

SPECIAL BUDGET MEETING 1 JULY 2020	5
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RATES BASED FINANCIAL ASSISTANCE POLICY

M Wise 63/2/7 | #6327706

RECOMMENDATION:

That Council adopts the Rates Based Financial Assistance Policy.

EXECUTIVE SUMMARY:

The Rates Based Financial Assistance Policy allows Council to consider applications for remissions of general rates, water access and sewerage charges for not for profit recreational, sporting and community organisations.

This report provides an update of the Rates Based Financial Assistance Policy for the provision of rates based financial assistance to Not for Profit recreation, sporting and community groups.

COMMENT:

Under this policy, eligible organisations receive the following concessions:

- General Rates - Council may provide up to 100% concession of the general rate
- Sewerage Charges – Council may provide up to 75% concession of the sewerage charges
- Water Access Charges – Council may provide up to 50% concession of the water access charges

The policy has been updated to provide a revised definition of a Not for Profit group in line with the Community Grants Policy to ensure consistency across Council. No other provisions have changed.

OPTIONS:

Option 1 (Recommended):

That Council adopts the Rates Based Financial Assistance Policy.

Or

Option 2:

That Council does not adopt the Revenue Policy and proposes amendments to the policy.

CONSIDERATIONS:

Statutory:

In formulating the Rates Based Financial Assistance policy, Council has complied with *Local Government Regulation 2012, Chapter 4, Part 10.*

ATTACHMENTS:

Rates Based Financial Assistance Policy (#248813v23)



Mandy Wise
Manager Cairns Shared Services



Lisa Whitton
Chief Financial Officer



CAIRNS REGIONAL COUNCIL

General Policy

RATES BASED FINANCIAL ASSISTANCE POLICY
FOR NOT FOR PROFIT RECREATION, SPORTING AND COMMUNITY GROUPS

Intent: To establish a policy for the provision of rates based financial assistance to Not for Profit recreation, sporting and community groups.

Scope: This policy will allow Council to consider applications for remissions of general rates, water access and sewerage charges for Not for Profit recreational, sporting and community organisations. The applicant organisation must be the owner or lessee and occupier of the land with the rate notice being issued in the organisation's name.

The land for which an application is made must be used for the purpose of which the rating concession applies. Organisations that own, lease, manage or operate premises with poker machines will not be considered eligible.

PROVISIONS
BACKGROUND

A local government may grant a ratepayer a concession for rates or charges for land in accordance with the *Local Government Regulation 2012* Chapter 4 Part 10.

DEFINITION
Not for Profit Organisation

Any local association, club, state or national organisation, who holds incorporated status under the Associations Incorporation Act 1981 or is a company limited by guarantee under the 2001 Corporations Act and does not operate for the profit or gain (either direct or indirect), of its individual members, either from ongoing operations or on its winding up.

CRITERIA
1 Community Organisations

- a) Not for Profit organisations that exist primarily to undertake community service activities and rely mainly on volunteer labour.
- b) Not for Profit organisations that have considerable paid labour, however a substantial community benefit is provided.
- c) Religious entities with land exceeding 20 hectares and used for education, health or community services. *This applies to assessment 553123 for providing land to the community for sporting and recreation purposes.*
- d) Organisations that provide subsidised accommodation will only be considered eligible if:
 - o The property is not Government owned, leased or controlled; and
 - o The property is used for short term crisis accommodation or is specifically for children, the aged, or persons with a disability; and
 - o Is accessible by and directly benefits the local community

2 Sporting and Recreation Organisations

- a) Not for Profit organisations that exist primarily to undertake sporting or recreational activities and rely mainly on volunteer labour.

- b) Not for Profit organisations that have considerable paid labour, however a substantial community benefit is provided.

CONCESSIONS

- a) General Rates - Council may provide up to 100% concession of the general rate for organisations that comply with criteria 1 or 2.
- b) Water Access Charges – Council may provide up to 50% concession of the water access charges for organisations that comply with criteria 1a, 1b, 1d or 2a and 2b
- c) Sewerage Charges – Council may provide up to 75% concession of the sewerage charges for organisations that comply with criteria 1a, 1b, 1d or 2a and 2b.

GENERAL

Unless otherwise determined by Council, Not for Profit organisations will not be eligible if they sub-lease to organisations that do not comply with the Not for Profit definitions, the sub lease activity is not aligned with the primary purpose of the organisation and the property, or the sublease is a commercial activity of a substantial size.

Applications for the current financial year are required be lodged with Council 31 days prior to the commencement of the financial year, however, late applications may be approved by Council for the current rating period subject to the Not for Profit Group (applicant) meeting all the requirements of this policy.

Furthermore, if a Not for Profit Group purchases or leases property during a rating year, Rates Based Financial Assistance will apply from the date the land is actually used for its intended purpose, subject to that group meeting all the requirements of this policy.

The concession provided in this policy is only on the general rate, water access and sewerage charge and will not apply to vacant land. Not for Profit organisations that do not fulfil their lease obligations or their rates are not paid in full prior to the end of a financial year, will not be eligible for further concessions. The concession will be revoked and a new application will be required for future concessions.

It is incumbent upon the organisation receiving this concession to notify Council of any change in circumstances that may affect their eligibility under the provisions of this policy. Council will conduct periodic audits to verify compliance.

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This policy is to remain in force until otherwise determined by Council.

General Manager Responsible for Review:

Chief Financial Officer

ORIGINALLY ADOPTED: 21/06/2002

CURRENT ADOPTION: 03/07/2020

DUE FOR REVISION: 03/07/2024

REVOKED/SUPERSEDED:

**John Andrejic
Chief Executive Officer**