(1)(b)(iii) of the *Local Government Act 2009* and section 103 of the *Local Government Regulation 2012*, Council has decided for the 2023/2024 financial year, to make and levy a separate charge (to be known as the Resilient Rivers Initiative Levy) in the sum of \$2.00 per assessment per annum, equally on all rateable land within the region.

The Resilient Rivers Initiative Levy is levied to fund Council's contribution for the Council of Mayors South East Queensland's (COMSEQ's) Resilient Rivers Initiative, which will deliver projects to keep soil on the land, protect water security, promote partnerships and improve climate resilience.

A pro-rata charge effective from the date of valuation will apply to new assessments created during the financial year.

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7. DEFINITIONS

Differential General Rates Table: means Table 1 in this Revenue Statement.

Due Date: is the due date for payment of the rates and charges stated in a rate notice.

Dwelling: a self-contained unit of approved residential accommodation that is not a caravan or mobile home and is internally or externally provided with:

- a) a kitchen sink and facilities for the preparation of food; and
- b) a bath or shower; and
- c) clothes washing facilities, comprising at least one washtub and space for a clothes washing machine; and
- d) a toilet; and
- e) a wash basin

Extractive Industry: includes the dredging, excavating, quarrying, sluicing or winning of materials from the ground.

Full Payment: shall be the amount of the most recently issued rates notice less any applicable discount. These payments are also cleared on the transaction date. 'Cleared' payment means money which can be transferred to Council's bank accounts at the time of the transaction or at the end of the day.

Land Parcel: any parcel which is registered with the Titles Office as a separate subdivision, re-subdivision, allotment, lot, section or portion and which is capable of being occupied separately regardless of whether a separate title is held for such parcel.

On Farm Packing Operation: land containing a facility where fruit and/or vegetables are received and/or processed prior to distribution to market. Operations may include but are not limited to sorting, trimming, washing, drying, waxing, curing, chemical treatment, packaging, pre-cooling, storage, and transportation.

Premises: includes –

- (a) the whole or any part of any building, structure, or land; and
- (b) any construction works whether on private land, Crown land, Council land or any public place

Primary Production Purposes: land available for the business or industry of grazing, dairying, pig farming, poultry farming, viticulture, orcharding, apiculture, horticulture, aquiculture, vegetable growing, the growing of crops of any kind, forestry; or any other business or industry involving the cultivation of soils, the gathering in of crops or the rearing of livestock; and where a farming concession is granted by the Department of Natural Resources and Mines in accordance with Chapter 2, Part 2, Subdivision 2 of the *Land Valuation Act 2010*.

Principal Place of Residence: a "principal place of residence" is defined as a single approved dwelling house or approved dwelling unit, owned by one or more natural person(s) at least

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one of whom predominately reside there OR the property is owned by a company or trust and at least one natural person who is a company owner or trustee predominately resides there and the property is not used as a place of business.

In establishing principal place of residence, Council may consider, but not be limited to, the owner's declared address for electoral, taxation, government social security or national health registration purposes, driver's licencing or any other form of evidence deemed acceptable by Council.

Residential premises which are owned by a pensioner who is residing in alternative accommodation for health and care reasons may still be considered a principal place of residence if Council is satisfied that the pensioner is still solely responsible for the payment of rates and the property is not occupied on a paid tenancy basis.

Residential premises that have not met these criteria will be deemed a non-principal place of residence.

Other than the exception for pensioners outlined above, premises which are vacant for more than 6 months of the year will not be considered a principal place of residence.

Property: a parcel or parcels of land recorded together within Council's systems for rating and charging purposes.

Retirement Village: a facility where older members of the community or retired persons reside, or are to reside, in independent living units or serviced units in accordance with the *Retirement Villages Act 1999*.

Rural Fire Service Boundaries: means the boundaries of those parts of the local government area within which the Rural Fire Service operates and subject to the State Government Emergency Management Levy Class E, as shown on the map available from Queensland Fire and Emergency Services:

<https://publicsafetyqld.maps.arcgis.com/apps/PanelsLegend/index.html?appid=c50813e4c4f9421d99ebfedf3c447123>

Shopping Centre: land which is used or intended to be used, in whole or in part for retail activities comprising multiple shops or retail warehouses (including a combination of both).

Supermarket: land which is used or intended to be used, in whole or in part for a detached supermarket purpose typically involving a self-service retail store or market selling food and other domestic goods but not forming part of a Shopping Centre.

Vacant Land: land devoid of buildings or structures with the exception of outbuildings or other minor structures not designed for or used for human habitation or occupation. Excluded is land that is used for car parking or in conjunction with any commercial activity,

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e.g. heavy vehicle or machinery parking, outdoor storage, assembly, or rural activities such as cultivation, grazing or agistment.

Retail Warehouses: land which is used or intended to be used, in whole or in part for retail activities operating from large showrooms, sheds, or warehouse used for retail purposes.

Any terms not defined in this Revenue Statement shall be as defined under the *Local Government Act 2009* and *Local Government Regulation 2012* and if not there defined the term will be given the meaning determined by Council.

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5.4 Rating Category Identification Policy for Financial Year 2023 - 2024

Author: Kirsty Johnson, Coordinator Revenue Services; Scott Norman, Contract Accountant
Responsible Officer: Ian Church, Chief Executive Officer

Purpose:

The purpose of this report is to seek Council's adoption of the Rating Category Identification Policy for Financial Year 2023-2024 as part of the 2023-2024 Budget to assist in the identification of properties for the purposes of rating categorisation.

Officer's Recommendation:

THAT Council adopt the Rating Category Identification Policy for the Financial Year 2023-2024, as attached to this report.

Executive Summary

Prior to 2016-2017, the identification of land for rating categorisation purposes had been included in Council's Revenue Statement. The legal review of the Revenue Statement at that time recommended removing the identification component from the Statement and including it in a new policy.

ProposalOverview

Section 81 of the *Local Government Regulation 2012* deals with the categorisation of land for differential general rates. Council is required to decide the different categories of rateable land and describe each of the categories. Once the categories have been determined and described, the category to which each parcel of land belongs must be identified. The *Regulation* allows Council to do this in any way it considers appropriate.

The Rating Category Identification Policy provides guidance to Council in the identification process by referral to the description of the category in Council's Revenue Statement, the actual use of the parcel of land and the land use code attached to the parcel by the Department of Natural Resources, Mines and Energy. The Policy makes clear Council's intentions when categorising land for rating purposes.

The Policy clarifies the role that land use codes play in the categorisation process and where the land use code conflicts with the actual use of the land, the categorisation will be based on the actual use.

The Policy is to be adopted on an annual basis as part of the budget process to reflect changes in the rating categories for the new financial year.

Options

Option One: THAT Council adopt the Rating Category Identification Policy for the Financial Year 2023-2024, as attached to this agenda.

Previous Council Resolutions

Special Meeting of Council 20 July 2022 (20-24/0589)

THAT Council adopt the Rating Category Identification Policy for the Financial Year 2022-2023, as attached to these minutes.

Critical Dates

Under the *Local Government Act 2009* Chapter 4 Finances and Accountability, Part 3 Financial Planning and Accountability section 107(a) Approval of the Budget the local government must adopt a budget before 1 August in the financial year to which the budget relates.

Corporate Plan

Lockyer Leadership and Council

- Undertake robust and accountable financial, resource and infrastructure planning and management to ensure affordable and sustainable outcomes for our community.
- Excellence in customer service to our community.
- Compliance with relevant legislation.

Finance and Resource

This Policy assists with the generation of revenue in accordance with Council's 2023-2024 Budget and Revenue Statement.

Legislation and Policy

The adoption of this Policy will assist in the categorisation process undertaken in accordance with Section 81(4) and 81(5) of the *Local Government Regulation 2012*. It will provide guidance in identifying the relevant rating category to which each parcel of rateable land belongs.

Risk Management

Key Corporate Risk Code and Category: FE2

Key Corporate Risk Descriptor: Finance and Economic
Decision making governance, due diligence, accountability and sustainability.

Consultation

Portfolio Councillor Consultation

Councillors were consulted through the development of the 2023-2024 Council budget at Councillor Workshops held between February 2023 to June 2023.

Internal Consultation

Internal consultation has occurred with all Branch's across the business where required.

The implications of this Policy will be communicated to the staff involved in the categorisation process. The updated Policy will be included in Council's policy register and uploaded to Council's website.

External Consultation

Due to the internal administrative nature of this report, there has been no external consultation.

Community Engagement

The implications of the Rating Category Identification Policy will be incorporated into brochures and communications associated with the 2023-2024 Budget. Following its adoption, the updated rating categorisation will be included on the Rates brochure and distributed with the first Rates Notice levied in 2023-2024 and made available on the internet.

Attachments

- [1](#) Rating Categorisation Policy 6 Pages



STRATEGIC

RATING CATEGORY IDENTIFICATION POLICY FOR FINANCIAL YEAR 2023-2024

Head of Power

Local Government Act 2009

Local Government Regulation 2012

Key Supporting Council Document

Lockyer Valley Regional Council Corporate Plan 2022 – 2027:

Lockyer Leadership and Council –

To be financially sustainable

Definitions

Reference in this policy to the term ‘Land Use Codes’ means those land use codes as given to Council by the Department of Natural Resources, Mines and Energy and recorded in Council’s land record kept under the *Local Government Act 2009*.

Policy Objective

The purpose of this policy is to provide guidance to Lockyer Valley Regional Council (Council) and its delegate in the exercise of identifying the rating category to which each parcel of rateable land in Council’s local government area belongs for the financial year 2023/2024.

This policy should be read in conjunction with Section 81(4) and (5) of the *Local Government Regulation 2012* and with Council’s Revenue Statement for the financial year 2023/2024 (Revenue Statement).

This policy does not limit the way in which Council identifies the rating category to which each parcel of rateable land in Council’s local government area belongs.

Group: Executive Office
Branch: Financial Services
Approved: Budget Meeting (Resolution Number: 20-24/xxxx)

Date Approved: XX/XX/2023

ECM: 4547487

Effective Date: XX/XX/2023
Version: 8.0 Last Updated: 18/06/2023
Review Date: 30/06/2024

Superseded/Revoked: Rating Category Identification Policy
2020/2021 ECM: 4333573

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Section 81(5) of the *Local Government Regulation 2012* allows Council to undertake the identification exercise specified in section 81(4) of that Regulation in a way Council considers appropriate.

Policy Statement

In undertaking the exercise required under section 81(4) and (5) *Local Government Regulation 2012*, Council will have regard to the Revenue Statement.

In the Revenue Statement, the rating categories and descriptions for rateable land associated with the levying of differential general rates for the financial year 2023/2024 have been set out in Table 1 of that document. Council has adopted the categories and descriptions by resolution passed at its budget meeting for 2023/2024.

The matters set out in the table below are intended to provide guidance to Council and its delegate in identifying the rating category to which each parcel of rateable land in Council's local government area belongs for the financial year 2023/2024.

The Land Use Codes referred to for each category are those which describe uses which will generally correspond with the description for the category. However, it is the actual use which determines the correct category. If in any case the use described by the assigned Land Use Code is found to not reflect the actual land use, categorisation must be based on the category and description which correspond to the actual use.

Table:

Group: Executive Office
Unit: Financial Services
Approved: Budget Meeting (Resolution Number: 20-24/XXXX)

Effective Date: 20/07/2022
Version: 8.0 Last Updated: 20/07/2022
Review Date: 30/06/2023

Date Approved: XX/XX/2023

Superseded/Revoked: Rating Category Identification Policy
2020/2021 ECM: 4144155

ECM: 4547487

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Number of Rating Category for FY2023/2024 in the Revenue Statement	Name of Rating Category for FY2023/2024 in the Revenue Statement	Guidance for identifying the Rating Category to which each parcel of rateable land in Council's local government area belongs for FY2023/2024
101a	Rural Residential <= \$140,000	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 2, 3, 5, 8 or 9
101b	Rural Residential >= \$140,001 & <=\$350,000	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 2, 3, 5, 8 or 9
101c	Rural Residential >=\$350,001	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 2, 3, 5, 8 or 9
102a	Urban Residential <= \$120,000	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 2, 3, 5, 8 or 9
102b	Urban Residential >=\$120,001 & <=\$240,000	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 2, 3, 5, 8 or 9
102c	Urban Residential >=\$240,001	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 2, 3, 5, 8 or 9
103a	Non-Principal Place of Residence Urban Residential <= \$120,000	The Description for this category in the Revenue Statement
103b	Non-Principal Place of Residence Urban Residential >=\$120,001 & <=\$240,000	The Description for this category in the Revenue Statement
103c	Non-Principal Place of Residence Urban Residential >=\$240,001	The Description for this category in the Revenue Statement
103d	Non-Principal Place of Residence Rural Residential <= \$140,000	The Description for this category in the Revenue Statement
103e	Non-Principal Place of Residence Rural Residential >= \$140,001 & <=\$350,000	The Description for this category in the Revenue Statement

Group: Executive Office
Unit: Financial Services
Approved: Budget Meeting (Resolution Number: 20-24/XXXX)

Effective Date: 20/07/2022
Version: 8.0 Last Updated: 20/07/2022
Review Date: 30/06/2023

Date Approved: XX/XX/2023

Superseded/Revoked: Rating Category Identification Policy
2020/2021 ECM: 4144155

ECM: 4547487

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103f	Non-Principal Place of Residence Rural Residential >/\$350,001	The Description for this category in the Revenue Statement
104a	Urban Vacant land </= \$120,000	(a) The Description for this category in Revenue Statement (b) Land with Land Use Code 1, 3, 4, 6, 8, 9, or 94
104b	Urban Vacant land >/\$120,001 & </= \$240,000	(a) The Description for this category in Revenue Statement (b) Land with Land Use Code 1, 3, 4, 6, 8, 9, or 94
104c	Urban Vacant land >/\$240,001	(a) The Description for this category in Revenue Statement (b) Land with Land Use Code 1, 3, 4, 6, 8, 9, or 94
104d	Rural Vacant Land </=\$140,000	(a) The Description for this category in Revenue Statement (b) Land with Land Use Code 1, 3, 4, 6, 8, 9, or 94
104e	Rural Vacant Land >/\$140,001 & </=\$350,000	(a) The Description for this category in Revenue Statement (b) Land with Land Use Code 1, 3, 4, 6, 8, 9, or 94
104f	Rural Vacant Land >/\$350,001	(a) The Description for this category in Revenue Statement (b) Land with Land Use Code 1, 3, 4, 6, 8, 9, or 94
105	Multiple Dwellings	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 2, 3, 5, 8 or 9
106a	Commercial </= \$1.5Million	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 10 to 32, 34 or 37 to 46
106b	Commercial > \$1.5Million	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 10 to 32, 34 or 37 to 46
107a	Supermarkets and Retail Warehouses </= \$375,000	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 10 to 15, 17 to 27 but not Land with Land Use Code 16
107b	Supermarkets and Retail Warehouses >/\$375,001 & </= \$1Million	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 10 to 15, 17 to 27 but not Land with Land Use Code 16
107c	Supermarkets and Retail Warehouses > \$1 Million	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 10 to 15, 17 to 27 but not Land with Land Use Code 16
108a	Shopping Centres </= 7000 sq m	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 16
108b	Shopping Centres >= 7001 sq m	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 16
109a	Service Stations/Garages </= \$500,000	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 30 or 31
109b	Service Stations/Garages >/\$500,001	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 30 or 31
110a		(a) The Description for this category in the Revenue Statement

Group: Executive Office
Unit: Financial Services
Approved: Budget Meeting (Resolution Number: 20-24/XXXX)

Effective Date: 20/07/2022
Version: 8.0 Last Updated: 20/07/2022
Review Date: 30/06/2023

Date Approved: XX/XX/2023

Superseded/Revoked: Rating Category Identification Policy
2020/2021 ECM: 4144155

ECM: 4547487

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	Accommodation – Caravan parks, Camping and Workers Accommodation	(b) Land with Land Use Code 7 or 49
110b	Accommodation – Motels	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 43
110c	Accommodation – Nursing Homes	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 27
111a	Animal Farming </>=\$830,000	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 60 to 70, 85 to 87 or 89
111b	Animal Farming >/>=\$830,001	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 60 to 70, 85 to 87 or 89
112a	Crop Farming </>=\$750,000	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 71, 73 to 84, 88, 90 or 93
112b	Crop Farming >/>=\$750,001	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 71, 73 to 84, 88, 90 or 93
113a	Intensive Agriculture Poultry </>=200,000 birds	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 87
113b	Intensive Agriculture Poultry >/>= 200,001 birds	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 87
113C	Intensive Agriculture Piggeries >/>= 3,001 SPU	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 85
113d	Intensive Agriculture Piggeries </>=3,000 SPU	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 85
114	Farming/Agriculture On Farm Packing Operation	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 71 to 84
115a	Extractive & Mining Lease > 100,000 tonnes	The Description for this category in the Revenue Statement
115b	Extractive & Mining Lease >/>= 5,001 & </>= 100,000 tonnes	The Description for this category in the Revenue Statement
115c	Extractive & Mining Lease </>=5,000 tonnes.	The Description for this category in the Revenue Statement
116a	Noxious/Offensive Industry – Explosive Factory	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 35 to 40
116b	Noxious/Offensive Industry - Abattoirs	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 35 to 40
116c	Noxious/Offensive Industry - Other	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 35 to 40

Group: Executive Office
Unit: Financial Services
Approved: Budget Meeting (Resolution Number: 20-24/XXXX)

Effective Date: 20/07/2022
Version: 8.0 Last Updated: 20/07/2022
Review Date: 30/06/2023

Date Approved: XX/XX/2023

Superseded/Revoked: Rating Category Identification Policy
2020/2021 ECM: 4144155

ECM: 4547487

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117	Power Stations	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 91
118	Transmission & Gas Compressor Sites	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 10 to 27 or 91
119a	Sporting Clubs & Facilities	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 48 or 50
119b	Licensed Clubs & Sporting Clubs	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 47 or 48
120	Sundry Purposes	The Description for this category in the Revenue Statement
121	Land which is subject to Chapter 2 Part 2	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 72
122	Industrial	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Code 32, 35, or 36

Related Documents

Local Government Act 2009
Local Government Regulation 2012
2023-2024 Revenue Statement

Group: Executive Office
Unit: Financial Services
Approved: Budget Meeting (Resolution Number: 20-24/XXXX)

Date Approved: XX/XX/2023

ECM: 4547487

Effective Date: 20/07/2022
Version: 8.0 Last Updated: 20/07/2022
Review Date: 30/06/2023

Superseded/Revoked: Rating Category Identification Policy
2020/2021 ECM: 4144155

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5.5 2023-24 Annual Budget and Long Term Financial Forecast 2023-24 to 2032-33

Author: Dee Stewart, Coordinator Accounting Services; Kacey Bachmann, Management Accountant; Scott Norman, Contract Accountant
Responsible Officer: Ian Church, Chief Executive Officer

Purpose:

The purpose of this report is to seek Council's adoption of the 2023-24 Annual Budget and Long-Term Financial Forecast 2023-24 to 2032-33 forward estimates for Lockyer Valley Regional Council.

Officer's Recommendation:

THAT Council adopt pursuant to Sections 169, 170 and 171 of the *Local Government Regulation 2012*, the Budget for the financial year 2023/2024 and the Long-Term Financial Forecast for the financial years 2023-24 to 2032-33, as contained in the document entitled 2023-24 Budget and Long-Term Financial Forecast (Attachment 1), including the:

- i. Statement of Income and Expenditure**
- ii. Statement of Financial Position**
- iii. Statement of Cash Flows**
- iv. Statement of Changes in Equity**
- v. Relevant Measures of Financial Sustainability**
- vi. Detailed Statements of Income and Expenditure:**
 - a. Business Unit – Child Care Centres 2023/2024 to 2025/2026**
 - b. Business Unit – Waste Management 2023/2024 to 2025/2026**
- vii. Percentage Change in Rates Levied from 2022/2023.**

Further;

THAT Council note the Statement of Estimated Financial Position at 30 June 2023 as contained in the Long Term Financial Plan 2023-24 to 2032-33, as presented by the Chief Executive Officer in accordance with Section 205 of the *Local Government Regulation 2012*.

AND Further;

THAT Council resolve not to apply the Code of Competitive Conduct to Council's Child Care or Waste Management Business Activities as applying the Code would result in unnecessary administrative costs for Council.

Executive Summary

Under the *Local Government Regulation 2012*, Council must prepare an accrual-based budget for each financial year which is consistent with the 5-year Corporate Plan and Annual Operational Plan. To comply with the *Local Government Regulation 2012*, Council must also publish results against a series of measures of financial sustainability for the budget year and the next nine (9) years.

Proposal

Overview

To meet the legislative requirements, included in the 2023-24 Budget (Attachment 1) are the following financial statements:

- Statement of Income and Expenditure.
- Statement of Financial Position.
- Statement of Cash Flows.
- Statement of Changes in Equity.
- Relevant Measures of Financial Sustainability.
- Detailed Statements of Income and Expenditure:
 - Business Unit – Child Care Centres 2023/2024 to 2025/2026.
 - Business Unit – Waste Management 2023/2024 to 2025/2026.
- Percentage Change in Rates Levied from 2022/2023

The budget must also contain Council's Revenue Policy and Revenue Statement which due to the complex nature of the Revenue Statement, will be adopted via separate reports.

The Statement of Income and Expenditure, Statement of Financial Position, Statement of Cash Flows and Statement of Changes in Equity have all been prepared on an accrual basis and contain Council's Budget for 2023-24, the next two financial years and Council's long-term financial forecast. The opening balances for the budget and forecast are based on the annual budget. For clarity this is the budget review adopted by Council 15 March 2023.

A listing of the proposed capital works for 2023-24 is included for information.

The 2023-24 Budget presents the overall position of a surplus of \$40.18 million, with expenditure on Council operations of \$71.75 million and a capital works program of \$55.47 million. Total budgeted revenues for the year are \$111.94 million which includes capital revenue of \$39.92 million. Excluding capital revenues, the budget forecasts a \$0.263 million operating surplus.

Brief discussions on each of the major line items of the budget are outlined below.

Revenue

Rates and Utility Charges

Full details of Council's rates and utility charges are outlined in Council's Revenue Statement which is the subject of a separate report. Total budgeted rates and utility charges for the year are \$47.17 million with estimated discounts of \$1.93 million. The budgeted amount includes the rates to be levied, plus an estimated growth in property assessments of approximately 1.00%.

The increase in the yield from general rates for 2023/2024 compared to the previous year is 4.69%. When the changes to the levies, charges and other rates are considered the overall increase in yield is 5.21% including growth assumptions. The increase in yield from last year is the result of Council applying the concepts of the Rating Strategy; ensuring long-term financial sustainability is considered; consistent service delivery and asset maintenance are provided for the community, and inflation and supply chain disruptions are taken into consideration.

The re-valuations issued by The Department of Natural Resources have increased with an average change of 30.9%. For the 2023-2024 budget Council has again used a 3-year averaged land valuation calculation method to mitigate the impact of substantial fluctuations in the rates charged for a particular parcel of rateable land arising from changed valuations from year to year. Averaging valuations does smooth the impacts of valuation changes however it is unavoidable that some property's rates have increased by above average percentage, some below the average percentage with some of those experiencing a decrease.

Fees & Charges

Budgeted fees and charges are \$5.81 million which is less than the expected 2022-23 result. This prior year result far exceeded the initial budget and was primarily driven by a strong growth in development fees. This is expected to temper in 2023-24, the budget has been set conservatively and actual results will be monitored, and the budget reviewed as required.

Sales, Contract and Recoverable Works

General recoverable works have been forecast based on known contracting opportunities and the level of Council's infrastructure workloads.

Operating Grants and Subsidies

Grants and subsidies have reduced from the previous year during which substantial grant funding was received in relation to counter disaster operations. The majority of the grant funding forecast for 2023/2024 relates to the Commonwealth Government's financial assistance grant estimated at \$6.38 million, \$0.93 million for Roads to Recovery, QRA Voluntary Home Buy Back at \$3.30 million, and other minor grants received for libraries, childcare, illegal dumping, disaster management, State Emergency Service, Queensland Government Agency Program, asset condition assessments and traineeships.

Interest Received

Interest from investments is expected to remain relatively unchanged from the previous financial year with expected decreasing cash balances being offset by the increase in interest rates experienced during 2022-23.

Other Recurrent Income

Other recurrent income includes the dividends from Council's investment in Urban Utilities (UU), rental income, reimbursements, and other miscellaneous revenue items. Council's share of UU returns is approximately \$2.69 million including dividend and tax equivalent payments. UU are currently revising their forecast dividend payments over the next five years after shareholders challenged proposed reductions.

Expenditure

Employee Costs

Employee costs represent the operational employee costs of the organisation and include all employee related expenditure including items such as superannuation, fringe benefits tax, training, and workers compensation insurance as well as Councillor remuneration.

Operational employee costs have increased by \$0.25 million to \$28.91 million in the 2023/2024 Budget compared to the amended budget for the previous financial year. The modest increase has benefitted from the allocation of labour between capital and operating works. The allocation of labour cost to capital works

will be significant in line with the very large Capital Budget. The Operating Budget assumes that the capital program will be completed as planned.

Goods and Services

The budget for goods and services has increased by \$0.93 million or 3.4% to \$28.22 million in the 2023/2024 Budget compared to the amended budget for the previous financial year. There are increases and decreases in the material and services budget across Council. The budget reflects the anticipated changes in applicable allowances for growth and considers the macro and micro assumptions as outlined in the Finance and Resource section of this report.

Finance Costs

This line item is principally interest on Council's loans from Queensland Treasury Corporation. Finance costs have reduced by \$340,000. This is driven by the early settlement of a loan in 2022-23 and is slightly impacted by the changing mix of interest and principal repayments.

Depreciation

Depreciation expenses of \$13.91 million are included in the 2023/2024 Budget. This is an increase of \$1.4 million on the prior year. The overwhelming majority of the increase is a result of the revaluation of Transport Assets. There may be some change in this line item during the year as the ongoing reviews of Council asset management plans, asset replacement values and useful lives are completed.

Capital

The main sources of capital funding are internal Council sourced funding of \$14.30 million, and grants and subsidies of \$41.17 million. A significant portion of the grants and subsidy relate to reconstruction funding provided under the REPA program. These funding sources will be used for the construction or acquisition of assets worth \$55.47 million.

Debt Repayment

Council's debt is forecast to reduce from \$12.24 million in 2023 to nil at the end of 2032. This assumes no further borrowings during the life of the forecast. Council will continue to review options to further accelerate debt repayments.

Financial Sustainability

The 2023/2024 Budget results against each relevant measure of financial sustainability are given in the following table.

Relevant Measure of Financial Sustainability	Result	Recommended Target
Asset Sustainability Ratio	300%	greater than 90%
Net Financial Liabilities Ratio	44.4%	not greater than 60%
Operating Surplus Ratio (excluding capital revenue)	0.4%	between 0% and 10%

The Asset Sustainability Ratio is high due to a focus on renewal projects in the capital works budget and rehabilitation of damaged assets from recent flood events.

The Net Financial Liabilities Ratio is within the recommended target.

The Operating Surplus Ratio is within with recommended targets and remains on target for the forecast period.

The results for the full ten years are included in Attachment 1 and show that on average, all three of the measures are within the indicators over the long term.

Business Units

The estimated costs of Council's business units have been shown in separate schedules in Attachment 1.

The budgeted results of Council's Business Units for the 2023/2024 year are as follows:

Unit	Income (incl Capital Revenue)	Expenditure	Operating Surplus / (Deficit)
Child Care Centre	1,118,000	1,101,751	16,249
Waste Management	10,922,637	7,123,579	2,202,375

Section 39 of the *Local Government Regulation 2012* prescribes the expenditure levels for a business unit to be considered a "prescribed business activity". For the 2023/2024 year the threshold is \$0.34 million. Two of Council's business units meet this threshold requirement currently.

Section 47 of the *Local Government Act 2009* requires Council to decide each financial year whether or not to apply the code of competitive conduct to its business activities. In applying the code of competitive conduct, Council is required to eliminate any advantages and disadvantages wherever possible and appropriate. This can take various forms and the cost of implementing the elements may outweigh the benefits. At present, pricing decisions within the business units are made in line with local market conditions, and the Waste Management business unit is working towards implementing some of the elements of the code, such as full cost pricing, but the process is still underway.

Due to the level of administrative burden, it is recommended that Council does not apply the code of competitive conduct to its business units in 2023/2024.

Statement of Estimated Financial Position 2022/2023

Section 205 of the *Local Government Regulation 2012* requires the CEO to present Council with a Statement of Estimated Financial Position at the annual budget meeting. This Statement, comprising of a Statement of Estimated Income and Expenditure, Estimated Statement of Financial Position and Estimated Statement of Cash Flows, is shown in the 2023 Forecast Column of the Long-Term Financial Plan and is based on the 2022-23 amended budget, identified potential variations are noted below.

The result is an overall estimated surplus for 2022/2023 of \$27.05 million, while the estimated result excluding capital revenue and expenses is a surplus of \$6.88 million. The forecast cash balance is \$33.97 million.

Significant potential variations have been identified and are listed below.

Operating Grants and Subsidies reduced by \$4.05 million

Operating grants and subsidies may be reduced due delays in the receipt of the Financial Assistance Grant. It was expected a prepayment of the Financial Assistance Grant would be received in April 2023 as per the previous financial year, however, recent advice from the Department and LGAQ indicates the payment may not be received until the 2023/2024 financial year.

Fees and Charges Revenue increase by over \$1.32 million

Revenue related to Fees and Charges will be higher than expected. As at 31 May 2021 there was additional income from development fees and infrastructure charges (\$0.42 million), waste fees (\$0.41 million) and plumbing and building fees (\$.12 million).

Operating Contributions reduced by \$0.54 million

Operating contributions may be reduced due to the delay in the delivery of Resilient Rivers projects. This would mean a corresponding underspend on the expenditure for these projects.

Other Revenue increased by \$0.73 million

Other revenue will be overbudget due to the receipt of insurance money in relation to assets damaged during the 21/22 flood events.

Decrease in Goods and Services expenditure

Goods and services expenditure is expected to be reduced mostly due to delays in the delivery of a number of operational projects including asset management condition assessment, ICT, community engagement, resilient rivers, growth and policy and regional development operational projects. Underspend as at 31 May 2023 was \$3.92 million but it is expected this will reduce once the end of year accruals are finalised, however, there will be a carry forward of operational project expenditure into the 2023/2024 financial year.

Options

THAT Council adopt the Budget for the financial year 2023-24 and the Long-Term Financial Forecast for the financial years 2023-24 to 2032-33.

Previous Council Resolutions

Special Meeting of Council 20 July 2022 (20-24/0590)

THAT Council adopt pursuant to Sections 169, 170 and 171 of the Local Government Regulation 2012, the Budget for the financial year 2022-2023 and the Long-Term Financial Forecast for the financial years 2022-23 to 2031-32, contained in the document entitled "2022-23 Annual Budget and Long-Term Financial Forecast" as attached to these minutes and including the:

- i. Statement of Income and Expenditure*
- ii. Statement of Financial Position*
- iii. Statement of Cash Flows*
- iv. Statement of Changes in Equity*
- v. Relevant Measures of Financial Sustainability*
- vi. Detailed Statements of Income and Expenditure:*
 - a. Business Unit – Child Care Centres 2022-2023 to 2024-2025*
 - b. Business Unit – Waste Management 2022-2023 to 2024-2025*
- vii. Percentage Change in Rates Levied from 2021-2022.*

Further;

THAT Council note the Statement of Estimated Financial Position at 30 June 2022, as attached to these minutes and presented by the Chief Executive Officer in accordance with Section 205 of the Local Government Regulation 2012.

AND Further;

THAT Council resolve not to apply the Code of Competitive Conduct to Council's Child Care or Waste Management Business Activities as applying the Code would result in unnecessary administrative costs for Council.

Critical Dates

Under the *Local Government Regulation 2012* Chapter 5 Financial Planning and Accountability, Part 2 Financial Planning Documents section 170 Adoption and amendment of the budget, the local government must adopt a budget before 1 August in the financial year to which the budget relates.

Strategic Implications

Corporate Plan

Lockyer Leadership and Council

Undertake robust and accountable financial, resource and infrastructure planning and management to ensure affordable and sustainable outcomes for our community.

Compliant with relevant legislation

Finance and Resource

The budgeted operating surplus is largely contingent upon containing costs within the budgeted amount. There is limited scope for new projects and additional funding for services in the short term while maintaining a balanced budget. Should the need arise for additional funds during the year, offset savings and a reprioritisation of resources will be required, and these will be addressed through regular budget reviews.

If Council can contain its costs and maintain revenue at the levels outlined in the 2023/2024 Budget and forward estimates, Council is forecasted to maintain operating surpluses for the life of the long-term financial forecast. Based on the estimated requirements in the current Asset Management Plans, the forecast provides sufficient funding to adequately maintain Council's asset base.

Resourcing and the ability to deliver works remains a high risk with attracting and retaining staff expected to remain a challenge. Lingering supply chain difficulties may also have an impact. Further to this, the use of Council's day labour on capital projects will also need to be maintained and any diversion from capital projects to operational works will impact on the operating result.

The timing of the payment of Financial Assistance Grants (FAGs) can impact the reported financial position in any year. Prepayments benefit the year they are paid and decrease revenue in the following year. The Federal Government determines the timing of the grant payments, and in the past it has proved unpredictable.

The Lockyer Valley Region has a high risk of adverse weather events, with flood restoration work taking priority for the 2023/2024 year. There are also several macro and micro economic assumptions which can present significant economic challenges for the Lockyer Valley community, of which Council are not immune to. These include:

- Consumer price index (6401.0 CPI All Groups Brisbane All Groups)
- Non-residential building construction index (3020.0 Brisbane)
- Automotive fuel price index:
- Global and domestic supply chain disruptions are likely to continue in the medium term
- Domestic interest rates directly impact finance costs and interest income and have an indirect impact via the broader economic environment.

Legislation and Policy

Sections 169, 170 and 171 of the *Local Government Regulation 2012* prescribe the requirements for the adoption of Council's budget. This report complies with the requirements of the *Regulation*.

Risk Management

Key Corporate Risk Code and Category: FE1

Key Corporate Risk Descriptor: Finance and Economic
Financial sustainability to support the achievement of strategy, goals and objectives in the medium to long term.

Consultation

Portfolio Councillor Consultation

Councillors were consulted through the development of the 2023-24 Council budget at Councillor Workshops held between February 2023 and June 2023.

Internal Consultation

Internal consultation has occurred with all Branch's across the business.

Community Engagement

The implications of the financial statements will be incorporated into extensive communications associated with the 2023-24 Budget. Following its adoption, the various components of the budget will be consolidated into one document and be made available on the internet.

Attachments

[1](#) 2023-2024 Budget and Long Term Financial Forecast 13 Pages



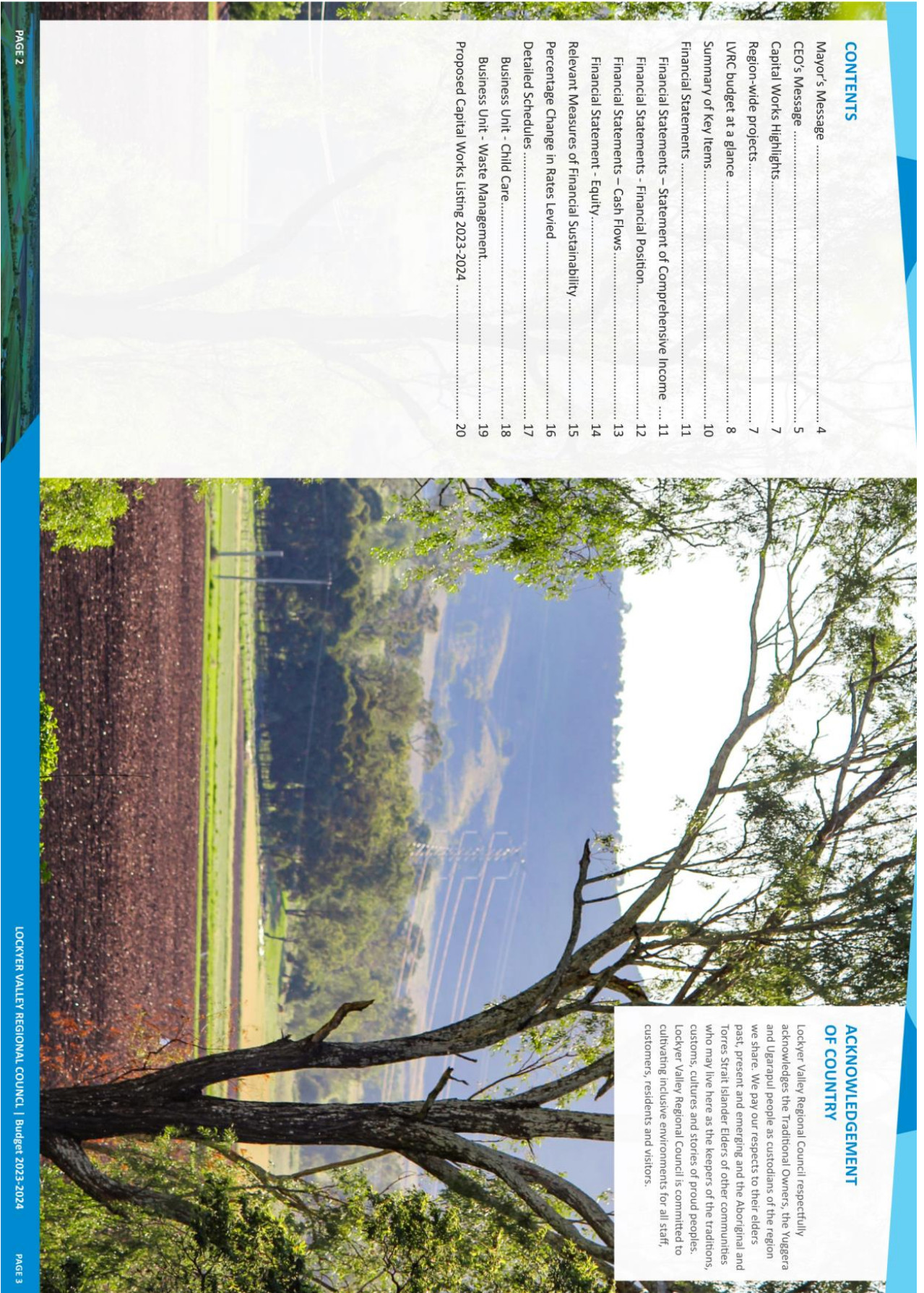
2023-2024

Lockyer Valley Regional Council

**BUDGET
AND LONG TERM
FINANCIAL FORECAST**



REGIONAL COUNCIL



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ACKNOWLEDGEMENT OF COUNTRY

Lockyer Valley Regional Council respectfully acknowledges the Traditional Owners, the Yuggera and Ugarapul people as custodians of the region we share. We pay our respects to their elders past, present and emerging and the Aboriginal and Torres Strait Islander Elders of other communities who may live here as the keepers of the traditions, customs, cultures and stories of proud peoples. Lockyer Valley Regional Council is committed to cultivating inclusive environments for all staff, customers, residents and visitors.

MAYOR'S MESSAGE

Council's 2023/2024 Budget has been developed in response to the significant economic challenges facing many in our community, including households, businesses, community groups and Council itself.

The cost of living is among the highest it has been in more than 20 years, placing pressure on households and at the same time driving up the cost of goods and services, making it more expensive for Council to deliver the wide range of services the community expects.

Council has taken significant steps in recent years to moderate the impacts of both CPI and unprecedented increases in land valuations by adjusting rate models in a way that smooths and lessens the impact for as many residents as possible.

We firmly believe this Budget is right for these times, ensuring we meet both our community and statutory obligations in a way that balances financial sustainability with the delivery of the range of services our fast-growing community needs.

This year, we have been able to keep the average general rate increase across all categories to 4.69 per cent. For owner-occupied residential properties and combined with increases in Waste Management charges, the average owner-occupied residential property will see an increase of around \$100 for the year, or around \$2 per week. Compared to the range of Council services residents have access to, this is a modest and responsible increase, to ensure our community continues to thrive for local families.

In a snapshot, the \$127.22M 2023/2024 Budget provides an operating expenditure of \$71.75M and \$55.47M in capital expenditure, which includes \$38.20M earmarked for road network projects. Overall, this will provide Council a small predicted operating surplus of \$0.26M for the year.

Council has demonstrated its financial management track record over the past eight years by consistently operating within its budget while keeping rate increases low. Over the past four years, the region's average increase was just 2.23 per cent for general residential rates, while the average CPI increase was almost double that at 4.15 per cent.

Council will continue paying off the loans from previous capital projects, including the Lockyer Valley Sports

and Aquatic Centre, Laidley Sports Complex, and ICT systems, and by June 2025 expects to have reduced our total debt by approximately 50 per cent from 2021 levels to less than \$10M.

The largest portion of our Budget this year will go to flood restoration works conducted across the region. Council acknowledges the assistance of the Australian and Queensland Governments in providing \$30M in grants towards this works program and a further \$5.2M towards the Voluntary Buy Back program that assists highly vulnerable households to relocate to safer areas.

Council continues to support local community and sporting groups with almost \$0.6M in various assistance programs, in addition to the \$5.71M invested in a range of community facilities. Council maintains for the community's use.

Waste management continues to be a high priority as we meet the rising requirements of other levels of government, and this year we are allocating \$11.05M across several capital and operating projects and functions that provide community health, safety, wellbeing and environmental outcomes.

The Environment, Resilient Rivers and Emergency Preparedness levies have remained the same, while residential Waste Collection Charges and Waste Management Charges have increased by \$39 for the year, (\$0.75 per week) due to the requirement on councils to apply full cost modelling. This \$0.75 is included in the \$2 per week overall average increase mentioned earlier.

Council has retained its rating concessions for pensioners and for ratepayers who pay their General Rates. Charges and Levies in full by the due date. As always, if anyone is having difficulties paying their bill, we encourage them to contact us early to discuss hardship options.

I extend my thanks to my fellow Councilors, the Executive Leadership Team and Council staff for their part in preparing this balanced Budget that sets the foundations for a bright, long-term future for the Lockyer Valley.



Cr Tanya Milligan
Mayor,
Lockyer Valley Regional Council

CEO'S MESSAGE

The annual Budget is one of our most important pieces of work each year and sits alongside our Corporate and Operational Plans as one of the key strategic documents that ensure we are allocating the funds to meet the operational priorities determined by Council within our regulatory obligations.

Preparing the Budget each year can be challenging especially given the rising cost of resources, the ever-increasing expectations of the community, and the need to minimise the financial impact to the community.

Our 2023-2024 Budget has been shaped by several factors and will support us in delivering a valuable mix of essential core services as well as several projects that will service the community in both the short and long term.

In summary, Council's total estimated operating revenue during the 2023/2024 financial year is \$72.02M, with estimated operating expenditure being \$71.75M. This will provide a small surplus of \$0.26M (rounded) for the year. In addition, Council is estimated to receive \$39.92M in grant and other revenue to assist directly with capital projects.

Overall capital expenditure of \$55.47M constitutes our largest program of works for a decade. Key projects include more than \$40M in road network upgrades with the majority of that (\$33.03M) being reconstruction works from the 2022 floods. We also need to replace vehicles and plant to maximise both operational and trade-in values and have set aside \$2.38M for this.

Waste Management is a continued priority with \$3.77M earmarked to complete construction of Cell 5 at the Gatton Landfill, our last remaining landfill site as we continue to move towards a circular economy of responsible waste management.

The Australian and Queensland Governments have funded the \$5.2M Voluntary Home Buy Back which will require considerable resources to finalise and maintain.

It's not all about the large projects though, as Council has a wide range of smaller improvement projects across various cemeteries, parks and halls to ensure improvements occur throughout the region. We remain invested in environmental management, disaster preparedness and resilience, flood mitigation and attracting tourists to support local businesses.

I encourage readers to look at the detail in the Budget papers to see what might be in there for our community.

Council has been diligently paying down its loans over recent years and by June 2025 we expect to have reduced our total debt by approximately 50 per cent from 2021 levels to less than \$10M.

Council continues to support local community and sporting groups with almost \$0.6M in various assistance programs, in addition to the \$5.71M invested in a range of community facilities. Council maintains for the community's use.

As stated by the Mayor, this is a responsible and balanced budget that recognises the economic challenges faced by many in the community and the opportunities that lie ahead.

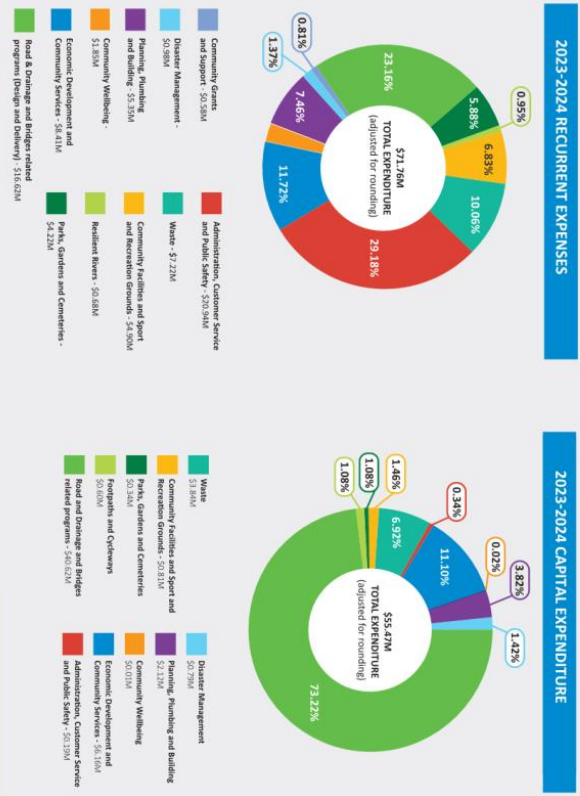
I extend my thanks to the Mayor and Councilors, the Executive Leadership Team, Managers and staff for working together to prepare a responsible budget that shapes the future for our community.



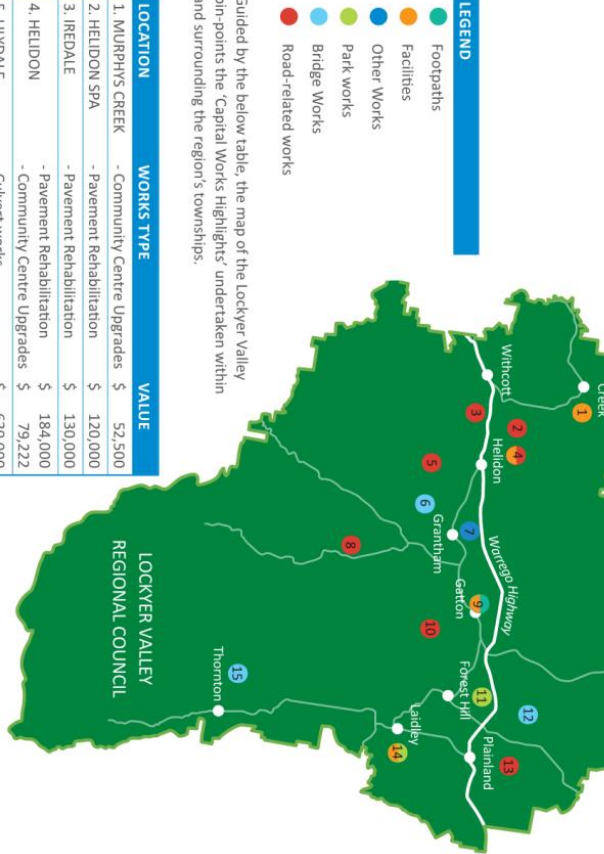
Ian Church
Chief Executive Officer
Lockyer Valley Regional Council

DELIVERING ON THE COMMUNITY PLAN 2017-2027 AND THE CORPORATE PLAN 2022 - 2027

These plans describe the type of region the community aspires to live in and the priority actions required to move towards those aspirations.



2023-2024
Capital Works
HIGHLIGHTS

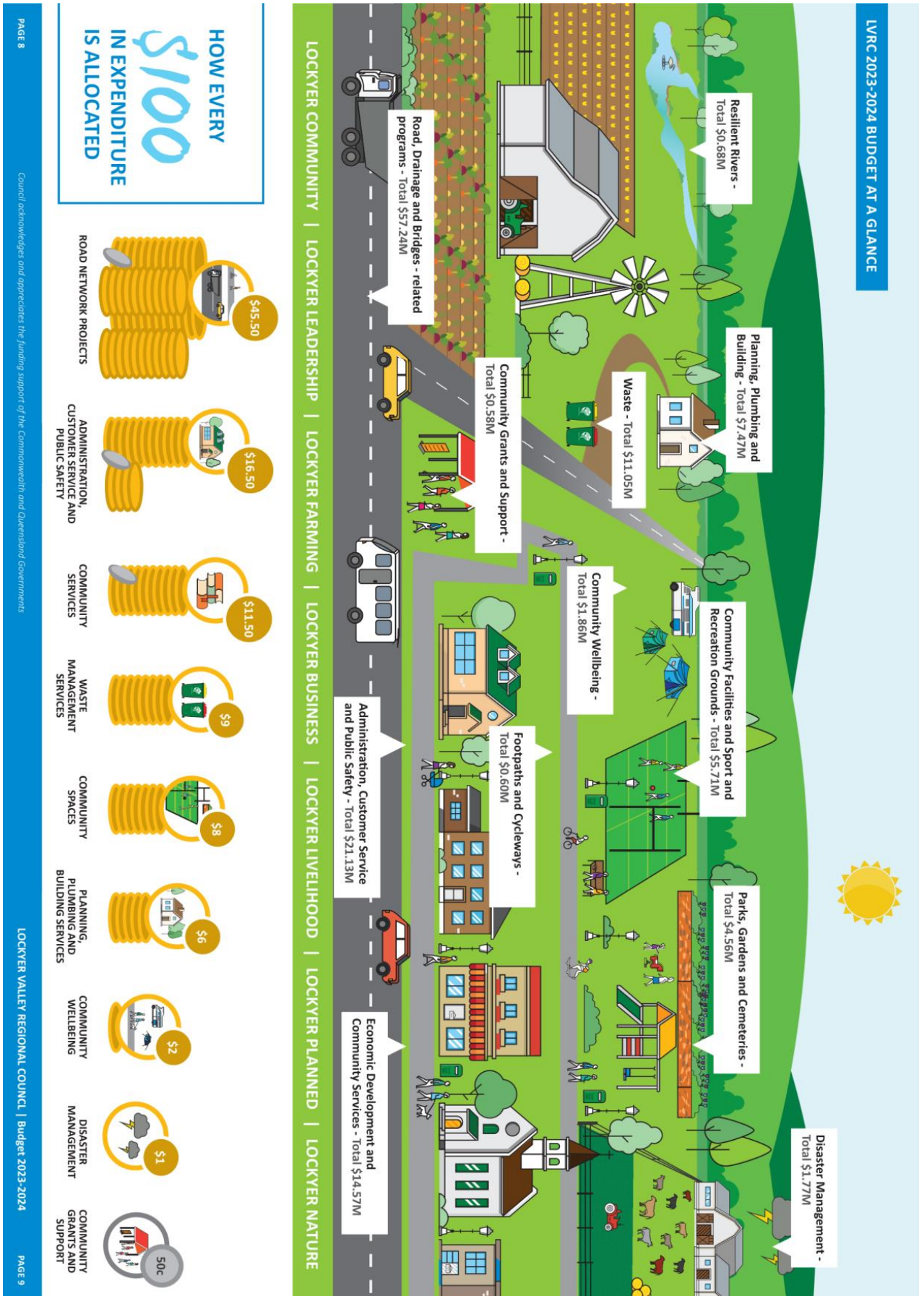


Guided by the below table, the map of the Locker Valley pin-points the Capital Works Highlights' undertaken within and surrounding the region's townships.

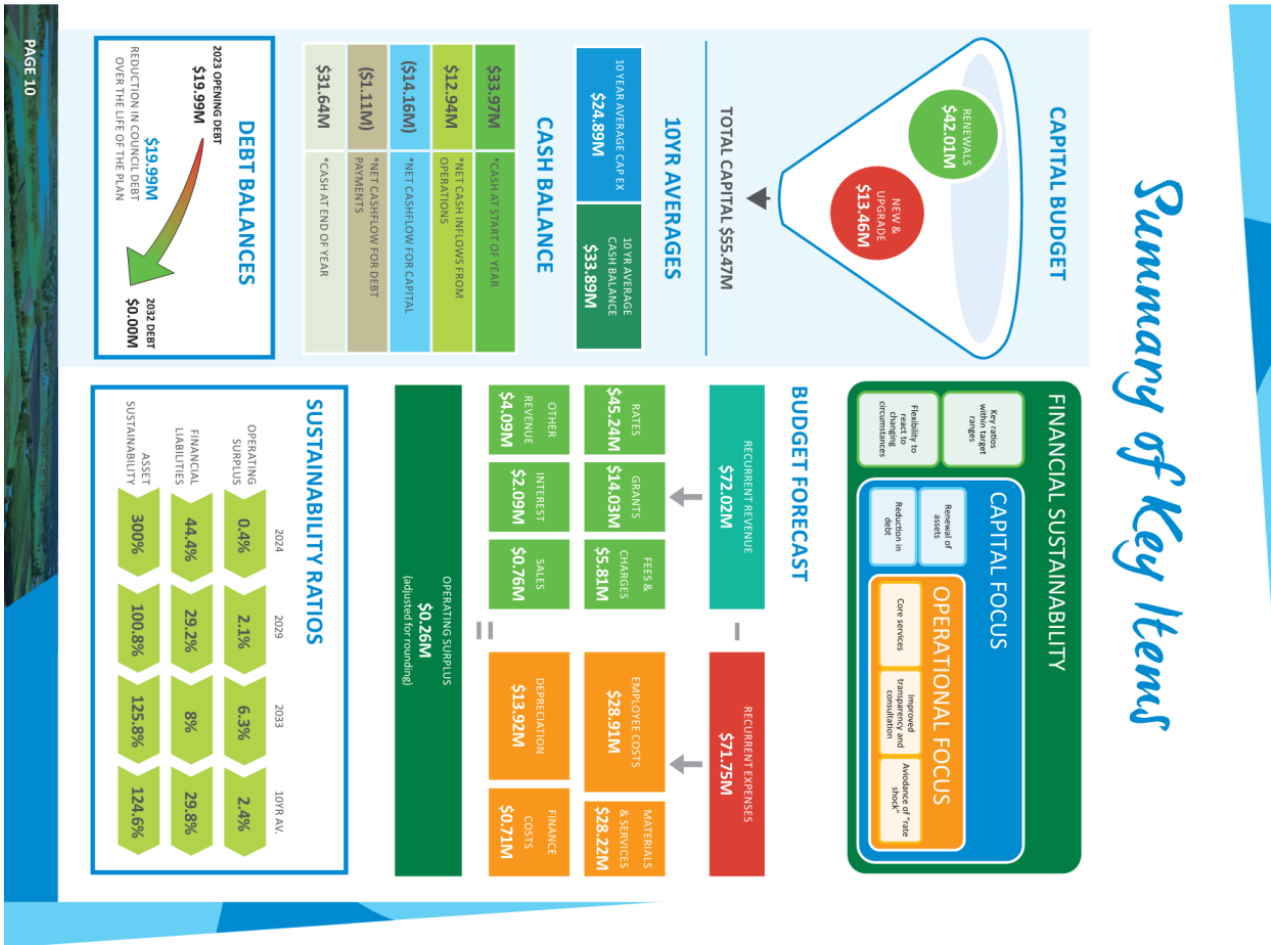
LOCATION	WORKS TYPE	VALUE
1. MURPHYS CREEK	- Community Centre Upgrades	\$ 52,500
2. HELDON SPA	- Pavement Rehabilitation	\$ 120,000
3. REDALE	- Pavement Rehabilitation	\$ 130,000
4. HELDON	- Pavement Rehabilitation - Community Centre Upgrades	\$ 184,000 \$ 79,222
5. LILYDALE	- Culvert works	\$ 630,000
6. CARPENDALE	- Bridge Upgrade	\$ 1,000,000
7. GRANTHAM	- Sub-division	\$ 194,420
8. UPPER TENTHILL	- Pavement Rehabilitation	\$ 80,000
9. GATTON	- Footpath - Equestrian Centre - Compliance Designs	\$ 200,000 \$ 291,893
10. WOODLANDS	- Road Upgrade	\$ 1,500,000
11. FOREST HILL	- Silo Mural Viewing Precinct	\$ 770,000
12. LAKE CLARENDON	- Bridge Works	\$ 100,000
13. PLAINLAND	- Pavement Rehabilitation	\$ 200,000
14. LAIDLAY	- Laidley Cultural Centre - Lake Dyer Amenities	\$ 252,000 \$ 245,000
15. THORNTON	- Bridge Works	\$ 242,000

REGION-WIDE PROJECTS

Flood Recovery Works (REPA)	\$33,026,268
New Landfill Cell	\$3,766,682
Strategic Land Acquisition	\$2,000,000
Bitumen Reseal	\$1,700,000
Saturated Pavement Repairs	\$400,800
Park Upgrades	\$215,050
Cemetery Upgrades	\$134,000
CCTV and Public Safety Systems	\$67,000



Summary of Key Items



FINANCIAL STATEMENTS

FINANCIAL STATEMENTS – STATEMENT OF COMPREHENSIVE INCOME

Lockyer Valley Regional Council
2023/2024 Budget and Long Term Financial Forecast
Statement of Income and Expenditure

	2022 \$	2023 \$	2024 \$	2025 \$	2026 \$	2027 \$	2028 \$	2029 \$	2030 \$	2031 \$	2032 \$	2033 \$
	Actuals	Forecast Actuals	Proposed Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Revenue												
Recurrent Revenue												
Rates & Utility Charges	43.12M	44.86M	47.17M	49.55M	52.08M	54.74M	57.57M	60.58M	63.77M	67.17M	70.37M	73.73M
Less Discounts	(1.82M)	(1.90M)	(1.93M)	(2.00M)	(2.08M)	(2.17M)	(2.26M)	(2.35M)	(2.44M)	(2.54M)	(2.64M)	(2.75M)
Net rates and utility charges	41.30M	42.96M	45.24M	47.54M	49.98M	52.57M	55.31M	58.23M	61.33M	64.63M	67.73M	70.98M
Fees and charges	7.26M	5.85M	5.81M	6.04M	6.28M	6.53M	6.79M	7.06M	7.35M	7.64M	7.95M	8.26M
Sales, contract and recoverable works	1.52M	1.05M	0.76M	0.78M	0.81M	0.84M	0.86M	0.89M	0.92M	0.96M	0.99M	1.02M
Operational Grants & subsidies	12.64M	20.23M	14.03M	11.39M	12.11M	12.35M	12.59M	12.85M	13.10M	13.37M	13.63M	13.91M
Interest received	1.07M	2.09M	2.09M	1.89M	1.89M	1.95M	2.05M	2.12M	2.20M	2.30M	2.43M	2.60M
Other recurrent income	4.74M	4.20M	4.09M	4.14M	4.07M	4.15M	4.24M	4.32M	4.41M	4.51M	4.60M	4.70M
Total Recurrent Revenue	68.52M	76.38M	72.02M	71.78M	75.14M	78.38M	81.85M	85.48M	89.32M	93.40M	97.32M	101.48M
Capital revenue:												
Capital Grants	5.09M	20.09M	39.84M	3.00M	4.77M	3.57M	3.90M	4.23M	4.60M	5.03M	5.47M	5.97M
Developer Contributions	4.41M	-	0.50M	0.50M	0.50M	0.50M	0.50M	0.50M	0.50M	0.50M	0.50M	0.50M
Gain/(loss) on sale of property, plant & equipment	0.25M	0.08M	0.08M	(0.01M)	(0.03M)	0.01M	0.03M	0.08M	0.01M	(0.02M)	0.09M	0.05M
Total capital revenue	9.74M	20.17M	39.92M	3.49M	5.24M	4.08M	4.43M	4.81M	5.11M	5.51M	6.06M	6.52M
Total Revenue	78.26M	96.55M	111.94M	75.27M	80.38M	82.46M	86.27M	90.29M	94.43M	98.91M	103.38M	107.99M
Expenses												
Recurrent Expenses												
Employee costs	27.12M	28.66M	28.91M	31.01M	32.23M	33.49M	34.81M	36.17M	37.59M	39.06M	40.59M	42.18M
Materials and services	25.10M	27.29M	28.22M	25.01M	25.17M	27.03M	28.79M	29.33M	30.22M	31.55M	32.79M	33.78M
Depreciation and amortisation	11.33M	12.51M	13.91M	14.89M	15.58M	16.22M	16.90M	17.77M	18.45M	19.41M	20.04M	18.95M
Finance costs	1.40M	1.05M	0.71M	0.66M	0.61M	0.55M	0.49M	0.43M	0.37M	0.30M	0.23M	0.19M
Total Recurrent Expenses	64.94M	69.50M	71.75M	71.57M	73.58M	77.30M	80.99M	83.70M	86.62M	90.32M	93.65M	95.10M
Net Result adjusted for Capital Items	13.32M	27.05M	40.18M	3.70M	6.80M	5.16M	5.28M	6.59M	7.81M	8.59M	9.73M	12.90M
Net Recurrent Result/Operating Surplus/(Deficit)	3.577M	6.879M	0.263M	0.211M	1.564M	1.087M	0.856M	1.776M	2.694M	3.081M	3.671M	6.379M

FINANCIAL STATEMENT - EQUITY

Lockyer Valley Regional Council
2023/2024 Budget and Long Term Financial Forecast
Statement of Changes in Equity

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	Forecast actuals	Proposed Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Asset revaluation surplus											
Opening balance	-	212.46M	212.96M	228.00M	230.63M	231.13M	248.25M	251.29M	251.79M	271.52M	275.00M
Increase in asset revaluation surplus	-	0.50M	15.05M	2.63M	0.50M	17.11M	3.04M	0.50M	19.73M	3.49M	0.50M
Closing balance	212.46M	212.96M	228.00M	230.63M	231.13M	248.25M	251.29M	251.79M	271.52M	275.00M	275.50M
Retained surplus											
Opening balance	-	410.63M	450.81M	454.52M	461.32M	466.48M	471.76M	478.35M	486.15M	494.75M	504.47M
Net result	-	40.18M	3.70M	6.80M	5.16M	5.28M	6.59M	7.81M	8.59M	9.73M	12.90M
Closing balance	410.63M	450.81M	454.52M	461.32M	466.48M	471.76M	478.35M	486.15M	494.75M	504.47M	517.37M
Total											
Opening balance	-	623.08M	663.77M	682.52M	691.95M	697.61M	720.01M	729.64M	737.94M	766.26M	779.48M
Net result	-	40.18M	3.70M	6.80M	5.16M	5.28M	6.59M	7.81M	8.59M	9.73M	12.90M
Increase in asset revaluation surplus	-	0.50M	15.05M	2.63M	0.50M	17.11M	3.04M	0.50M	19.73M	3.49M	0.50M
Closing balance	623.08M	663.77M	682.52M	691.95M	697.61M	720.01M	729.64M	737.94M	766.26M	779.48M	792.87M

RELEVANT MEASURES OF FINANCIAL SUSTAINABILITY

Lockyer Valley Regional Council
2023/2024 Budget and Long Term Financial Forecast
Relevant Measures of Financial Sustainability

	Target	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Average
Operating Surplus Ratio	Between 0% and 10%	0.4%	0.3%	2.1%	1.4%	1.0%	2.1%	3.0%	3.3%	3.8%	6.3%	2.4%
(Net Operating Surplus / Total Operating Revenue) (%)												
Net Financial Asset / Liability Ratio	<= 60%	44.4%	46.0%	43.0%	38.2%	32.2%	29.2%	24.1%	19.0%	13.8%	8.0%	29.8%
((Total Liabilities - Current Assets) / Total Operating Revenue)												
Asset Sustainability Ratio	>90%	300.0%	90.3%	96.8%	95.4%	97.0%	100.8%	111.9%	113.0%	115.0%	125.8%	124.6%
(Capital Expenditure on the Replacement of Assets (renewals) / Depreciation Expense)												

	Target	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Average
Cash Expense Cover Ratio	>3	6.6	6.3	6.0	5.9	6.1	5.9	6.0	6.2	6.4	7.0	6.2
Number of months of operations supported by cash												

PERCENTAGE CHANGE IN RATES LEVIED

**Lockyer Valley Regional Council
2023/2024 Budget
Percentage Change in Rates Levied from 2022/2023**

General Rates	2023 Levy	2024 Levy	\$ Change	% Change
TOTAL	34,537,851	36,159,153	1,621,302	4.69%
Special & Separate Charges				
Rural Fire Levy	290,453	290,940	487	0.17%
Emergency Preparedness Levy	1,818,367	1,821,144	2,777	0.15%
Environmental Levy	277,668	280,176	2,508	0.90%
Resilient Rivers Initiative	34,965	35,022	57	0.16%
TOTAL	2,421,453	2,427,282	5,829	0.24%
Waste Collection and Recycling Charges				
Waste Collection Charges	5,151,605	5,626,048	474,443	9.21%
Waste Management Charge	2,723,657	2,958,830	235,173	8.63%
TOTAL	7,875,262	8,584,878	709,616	9.01%
TOTAL RATES & CHARGES LEVIED	44,834,565	47,171,313	2,336,748	5.21%

The total value of the change, expressed as a percentage, in the rates and utility charges levied for 2023/24 (as adopted on 28 June 2023) compared with the rates and utility charges levied in 2022/23 (as adopted on 20 July 2022) is 5.21% excluding discounts and remissions. This increase in projected total revenue from rates and utility charges includes revenue to be received from all ratepayers in the Lockyer Valley eg, residential, commercial, and farming property owners. The projected revenue figures also include anticipated growth in the number of properties in the Region.



*Detailed
Schedules*

BUSINESS UNIT - CHILD CARE

Statement of Comprehensive Income - Three (3) Year Forecast

	Budget 2023-2024	Budget 2024-2025	Budget 2025-2026
Income			
Revenue			
Recurrent Revenue	408,000	424,320	441,293
Charges and Fees	-	-	-
Interest	710,000	724,200	738,684
Operating Grants and Subsidies	-	-	-
Total Recurrent Revenue	1,118,000	1,148,520	1,179,977
Capital Revenue	-	-	-
Capital Grants, Subsidies and Contributions	-	-	-
Total Revenue	1,118,000	1,148,520	1,179,977
Total Income	1,118,000	1,148,520	1,179,977
Expenses			
Recurrent Expenses			
Employee Costs	975,323	1,010,735	1,051,154
Goods and Services	99,410	102,392	105,464
Finance costs	-	-	-
Depreciation	27,018	23,546	22,915
Total Recurrent Expenses	1,101,751	1,136,673	1,179,533
Capital Expenses	-	-	-
Capital Expenses	-	-	-
Total Expenses	1,101,751	1,136,673	1,179,533
Net Recurrent Result/Operating Surplus/(Deficit)	16,249	11,847	444
NET RESULT AFTER CAPITAL ITEMS	16,249	11,847	444

BUSINESS UNIT - WASTE MANAGEMENT

Statement of Comprehensive Income - Three (3) Year Forecast

	Budget 2023-2024	Budget 2024-2025	Budget 2025-2026
Income			
Revenue			
Recurrent Revenue	8,584,878	9,407,739	10,309,470
Rates and Utility Charges (Gross)	(250,000)	(260,075)	(270,556)
Discount	871,000	905,840	942,074
Charges and Fees	32,000	33,280	34,611
Interest	-	-	-
Operating Grants and Subsidies	50,000	51,000	52,020
Operating Contributions and Donations	38,076	39,599	40,906
Other Revenue	-	-	-
Total Recurrent Revenue	9,325,954	10,177,383	11,108,525
Capital Revenue	-	-	-
Capital Grants, Subsidies and Contributions	1,596,683	-	1,500,000
Total Revenue	10,922,637	10,177,383	12,608,525
Total Income	10,922,637	10,177,383	12,608,525
Expenses			
Recurrent Expenses			
Employee Costs	897,806	930,359	967,490
Goods and Services	5,680,742	5,851,164	6,026,699
Finance costs	2,500	2,575	2,652
Depreciation	542,531	628,568	664,204
Total Recurrent Expenses	7,123,579	7,412,666	7,661,045
Capital Expenses	-	-	-
Capital Expenses	-	-	-
Total Expenses	7,123,579	7,412,666	7,661,045
Net Recurrent Result/Operating Surplus/(Deficit)	2,202,375	2,764,717	3,447,480
NET RESULT AFTER CAPITAL ITEMS	3,799,058	2,764,717	4,947,480



Cost Centre	Project Title	Capital Work Type	Proposed Budget 23-24		
			Funding	Total Project Costs	Net Cost to Council
INFRASTRUCTURE			33,846,147	42,376,011	8,529,864
Parks & Open Spaces	Park Entrance Statement Renewal	Capital Renewal	-	12,000	12,000
Parks & Open Spaces	Park Playground Surfacing Improvements	Capital Renewal	-	125,000	125,000
Parks & Open Spaces	Park Table Setting Renewals	Capital Renewal	-	34,500	34,500
Parks & Open Spaces	Park seating Renewal	Capital Renewal	-	22,550	22,550
Capital Program Delivery	Bitumen Reseal Program (RTR)	Capital Renewal	927,079	1,700,000	772,921
Capital Program Delivery	Woodlands Road (Schroeders Road Bends) (TIDS)	Capital Renewal & Upgrade	750,000	1,500,000	750,000
Capital Program Delivery	Steinke's Bridge (LRRG)	Capital Renewal	100,000	100,000	-
Capital Program Delivery	Clarkes Bridge, Thornton (LRRG)	Capital Renewal	242,000	242,000	-
Capital Program Delivery	Saturated Pavements (LRRG)	Capital Renewal	400,800	400,800	-
Capital Program Delivery	Future Designs - List to be confirmed	Capital Renewal	-	250,000	250,000
Capital Program Delivery	Mahon Bridge Renewal	Capital Renewal	1,000,000	1,000,000	-
Capital Program Delivery	Survey Equipment	Capital Renewal	-	20,000	20,000
Capital Program Delivery	Tenthill Ropeley Rockside Steinhardt (TIDS 25/26)	Capital Renewal	-	200,000	200,000
Capital Program Delivery	Postmans Ridge Road Rehabilitation (Service Relocation)	Capital Renewal	-	120,000	120,000
Capital Program Delivery	Pavement Rehab A/C Replacement	Capital Renewal	-	200,000	200,000
Capital Program Delivery	Lake Apex Car Park	Capital Upgrade	-	45,000	45,000
Capital Program Delivery	REPA Program - QRA	Capital Renewal	30,026,268	33,026,268	3,000,000
Cemetery	Gatton Cemetery Seam Strip Installation	Capital New	-	36,000	36,000
Cemetery	Forest Hill Cemetery Seam Strip Installation	Capital New	-	38,000	38,000
Cemetery	Laidley Cemetery Columbarium	Capital New	-	50,000	50,000
Cemetery	Laidley Cemetery Seating	Capital New	-	10,000	10,000
Cemetery	New lowering device	Capital Renewal	-	14,000	14,000
Camping Grounds	Renovation of Amenities Block Lake Dyer	Capital Renewal	-	245,000	245,000
Facilities	Half Court Basketball Court Lake Apex	Capital New	-	80,000	80,000
Facilities	Watermain Replacement Laidley Showgrounds	Capital Renewal	-	100,000	100,000
Facilities	Facilities Equipment Replacement	Capital Renewal	-	50,000	50,000
Facilities	Fuel Tank Decommissioning	Capital Renewal	-	20,000	20,000
Facilities	Gatton Equestrian Centre Stage 1 Multi Year Project	Capital Upgrade	-	291,893	291,893
Facilities	Replace furniture at community halls	Capital Renewal	-	23,000	23,000
Fleet	2023/2024 Fleet Purchases	Capital Renewal	400,000	2,380,000	1,980,000
Fleet	Diagnostic Scan tool	Capital Renewal	-	20,000	20,000
Fleet	Pit Cover - Depot workshop	Capital Renewal	-	20,000	20,000

Cost Centre	Project Title	Capital Work Type	Proposed Budget 23-24		
			Funding	Total Project Costs	Net Cost to Council
COMMUNITY AND REGIONAL PROPERTY			5,200,000	8,092,000	2,892,000
Regional Development	Forest Hill Silo Car park & viewing platform Stage 1	Capital New	-	250,000	250,000
Regional Development	Mountain Bike Trail Hub	Capital New	-	450,000	450,000
Community Events	Christmas Lighting	Capital New	-	70,000	70,000
Growth & Policy	Strategic land acquisition	Capital New	-	2,000,000	2,000,000
Growth & Policy	Flood Mitigation - Kensington Grove	Capital New	-	40,000	40,000
Growth & Policy	Flood Mitigation Options - Laidley	Capital New	-	75,000	75,000
Community Wellbeing	Weed Wiper	Capital New	-	7,000	7,000
Voluntary Home Buy Back	Voluntary Home Buy Back	Capital New	5,200,000	5,200,000	-
EXECUTIVE OFFICE			523,800	787,000	263,200
Disaster Management	Disaster Donga Pathway	Capital New	-	30,000	30,000
Disaster Management	Flood Warning System Upgrade	Capital New	-	40,000	40,000
Disaster Management	Flood Intelligence Infrastructure	Capital New	-	135,000	135,000
Disaster Management	Flood Cameras & Electronic Signage	Capital New	523,800	582,000	58,200
PEOPLE, CUSTOMER AND CORPORATE SERVICES			1,596,683	4,219,102	2,622,419
Information Communication Technology	ICT Planned Hardware Renewals	Capital Renewal	-	121,000	121,000
Public Order & Safety	CCTV Planned Hardware Renewals	Capital Renewal	-	67,000	67,000
Governance & Property	Realignment, subdividing & creating market ready lots at Grantham (Tryhorn St) for future sale	Capital New	-	194,420	194,420
Transfer Stations	MRF (Materials Recovery Facility) Asphalt Extension	Capital Upgrade	-	70,000	70,000
Transfer Stations	Gatton Landfill Cell 5	Capital New	1,596,683	3,766,682	2,169,999
GRAND TOTAL			41,166,630	55,474,113	14,307,483





REGIONAL COUNCIL

For more information phone 1300 005 872
email mailbox@lvrc.qld.gov.au or visit www.lockyervalley.qld.gov.au

Lockyer Valley Regional Council, PO Box 82, Gatton Qld 4343
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5.6 Financial Sustainability Policy and the Long Term Financial Plan 2023-24 to 2032-33

Author: Dee Stewart, Coordinator Accounting Services; Kacey Bachmann, Management Accountant; Scott Norman, Contract Accountant
Responsible Officer: Ian Church, Chief Executive Officer

Purpose:

The purpose of this report is to seek Council's adoption of the Financial Sustainability Policy and Long-Term Financial Plan as part of the 2023-24 Budget process. A copy of the Policy is included at Attachment 1, and the Plan is at Attachment 2.

Officer's Recommendation:

THAT Council adopt the Financial Sustainability Policy (Attachment 1) and the Long-Term Financial Plan 2023-24 to 2032-33 (Attachment 2).

Executive Summary

As part of the development of the 2023-24 budget, the Financial Sustainability Policy has been reviewed and outlines Council's financial sustainability objectives. The Policy covers the key principles as they relate to operating surpluses, expenditure management, asset management, debt, commercial opportunities, and the ratios Council will use to measure financial sustainability.

The Long-Term Financial Plan has been updated for adoption by Council. The Long-Term Financial Plan represents "better practice" in that there is no legislative requirement to adopt a Long-Term Financial Plan; however, the Queensland Audit Office has recommended that Councils should consider developing one.

In adopting the plan, Council is clearly stating the assumptions and parameters that have been used in the development of its 2023/2024 budget and associated financial forecast.

The adoption of a Financial Sustainability Policy and Long-Term Financial Plan demonstrate Council's commitment to improved financial sustainability. The Policy provides guidance on achieving financial sustainability, while the Long-Term Financial Plan documents the assumptions, priorities and commitments used in developing the 2023-24 Budget and Long-Term Financial Forecast and will be used as a reference when explaining Council's expected financial results.

Proposal**Overview**

In 2012 amendments were made to the legislation that governed what Councils must include in their annual budget. One of the changes was to remove the requirement to prepare and adopt a Long-Term Financial Plan and this was replaced with the requirement to adopt a Long-Term Financial Forecast. While the two items sound similar, there is a significant difference between a plan, which provides details on assumptions, risks, and conducts sensitivity analysis, and a forecast, which only sets out the financial results with little additional detail.

In 2017 the Queensland Audit Office (QAO) conducted a performance review into forecasting long term sustainability within the local government sector. In that report several recommendations were made including recommending that Councils reinstate the practice of developing a financial plan in addition to the legislative requirements. Whilst not mandatory, Council has accepted that recommendation.

The Financial Sustainability Policy has been developed to provide guidance on the principles used in developing the Long-Term Financial Plan, Budget, and Financial Forecast.

Council's Long Term Financial Plan is a strategic plan providing Council with guiding principles and a financial framework to achieve sustainable financial management now and into the future for our region. This framework allows Council to understand what opportunities and challenges are faced by our region and sets a sustainable and financially responsible direction for the future to ensure we meet future growth needs. The plan provides detailed information on the assumptions, priorities and commitments that underpin the 2023/2024 Budget and Long-Term Financial Forecast. The content of this plan is in line with the items identified by the QAO as forming part of a 'better practice' long term financial plan.

Options

Option 1: THAT Council adopt the Financial Sustainability Policy (Attachment 1) and the Long-Term Financial Plan 2023-24 to 2032-33 (Attachment 2).

Option 2: THAT Council do not adopt the Financial Sustainability Policy (Attachment 1) and the Long-Term Financial Plan 2023-24 to 2032-33 (Attachment 2).

Previous Council Resolutions

Special Meeting of Council 20 July 2022 (20-24/0591)

THAT Council adopt the Financial Sustainability Policy and the Long-Term Financial Plan 2022-23 to 2031-32 as attached to these minutes.

Critical Dates

Under the *Local Government Regulation 2012* Chapter 5 Financial Planning and Accountability, Part 2 Financial Planning Documents section 170 Adoption and amendment of the budget, the local government must adopt a budget before 1 August in the financial year to which the budget relates.

Strategic Implications

Corporate Plan

Lockyer Leadership and Council

Undertake robust and accountable financial, resource and infrastructure planning and management to ensure affordable and sustainable outcomes for our community.

Finance and Resource

The Long-Term Financial Plan documents the assumptions, priorities, commitments and risks Council has used to develop its budget. The ability to reference the factors that underpin Council's budget will make it easier to understand the implications of changes in circumstances for future forecasts.

The expected expenditures included in Council's Asset Management Plans have been incorporated into the Long-Term Financial Forecast. The Asset Management Plans are continuously reviewed and updated with current data and information.

Sensitivity analysis has been performed and it has shown that the financial items, which have the largest impact on Council's sustainability, are rate revenues and employee costs. Understanding the impacts of these potential changes assists Council in its decision-making process in the setting of budget parameters.

Legislation and Policy

The adoption of a Long-Term Financial Plan or Financial Sustainability Policy is not required by legislation and is seen as a "better practice" method to improve financial forecasting and budgeting.

The Financial Sustainability Policy provides a clear statement of Council's objectives with regard to Financial Sustainability. The policy is in line with the position taken by Council in the past six years and in developing the 2023-24 budget. The adoption of the 2022-23 Financial Sustainability Policy by Council supersedes Council's 2022-23 Financial Sustainability Policy.

The Long-Term Financial Plan references relevant Council policies and plans, including the Corporate Plan, Asset Management Plans and budget related policies.

Risk Management

Key Corporate Risk Code and Category: FE2

Key Corporate Risk Descriptor: Finance and Economic
Decision making governance, due diligence, accountability and sustainability.

Consultation

Portfolio Councillor Consultation

Councillors were consulted through the development of the 2023-24 Council budget at Councillor Workshops held between February 2023 to June 2023.

Internal Consultation

Internal consultation has occurred with Branch's across Council as required.

External Consultation

Nil.

Community Engagement

The implications of the Long-Term Financial Plan and Financial Sustainability Policy will be incorporated into extensive communications associated with Council's 2023-24 Budget.

Attachments

- [1](#) Financial Sustainability Policy 4 Pages
- [2](#) Long Term Financial Plan 26 Pages



STRATEGIC

FINANCIAL SUSTAINABILITY

Head of Power

Local Government Act 2009 and Local Government Regulation 2012

Key Supporting Council Document

Lockyer Valley Regional Council Corporate Plan 2022-2027:
Lockyer Leadership and Council –

Undertake robust and accountable financial, resource and infrastructure planning and management to ensure affordable and sustainable outcomes for our community.

Definitions

N/A

Policy Objective

This policy outlines Lockyer Valley Regional Council's commitment to the responsible management of Council's financial resources now and into the future.

Policy Statement

Council has a responsibility to ensure that it has sufficient resources now and into the future to provide levels of service that are both affordable and at a level considered appropriate by the community. This responsibility encompasses how decisions are made regarding the allocation of property owner funds to Council's day to day operations as well as towards the replacement of existing assets and the procurement of new assets.

Responsible ongoing financial management by Council will achieve the following objectives:

- Council operates in an efficient and effective manner, minimising general rate increases
- Ongoing operating surpluses to ensure Council's equity is not degraded and future financial risk can be adequately mitigated
- Appropriate collection of cash funds for ongoing infrastructure and asset replacement and renewal

Group: Executive Office
Branch: Financial Services
Approved: Special Council Meeting (Resolution Number: 20-24/XXXX)
Date Approved: XX/XX/2023
ECM: 4547483

Effective Date: XX/XX/2023
Version: 1 Last Updated: 12/06/2023
Review Date: 30/06/2024

Superseded/Revoked: Financial Sustainability Policy ECM:
4349005
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- Informed decisions are made on discretionary new operating or capital investment proposals (i.e. business cases including whole of life cost analysis)
- Infrastructure and assets are maintained to required service levels
- Debt levels are minimised and returns on cash holdings maximised
- Achievement of the financial sustainability benchmarks set by legislation

The key measurement criteria for whether Council is achieving its financial sustainability objectives over the short and medium term are the three financial sustainability ratios required to be published under legislation, namely the:

- Operating surplus ratio
- Net financial liabilities ratio; and
- Asset sustainability ratio

In addition to the above statutory ratios, Council will use the cash coverage ratio to maintain adequate cash for general operations. The cash coverage ratio measures the number of months of operations supported by the cash balance. The target benchmark is three months.

Council's current and expected financial sustainability performance will be measured and reported against the benchmarks for these ratios set by the state government and recommended by the Queensland Treasury Corporation (QTC).

Operating Surplus Ratio

Council will ensure that it maintains an operating surplus within the required benchmarks each year over the life of the ten-year financial plan. An operating surplus is achieved when operating revenues are greater than operating expenses (including depreciation and interest on debt). The operating surplus ratio is one of the three key measures of financial sustainability required under legislation. It calculates the operating surplus (or deficit) as a percentage of Council operating revenue. The target operating surplus ratio set by the state government is between 0% and 10%.

Council will ensure that expenditure on goods and services to meet established service levels will be undertaken efficiently and effectively. This will be achieved via the development of the annual operating expenditure budget within the guiding parameters contained within the Long-Term Financial Plan and the service delivery objectives outlined by the Mayor and Councillors. Expenditure management outcomes will be measured by how Council performs annually against its operating and capital expenditure budget allocations.

Net Financial Liabilities Ratio and Debt Management

New debt will only be incurred for specific capital projects where other funding sources have been exhausted, and where debt will be utilised for intergenerational equity purposes.

The net financial liabilities ratio is one of the three key measures of financial sustainability required under legislation. The net financial liabilities ratio represents Council's net financial liabilities (total liabilities less current assets) expressed as a percentage of total operating revenue. A negative percentage indicates that current assets exceed total liabilities. The target net financial liabilities ratio set by the state government is less than 60%.

Council will adopt a conservative approach to new debt to ensure that the net financial liabilities ratio is below the target over the life of the ten-year financial plan. New debt that may be required to assist with the funding of infrastructure to cater for population growth will be considered on a case-by-case basis.

Group: Executive Office
Branch: Financial Services
Approved: Special Council Meeting (Resolution Number: 20-24/XXXX)
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Group: Executive Office	Effective Date: XX/XX/2023
Branch: Financial Services	Version: 1 Last Updated: 12/06/2023
Approved: Special Council Meeting (Resolution Number: 20-24/XXXX)	Review Date: 30/06/2024
Date Approved: XX/XX/2023	Superseded/Revoked: Financial Sustainability Policy ECM: 4349005
ECM: 4547483	Page 3 of 4

Asset Sustainability Ratio and Asset Management

Council will ensure that it maintains its infrastructure and assets on an ongoing basis at defined levels to ensure that services are able to be provided effectively to the community.

The asset sustainability ratio is one of the three key measures of financial sustainability required under legislation. This ratio is calculated by measuring the annual expenditure on the renewal and rehabilitation of Council's assets against the annual depreciation charge. It is a measure of whether Council is reinvesting appropriately in existing infrastructure assets.

Council will target over the life of the ten-year financial plan to achieve a minimum asset sustainability ratio of 90% (including plant, fleet and office equipment renewals) consistent with the benchmark unless condition-based renewal forecasts demonstrate a percentage lower than 90% in any given year.

Established management plans for Council's asset and infrastructure classes will incorporate annual maintenance financial estimates as well as ten-year renewal / replacement forecasts developed from regular asset condition assessments. Asset management plan financial forecasts will be incorporated into Council's ten-year financial plan and annual budget to ensure financial sustainability implications are appropriately considered.

Annual depreciation forecasts will be developed on an asset-by-asset basis utilising methodology endorsed by the Queensland Audit Office, with assets regularly revalued in accordance with legislative requirements.

Financial analysis for all new and replacement capital projects will be used to inform Council of whole of life costing implications associated with each project.

Commercial Opportunities

Commercial opportunities will only be considered if they provide value for money to the community and have a positive net impact on overall general rate funding requirements of Council.

The QTC project decision framework will be utilised for business case analysis for all new identified commercial opportunities. The outcomes from the analysis will be used to inform Council of whole of life costing implications associated with each commercial proposal.

Related Documents

Lockyer Valley Regional Council – *2023/2024 Budget and Long-Term Financial Forecast*

Lockyer Valley Regional Council – *Long Term Financial Plan*

Lockyer Valley Regional Council – *Asset Management Policy*

Lockyer Valley Regional Council – *Asset Management Plans (per asset class)*

Group: Executive Office
Branch: Financial Services
Approved: Special Council Meeting (Resolution Number: 20-24/XXXX)
Date Approved: XX/XX/2023

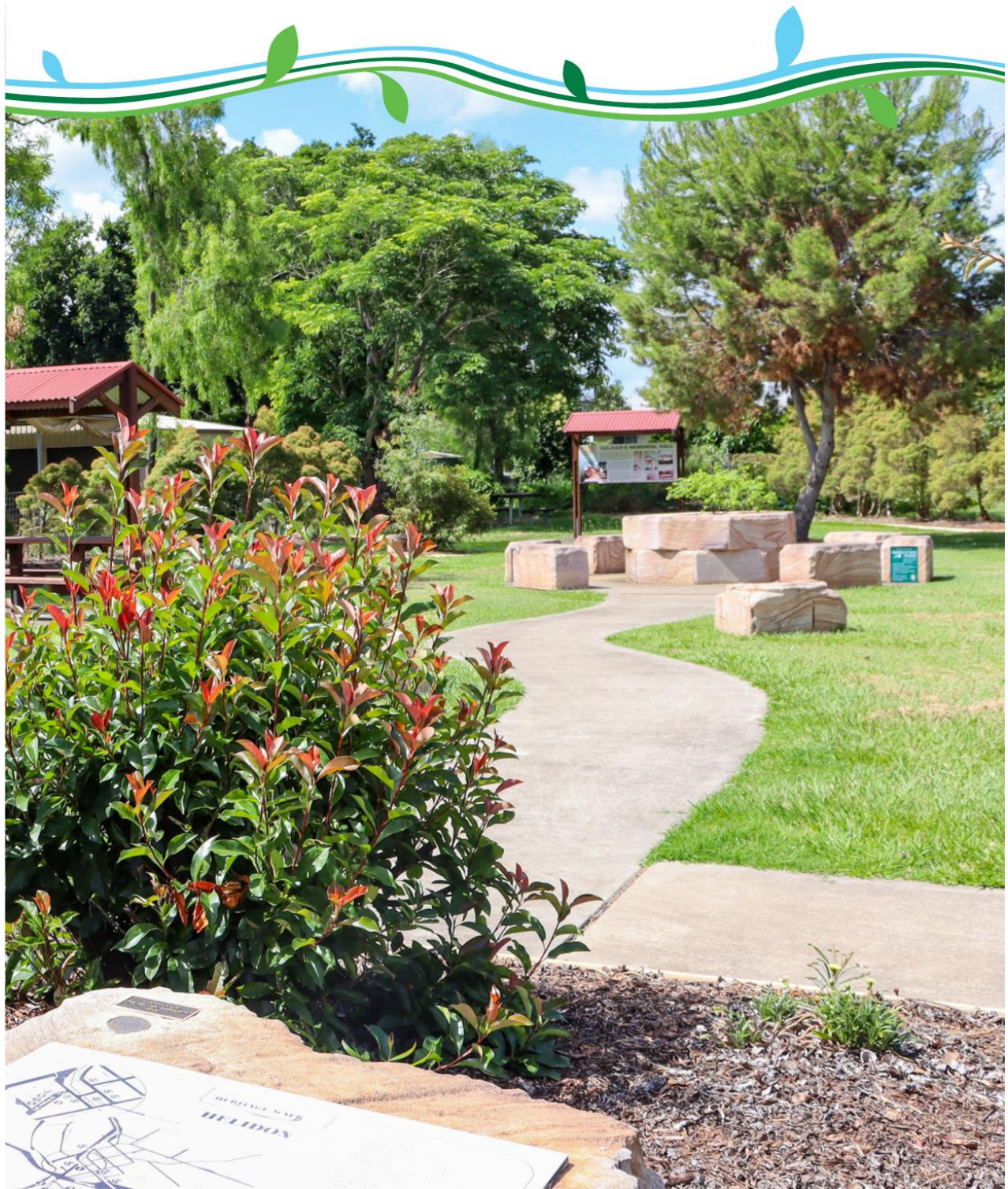
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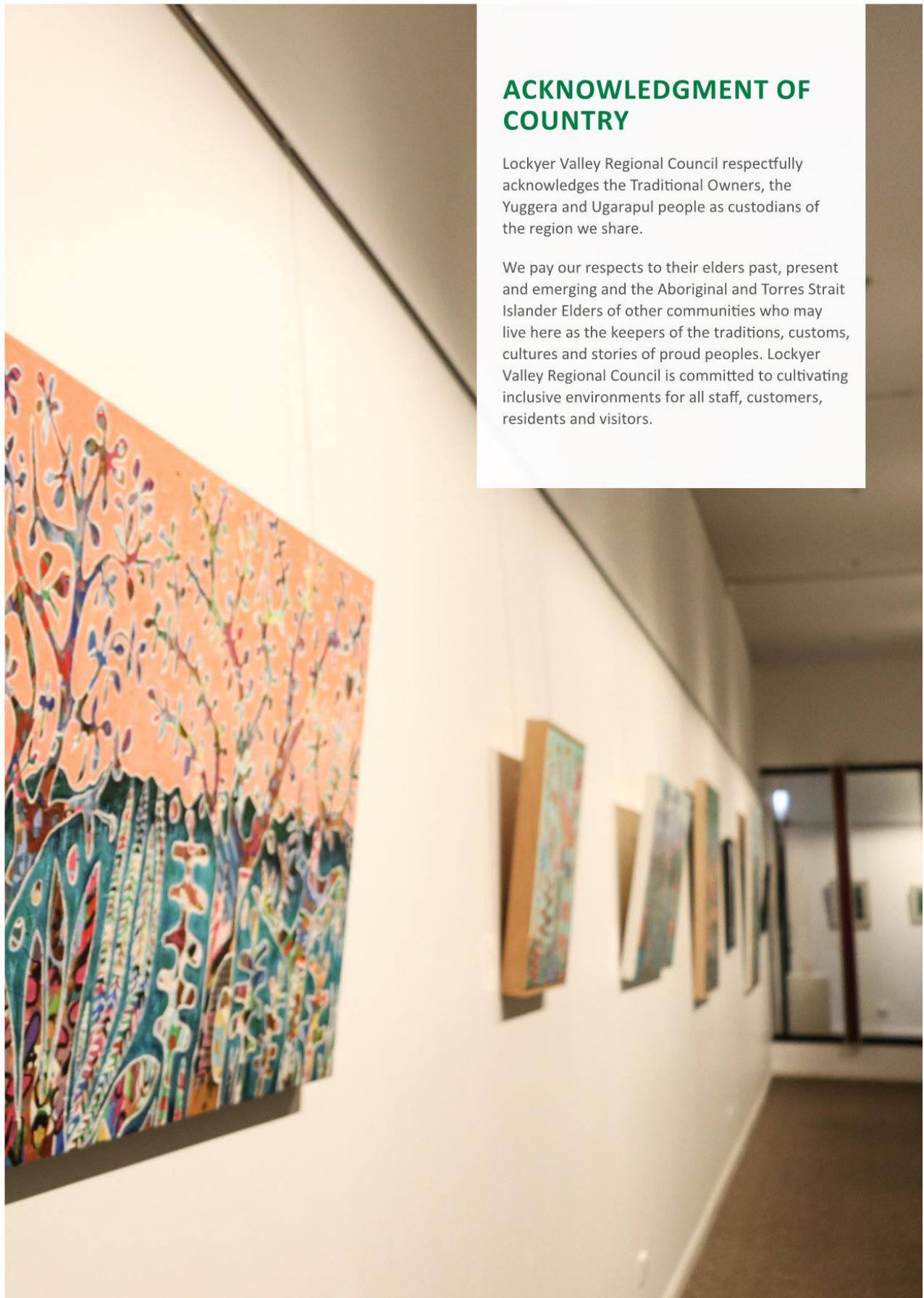
Lockyer Valley Regional Council
Long Term Financial Plan
2023-2024 to 2032-2033



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ACKNOWLEDGMENT OF COUNTRY

Lockyer Valley Regional Council respectfully acknowledges the Traditional Owners, the Yuggera and Ugarapul people as custodians of the region we share.

We pay our respects to their elders past, present and emerging and the Aboriginal and Torres Strait Islander Elders of other communities who may live here as the keepers of the traditions, customs, cultures and stories of proud peoples. Lockyer Valley Regional Council is committed to cultivating inclusive environments for all staff, customers, residents and visitors.



1. INTRODUCTION

1.1 EXECUTIVE SUMMARY

Council's Long Term Financial Plan is a strategic plan providing Council with guiding principles and a financial framework to achieve sustainable financial management now and into the future for our region.

This framework allows Council to understand what opportunities and challenges are faced by our region and sets a sustainable and financially responsible direction for the future to ensure we meet future growth needs.

The Queensland Audit Office Report 'Results of audit: Local government entities 2015/2016' states,

"With the Queensland population expected to increase by 18 per cent in the next 10 years and community expectations for service delivery rising councils need to critically review the services and the service levels they provide to their communities to remain financially sustainable."

Financial sustainability means that over the short-, medium- and long-term Council has the ability to maintain services, programs, infrastructure and support growth expected by the community.

Council will ensure community assets are maintained, upgraded and replaced so that costs are embedded into future planning.

COMMITMENT TO HUMAN RIGHTS

Council is committed to protecting and promoting human rights by ensuring that human rights are considered in all the work we do – from the decisions we make to the services we provide. This commitment is in accordance with Council's obligations under the *Human Rights Act 2019*.

1.2 LOCKYER VALLEY PROFILE

Located a stones throw from Australia's third largest city and quietly nestled in Brisbane's backyard – the Lockyer Valley is now home to more than 42,000 residents, 3000 businesses and spans in excess of 2200 square kilometres.

The country living and city convenience is becoming increasingly attractive as people continue to seek to optimise their work-life balance, with our population expanding by more than 1.5 per cent per annum.

The Lockyer Valley has a rich and diverse agricultural landscape, stunning national parks and as demonstrated by a number of natural disasters, the community has the ability to overcome diversity.

The Lockyer Valley is on track to be home to some 48,000 residents in the next five years, directing Council to focus our financial objectives around providing residents and businesses with sustainable management of our region for many years to come.

Managing growth will present Council with challenges, however strategically planning for the future will provide a range of opportunities for our region to continue to grow and prosper.

Council needs careful planning and financial strategies to maintain manageable debt levels over the longer term without affecting service delivery.

VISION:

We will deliver sustainable services to enhance the liveability of our community while embracing our economic, cultural and natural diversity.

MISSION:

Lead, engage and empower.

OUR VALUES:

Values form the basis of our culture. They add meaning to work and they provide a basis for consistent planning and decision making across the organisation. To ensure that staff live our values, every employee of Lockyer Valley Regional Council is expected to demonstrate articulated behaviours in their daily activities and in the way they make decisions. Our values are:



Leadership

LEADERSHIP

We lead through excellence and partner with the community to achieve Council's vision and mission.



Accountability

ACCOUNTABILITY

We accept ownership of our role and take responsibility for our actions. We are results focused, take pride in our successes and efforts and learn from our mistakes.



Integrity

INTEGRITY

We strive to be valued and trusted by the Lockyer Valley community. We are respectful, open, transparent and honest in our dealings with the community. At all times we act in the best interests of the community.



Communication

COMMUNICATION

We embrace diversity and communicate openly and honestly. We listen actively, consider and value the views of others. Our communication is clear, concise and consistent.



Customer Focus

CUSTOMER FOCUS

We strive to engage and communicate with our internal and external customers to meet agreed outcomes. We identify and aim to meet the needs of all customers in a responsive and equitable manner.



Teamwork & Collaboration

TEAMWORK AND COLLABORATION

We value creative thinking and look for opportunities to collaborate and connect to deliver a better Lockyer Valley. We work together by recognising and sharing our talents, skills, experience and knowledge.



2. STRATEGIC FIT

2.1 ALIGNMENT TO CORPORATE PLANS

The Lockyer Valley Regional Council's Long Term Financial Plan is an integral part of Council's strategic planning including:

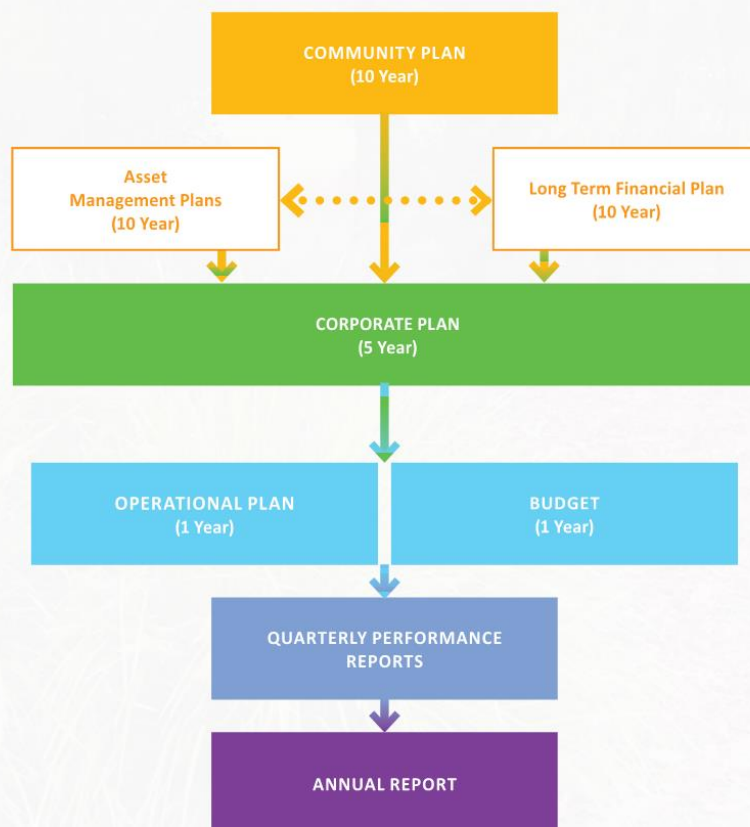
- Community Plan – Lockyer: Our Valley, Our Vision Community Plan 2017-2027
- Corporate Plan 2022-2027
- Operational Plan 2023-2024
- Asset Management Plans 2021

The adoption of a financial strategy is important to provide a tool for ensuring that all financial decisions are made within the context of long-term financial sustainability.

It is also a requirement of the *Local Government Regulation 2012* for Councils to have a long term asset management plan that is part of, and consistent with, the long term financial forecast.

STRATEGIC CORPORATE PLANNING FRAMEWORK

The diagram below represents the strategic planning framework used by Council:



2.2 KEY LEGISLATIVE REQUIREMENTS

Section 104 (2) of the *Local Government Act 2009* (“the Act”) states:

“A local government is financially sustainable if the local government is able to maintain its financial capital and infrastructure capital over the long term.”

Section 178 of the *Local Government Regulation 2012* – Chapter 5 Financial planning and accountability – Division 1 Financial sustainability statements states:

“(2) A local government’s long-term financial sustainability statement must state—

(a) the relevant measures of financial sustainability for the 9 financial years following the year to which the statement relates; and

(b) an explanation of the local government’s financial management strategy that is consistent with the long-term financial forecast.”

Section 169 of the *Local Government Regulation 2012* – Chapter 5 Financial planning and accountability – Division 3 Annual Budget Preparation and content of budget states:

“(5) The relevant measures of financial sustainability are the following measures as described in the financial management (sustainability) guideline – (a) asset sustainability ratio; (b) net financial liabilities ration; (c) operating surplus ratio.”

2.3 POLICY LINKAGES

Section 104 of the *Local Government Act 2009* (“the Act”) requires a local government to establish a system of financial management.

The Act requires systems to be implemented so that:

“Financial risks are managed prudently, and financial policies are formulated to ensure a reasonable degree of equity, stability and predictability so that current services, facilities and activities are financed by current users; and having regard to the effect of the policies on the future users of these services, facilities and activities.”

The long-term financial plan is influenced by the following policy documents. The policies are reviewed on an annual basis and adopted as part of the budget process.

FINANCIAL SUSTAINABILITY POLICY

The policy covers the key principles as they relate to operating surpluses, expenditure management, asset management, debt, commercial opportunities, and the ratios Council will use to measure financial sustainability.

ASSET MANAGEMENT POLICY

The Asset Management Policy outlines Council’s commitment to the effective stewardship of its community assets and infrastructure.



REVENUE POLICY

The Revenue Policy sets out the principles used by Lockyer Valley Regional Council for the making and levying of rates and charges, determining the purpose of and the granting of concessions for rates and charges, recovering overdue rates and charges, methods for setting cost recovery fees and the extent to which physical and social infrastructure costs for new developments are to be funded by charges for the development.

REVENUE STATEMENT

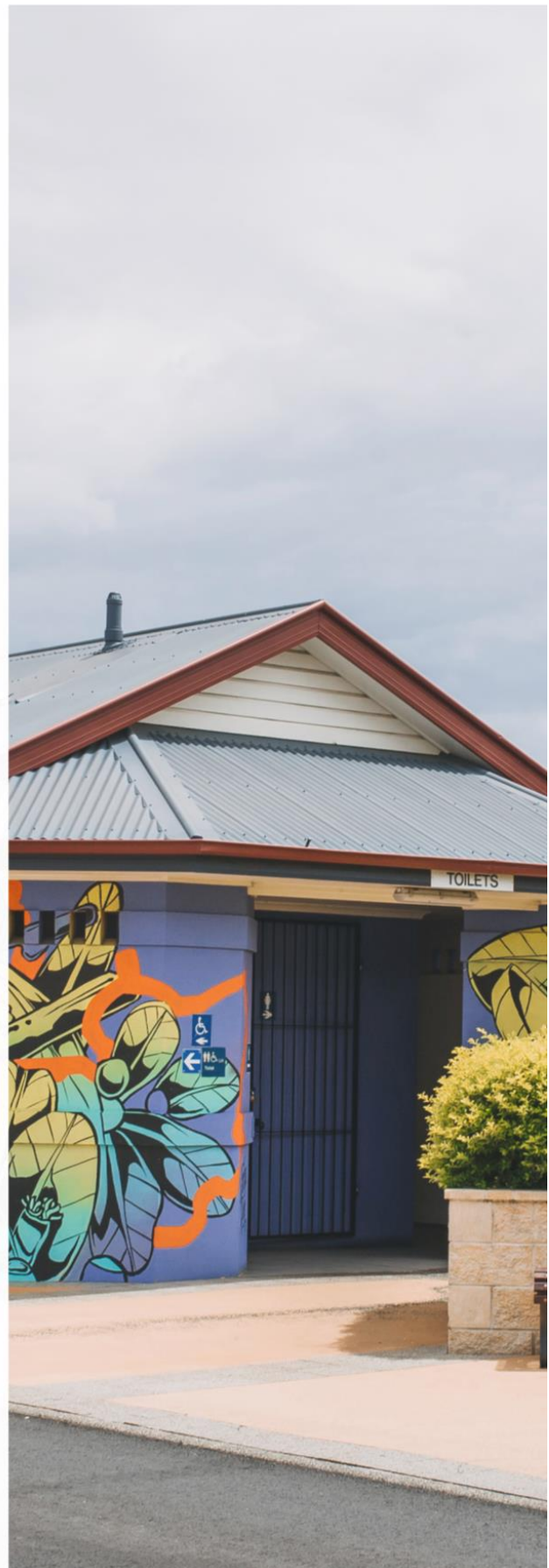
The Revenue Statement is an explanatory statement, detailing the revenue measures adopted in the current budget.

DEBT POLICY

The debt policy must state new borrowings for the current financial year and the next nine years and the time over which Council plans to repay existing and new borrowings.

INVESTMENT POLICY

The Policy provides Council's finance officers with an investment framework within which to place Council investments to achieve competitive returns whilst adequately managing risk exposure and ensuring cash funds are available to meet Council's short-term cash requirements. In order of priority, the order of investment activities is preservation of capital, liquidity and return.





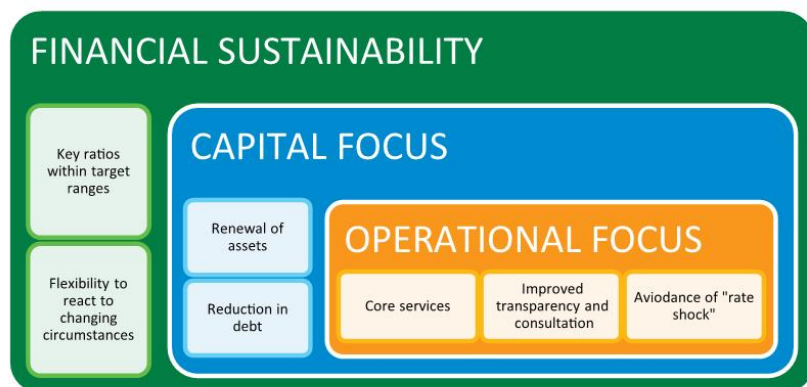
3. OUR VISION OF FINANCIAL SUSTAINABILITY

3.1 OUTCOMES

Lockyer Valley Regional Council's intent is to maintain financial sustainability now and into the future. Incorporating key areas of focus for all financial decisions to guide the direction for non-negotiable governance within our organisation.

- Reach financial sustainability targets whilst minimising the impact on our ratepayers
- Achieve an annual operational surplus
- Manage current debts and expenditure and seek reductions
- Maintain assets and provide services that meet the needs of the community
- Deliver financially sustainable infrastructure programs with financial sustainability and minimising the operating costs for our rate payers

Making informed financial estimates allow Council to determine future financial trends for the short-, medium- and long-term planning. Modelling provides analysis and insights into complex financial scenarios, allowing Council to make informed decisions on how the business will perform in the future. This aligns with Council's vision, mission and values and ensures Council is meeting the needs of our community.





3.2 PRIORITIES

PRIORITY DEVELOPMENT INFRASTRUCTURE

Developments must promote and encourage growth in the Lockyer Valley. The Local Government Infrastructure Plan (LGIP) identifies the local shared infrastructure needed to support planned urban development in the local community. In accordance with the requirements of the *Planning Act 2016* and *Planning Regulation 2017*, Council adopted a resolution that new developments within the region need to ensure they off set transport, stormwater, parks and land for community facilities with infrastructure charges.

CAPITAL WORKS PROGRAM

The capital works program includes the design and delivery of new, upgraded or renewed infrastructure assets. The capital program should consider the risk associated with the new assets considering whole of life costs for the duration of the asset's life from construction through to and including its disposal. Funding for this program ranges from, infrastructure contributions, grants and subsidies, reserve funding, general revenue, sales of assets and loans. Council revenue is used to offset operating deficits, fund capital expenditure and debt repayments. Council must use innovative solutions to ensure that infrastructure, especially community assets are generating income to contribute to the renewals program, ensuring that infrastructure and assets meet the requirements of the community and into the future.

FUNDING PROGRAMS

State and Federal grants and funding assist with economic support for Council to deliver infrastructure projects and programs to our region. Investment in our regional Council is imperative to allow economic stimulus to fast-track new community assets and infrastructure. Funding programs are designed to encourage growth, employment opportunities and economic benefits to the community, where Council may not have otherwise had the financial capacity to be able to fund such projects.

FINANCIAL SUSTAINABILITY

Council must ensure coverage of operating activities and net investments in non-financial assets used in the provision of goods and services. Measurement of the businesses strength and our ability to cover financial payments, loans and debt is imperative to meet financial sustainability targets. The reduction in Council's debt balance is important to ensure that costs can be kept to a minimum and loan repayments are reduced where possible to minimise the life of these financial commitments and therefore reducing interest and avoiding Consumer Price Index (CPI) increases.

CASH BALANCES

Due to prudent financial management in recent years, Council currently has a healthy cash balance which is forecast to remain sufficient over the life of the Long-Term Financial Plan.

Management of cash reserves and returns from investments require regular review as part of our financial planning model to ensure we optimise our cash reserves. Investing cash in high interest funds can ensure that Council receives good return on investments. Council needs to maintain a healthy reserve to ensure the ability to withstand any financial shocks from natural disasters or other unforeseen events.

Council's financial management over the last 10 years has evolved to ensure that we are working towards strengthening our cash balance whilst minimising the impact on ratepayers. By working towards a lean budget model approach, Council is ensuring that we are making financially responsible decisions whilst providing the community with essential services.

DEBT BALANCES

All borrowing decisions must be carefully considered. The decision on Council's ultimate levels of debt will require a balance between the levels of service provided, affordability for the community and Council's long term financial sustainability.

At present there is only one loan from the Queensland Treasury Corporation (QTC), most of which was taken up during the 2011 and 2012 financial years and forms a significant portion of our liabilities. The loan is paid on an interest and principal basis and the balances in the plan are forecast on the current loan schedule. The total debt outstanding at 30 June 2023 is \$12.22 million. And will continue to be repaid over the term of the loan, with all debt due to be fully paid by 2032.

Council has also expressed a desire to use surplus cash to make additional repayments and therefore reduce the loan costs with additional payments being made in 2016-2017, 2017-2018, 2018-2019 and 2022-2023. A review is conducted annually and taken to Council to determine if sufficient surplus cash exists and there is a net benefit to making an additional loan repayment to reduce the life span of the loan.

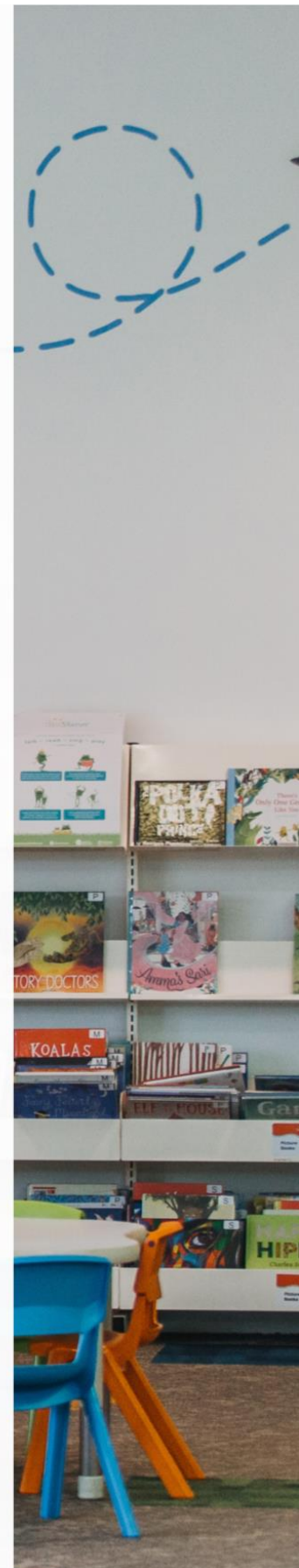
ECONOMIC, ENVIRONMENTAL AND SOCIAL SUSTAINABILITY

Council's approach to corporate social responsibility can be defined by our long-term financial stability, how we care for the environment and collectively growing our social responsibilities and impacts in our community.

Council promotes environmental protection through our consideration of how we procure goods and services by using an environmentally friendly and sustainable methodology for materials that are being used in our projects within the community.

Economic benefits to our region are realised through the effective use of resources and harnessing innovative approaches to design and technology. Environmental sustainability and innovation go hand in hand with our regional long-term development and viability.

By driving development and growth, supporting local industry and contributing to socio-economic benefits, this is an integral way in which we are creating a stronger and more resilient community. By showing a commitment to aligning our corporate values to business decisions made by Council, we are ensuring the economic and social systems drive a sustainable standard of living benefiting our region.



3.3 COMMITMENTS

Council have identified a number of commitments that we will be focusing on in the short to medium term to remain financially stable now and into the future. These commitments align with strategic priority areas such as:

- Asset and Service Delivery Management
- Financing and Investment
- Rating
- Process and Efficiency Improvement

Managing our risks and focusing on these key areas will allow Council to secure long term financial sustainability.

FINANCING AND INVESTMENT

Scoping and investigating other possible revenue streams to minimise impacts to rate payers.

Regular review of investments and cash reserves to optimising financial benefits to our region.

Ensuring the capital and borrowing programs are regularly reviewed as part of our financial modelling.

RATING

Regularly review Council's rates and charges along with rating strategies and policies to establish that we are meeting legislative and regulated requirements.

PROCESS AND EFFICIENCY IMPROVEMENT

Continue to improve internal controls and mechanisms for efficiencies. Ensure that information technology (IT) architecture suits the current requirement of the business and ensure regular reviews are made to investigate consolidation options of systems to drive time and cost efficiencies.

Explore and capture efficiencies and improvements by assessing service level and core business areas by investigating opportunities for improvement via innovation and good governance.

LOCAL BENEFITS AND VALUE FOR MONEY

By ensuring the circulation of Council money within our community, local businesses are reaping the benefits of employment and financial stimulus. Procuring local goods, services and employing members of the community ensures that we are contributing and developing our local industries and businesses.





Our region boasts a diverse agricultural landscape and an environmentally fluctuating scenery. Ensuring we procure local businesses where we can, guarantee that our contractors have local knowledge on what is the best way to undertake works, obtain locally sourced resources and ensure that the right people are being utilised on our projects within Lockyer Valley.

Using local business allows value for money decision making, in turn ensuring that we are encouraging economic benefits by being cost conscious and encouraging competition.

Council ensure that procurement decisions are evidence based, efficient and proportionate to maximising our investments. By ensuring that the effectiveness of our projects Council use procurement principles such as performance and risk management, drive for specific results and ensuring that investment in innovative approaches is delivered.

Organisationally Council's accountability and transparency is our responsibility to our community to strengthen continuous improvements and organisational processes. This ensures Council are accountable to all beneficiaries and rate payers so that our results are targeted and delivered on time.

3.4 CHALLENGES AND RISKS

External factors beyond Council's control will always impact our region and Council's financial sustainability. These include changes in the national economy, natural disasters, demographic shift, technological, political and cultural changes. Council is well placed to deal with external challenges as confirmed by Council's Queensland Treasury (QTC) Credit Rating of "Moderate with a Neutral outlook".

External factors influencing our region are integral components in the development of our strategic plans and policies. Factors such as Consumer Price Index (CPI) movements, growth rates, exchange rates, interest rates are all economic comparative measures of growth that are unknowns and can only be modelled and assumed.

Climate change and natural disasters are environmental unknowns that have impacted our region over the last ten years. Part of our financial planning is to understand potential future risks that cause vulnerability within our region. Enhanced resilience is imperative as the effect of climate change is most likely to continue to occur and impact our community.

Supply of materials and availability of contractors to undertake capital and operational work programs have been affected most recently by a global pandemic. The flow on effects have been felt by every single person in our community and Council is not immune to these impacts.

There is also additional pressure on Council to ensure grant funded projects are completed within specified timeframes. If these are not met the financial responsibility falls back to Council.

Lockyer Valley Regional Council are shareholders in Urban Utilities (UU), who are responsible for the management, supply and maintenance of water and wastewater. Distribution of dividends received from Urban Utilities are dependent on their current earnings as determined by the financial stability of their business.

3.5 RISK MANAGEMENT AND MITIGATION

CONSEQUENCE	Catastrophic	Major	Moderate	Minor	Insignificant
LIKELIHOOD	Almost Certain	Likely	Possible	Unlikely	Rare
RISK RATING	Extreme	High	Medium	Low	

RISK	RISK COMMENT	CONSEQUENCE	LIKELIHOOD	RISK RATING	REVIEW
Government Grants	Changes in the amount or timing of the payment of the Federal Assistance Grants will result in a reduction in cash flows and Operating Surplus.	Moderate	Possible	Medium	Quarterly
Project Costing and Due Diligence	Failure to undertake accurate costing and due diligence on funded projects (ie Queensland Reconstruction Authority) may result in council needing to financially support grant funded projects.	Moderate	Possible	Medium	Quarterly
Urban Utilities Dividends	An unfavourable change to the Urban Utilities (UU) dividend policy will result in a reduction in cash flows and operating surplus.	Moderate	Possible	Medium	Quarterly
Infrastructure Cash Balances	The timing of the cash outflows for the construction of new infrastructure does not match the timing of the cash inflows from infrastructure charges which may impact adversely on Council's general cash balances.	Moderate	Possible	Medium	Quarterly
Procurement Strategy and Planning	Lack of strategic procurement and planning means Council is not optimising its buying power which could result in value for money not being obtained and increased cost sustained by Council.	Moderate	Likely	High	Monthly
Capital Works Program	Changes in the mix of Infrastructure Works and Services operational and capital projects from year to year impact on Council's financial sustainability ratios and the types of capital works to be performed.	Moderate	Possible	Medium	Quarterly
Waste Cost Pricing and Modelling	Maintaining a Full Cost Pricing Model for Waste management revenue may result in insufficient cash available in general operating revenue to support Council operations.	Major	Likely	High	Monthly
Rates and Budget Modelling	Ratings methodology/modelling, timing, accuracy and statutory compliance.	Major	Possible	High	Quarterly
Debt Recovery and Collection	Debt write-off not undertaken in accordance with Council's Debt Collection and Recovery Policy and through software programmes outside of TechnologyOne may be considered fraudulent result in loss of revenue.	Moderate	Possible	Medium	Monthly





4. KEY AREAS OF INTEREST

4.1 COUNCIL'S ASSET MANAGEMENT AND SERVICES

Financial sustainability systematically requires a strong underlying asset management enterprise. Proactive strategies are designed to prevent challenges by ensuring activity schedules, expectations and opportunities are planned for future requirements.

New and emerging infrastructure is required to meet the needs of the community by ensuring they are fit for purpose and can facilitate future growth in technology and expansion. Assets that are well maintained as they age can remain effective and sustainable infrastructure. Investment in maintenance and operations of Council owned assets such as roads, community sports and recreational facilities should last years to come.

Effective acquisition, operation and disposal of assets requires effective planning with supportive asset maintenance via upgrades and consolidation. Socio-ecological impacts can be reduced by ensuring that future assets are built in a sustainable manner and meet designated timeframes for completion. Council facilities must meet the needs of the community whilst ensuring we are providing a high quality of service.



4.2 COUNCIL'S QUEENSLAND TREASURY CORPORATION CREDIT RATING / BORROWING CAPACITY

As an organisation Council strives to deliver purposeful, cost effective and substantiable projects that align with the community's expectations whilst meeting a financial sustainability outlook.

The Queensland Treasury Corporation (QTC) undertakes a financial review as part of the Local Government Borrowings Program or as requested by the State Department, Infrastructure, Local Government and Planning (the Department) or Council. Predominantly the reviews are aimed at Council's capacity to repay existing debt and additional borrowings. QTC Reviews provide an independent assessment of Council's financial position and stability.

Council's rating is currently "Moderate with a Neutral outlook" which improved from the 2016 review. As per QTC's definitions, a rating of moderate means: "A local government with a capacity to meet its financial commitments is moderate in the short to medium-term but is at an acceptable limit in the long-term. This capacity may be weakened by adverse changes in general business and economic conditions including unforeseen financial shocks. It may also be weakened by adverse changes to its business and operational environment. The capacity to manage core business risks is moderate."

A neutral outlook means: "There are no known foreseeable events that would have a direct impact on the local government's capacity to meet its financial commitments. It may be possible for a rating upgrade or downgrade to occur from a neutral outlook, if such an event or circumstance warranted as such."

REVIEW DATE	RATING	OUTLOOK
2012	Moderate	Neutral
2013	Moderate	Negative
2014 (March)	Moderate	Negative
2014 (December)	Weak	Neutral
2016	Weak	Neutral
2020	Moderate	Neutral





4.3 LONG TERM FINANCIAL FORECAST

In developing the long-term financial forecast, Council has applied the principles of equity, effectiveness, simplicity and affordability.

4.4 LONG TERM FINANCIAL PLAN – THE NEXT 10 YEARS

In the short term, financial viability is important to ensure we deliver benefits to the current community. Due to the current environmental factors that have ravaged our region, it is important to ensure Council is contributing and delivering on projects and remedial works which support the community infrastructure and recovery.

The impacts of these events will have medium to long term financial and socio-economic effects. The development of strategies and investing for the future will ensure that we maintain a financially viable and stable outlook. Long term our goal is to ensure we are future proofing our region for generations to come.

The way forward is through responsible and sustainable development strategies and ensuring that Council is reducing our debt balances.

Councils' long-term agenda must always be the driving force behind our short- and medium-term financial planning.

4.5 KEY ASSUMPTIONS

There are some key assumptions in our Long-Term Financial Plan are based on factors that are out of our control.

- Consumer Price Index (CPI) – Consumer Price Index is a key variable within our financial planning model.
- Council Cost Index (CCI) – advertised in December each year by Local Government Association Queensland (LGAQ).
- Growth Projection – Population modelling data is used in conjunction with property growth and development based on historical data.
- Urban Utilities – Water and Wastewater are reviewed and based on the Queensland Competition Authority (QCA) Guidelines.
- Grants and Subsidies – Ongoing eligibility and receivability of State and Federal Government grants.
- Other Income Sources – Fees and charges, recoverable contract work, rental income etc.

4.6 FINANCIAL SUSTAINABILITY RATIOS

The results for Council's measures of financial sustainability are shown below. The future ratios are based on the 2023-24 budget and long-term financial forecast.

Operating Surplus Ratio: Operating result as a percentage of operating revenue. This indicates the extent to which revenues cover operational expenses only or are also available for capital funding. A positive ratio means that the surplus can be used for capital expenditures or debt repayments.

Net Financial Liabilities Ratio: (Total liabilities – current assets) ÷ operating revenues. This indicates that net financial debt can be serviced by operating revenues. A ratio greater than zero implies that liabilities exceed current assets.

Asset Sustainability Ratio: Capital expenditure on replacement assets ÷ depreciation expense. This is an approximation of the extent to which the infrastructure assets managed by Council are being replaced as service potential is used up. Ongoing review of Asset Management Plans will influence out year results.

	Target	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Average
Operating Surplus Ratio	Between 0% and 10%	0.4%	0.3%	2.1%	1.4%	1.0%	2.1%	3.0%	3.3%	3.8%	6.3%	2.4%
(Net Operating Surplus / Total Operating Revenue) (%)												
Net Financial Asset / Liability Ratio	<= 60%	44.4%	46.0%	43.0%	38.2%	32.2%	29.2%	24.1%	19.0%	13.8%	8.0%	29.8%
((Total Liabilities - Current Assets) / Total Operating Revenue)												
Asset Sustainability Ratio	>90%	300.0%	90.3%	96.8%	95.4%	97.0%	100.8%	111.9%	113.0%	115.0%	125.8%	124.6%
(Capital Expenditure on the Replacement of Assets (renewals) / Depreciation Expense)												

Council also utilises the Cash Expense Cover Ratio when assessing our financial sustainability.

The cash expense cover ratio is a key indicator utilised to measure Council liquidity (i.e. current financial health) and to also assess ongoing financial sustainability risk.

This ratio calculates how long Council can continue paying its day-to-day expenses from retained earnings without needing additional cash flow injections.

	Target	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Average
Cash Expense Cover Ratio	>3	6.6	6.3	6.0	5.9	6.1	5.9	6.0	6.2	6.4	7.0	6.2
Number of months of operations supported by cash												

5. FINANCIAL STATEMENTS

5.1 FINANCIAL STATEMENTS – STATEMENT OF COMPREHENSIVE INCOME

Lockyer Valley Regional Council
2023/2024 Budget and Long Term Financial Forecast
Statement of Income and Expenditure

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	Actuals	Forecast	Proposed	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	Actuals	Actuals	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Revenue												
Recurrent Revenue												
Rates & Utility Charges	43.12M	44.86M	47.17M	49.55M	52.06M	54.74M	57.57M	60.58M	63.77M	67.17M	70.37M	73.73M
Less Discounts	(1.82M)	(1.90M)	(1.93M)	(2.00M)	(2.08M)	(2.17M)	(2.26M)	(2.35M)	(2.44M)	(2.54M)	(2.64M)	(2.75M)
Net rates and utility charges	41.30M	42.96M	45.24M	47.54M	49.98M	52.57M	55.31M	58.23M	61.33M	64.63M	67.73M	70.98M
Fees and charges	7.26M	5.85M	5.81M	6.04M	6.28M	6.53M	6.79M	7.06M	7.35M	7.64M	7.95M	8.26M
Sales, contract and recoverable works	1.52M	1.05M	0.76M	0.78M	0.81M	0.84M	0.86M	0.89M	0.92M	0.96M	0.99M	1.02M
Operational Grants & subsidies	12.64M	20.23M	14.03M	11.39M	12.11M	12.35M	12.59M	12.85M	13.10M	13.37M	13.63M	13.91M
Interest received	1.07M	2.09M	2.09M	1.89M	1.89M	1.95M	2.05M	2.12M	2.20M	2.30M	2.43M	2.60M
Other recurrent income	4.74M	4.20M	4.09M	4.14M	4.07M	4.15M	4.24M	4.32M	4.41M	4.51M	4.60M	4.70M
Total Recurrent Revenue	68.52M	76.38M	72.02M	71.78M	75.14M	78.38M	81.85M	85.48M	89.32M	93.40M	97.32M	101.48M
Capital revenue:												
Capital Grants	5.09M	20.09M	39.84M	3.00M	4.77M	3.57M	3.90M	4.23M	4.60M	5.03M	5.47M	5.97M
Developer Contributions	4.41M	-	-	0.50M	0.50M	0.50M	0.50M	0.50M	0.50M	0.50M	0.50M	0.50M
Gain/(loss) on sale of property, plant & equipment	0.25M	0.08M	0.08M	(0.01M)	(0.03M)	0.01M	0.03M	0.08M	0.01M	(0.02M)	0.09M	0.05M
Total capital revenue	9.74M	20.17M	39.92M	3.49M	5.24M	4.08M	4.43M	4.81M	5.11M	5.51M	6.06M	6.52M
Total Revenue	78.26M	96.55M	111.94M	75.27M	80.38M	82.46M	86.27M	90.29M	94.43M	98.91M	103.38M	107.99M
Expenses												
Recurrent Expenses												
Employee costs	27.12M	28.66M	28.91M	31.01M	32.23M	33.49M	34.81M	36.17M	37.59M	39.06M	40.59M	42.18M
Materials and services	25.10M	27.99M	28.22M	25.01M	25.17M	27.03M	28.79M	29.33M	30.22M	31.55M	32.79M	33.78M
Depreciation and amortisation	11.33M	12.51M	13.91M	14.89M	15.58M	16.22M	16.90M	17.77M	18.45M	19.41M	20.04M	18.95M
Finance costs	1.40M	1.05M	0.71M	0.66M	0.61M	0.55M	0.49M	0.43M	0.37M	0.30M	0.23M	0.19M
Total Recurrent Expenses	64.94M	69.50M	71.75M	71.57M	73.58M	77.30M	80.99M	83.70M	86.62M	90.32M	93.65M	95.10M
Net Result adjusted for Capital Items	13.32M	27.05M	40.18M	3.70M	6.80M	5.16M	5.28M	6.59M	7.81M	8.59M	9.73M	12.90M
Net Recurrent Result/Operating Surplus/(Deficit)	3.577M	6.879M	0.263M	0.211M	1.564M	1.087M	0.855M	1.776M	2.694M	3.081M	3.671M	6.379M

5.2 FINANCIAL STATEMENTS - FINANCIAL POSITION

Lockyer Valley Regional Council
2023/2024 Budget and Long Term Financial Forecast
Statement of Financial Position

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	Actuals	Forecast	Proposed	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	Actuals	Actuals	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Current Assets												
Cash assets and cash equivalents	47.74M	33.97M	31.64M	29.51M	28.93M	30.06M	32.36M	32.28M	34.23M	36.42M	39.12M	44.39M
Other inventory	0.63M	0.63M	0.63M	0.63M	0.63M	0.63M	0.63M	0.63M	0.63M	0.63M	0.63M	0.63M
Receivables	7.22M	4.26M	3.72M	3.73M	3.92M	4.10M	4.27M	4.48M	4.68M	4.90M	5.10M	5.33M
Prepayments	1.25M	1.25M	1.25M	1.25M	1.25M	1.25M	1.25M	1.25M	1.25M	1.25M	1.25M	1.25M
Total Current Assets	56.83M	40.10M	37.23M	35.11M	34.73M	36.03M	38.50M	38.63M	40.79M	43.20M	46.09M	51.59M
Non Current Assets												
Land held for development or sale	1.69M	1.69M	1.69M	1.69M	1.69M	1.69M	1.69M	1.69M	1.69M	1.69M	1.69M	1.69M
Joint Ventures & Associates	33.55M	34.18M	34.82M	35.50M	36.22M	36.94M	37.66M	38.38M	39.10M	39.82M	40.54M	41.26M
Property, plant and equipment	563.87M	592.16M	634.02M	653.12M	661.16M	663.76M	681.84M	689.40M	693.55M	717.41M	735.37M	742.76M
Intangible assets	0.10M	0.74M	0.72M	0.70M	0.68M	0.66M	0.64M	0.62M	0.60M	0.58M	0.56M	0.54M
Capital works in progress	9.76M	9.76M	9.76M	9.76M	9.76M	9.76M	9.76M	9.76M	9.76M	9.76M	9.76M	9.76M
Other non-current assets	14.74M	14.74M	14.74M	14.74M	14.74M	14.74M	14.74M	14.74M	14.74M	14.74M	14.74M	14.74M
Total Non Current Assets	623.72M	653.28M	695.75M	715.51M	724.26M	727.55M	746.34M	754.60M	759.45M	784.00M	792.90M	800.99M
TOTAL ASSETS	680.54M	693.38M	732.99M	750.63M	758.98M	763.58M	784.84M	793.23M	800.23M	827.20M	838.99M	852.59M
Current Liabilities												
Trade and other payables	9.23M	2.16M	2.19M	2.15M	2.20M	2.32M	2.43M	2.51M	2.60M	2.71M	2.81M	2.92M
Borrowings	1.70M	1.11M	1.17M	1.23M	1.29M	1.35M	1.42M	1.49M	1.56M	1.63M	1.63M	-
Employee payables/provisions	7.89M	7.97M	8.05M	8.13M	8.21M	8.30M	8.38M	8.46M	8.55M	8.63M	8.72M	8.81M
Other provisions	0.02M	0.02M	0.02M	0.02M	0.02M	0.02M	0.02M	0.02M	0.02M	0.02M	0.02M	0.02M
Other current liabilities	3.07M	3.07M	3.07M	3.07M	3.07M	3.07M	3.07M	3.07M	3.07M	3.07M	3.07M	3.07M
Total Current Liabilities	21.91M	14.34M	14.50M	14.60M	14.80M	15.06M	15.32M	15.56M	15.80M	16.07M	16.62M	17.82M
Non Current Liabilities												
Trade and other payables	3.51M	3.51M	3.51M	3.51M	3.51M	3.51M	3.51M	3.51M	3.51M	3.51M	3.51M	3.51M
Borrowings	18.29M	11.13M	9.96M	8.74M	7.45M	6.10M	4.68M	3.19M	1.63M	-	-	-
Employee payables/provisions	0.29M	0.31M	0.23M	0.25M	0.27M	0.29M	0.31M	0.32M	0.34M	0.35M	0.37M	0.38M
Other provisions	41.01M	41.01M	41.01M	41.01M	41.01M	41.01M	41.01M	41.01M	41.01M	41.01M	41.01M	41.01M
Total Non Current Liabilities	63.10M	55.97M	54.72M	53.51M	52.24M	50.91M	49.51M	48.03M	46.49M	44.87M	44.88M	44.90M
TOTAL LIABILITIES	85.01M	70.30M	69.22M	68.11M	67.03M	65.97M	64.83M	63.59M	62.29M	60.94M	59.51M	59.71M
Net community assets	595.54M	623.08M	663.77M	682.52M	691.95M	697.61M	720.01M	729.64M	737.94M	766.26M	779.48M	792.87M
Community Equity												
Asset revaluation reserve	211.96M	212.46M	212.96M	228.00M	230.63M	231.13M	246.25M	251.29M	251.79M	271.52M	275.00M	275.50M
Retained surplus (deficiency)	383.58M	410.63M	450.81M	454.52M	461.32M	466.48M	471.76M	478.35M	486.15M	494.75M	504.47M	517.37M
TOTAL COMMUNITY EQUITY	595.54M	623.08M	663.77M	682.52M	691.95M	697.61M	720.01M	729.64M	737.94M	766.26M	779.48M	792.87M

5.3 FINANCIAL STATEMENTS – CASH FLOWS

Lockyer Valley Regional Council
2023/2024 Budget and Long Term Financial Forecast
Statement of Cash Flows

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	Actuals	Forecast Actuals	Proposed Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Cash flows from operating activities:												
Receipts from customers	67.66M	75.44M	68.66M	68.12M	71.43M	74.64M	78.01M	81.53M	85.29M	89.26M	93.08M	97.02M
Payment to suppliers and employees	(50.95M)	(63.34M)	(57.24M)	(56.11M)	(57.39M)	(60.46M)	(63.54M)	(65.49M)	(67.79M)	(70.58M)	(73.36M)	(75.94M)
Interest received	1.07M	2.09M	2.09M	1.89M	1.89M	1.95M	2.05M	2.12M	2.20M	2.30M	2.43M	2.60M
Finance costs	(1.16M)	(0.62M)	(0.57M)	(0.51M)	(0.45M)	(0.39M)	(0.33M)	(0.26M)	(0.20M)	(0.12M)	(0.05M)	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Net cash inflow (outflow) from operating activities	16.62M	13.57M	12.94M	13.38M	15.48M	15.73M	16.18M	17.89M	19.51M	20.86M	22.10M	23.68M
Cash flows from investing activities:												
Payments for property, plant and equipment	(12.30M)	(41.16M)	(55.47M)	(18.73M)	(20.76M)	(18.26M)	(17.66M)	(21.97M)	(21.91M)	(23.60M)	(24.75M)	(25.74M)
Subsidies, donations and contributions for new capital expenditure	7.98M	20.09M	39.84M	3.00M	4.77M	3.57M	3.90M	4.23M	4.60M	5.03M	5.47M	5.97M
Proceeds from sale of property, plant and equipment	1.06M	0.30M	0.30M	0.30M	0.26M	0.48M	0.34M	0.27M	0.34M	0.55M	0.61M	0.46M
Net transfer (to) from cash investments	1.36M	1.17M	1.17M	1.08M	0.90M	0.90M	0.90M	0.90M	0.90M	0.90M	0.90M	0.90M
Net cash inflow (outflow) from investing activities	(1.90M)	(19.60M)	(14.16M)	(14.34M)	(14.83M)	(13.32M)	(12.53M)	(16.56M)	(16.07M)	(17.11M)	(17.77M)	(18.41M)
Cash flows from financing activities:												
Proceeds from borrowings	-	-	-	-	-	-	-	-	-	-	-	-
Repayment of borrowings	(1.58M)	(7.74M)	(1.11M)	(1.17M)	(1.23M)	(1.29M)	(1.35M)	(1.42M)	(1.49M)	(1.56M)	(1.63M)	-
Net cash inflow (outflow) from financing activities	(1.58M)	(7.74M)	(1.11M)	(1.17M)	(1.23M)	(1.29M)	(1.35M)	(1.42M)	(1.49M)	(1.56M)	(1.63M)	-
Net increase (decrease) in cash and cash equivalents held	13.13M	(13.77M)	(2.33M)	(2.13M)	(0.58M)	1.13M	2.30M	(0.08M)	1.95M	2.19M	2.69M	5.28M
Cash at beginning of reporting period	34.60M	47.74M	33.97M	31.64M	29.51M	28.93M	30.06M	32.36M	32.28M	34.23M	36.42M	39.12M
Cash and cash equivalents at end of the financial year	47.74M	33.97M	31.64M	29.51M	28.93M	30.06M	32.36M	32.28M	34.23M	36.42M	39.12M	44.39M

5.4 FINANCIAL STATEMENT - EQUITY

Lockyer Valley Regional Council
2023/2024 Budget and Long Term Financial Forecast
Statement of Changes in Equity

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	Forecast	Proposed	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	actuals	Budget									
Asset revaluation surplus											
Opening balance	-	212.46M	212.96M	228.00M	230.63M	231.13M	248.25M	251.29M	251.79M	271.52M	275.00M
Increase in asset revaluation surplus	-	0.50M	15.05M	2.63M	0.50M	17.11M	3.04M	0.50M	19.73M	3.49M	0.50M
Closing balance	212.46M	212.96M	228.00M	230.63M	231.13M	248.25M	251.29M	251.79M	271.52M	275.00M	275.50M
Retained surplus											
Opening balance	-	410.63M	450.81M	454.52M	461.32M	466.48M	471.76M	478.35M	486.15M	494.75M	504.47M
Net result	-	40.18M	3.70M	6.80M	5.16M	5.28M	6.59M	7.81M	8.59M	9.73M	12.90M
Closing balance	410.63M	450.81M	454.52M	461.32M	466.48M	471.76M	478.35M	486.15M	494.75M	504.47M	517.37M
Total											
Opening balance	-	623.08M	663.77M	682.52M	691.95M	697.61M	720.01M	729.64M	737.94M	766.26M	779.48M
Net result	-	40.18M	3.70M	6.80M	5.16M	5.28M	6.59M	7.81M	8.59M	9.73M	12.90M
Increase in asset revaluation surplus	-	0.50M	15.05M	2.63M	0.50M	17.11M	3.04M	0.50M	19.73M	3.49M	0.50M
Closing balance	623.08M	663.77M	682.52M	691.95M	697.61M	720.01M	729.64M	737.94M	766.26M	779.48M	792.87M

6. SENSITIVITY ANALYSIS

In order to understand the potential impacts of changes to key drivers over the life of the plan, the following sensitivities include:

1. General Rates Revenues +/- 1%.
2. Employee costs +/- 1% on EB increase.
3. Depreciation – tri annual valuation +/- 5% of estimated asset base 2022.
4. CAPEX – renewals -\$1.00M.

The Queensland Audit Office (QAO) report “Forecasting long term sustainability of local government 2016-17” states that Councils’ should undertake sensitivity analysis on the variables that have the biggest impact on the budget and long-term financial forecast.

As part of our budget process, Council model the above sensitivities separately. The difference in the 10-year average by applying each sensitivity can be seen in the following table.

	BASE CASE	RATES		EMPLOYEE COSTS		VALUATIONS		RENEWALS
		+1.00%	-1.00%	+1.00%	-1.00%	+5.00% of Base	- 5.00% of Base	
								- \$1.00M
OPERATING SURPLUS	2.4%	2.9%	1.8%	2.0%	2.8%	1.7%	3.3%	N/A
NET FINANCIAL ASSET/LIABILITY	29.8%	26.8%	32.8%	31.6%	27.9%	N/A	N/A	N/A
ASSET SUSTAINABILITY	124.6%	N/A	N/A	N/A	N/A	121.4%	130.1%	120.0%
CASH COVERAGE	6.25	6.68	5.82	5.93	6.57	N/A	N/A	6.83

Of the sensitivities modelled, changes in rates have the biggest impact on the operating surplus ratio through the impact on the amount of revenue being raised. Ratios are within the recommended targets and a year-by-year basis some ratios go above or below the thresholds depending on the scenario.





For more information phone 1300 005 872,
email mailbox@lvrc.qld.gov.au or visit www.lockyervalley.qld.gov.au

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5.7 Operational Plan 2023-2024

Author: Madonna Brennan, Risk, Audit and Corporate Planning Advisor
Responsible Officer: Ian Church, Chief Executive Officer

Purpose:

The purpose of this report is to seek Council's adoption of the annual Operational Plan for the 2023-2024 financial year, with the adoption of the annual Budget.

Officer's Recommendation:

THAT Council adopt the Operational Plan 2023-2024, as attached to this report.

Executive Summary

The *Local Government Act 2009* and *Local Government Regulation 2012* require Council to prepare and adopt an operational plan for each financial year. The operational plan identifies planned activities for the organisation, consistent with the Corporate Plan 2022-2027 and the annual Budget.

Proposal

The annual Operational Plan 2023-2024 (as attached) is a key financial planning and corporate performance reporting document for Council and is presented in accordance with the legislative requirement of the *Local Government Act 2009* and the *Local Government Regulation 2012* for adoption at the same time as Council considers and adopts the 2023-2024 Budget.

The Operational Plan 2023-2024 is the second annual plan developed to achieve the Outcomes and Commitments of the 2022-2027 Corporate Plan. Twenty deliverables of strategic significance have been included to be completed to the identified milestone for this financial year.

A breakdown of the deliverable for each Corporate Plan theme is as follows:

Theme	Total Action Items for 2023-2024
Lockyer Community	2
Lockyer Business, Farming and Livelihood	2
Lockyer Nature	3
Lockyer Planned	6
Lockyer Leadership & Council	7

Strategic ImplicationsCorporate Plan

Lockyer Leadership and Council 5.7- Compliant with legislation.

Finance and Resource

The financial allocations in the 2023-2024 Budget reflect the deliverables in the Operational Plan.

Legislation and Policy

Section 104 (5)(a) of the *Local Government Act 2009*, identifies the annual Operational Plan as one of the key financial planning documents that must be established by a local government.

Section 174 (1) of the *Local Government Regulation 2012* requires Council to prepare and adopt an annual Operational Plan for each financial year and Section 174 (5) identifies that Council must discharge its responsibilities in a way that is consistent with its annual Operational Plan. Further, Section 175 (1) of the *Local Government Regulation 2012* requires the Operational Plan to be: consistent with Council's annual Budget; state how Council will progress the implementation of the five (5) year Corporate Plan during the period of the annual Operational Plan and manage operational risks.

Risk Management

Key Corporate Risk Code and Category: LCL1

Key Corporate Risk Descriptor: Legal Compliance and Liability

Compliance management – regulatory or contract compliance, litigation, liability and prosecution.

Consultation

Portfolio Councillor Consultation

Portfolio Councillor, Councillor Chris Wilson was briefed as part of the preparation of the Operational Plan 2023-2024.

Internal Consultation

Council's Executive Leadership Team participated in the development of the Operational Plan 2023-2024.

Community Engagement

On adoption of the annual Operational Plan 2023-2024, the document will be published on the publications page on Council's website.

Attachments

[1](#) LVRC Operational Plan 2023-24 - FINAL 26 Pages

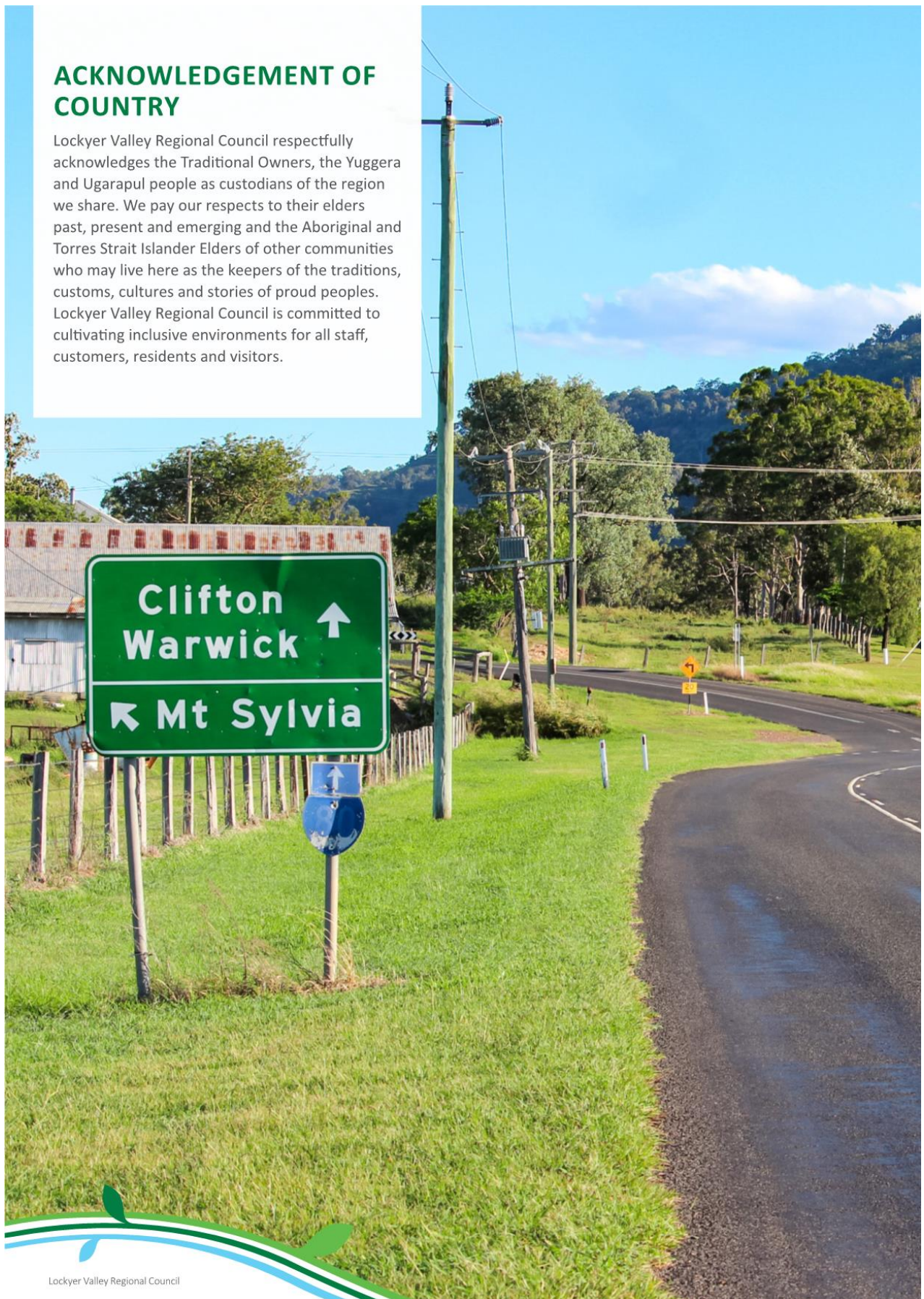


Lockyer Valley Regional Council
Operational Plan 2023-2024



ACKNOWLEDGEMENT OF COUNTRY

Lockyer Valley Regional Council respectfully acknowledges the Traditional Owners, the Yuggera and Ugarapul people as custodians of the region we share. We pay our respects to their elders past, present and emerging and the Aboriginal and Torres Strait Islander Elders of other communities who may live here as the keepers of the traditions, customs, cultures and stories of proud peoples. Lockyer Valley Regional Council is committed to cultivating inclusive environments for all staff, customers, residents and visitors.

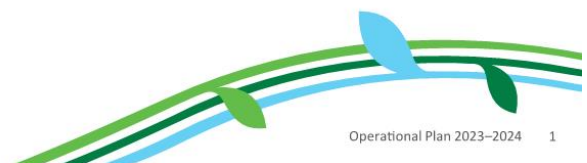


Lockyer Valley Regional Council



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INTRODUCTION

ABOUT THE OPERATIONAL PLAN

The Operational Plan (the Plan) is a strategic document that is developed and adopted annually with the Budget. The Plan captures strategic deliverables for the 2023-2024 financial year to ensure Council delivers the Commitments and Outcomes of the Corporate Plan 2022-2027.

The Plan sets the one-year direction for Council and articulates our significant activities, areas of responsibility, addresses Council's risks and monitors the overall performance of Council.

Section 104 (5)(v) of the *Local Government Act 2009* requires that Council must under its system of financial management establish an annual operational plan. Sections 174 and 175 of the *Local Government Regulation 2012* determine the preparation, adoption and content requirements of the annual operational plan.



BUILDING OUR OPERATIONAL PLAN

Like the Corporate Plan, the Operational Plan utilises the seven (7) themes of the Community Plan as the framework with the inclusion of an eighth theme, Lockyer Council.

Below are the eight themes, some of which have been combined in the Corporate and Operational Plans where similar outcomes exist:

- Lockyer Community
- Lockyer Business, Farming and Livelihood
- Lockyer Nature
- Lockyer Planned
- Lockyer Leadership and Council



The development process of the Operational Plan 2023-2024 was undertaken in conjunction with the 2023-2024 budget preparation and in consultation with Council staff.

Activities and projects included in the Operational Plan 2023-2024 were selected based on specified criteria and do not include activities and deliverables which are considered to be business-as-usual. Progress updates on these activities and deliverables and how they assist Council in achieving its Corporate Plan Outcomes and Commitments are provided through the Monthly Group Reports to Council.

The Operational Plan 2023-2024 was presented to Council for adoption with the Budget at the Special Meeting of Council on 28 June 2023.



VISION, MISSION AND VALUES

VISION:

We will deliver sustainable services to enhance the liveability of our community while embracing our economic, cultural and natural diversity.

MISSION:

Lead, engage and empower.

OUR VALUES:

Values form the basis of our culture. They add meaning to work and provide a basis for consistent planning and decision making across the organisation. To ensure that staff live our values, every employee of Lockyer Valley Regional Council is expected to demonstrate articulated behaviours in their daily activities and in the way they make decisions. Our values are:



LEADERSHIP

We lead through excellence and partner with the community to achieve Council's vision and mission.



ACCOUNTABILITY

We accept ownership of our role and take responsibility for our actions. We are results focused, take pride in our successes and efforts and learn from our mistakes.



INTEGRITY

We strive to be valued and trusted by the Lockyer Valley community. We are respectful, open, transparent and honest in our dealings with the community. At all times we act in the best interests of the community.



COMMUNICATION

We embrace diversity and communicate openly and honestly. We listen actively, consider and value the views of others. Our communication is clear, concise and consistent.



CUSTOMER FOCUS

We strive to engage and communicate with our internal and external customers to meet agreed outcomes. We identify and aim to meet the needs of all customers in a responsive and equitable manner.



TEAMWORK AND COLLABORATION

We value creative thinking and look for opportunities to collaborate and connect to deliver a better Lockyer Valley. We work together by recognising and sharing our talents, skills, experience and knowledge.





FEDERAL, STATE AND LOCAL GOVERNMENT RESPONSIBILITIES

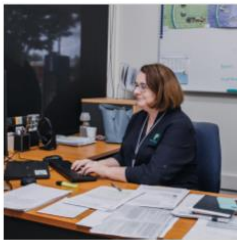
The priorities raised by the community present challenges which cannot be addressed by Council alone. Many of these priorities are the responsibility of the Australian and Queensland Governments and community organisations. In “Lockyer: Our Valley, Our Vision Community Plan 2017-2027”, these organisations are identified for the Lockyer Valley region.



Where Council is not responsible for the provision of a particular service we can advocate to the relevant agency to secure support, funding and agreements for the benefit of the Lockyer Valley community.

OUR ROLE

As we work towards our outcomes, we recognise that not all of them can be achieved by Council alone. Council will fulfil a range of roles in working to achieve the outcomes outlined in this plan.



These roles include:

COUNCIL ROLE	DESCRIPTION
Provider	Delivering services
Funder	Funding other parties to deliver services
Regulator	Regulating activities through legislation, local laws or policies
Partner	Forming partnerships and strategic alliances with other parties in the interests of the community
Facilitator	Assisting others to be involved in activities by bringing groups and interested parties together
Advocate	Promoting the interest of the community to other decision makers and influencers

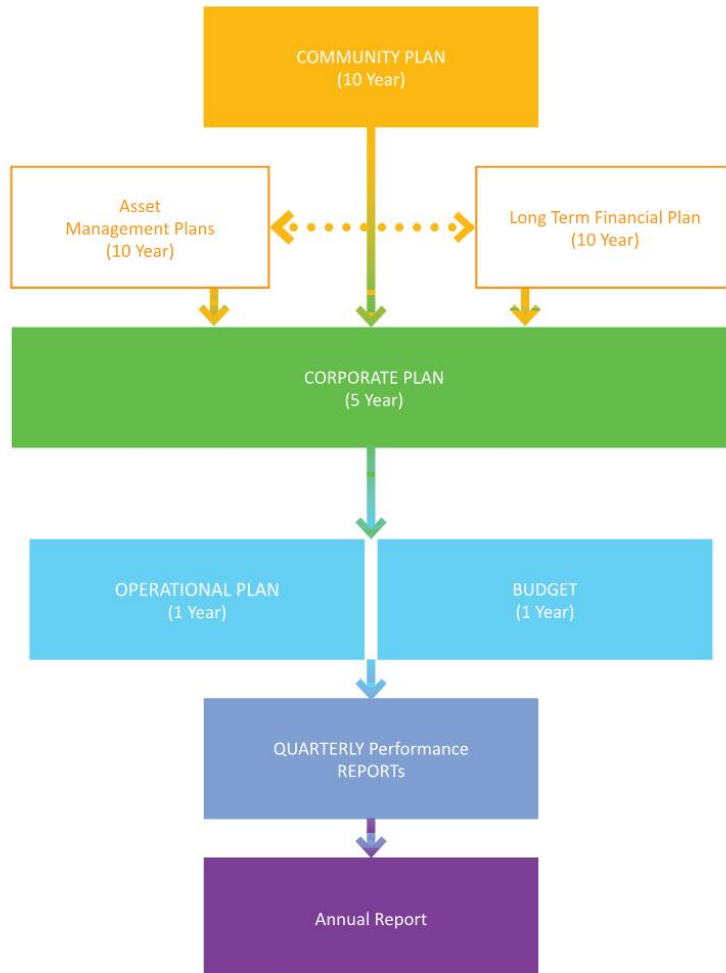
COMMITMENT TO HUMAN RIGHTS

Council is committed to protecting and promoting human rights by ensuring that human rights are considered in all the work we do – from the decisions we make to the services we provide. This commitment is in accordance with Council’s obligations under the *Human Rights Act 2019*.



STRATEGIC CORPORATE PLANNING FRAMEWORK

The diagram below represents the strategic corporate planning framework used by Council.



MONITORING OUR PROGRESS

QUARTERLY PERFORMANCE REPORT

Every quarter, a performance report is prepared and presented to Council by the Chief Executive Officer. This report outlines performance against the outcomes of the Corporate Plan and activities of the Annual Operational Plan.

ANNUAL REPORT

At the end of the financial year, Council produces an Annual Report that reviews the performance achieved. The Annual Report provides the community with operational and financial information about Council's performance against the outcomes and service delivery commitments set out in the Corporate and Operational Plans.

FINANCING OUR OPERATIONS

The following table outlines Council's 2023-2024 Budget against the themes of the Corporate Plan 2022-2027.

Theme	Operating Revenue	Operating Expense	Capital Revenue	Capital Expense
Lockyer Community	5,367,288	8,955,557	5,200,000	5,589,000
Lockyer Business, Farming and Livelihood	1,235,000	2,802,644	0	350,000
Lockyer Nature	685,964	684,964	0	0
Lockyer Planned	18,813,452	22,533,851	34,639,551	47,247,300
Lockyer Leadership and Council	45,914,155	36,776,407	0	2,287,813
Total	72,015,859	71,753,423	39,839,551	55,474,113

MANAGING OUR RISKS

To ensure a streamlined and simplified approach to identifying and managing our risk, Council has identified its key categories of risk in the Corporate Risk Management Policy, Framework and Risk Registers. These risk categories, identified below, have been incorporated into the strategic corporate planning process with operational risk identification included against each deliverable of the Operational Plan:

- Financial and Economic (FE1) – financial sustainability to support the achievement of strategy, goals and objectives in the medium to long term.
- Financial and Economic (FE2) – decision making governance, due diligence, accountability and sustainability.
- Infrastructure and Assets (IA1) – Planning, managing and maintaining assets now and for the future
- Infrastructure and Assets (IA2) – Deliver major projects (time, cost, scope and quality)
- Infrastructure and Assets (IA3) – Information and technology capacity and management.
- Business Continuity and Systems (BC1) – Provision of core services now and into the future
- Environment and Community (EC1) – Environment and the community, including sustainable development, social and community wellbeing, relationships, public health, recreation, regional profile and identity.
- Legal compliance and liability (LCL1) – Compliance management – regulatory or contract compliance, litigation, liability and prosecution.
- Stakeholder/Political (P1) - Intergovernmental relationships/relationships with other key stakeholders.
- Reputation (R1) – Reputation and goodwill
- Staff (S1) – Strategic workforce planning and management
- Work Health and Safety (WHS1) – Health and Safety

Council has also adopted a Risk Appetite Statement which defines the amount of risk Council is willing to pursue, retain, take or turn away from in the achievement of its strategic vision, commitments and outcomes and delivery of its services and projects.



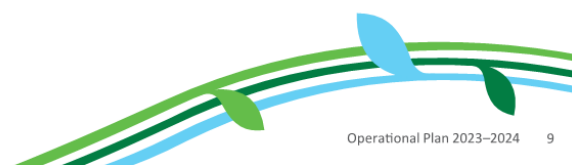
1 LOCKYER COMMUNITY

Our healthy community welcomes the spirited diversity found within our region. Times of hardship highlight our resilience. Our high standards support our quality of life and vibrancy while providing a dynamic and safe place full of opportunity. We strive to build on who we are and all that our region has to offer by connecting business, the community and government.

CORPORATE PLAN OUTCOMES

- A community with fair and reasonable access to services.
- Council optimises the use of its open spaces and facilities by improving access to and the quality of the facilities for individuals and groups for cultural, recreational and community activities.
- Enhanced wellbeing and safety of the community.
- Council seeks to understand community needs, resulting in partnerships that realise long-term benefits for the community in a timely manner.
- Events and activities that bring together and support greater connectivity in the community.
- The community's preparedness for disasters is improved through community education, training and strong partnerships between Council and other agencies.

A COMMUNITY WITH FAIR AND REASONABLE ACCESS TO SERVICES						
Operational Plan Activity	Performance Outcome	2023-2024 Milestone Target	2023-2024 Budget (\$)	Target Completion Date	Responsibility	Corporate Risk Category
Advocate for opportunities to enhance services to the community such as improved regional health facilities and a regional passenger rail network.	<ul style="list-style-type: none"> Maximise opportunities to advocate for improved regional health facilities. Participate in the Toowoomba to Brisbane Passenger Rail Reference Group. Seek to leverage passenger rail services out of the Inland Rail project via environmental impact submissions and project planning forums. 	100%	Operational Budget Item	30 June 2024	Chief Executive Officer	P1- Stakeholder (Political) EC1 – Environment and Community
THE COMMUNITY’S PREPAREDNESS FOR DISASTERS IS IMPROVED THROUGH COMMUNITY EDUCATION, TRAINING AND STRONG PARTNERSHIPS BETWEEN COUNCIL AND OTHER AGENCIES						
Operational Plan Activity	Performance Outcome	2023-2024 Milestone Target	2023-2024 Budget (\$)	Target Completion Date	Responsibility	Corporate Risk Category
Commence the implementation of the Council’s Disaster Management Framework.	<ul style="list-style-type: none"> Implementation of key components of the Disaster Management Framework completed. 	100%	\$105,000 (QRA funded)	30 June 2024	Chief Executive Officer	BC1 - Business Continuity and Business Systems



2

LOCKYER BUSINESS, FARMING AND LIVELIHOOD

LOCKYER BUSINESS

Our business community is a thriving and inclusive network where it is easy to do business. We create opportunities and encourage innovation that inspires business confidence and collaborative partnerships.

LOCKYER FARMING

As custodians we manage our water and land assets to ensure our farming future. We pride ourselves on our innovation and clean, green reputation.

We work together to support our farmers of current and future generations.

LOCKYER LIVELIHOOD

We are a community where lifelong learning opportunities exist. Our quality education facilities are highly regarded and provide diverse career pathways. We look to develop skills and generate job opportunities for all.

CORPORATE PLAN OUTCOMES

- Encourage opportunities for the Lockyer Valley to drive economic and community outcomes.
- Maximise opportunities through engagement and partnership with stakeholders to achieve a strong resilient economy.
- Promote and market the Lockyer Valley as a destination for commerce, tourism and lifestyle.
- Attract and support education and employment opportunities for the community.
- Foster a flexible, supportive and inclusive business environment.

ENCOURAGE OPPORTUNITIES FOR THE LOCKYER VALLEY TO DRIVE ECONOMIC AND COMMUNITY OUTCOMES						
Operational Plan Activity	Performance Outcome	2023-2024 Milestone Target	2023-2024 Budget (\$)	Target Completion Date	Responsibility	Corporate Risk Category
Advocate to mitigate the adverse impacts of Inland Rail on the liveability of the region.	<p>Ensure the community's and Council's interests are protected by maximising opportunities to advocate and participate in reviews, reference groups and prepare submissions as required including:</p> <ul style="list-style-type: none"> • Input provided to the Helidon to Calvert (H2C) and Gowrie to Helidon (G2H) Environmental Impact Statements. • Legal agreements delivered which will assist in mitigating risks associated with the project. • Engineering input provided into the inland rail design processes with respect to the project and specifically the proposed return works. 	100%	\$120,000 (externally funded)	30 June 2024	Chief Executive Officer	P1- Stakeholder (Political) EC1 – Environment and Community IA1 – Infrastructure and Assets
MAXIMISE OPPORTUNITIES THROUGH ENGAGEMENT AND PARTNERSHIP WITH STAKEHOLDERS TO ACHIEVE A STRONG RESILIENT ECONOMY						
Operational Plan Activity	Performance Outcome	2023-2024 Milestone Target	2023-2024 Budget (\$)	Target Completion Date	Responsibility	Corporate Risk Category
Advocate for improved water security and supply for the region through the Lockyer Valley and Somerset Water Collaborative.	<p>Implementation of the following Lockyer Valley & Somerset Water Security Scheme Optimisation Assessment items completed:</p> <ul style="list-style-type: none"> • Project viability assessment completed. • Agreement with Seqwater on supply and costs executed. • Multiple rounds of demand assessments undertaken. 	100%	\$60,000	30 June 2024	Chief Executive Officer	P1- Stakeholder (Political) EC1 – Environment and Community

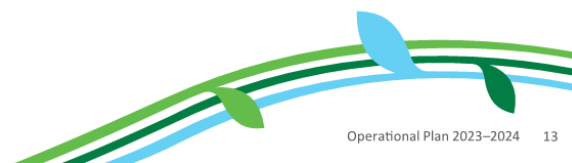
3 LOCKYER NATURE

Our natural assets are valued and protected to sustain our unique rural lifestyle.

CORPORATE PLAN OUTCOMES

- Lockyer Valley's natural assets are managed, maintained and protected.
- Council's policies and plans support environmentally sustainable development.
- Community and private landholders' stewardship of natural assets increases.
- Council and the community actively reduce waste, recycle and reuse more.
- Council and the community actively reduce consumption of non-renewable resources.

COUNCIL AND THE COMMUNITY ACTIVELY REDUCE WASTE, RECYCLE AND REUSE MORE						
Operational Plan Activity	Performance Outcome	2023-2024 Milestone Target	2023-2024 Budget (\$)	Target Completion Date	Responsibility	Corporate Risk Category
Finalise and commence implementation of the Waste Recycling and Reduction Plan to guide the delivery of Council's Waste Management Function.	Outcomes of the Waste Recycling and Reduction Plan to be completed include: <ul style="list-style-type: none"> Plan finalised and adopted by Council. Complete a community education program to assist with improving the regions waste management practices. Subject to funding approvals deliver the Food Organics Green Organics (FOGO) program. Continue to further refine the full cost pricing of waste. 	100%	\$55,000	30 June 2024	People, Customer and Corporate Services	EC1 – Environment and Community
Provide oversight and management of the contract arrangements for the operation of the following waste management facilities: <ul style="list-style-type: none"> Material Recovery Facility (MRF) Waste Transfer Stations 	Compliance activities completed to ensure the key performance indicators and services are performed in accordance with the agreed contracts.	100%	Operational Budget Item	30 June 2024	People, Customer and Corporate Services	FE2 – Financial and Economic
Undertake the construction of Cell 5 at the Gatton Landfill.	Construction of Cell 5 at Gatton Landfill completed and operational.	100%	\$3.77 M (partially externally funded)	30 June 2024	People, Customer and Corporate Services	IA2 – Infrastructure and Assets



4 LOCKYER PLANNED

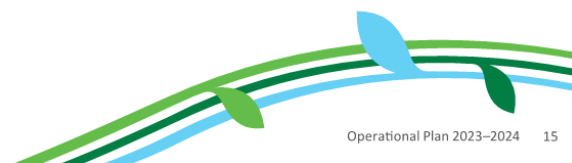
We have unique, well-connected communities. We have places and spaces that bring together people. Local services match the needs of the community. Our built infrastructure is designed and constructed to enable access for all.

CORPORATE PLAN OUTCOMES

- Growth and development in the region is sustainably managed through the adoption and implementation of the Lockyer Valley Planning Scheme.
- Provision of fit-for-purpose infrastructure which meets the current and future needs of the region.
- A development assessment process that delivers quality development that is consistent with legislation, best practice and community expectations.
- Regional collaboration and targeted advocacy that drives external funding, for timely delivery of key infrastructure and enhanced community outcomes.
- An integrated approach to the planning of all communities that strengthens local identity and lifestyle.

GROWTH AND DEVELOPMENT IN THE REGION IS SUSTAINABLY MANAGED THROUGH THE ADOPTION AND IMPLEMENTATION OF THE LOCKYER VALLEY PLANNING SCHEME

Operational Plan Activity	Performance Outcome	2023-2024 Milestone Target	2023-2024 Budget (\$)	Target Completion Date	Responsibility	Risk Category
Finalise the Draft Lockyer Valley Planning Scheme for Council adoption and implementation.	<p>Key deliverables to be completed include:</p> <ul style="list-style-type: none"> • Complete public notification of the Lockyer Valley Planning Scheme, including a review of submissions received and responses provided to all properly made submissions. • Where appropriate, amendments made to the Planning Scheme to incorporate feedback from submissions received. • Preparation of a formal response to the Minister to finalise the Lockyer Valley Planning Scheme for Ministerial Approval and adoption by Council. • Adoption and commencement of the Lockyer Valley Planning Scheme. 	100%	\$75,000	<p>Adoption of Planning Scheme by December 2023.</p> <p>Commencement of Planning Scheme January 2024.</p>	Community and Regional Prosperity	<p>R1- Reputation and Goodwill</p> <p>EC1 – Environment and Community</p>



PROVISION OF FIT-FOR-PURPOSE INFRASTRUCTURE WHICH MEETS THE CURRENT AND FUTURE NEEDS OF THE REGION						
Operational Plan Activity	Performance Outcome	2023-2024 Milestone Target	2023-2024 Budget (\$)	Target Completion Date	Responsibility	Risk Category
Undertake the program of work to re-instate Council's transport and drainage network impacted by the 2021-2022 flood events.	<p>The Reconstruction of Essential Public Assets (REPA) program delivered on Council's transport and drainage network, which is:</p> <ul style="list-style-type: none"> Forty-six packages of work completed across Council's transport and drainage network and close out with the Queensland Reconstruction Authority. 	100%	\$33.03M (partially externally funded)	30 June 2024	Infrastructure	IA1 – Infrastructure and Assets
Undertake the preparation of Council's Local Government Infrastructure Plan.	<p>Key deliverables to be completed include:</p> <ul style="list-style-type: none"> Finalise a review of the supporting documents required to inform the LGIP growth modelling including the open space, roads and transport, stormwater and drainage strategies. 	25%	\$150,000	30 June 2024.	Community and Regional Prosperity	IA1- Infrastructure and Assets



AN INTEGRATED APPROACH TO THE PLANNING OF ALL COMMUNITIES THAT STRENGTHENS LOCAL IDENTITY AND LIFESTYLE

Operational Plan Activity	Performance Outcome	2023-2024 Milestone Target	2023-2024 Budget (\$)	Target Completion Date	Responsibility	Risk Category
Finalise the review of the existing Laidley Flood Town Protection Scheme and present to Council an options analysis in relation to flood mitigation for Laidley.	<p>Key deliverables to be completed include:</p> <ul style="list-style-type: none"> Finalise the review of the Laidley Flood Town Protection Scheme. Undertake community engagement in relation to the proposed flood mitigation option for Laidley. Undertake the identification and where appropriate, the purchase and acquisition of privately owned land in order to facilitate the implementation of the Laidley Flood Town Protection Scheme. Council adoption of a flood mitigation strategy for Laidley. Actively seek government funding for the construction and implementation of the Laidley Flood Town Protection Scheme. 	50%	\$2.01 M (partially externally funded)	30 June 2024	Community and Regional Prosperity	<p>R1 – Reputation and Goodwill</p> <p>IA1 – Infrastructure and Assets</p>



<p>Undertake an options analysis for flood mitigation at Withcott.</p>	<p>Key deliverables to be completed include:</p> <ul style="list-style-type: none"> • Undertake an options analysis to present to Council in relation to flood mitigation for Withcott. • Undertake community engagement in relation to the proposed flood mitigation option for Withcott. • If required, undertake the purchase and acquisition of privately owned land to facilitate the implementation of the Withcott Flood Mitigation Scheme. • Council adoption of a flood mitigation strategy for Withcott. • Actively seek government funding for the construction and implementation of the Withcott Flood Mitigation Scheme. 	<p>50%</p>	<p>\$65,000</p>	<p>31 March 2024</p>	<p>Community and Regional Prosperity</p>	<p>R1 – Reputation and Goodwill IA1 – Infrastructure and Assets</p>
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<p>Undertake the purchase and demolition of properties associated with the Queensland Reconstruction Authority Voluntary Home Buy Back Scheme.</p>	<p>Key deliverables to be completed include:</p> <ul style="list-style-type: none"> • Undertake property settlements for properties that meet the purpose and objectives of the Voluntary Home Buy Back Scheme. • Undertake the demolition of properties that Council has purchased under the Voluntary Home Buy Back Scheme. • Undertake the required planning scheme amendment to reflect the restricted use of Voluntary Home Buy Back sites for residential purposes. • Undertake a review of the sites purchased under the Voluntary Home Buy Back Scheme to ensure the most cost-effective means to manage the properties long term. 	<p>100%</p>	<p>\$5.2 M capital \$3.30 M operational (externally funded)</p>	<p>30 June 2024</p>	<p>Community and Regional Prosperity</p>	<p>R1- Reputation and Goodwill EC1 – Environment and Community IA1 – Infrastructure and Assets</p>
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LOCKYER LEADERSHIP AND COUNCIL

LOCKYER LEADERSHIP

Our leaders are visionary and seek coordinated outcomes for the benefit of the whole community.

LOCKYER COUNCIL

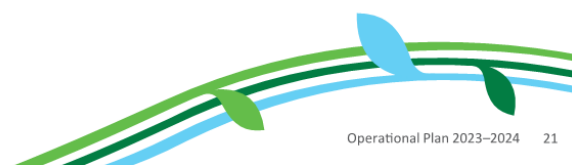
A well-managed, transparent and accountable organisation that gives the community confidence, demonstrates financial sustainability, where customers are satisfied with our services and our employees are proud to work.

CORPORATE PLAN OUTCOMES

- Undertake robust and accountable financial, resource and infrastructure planning and management to ensure affordable and sustainable outcomes for our community.
- Excellence in customer service.
- Actively engage with the community to inform council decision making processes.
- Commit to open and accountable governance to ensure community confidence and trust in council and our democratic values.
- Promote a values-based culture that appreciates and empowers its workforce.
- Provide leadership and contemporary management systems that drive a coordinated and connected organisation.
- Compliant with relevant legislation.
- Deliver reliable internal support services.

UNDERTAKE ROBUST AND ACCOUNTABLE FINANCIAL, RESOURCE AND INFRASTRUCTURE PLANNING AND MANAGEMENT TO ENSURE AFFORDABLE AND SUSTAINABLE OUTCOMES FOR OUR COMMUNITY

Operational Plan Activity	Performance Outcome	2023-2024 Milestone Target	2023-2024 Budget (\$)	Target Completion Date	Responsibility	Corporate Risk Category
Undertake an asset management maturity assessment and develop an asset management improvement plan to support the overarching Strategic Asset Management Plan requirements for Council's infrastructure assets.	<ul style="list-style-type: none"> An asset management maturity assessment completed against the ISO5500 criteria will outline the various projects and tasks required to enhance asset management practices and improve service delivery across Council. An asset management improvement plan (3-5 years) for Council's infrastructure assets completed. 	100%	Operational Budget Item	30 June 2024	Infrastructure	IA1 - Infrastructure and Assets
Develop a Procurement Strategy that supports the needs of the business, provides value for money to Council and ensures legislative compliance.	<p>Procurement Strategy completed which guides the organisations procurement activities including:</p> <ul style="list-style-type: none"> Governance Systems Processes 	100%	\$55,000	30 June 2024	Chief Financial Officer	FE1 – Finance and Economic
Undertake the rationalisation of Council's land including: <ul style="list-style-type: none"> Grantham Subdivision Gatton Saleyards 	<p>Outcomes of the land rationalisation project to be completed:</p> <ul style="list-style-type: none"> All necessary development approvals obtained. Construction works completed in accordance with development approvals. New lots created ready for sale. 	100%	\$194,420 plus 2022/23 carry overs.	30 June 2024	People, Customer and Corporate Services	FE1 – Finance and Economic



COMMIT TO OPEN AND ACCOUNTABLE GOVERNANCE TO ENSURE COMMUNITY CONFIDENCE AND TRUST IN COUNCIL AND OUR DEMOCRATIC VALUES						
Operational Plan Activity	Performance Outcome	2023-2024 Milestone Target	2023-2024 Budget (\$)	Target Completion Date	Responsibility	Corporate Risk Category
Deliver the elected members on-boarding program for the newly elected Council from the 2024 Local Government Quadrennial Election.	On-boarding program delivered to the newly elected council which includes the following components: <ul style="list-style-type: none"> Roles and responsibilities of civic leadership, including legislative responsibilities. Strategic priorities of LVRC. Operations and functions of LVRC. 	100%	Operational Budget Item	30 June 2024	Chief Executive Officer	P1- Stakeholder (Political)
PROMOTE A VALUES BASED CULTURE THAT APPRECIATES AND EMPOWERS ITS WORKFORCE						
Operational Plan Activity	Performance Outcome	2023-2024 Milestone Target	2023-2024 Budget (\$)	Target Completion Date	Responsibility	Corporate Risk Category
Undertake organisational development activities that foster a values-based culture.	Outcomes of the following organisational development activities completed, and updates provided to Council including: <ul style="list-style-type: none"> Three pulse surveys completed which provide insight into the organisations culture. The identified activities of Connected Council program completed. The identified leadership program and management team activities completed. 	100%	Operational Budget Item	30 June 2024	People, Customer and Corporate Services	S1- Staff



Negotiate new Certified Enterprise Bargaining Agreements for office and field-based staff.	<p>Outcomes to be achieved include:</p> <ul style="list-style-type: none"> • Negotiations for new Enterprise Bargaining Agreements for office and field-based staff completed. • Agreements submitted to Unions for acceptance and sign-off. • Agreements submitted and certified by the Queensland Industrial Relations Commission. • New agreements implemented. 	100%	Operational Budget Item	30 June 2024	People, Customer and Corporate Services	S1- Staff
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DELIVER RELIABLE INTERNAL SUPPORT SERVICES

Operational Plan Activity	Performance Outcome	2023-2024 Milestone Target	2023-2024 Budget (\$)	Target Completion Date	Responsibility	Corporate Risk Category
Deliver the prioritised ICT business improvement opportunities which will assist in improving Council's cyber security and ICT capabilities.	<p>Completion of the following ICT business improvement opportunities:</p> <ul style="list-style-type: none"> • Outcomes of the cyber security strategy. • Identify improvement opportunities from the review of TechnologyOne. 	100%	\$150,000	30 June 2024	People, Customer and Corporate Services	BC1 – Business Continuity and Systems



For more information phone 1300 005 872,
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6. ITEMS FOR INFORMATION

No Information Items.

7. CONFIDENTIAL ITEMS

No Confidential Items.

8. MEETING CLOSED