

TOWNSVILLE CITY COUNCIL



Budget & Operational Plan

2026/27



OUR VISION

A globally connected community driven by lifestyle and nature.

OUR PURPOSE

Grow Townsville



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Acknowledgement of Country

Townsville City Council acknowledges the Wulgurukaba of Gurambilbarra and Yunbenun, Bindal, Gugu Badhun and Nywaigi as the Traditional Owners of this land.

We pay our respects to their cultures, their ancestors and their Elders, past, present and all future generations.

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MESSAGE FROM THE MAYOR

The 2026/27 budget is about keeping Townsville moving. It is a disciplined and financially responsible approach that reflects a commitment to delivering the services our community expects, the infrastructure needed to grow our city, and protecting the lifestyle we value, while ensuring our ratepayers are getting value for money.

Global economic pressures, including rising fuel costs, inflation and supply chain disruptions, are impacting households, businesses and local government alike.

Which is why Council has identified around \$16 million in savings and efficiencies to help offset these pressures and reduce the impact on ratepayers.

I won't dress it up, there is no satisfaction in delivering an average rates and utilities increase of 6.8 per cent – around \$5.48 a week. But I want our community to know that, without this work, that increase could have been more than 11 per cent.

This Budget sees Council focus on our core services, maintaining and upgrading roads and parks, and delivering water and waste services that our community relies on day-to-day.

We're identifying operational efficiencies and investing in systems and technology to improve the customer experience and make it easier to do business with Council, by giving our people the right tools to deliver for the community.

Through a back-to-basics approach, we're getting the little things right, so that our foundations are strong when it comes to delivering on the significant capital projects our city needs.

Townsville City Councillors

(L-R) **Cr Andrew Robinson** (Division 8), **Cr Paul Jacob** (Division 1), **Cr Liam Mooney** (Division 9), **Cr Vera Dirou** (Division 5), **Cr Brady Ellis** (Division 10), **Cr Nick Dametto** (Mayor of Townsville), **Cr Suzy Batkovic** (Deputy Mayor, Division 6), **Cr Brodie Phillips** (Division 2), **Cr Kurt Rehbein** (Division 7), **Cr Ann-Maree Greaney** (Division 3), and **Cr Kristian Price** (Division 4).

This means investing in critical infrastructure like our road and transport network, water and wastewater treatment, stormwater and drainage, and resource recovery facilities, to ensure we're well equipped to meet the demands of our growing city.

We're maintaining momentum through ongoing support of the visitor economy, with investment in major events, tourism and valued public recreational spaces, strengthening Townsville's reputation as the events capital of Northern Australia.

Council will invest in the future of our city, through funding for city-shaping projects like Lansdown Eco-Industrial Precinct and the Haughton Pipeline project.

Meanwhile, we're strongly advocating to all levels of government to secure funding for major projects. This is an important step in alleviating the burden on ratepayers and making sure Townsville receives a fair allocation.

This \$1b Budget represents the first time in five years Council has forecast to deliver an operational surplus, reflecting a strengthened financial position that allows us to plan confidently, avoid reactive cuts and respond to current pressures without compromising long-term sustainability.

It's no easy task to balance the books in the current environment, but it is essential to continue delivering the services our community relies on.

This Budget reflects a disciplined and balanced approach to that challenge, focused on getting back to basics, maintaining momentum and ensuring Townsville continues to move forward with confidence.

BUDGET OVERVIEW



\$1b

Total Budget

Total investment in community service delivery and infrastructure.



\$16m

Cost Saving & Efficiencies

Savings identified in the 2026/27 financial year through efficiencies, projects and partnerships that reduce costs and enable smarter, more sustainable operations.



15%-25%

Increase in Commodity Prices

Total increase in prices due to fuel and supply chain impacts.



6.8%

Rate Increase

Average rate and utilities increase for residential principal place of residence properties. Rate increase is capped at 20%.



\$25m

Affordability Investment

Investment in concessions, grants, sponsorships, and partnerships, and a 5% early payment discount for residential owner-occupiers.



\$262m

Roads & Transport Networks

Total investment in roads and transport network upgrades to improve connectivity and safety.



\$27m

Stormwater & Drainage

Total investment in strengthening flood resilience and water management.



\$113m

Parks & Open Spaces

Total investment in supporting well-maintained and accessible community spaces.



\$14m

Systems & Technology

Total investment in upgraded technology and systems, improving the customer experience by providing the right tools and processes to support the community.



\$82m

Resource Recovery

Investment in reliable and sustainable waste management, through delivery of new landfill and resource recovery facilities.



\$93m

Liveability & Lifestyle

Investment in driving visitation by attracting major events, promoting destination tourism and enhancing recreational public spaces.



\$15m

Libraries, Galleries & Theatres

Investment in improving access to arts, learning and cultural experiences across the city.



\$328m

Water & Wastewater Infrastructure

Total investment in major upgrades and sewer network rehabilitation to ensure reliability of essential services.

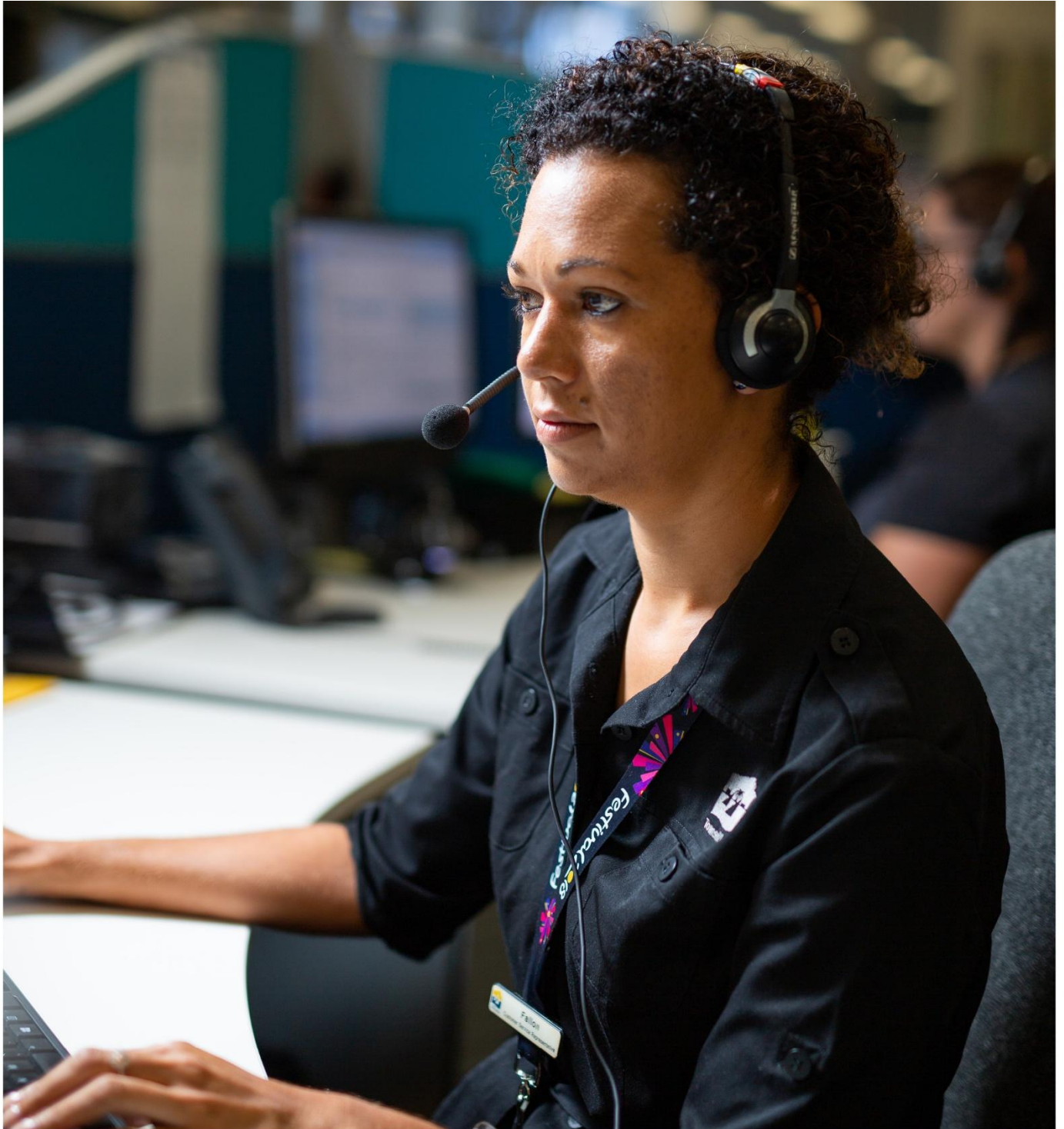


\$262m

Critical Infrastructure

Total investment in critical enabling infrastructure to support long-term future city growth.

Our Council



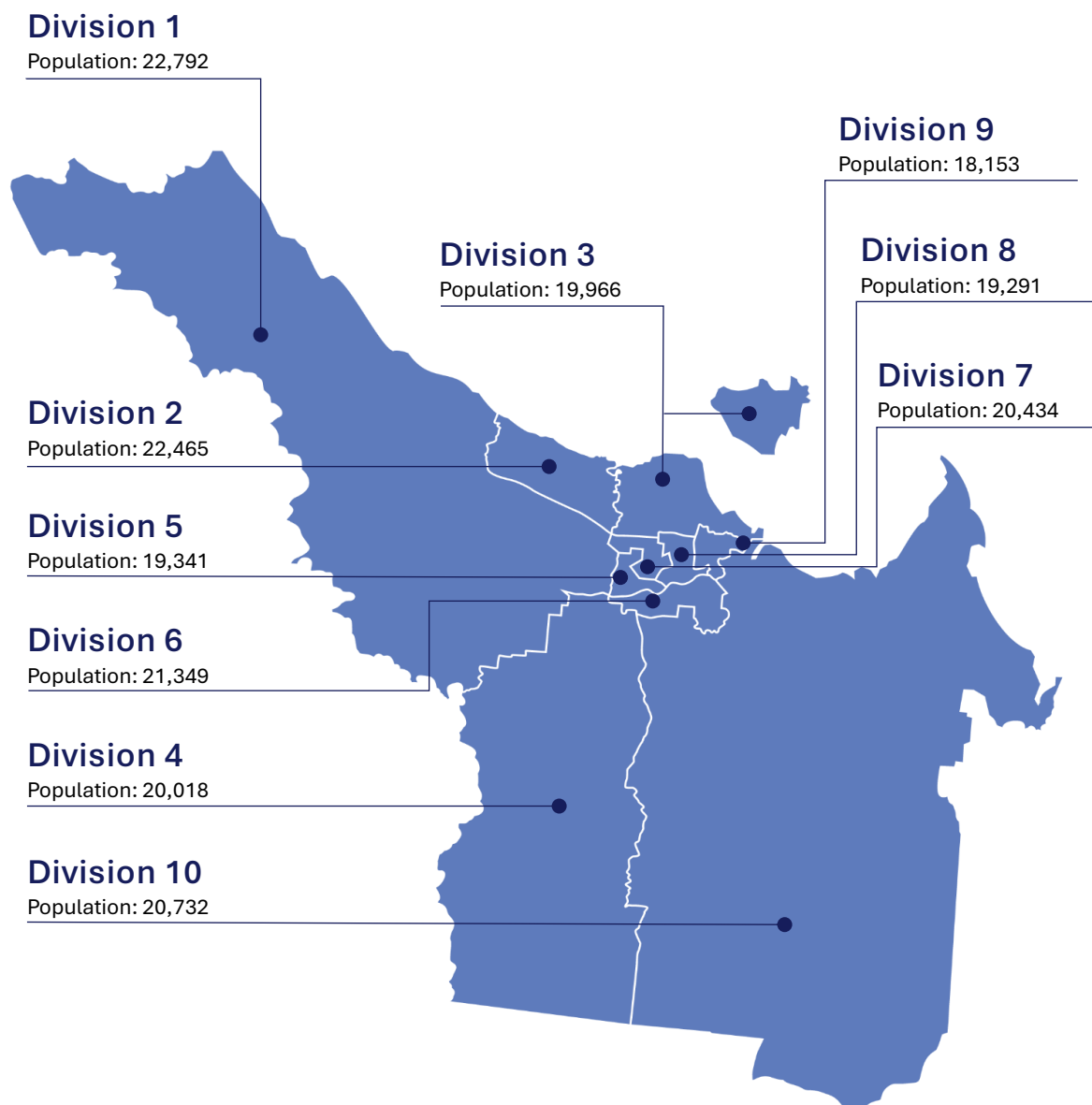
TOWNSVILLE PROFILE AND DEMOGRAPHICS

Total Land Area: 374,201 ha

Estimated Population: 204,541

Population Density: 0.54 persons per hectare

Source: Australian Bureau of Statistics, Estimated Resident Population at 30 June 2024.



OUR COUNCILLORS



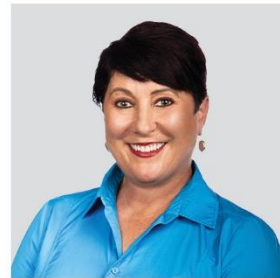
Cr Nick Dametto
Mayor of Townsville



Cr Paul Jacob
Division 1



Cr Brodie Phillips
Division 2



Cr Ann-Maree Greaney
Division 3



Cr Kristian Price
Division 4



Cr Vera Dirou
Division 5



Cr Suzy Batkovic
*Deputy Mayor
Division 6*



Cr Kurt Rehbein
Division 7



Cr Andrew Robinson
Division 8



Cr Liam Mooney
Division 9



Cr Brady Ellis
Division 10

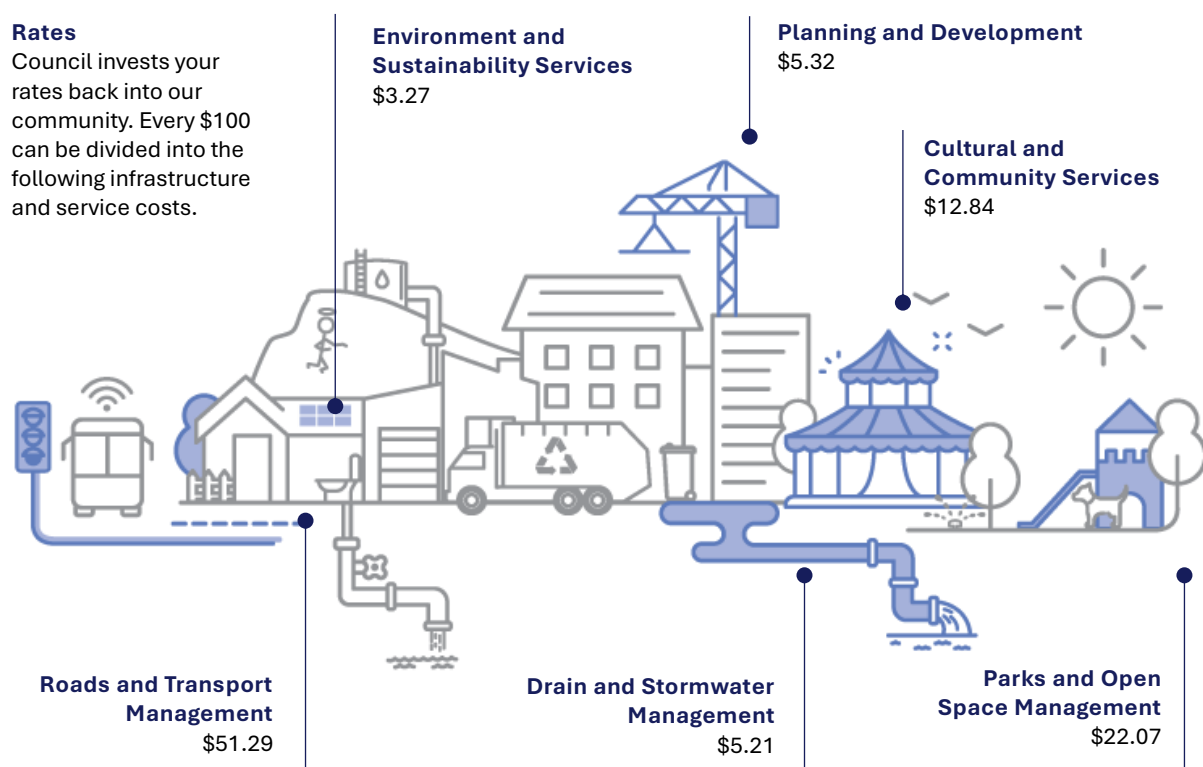


WHAT THIS BUDGET MEANS FOR YOU

For every \$100 – where your **rates** go.

Rates

Council invests your rates back into our community. Every \$100 can be divided into the following infrastructure and service costs.



Affordability Investment

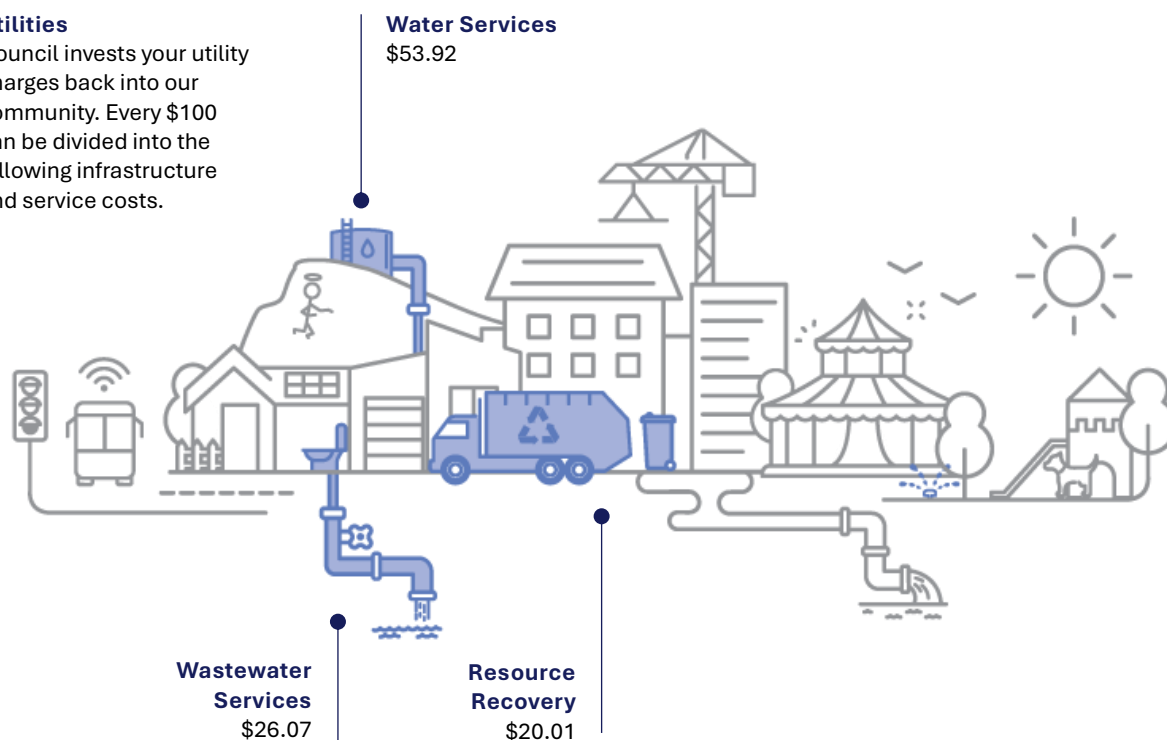
\$25m investment in concessions, grants, sponsorships, and partnerships, and a 5% early payment discount for residential owner-occupiers.



For every \$100 – where your **utilities** go

Utilities

Council invests your utility charges back into our community. Every \$100 can be divided into the following infrastructure and service costs.



Capital Investment

\$132m planned investment into water and wastewater networks and resource recovery facilities, establishing enabling infrastructure for ongoing city growth. \$37.3m planned for capital expenditure on water infrastructure required to establish the Lansdown Eco-Industrial Precinct (LEIP).

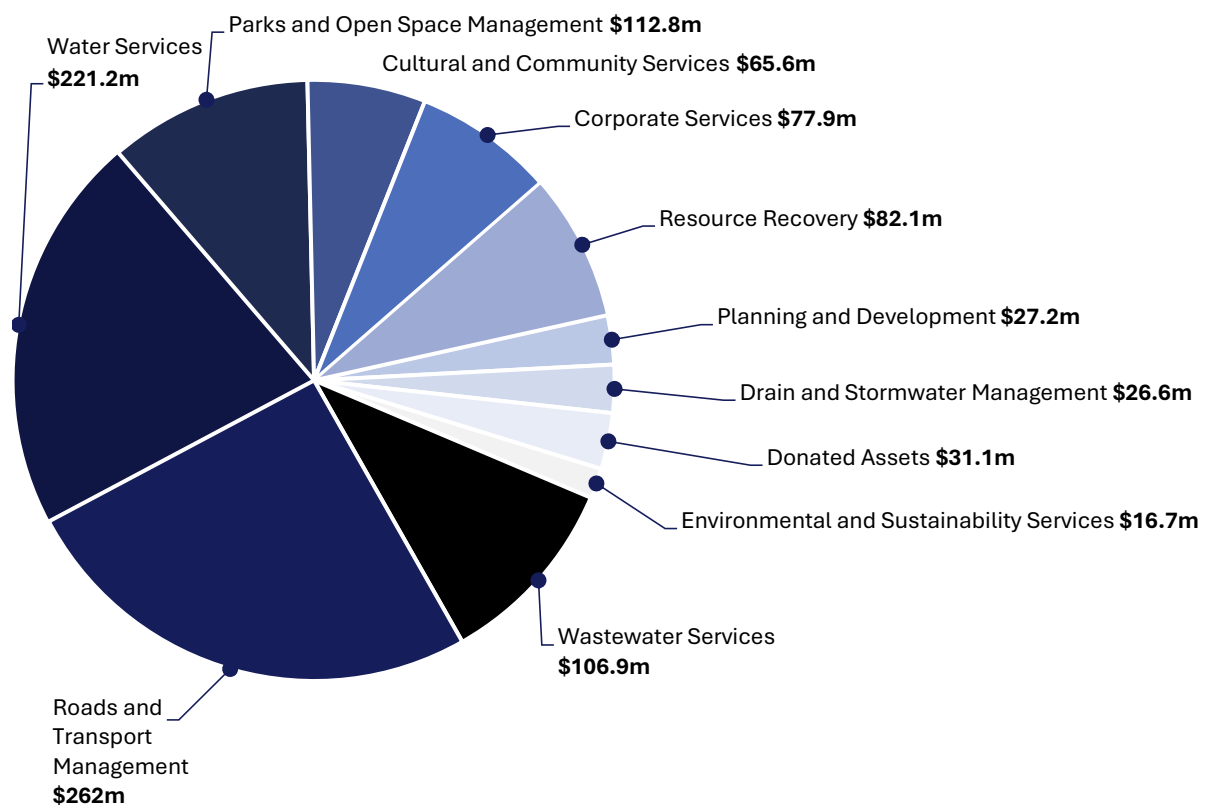


\$1.03B

2026/27 BUDGET

Funded by

A combination of rates, utility charges, capital grants, donated assets and loans.



OPERATING BUDGET SUMMARY

TABLE 1 - OPERATING BUDGET SUMMARY

2026/27 Budget Operating Revenue			
General Rates	\$255m	Grants and Subsidies	\$16.1m
Utility Charges	\$286.6m	Other Revenue	\$13.2m
Discounts and Concessions	(\$17.5m)	Interest Received	\$9.6m
Fees and Charges	\$51.7m		
Total Operating Revenue \$614.7m			
2026/27 Budget Operating Expenditure			
Employee Costs	\$191.4m	Finance Costs	\$16.4m
Materials and Services	\$239.3m	Other Expenses	\$1.0m
Depreciation and Amortisation	\$166.5m		
Total Operating Expenditure \$614.6m			
Operating Surplus \$0.1m			

CAPITAL BUDGET SUMMARY

TABLE 2 - CAPITAL BUDGET SUMMARY

2026/27 Budget Capital Revenue			
Grants, Donations and Contributions			\$188.8m
Total Capital Revenue \$188.8m			
2026/27 Budget Capital Expenditure			
Roads and Transport Management	\$116.1m	Buildings and Facilities	\$8.9m
Water Services	\$84.5m	Information Communication Technology	\$6.3m
Wastewater Services	\$23.7m	Parks and Open Space Management	\$9.8m
Resource Recovery	\$23.8m	Cultural and Community Services	\$0.3m
Fleet	\$10.0m	Lansdown Eco-Industrial Precinct	\$86.8m
Drain and Stormwater Management	\$14.2m	Donated Assets	\$31.1m
Total Capital Expenditure \$415.5m			

Our Strategy

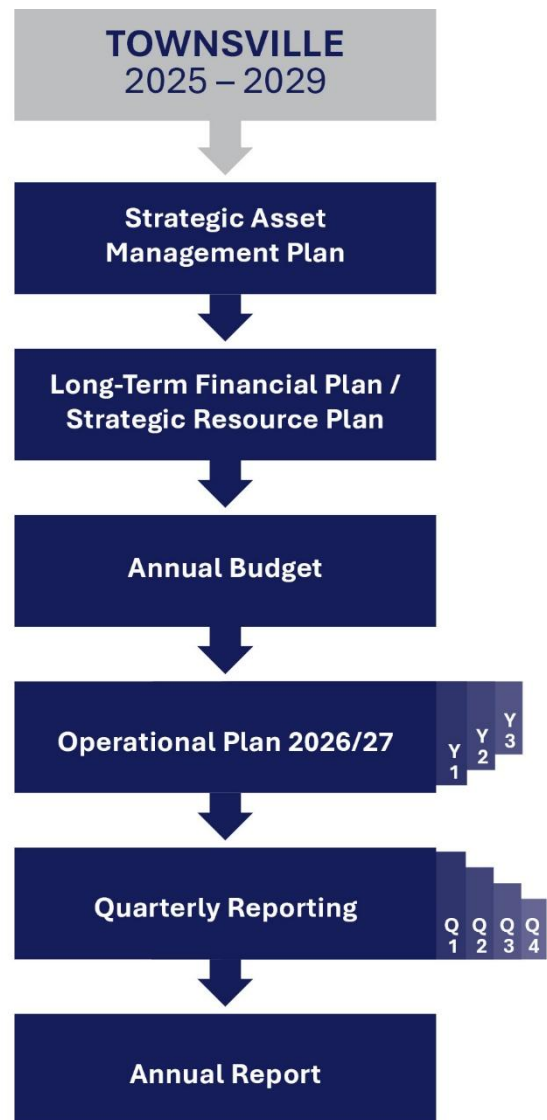


OUR STRATEGIC PLANNING FRAMEWORK

The Strategic Planning Framework ensures that efficiencies are achieved through coordinated planning and budgeting, and that systems and arrangements are undertaken in an integrated manner to inform a well-considered investment and strategic financial direction for Council.

The Framework comprises a hierarchy of cascading and interconnecting documents, which, when taken together, allow Council to turn its long-term aspirations, goals, and plans into reality. The Framework assists in planning, delivering and progressing our services, programs, and capital works for the benefit of the community, the environment, and the economy. It also ensures methodologies are in place for measuring performance against corporate goals.

Council's Strategic Planning Framework is the overarching framework used to assist Council and the community to plan for the future. It is a continuous, systematic process, which includes how Council engages with the community to identify intended future outcomes and monitor and report on the progress of outcomes.



OUR GOVERNANCE FRAMEWORK

Council's Corporate Governance Framework is based on the Local Government Principles identified in the *Local Government Act 2009*. An effective Governance Framework provides the following benefits, which have also been applied in the development of the Operational Plan and Budget:

- quality decision-making founded on adequate, timely and relevant information disclosure
- assurance of desired outcomes or results
- effective management of risk and opportunities
- effective and widespread stakeholder commitment and support for good corporate governance
- the system of corporate governance is streamlined and flexible to meet emerging demands or needs
- strong ethical, performance and values-based culture
- transparency and disclosure.

The Corporate Governance Framework can be found on Council's website.

Our Operational Plan



OUR OPERATIONAL PLAN

Council's Budget and Operational Plan sets the direction for the 2026/27 financial year and identifies how Council will measure its performance. Legislation requires that the Annual Operational Plan provides transparency and accountability of the organisation's financial management and operational activities.

Council's budget funds the Operational Plan derived from the Strategic Asset Management Plan and Long Term Financial Forecast for sustainable management of the city.

The Operational Plan addresses the organisation's operational risks, how Council will progress the implementation of its Townsville 2025-2029 Corporate Plan (5-year Strategic Plan) and includes an annual performance plan for each commercial business unit. It is a valuable management tool detailing the services Council will deliver to the community during the financial year.

Council's Operational Plan is consistent with the Local Government Principles according to section 4(2) of the *Local Government Act 2009*:

- transparent and effective processes and decision-making in the public interest
- sustainable development and management of assets and infrastructure, and delivery of effective services
- democratic representation, social inclusion and meaningful community engagement
- good governance of, and by, local government
- ethical and legal behaviour of councillors, local government employees and councillor advisors.

Quarterly performance reports will provide details on the progress of the deliverables achieved each quarter.

MANAGING OUR OPERATIONAL RISKS

Section 175(1) of the *Local Government Regulation 2012* requires Council's Operational Plan to state how Council will manage operational risk.

Council manages operational risk through its Enterprise Risk Management Framework, which is aligned to ISO 31000:2018 *Risk management – Guidelines* and supported by the Enterprise Risk Management Policy, Enterprise Risk Management Procedure, and Risk Appetite Statement. The framework is an integral part of Council's Corporate Governance Framework and is designed to support informed decision-making, effective service delivery, and continuous improvement. In preparing the 2026/27 Budget and Operational Plan, Council has considered its operational risk profile, emerging risks, risk appetite, and the controls and treatment actions required to manage risk within acceptable parameters. This helps ensure that operational priorities, resource allocation, and service delivery commitments are informed by risk.

Operational risks are owned by relevant managers, who are responsible for identifying, assessing, treating, monitoring, and reviewing risks within their areas of responsibility. Operational risks are recorded in Council's central risk register and are subject to routine review, reporting, and oversight in accordance with Council's Enterprise Risk Management Framework.

Council monitors operational risk through regular review of risks, controls, treatment actions and key risk indicators, with reporting provided to senior management and the Audit and Risk Committee. This supports timely escalation of material issues, oversight of Council's risk profile, and continuous improvement in risk management practice.

DELIVERING SERVICES TO THE COMMUNITY

Townsville City Council provides a wide range of services to the community. To facilitate the delivery of services, Council's organisational structure consists of the following divisions:

- Office of the CEO
- Infrastructure and Operations
- Business Services
- Planning, Environment and Lifestyle

Furthermore, the Budget and Operational Plan can also be summarised by the following responsible areas:

- Office of the CEO
- Engineering and Asset Infrastructure Planning
- Construction, Maintenance and Operations
- Property, Fleet and Emergency Management
- Capital Delivery
- Resource Recovery
- Water
- Commercial and Financial Services
- Health, Safety and Wellbeing
- Digital, Information and Technology
- Legal services
- Procurement
- People and Culture
- Planning and Development
- Communications and Customer Experience
- Community and Lifestyle
- Environmental Health and Regulation
- Sustainability and Environment
- Business Transformation
- Organisational Performance and Special Projects

The Operational Plan consists of actions that support delivery of the Townsville 2025–2029 goals and outcomes. The following pages detail the actions that will be reported on a quarterly basis throughout the 2026/27 financial year.

TOWNSVILLE 2025 – 2029

OUR VISION:

A globally connected community
driven by lifestyle and nature

OUR PURPOSE:

Grow Townsville



A CITY FOR EVERYONE

A city where everyone can engage in and enjoy our community and our lifestyle.

- A Safe, Connected and Thriving CBD
- The Economic, Cultural and Sport Capital of Northern Australia
- Elevated Service Standards and Operational Responsiveness Across all Urban and Rural Areas



A SUSTAINABLE AND RESILIENT CITY

A city committed to sustainability through climate change adaptation, water security and advancing a circular economy.

- Safe, Reliable and Sustainable Water Services
- Efficient, Modern and Environmentally Responsible Waste Management Services
- Diverse, Affordable and Sustainable Housing Options Across the City



A FUTURE-READY CITY

A city of opportunity, that is forward-thinking, embraces innovation and is ready for future growth.

- A City that is Open for Business
- Maintain a 20 Minute City
- A Strong Visitor Economy that Leverages the 2032 Runway, Major Assets, Events and Local Experiences



A WELL-MANAGED CITY

A city served reliably by an accountable, responsive and engaged Council.

- Long-Term Financial Sustainability through Disciplined Planning and Management
- Organisation-wide Transformation through Modern Systems and Processes
- High organisational capability and an engaging, high-quality employee experience.



Goal 1: A City for Everyone

Townsville is a city where everyone can engage in and enjoy our community and our lifestyle.

1.1 A Safe, Connected and Thriving CBD

Action	Measure
1.1.1 Develop a CBD Activation Program in partnership with local businesses, creatives, and community groups to increase visitation, patronage and economic activity within the CBD.	Deliver a CBD Activation Program to Council by July 2026.
	Delivery of CBD Activation Program implementation activities scheduled through to 30 June 2027.
	Increase in visitation, patronage and economic activity within the CBD.
	Increase frequency of deep cleaning of the CBD.
	Investigate the installation of removable bollards at Flinders Street to reduce event costs and maximise safety by December 2026.
Undertake a parking needs assessment for Townsville priority areas.	Deliver a parking needs assessment to Council by December 2026.
1.1.2 Complete all open space projects within the 2026/27 Capital Plan.	Completion of open space projects within the 2026/27 capital plan.
	Undertake community consultation for the development of a staged plan for The Strand Revitalisation.
	Undertake community consultation on concepts for potential program to revitalise The Strand by March 2027.

1.2 The Economic, Cultural and Sport Capital of Northern Australia

	Action	Measure
1.2.1	Review Council's cultural and event support funding including grant programs.	All initiatives considered for Council funding include KPIs for participation/attendance/visitation, economic return (where relevant) and expenditure, including other funding sources.
		An acquittal report is provided for all supported initiatives, that reports on achievement of the KPIs.
	Deliver a four-year Arts and Culture Strategy to inform Council's program and expenditure, to be delivered through annual operational plans and KPIs.	Arts and Culture Strategy adopted by Council by June 2027.
	Undertake a comprehensive review of the visual arts acquisition and retention policy, including a detailed assessment of Council's owned art collection that includes greater exposure to the community through exhibitions.	Provide Council with a comprehensive review of Council's visual art policies and collection by June 2027.
1.2.2	Through the Townsville 2032 Legacy Action Plan, attract sports events to Townsville that provide a strong economic return and community outcome.	Deliver an annual Sports Event Attraction program by June 2027.
	Review a shade and lighting program to extend hours of operation at sporting facilities, where feasible and supported by a demand study.	Feasibility and potential delivery of a sports shade and lighting grant program by June 2027.
1.2.3	Review and optimise utilisation, pricing and user experience across Council's venues.	Deliver to Council a venue management plan, inclusive of improving financial sustainability and self-sufficiency of venues, by June 2027.
	Identify outdated and under-performing Council facilities.	Deliver to Council an evidence-based options assessment for consolidation, repurposing or decommissioning of selected Council facilities by June 2027.

1.3 Elevated Service Standards and Operational Responsiveness Across all Urban and Rural Areas

Action	Measure
1.3.1 On time delivery of maintenance services to parks and streetscapes across the city.	80% of scheduled maintenance to parks and streetscapes completed.
1.3.2 Improve responsiveness by ensuring requests are acknowledged quickly, resolved within agreed timeframes, and closed with clear communication to the customer.	80% of calls to 13 48 10 are answered within 120 seconds. Correspondence to enquiries@townsville.qld.gov.au including Snap Send Solve requests are assigned to the relevant business unit within 2 business days. Develop a customer charter that defines shared responsibilities and service commitments by December 2026. Deliver the Community Scorecard for Service Performance by June 2027.



Goal 2: A Sustainable and Resilient City

Townsville is a city committed to sustainability through climate change adaptation, water security, and advancing a circular economy.

2.1 Safe, Reliable and Sustainable Water Services

Action	Measure
2.1.1 Implement year two of a five-year water loss reduction program to reduce distribution losses within the water network.	Target 250ML/Y of annual treated water production saved from losses.
2.1.2 Progression towards contemporary digital network model and monitoring system.	Design and commence development of real time network modelling and the transition to an effective digital twin of the water and wastewater networks.
2.1.4 Implement new water education and engagement plan.	On schedule delivery of planned water education and engagement.

2.2 Efficient, Modern and Environmentally Responsible Waste Management Services

Action	Measure
2.2.1 Implement targeted waste diversion initiatives and service improvements to increase recovery of recyclable and organic materials and reduce waste sent to landfill.	Annual reduction in tonnes of waste sent to landfill.
2.2.2 In collaboration with NQROC member councils, progress implementation planning of priority actions and governance arrangements under the NQROC Waste and Resource Recovery Plan.	Active participation in NQROC governance, working groups and coordination activities related to waste and resource recovery.
Future Planning for Resource Recovery facilities.	Development of a 10-year Resource Recovery infrastructure plan.
	Identification of options for a future landfill site.
2.2.3 Improved awareness of waste recovery standards.	Annual reduction of recycling contamination rates to below 20%.

2.3 Diverse, Affordable and Sustainable Housing Options Across the City

	Action	Measure
2.3.1	Identify infrastructure needs which support greenfield housing development to meet growth projections.	Deliver Council's commitments under successful Residential Activation Fund applications, on time and within budget.
2.3.2	Partner with Economic Development Queensland and the property sector to revise the Townsville Priority Development Area.	Confirmation of target development sites as part of the PDA Consortium, by November 2026.
2.3.3	Accelerated growth considerations to be captured in the Local Government Infrastructure Program (LGIP) review.	Adoption of the revised LGIP by June 2027.
	Development and completion of the Local Resilience Action Plan.	Local Resilience Action Plan endorsed by Council by September 2026.



Goal 3: A Future-ready City

Townsville is a city of opportunity, that is forward-thinking, embraces innovation and is ready for future growth.

3.1 A City that is Open for Business

Action	Measure
3.1.1 Develop an economic development strategy that enables future growth and broadens economic participation.	Deliver a 10-year Economic Development Strategy by May 2027.
3.1.3 Improve perception of business interactions with Council as evidenced through surveys.	Establishment of a Business Concierge process by December 2026.

3.2 Maintain a 20 Minute City

Action	Measure
3.2.1 Ensure land-use planning is responsive, clear, and aligned with growth projections, enabling timely and efficient development.	Development of the Strategic Land Management Policy by June 2027.
3.2.2 Work collaboratively with State and Federal Governments, utility providers and industry stakeholders to align priorities and coordinate infrastructure investment.	Complete the Industrial Land Supply Study by June 2027. Implement Offset Framework and continue provision of offsets to Lansdown proponents.

3.3 A Strong Visitor Economy that Leverages the 2032 Runway, Major Assets, Events and Local Experiences

	Action	Measure
3.3.1	Deliver a coordinated program of events, including ongoing optimisation of the events calendar to maximise community outcomes and mitigate seasonal impacts.	Events delivered in accordance with the endorsed annual events calendar, within approved budgets, and achieving attendance targets.
	Enhance connectivity and accessibility through improved transport links, aviation partnerships, and quality visitor infrastructure.	Continued advocacy for the Ross Creek Pedestrian Bridge as a key active transport route connecting hospitality and visitor experiences.
3.3.2	Maximise the economic opportunities for Townsville resulting from the 2032 Games.	Ongoing advocacy for the redevelopment of the Great Barrier Reef Aquarium (formally ReefHQ).
		Maintain Townsville's ECO destination certification status.
		Design of a new Olympic walk on The Strand, in collaboration with the Townsville 2032 Legacy Working Group by March 2027.



Goal 4: A Well-managed City

Our city is served reliably by an accountable, responsive and engaged council.

4.1 Long-Term Financial Sustainability through Disciplined Planning and Management

Action	Measure
4.1.1 Maintain effective financial controls, policies, administrative directives and procedures.	Financial statements received an unmodified audit opinion.
4.1.2 Annual advocacy program for Council's major and strategic projects.	Prepare the annual advocacy project list by December 2026.
Deliver capital infrastructure and maintenance projects on time and within budget through strong leadership and operational efficiencies.	Implementation of the three-year rolling capital works program to budget parameters. Achieve standardisation of budget estimation across all stages of project lifecycle.
4.1.3 Implement optimised virtual credit card program across low value transactional spend.	Reduction of Purchase Order management for transactions <\$5,000 across Council.
Implement inventory and stores management efficiency and uplift program.	By June 2027, significant progression towards inventory and stores visibility and fully managed within enterprise ERP.
Develop and implement a 3-year Procurement Strategy across all addressable spend areas.	By June 2027, significant progress in category strategies for key procurement activity across Council are in process or have been applied.
Revision of Local Spend targets and methodology to enhance local supplier opportunities.	By June 2027, introduction of segmented spend areas and revised Local Spend target % to enable greater engagement of local suppliers.
Maintain effective Cyber Security, Data & IT controls, policies and procedures.	Deliver Modernisation Program Phase 1, including new Cyber Security Policy by June 2027.

4.2 Organisation-wide Transformation through Modern Systems and Processes

	Action	Measure
4.2.1	Implement replacement of the Enterprise Resource Planning (ERP) system.	Delivery of the first cycle of ERP system by June 2027.
	Review delivery model for five services for efficiency and optimisation.	Implementation of operational model for service delivery by June 2027.

4.3 High Organisational Capability and an Engaging, High-quality Employee Experience

	Action	Measure
4.3.1	Deliver a whole of council Capability & Leadership Framework (CLF), supported by a position and classification job architecture.	CLF and job architecture consultation completed by October 2026.
	Transition from ad hoc training to a continuous learning model.	Annual training needs analysis completed by June 2027.
	Safety incidents, hazards, and near misses are reported and investigated, and corrective actions are implemented with learnings shared across the organisation.	Safety incidents and near misses are reported and investigated, and corrective actions implemented within agreed timeframes.
4.3.2	Develop an enterprise leadership framework that supports ethical behaviour, integrity, and just and fair decision-making.	Enterprise Leadership framework drafted by December 2026.
	Embed a structured, enterprise-wide Employee Engagement Strategy, incorporating peer-to-peer recognition, leader-led recognition moments, and EOS action plan commitments.	Achieve a +15% improvement in employee survey results for 'good work is recognised'.
		Achieve a +10% year-on-year improvement in people leadership communication survey scores.
	Build leadership capability to support transparent decision making, and delivery of the efficiency and improvement agenda.	Delivery of Certified Agreement training commitment delivered - Practical HR for Managers completed by June 2027.
	Implement a clear, simple and transparent performance management framework that supports aligned goals and continuous feedback.	Create a framework where individual, team and Council goals are aligned; individuals will receive continuous development and feedback on performance by June 2027.

Water Performance Plan



OVERVIEW OF THE BUSINESS

Introduction

This is an Annual Performance Plan set out as required under section 175 of the *Local Government Regulation 2012* and provides a framework for the operation of the significant business activity of Water Services.

This document describes how Water Services activities will be carried out in 2026/27, according to commercial principles. This Annual Performance Plan must be considered in conjunction with the unit's operational plan, which is embedded in Council's Operational Plan 2026/27.

Our Business

Water Services is a commercial business unit of Council, responsible for managing \$3.85 billion worth of assets and supplying water and wastewater services within the Townsville local government area. These services include treating and delivering potable water, collecting and processing wastewater, managing raw water sources and dam operations.

As a significant business activity of Council, the business was commercialised in 2008 and was required to apply the competitive neutrality principle under section 43 of the *Local Government Act 2009*.

Our Objective

Water Services' objective is to provide safe, reliable, and sustainable water and wastewater services for the benefit of the Townsville community.

Our Key Business Metrics

Water Operations

- Provision of safe and reliable potable water to over 87,000 customer connections across the Townsville region
- Management of Council's extensive water network including 2 dams and catchments, 4 water treatment plants, 23 water pump stations, 41 reservoirs and more than 2,600 kilometres of water mains.

Wastewater Operations

- Provision of reliable wastewater collection and treatment services to more than 74,500 customers, including more than 2,300 trade waste customers
- Reliable operation and maintenance of 6 wastewater treatment plants, 198 wastewater pump stations and 1,399 kilometres of sewer mains
- Collection and treatment of approximately 22,000 megalitres of wastewater each year.

Our Community Service Obligations

Community service obligations are defined under section 24 of the *Local Government Regulation 2012* as "an obligation the local government imposes on a business entity to do something that is not in the commercial interests of the business entity to do."

Nature and Extent of Community Service Obligations

Price concessions will be available to eligible customers on water and wastewater charges in recognition of the activity's contribution to the social and cultural welfare of the community during the year. Please refer to the General Rates and Utility Charges Concession Policy on Council's website.

Table 3 shows what will be completed by Water Services as community service obligations in 2026/27.

TABLE 3 - WATER SERVICES COMMUNITY SERVICE OBLIGATIONS

Category	Value (\$)
Concessions on Wastewater Utility charges	1,470,235
Concessions on Water Utility charges	2,578,115
Total	4,048,350

Cost of and Funding for Community Service Obligations

The community service obligations are funded by Council. It is anticipated that the cost of these identified community service obligations for 2026/27 will be approximately \$4,048,350 .

Our Customer Service

Water Services uses a variety of methods to evaluate customer needs and analyse customer satisfaction, including:

- councillor requests
- customer feedback
- benchmarking against other water service providers in regional Queensland.

Water Services recognises that customers are guaranteed a level of service and has a Customer Service Standard to meet its obligations under the *Water Supply (Safety and Reliability) Act 2008*. The Customer Service Standard sets out service standard performance targets, which are based on an assessment of the levels of service that can be realistically achieved and consistently maintained, considering data collection and reporting systems, infrastructure standards, and operating systems. For further information please refer to the Customer Service Standards on Council's website.

Reporting is undertaken on a quarterly basis to measure Water Services' performance against the quality and service reliability targets through its Customer Service Standard Report Card, which is available on Council's website.

Reporting to the Office of the Water Supply Regulator is undertaken annually to meet the requirements of the *Water Supply (Safety and Reliability) Act 2008*.

Our Capital Structure, Investment and Borrowing

Capital Structure and Distribution Policy

Water Services is a wholly owned commercial business unit of Council. Water Services' notional capital structure comprises community equity to the value of assets less liabilities. Any surplus earned by a business unit of Council is returned as distribution to Council. This return is in recognition that business units have been established to further the excellent management of the region. Through this distribution, funds earned by Council are utilised to provide enhanced services and infrastructure to the Townsville region.

Proposed Major Investments

Water Services' proposed major investments are described in Table 2 – Capital Budget Summary.

Borrowings

Council will operate a central treasury function. It will provide working capital as required, as well as providing loans through Queensland Treasury Corporation.

Delegations

Council's delegated authorities relevant to Water Services are made in accordance with sections 255–260 of the *Local Government Act 2009*. Delegated authorities are recorded in Council's Register of Delegations and each relevant Instrument of Delegation.

Council's Delegations Policy can be found on Council's website.

Reporting to Council

Water Services reports against the financial and non-financial targets contained in this Performance Plan through several different mechanisms:

- on a quarterly basis, Water Services reports to the community, via Council's Quarterly Performance Reports, about the performance targets that are included in its Operational Plan
- on an annual basis, Water Services publishes an Annual Operations Report which is included in Council's Annual Report and shows its results against the Performance Plan.

The business unit will prepare all management plans as required by Council.

Review and Amendment of the Annual Performance Plan

Section 175 of the *Local Government Regulation 2012* allows for an Annual Performance Plan for a commercial business unit to be amended at any time before the end of the financial year for which it is prepared.

Performance Targets

TABLE 4 - WATER SERVICES PERFORMANCE TARGETS

Performance Measure	Description	Annual Target
Economic Sustainability		
Net operating result	Comparison of the actual net operating result with the budgeted net operating result.	Within 5% of adopted budget
Asset renewal	Renewal and rehabilitation capital works / depreciation charges.	Minimum 60%
Social Responsibility		
Drinking water quality compliance	Percentage of compliance with all drinking water quality requirements in accordance with Council's Drinking Water Quality Management Plan.	100%
	Number of water quality and water pressure complaints in accordance with Council's Water Customer Service Standards.	<5 for each 1,000 connections
Adequacy and quality of supply	Water quality non-compliance reportable to the Regulator.	<7 per 1,000 connections
	Unplanned water interruptions.	<100 unplanned water interruptions per 1,000 connections
Day-to-day continual supply	Average response time to water incident (excluding disaster).	<4 hours of advice of incident being reported
	Restoration of service – time for restoration of service – unplanned interruptions (excluding excavation).	>95% within 24 hours of receipt of underground services plans and necessary permits
Environmental Sustainability		
Penalty infringement notices or legal action for non-compliance	Number of penalty infringement notices issued, or instances of legal action initiated by the Regulator for non-compliance with respect to sewerage treatment or reticulation activities.	Zero
Dry weather sewerage releases	Zero dry weather discharge of sewage of 10,000L or more	Zero dry weather discharge
Responsible Governance		
Dam safety compliance	Percentage of compliance with dam safety regulations, for Ross River and Paluma Dams, in accordance with State regulations.	100%
Wastewater collection and treatment compliance	Percentage of compliance with regulatory requirements, service standards and environmental licence requirements.	100%

Resource Recovery Plan



OVERVIEW OF THE BUSINESS

Introduction

This is an Annual Performance Plan set out as required under section 175 of the *Local Government Regulation 2012* and provides a framework for the operation of the significant business activity of Resource Recovery.

This document describes how Resource Recovery activities will be carried out in 2026/27, according to commercial principles. This Annual Performance Plan must be considered in conjunction with the unit's operational plan, which is embedded in Council's Operational Plan 2026/27.

Our Business

Resource Recovery is a commercial business unit of Council, responsible for providing waste and recyclables collection, transport, transfer, recovery and disposal services to the Townsville community.

As a significant business activity of Council, the business was commercialised in 2008 and was required to apply the competitive neutrality principle under section 43 of the *Local Government Act 2009*.

Resource Recovery actively competes in the commercial waste collection sector, providing services to a range of business types and sizes, and pursuing long-term contractual arrangements with large-scale customers.

Our Objective

Resource Recovery's objective is to contribute to the delivery of a healthy and eco-friendly city through the provision of waste and resource recovery services that are safe, reliable, economically viable, and environmentally sustainable.

Our Key Business Metrics

Domestic Waste and Recycling

- 86,608 domestic waste services provided each week
- 83,203 recycling services provided each fortnight

Commercial Waste and Recycling

- 1,024 bulk bins in service
- 235 bulk bins emptied each day
- 328 public bins emptied each day

Waste Disposal

- 1 landfill site
- 5 waste transfer stations
- over 315,000 total customer visits each year
- over 270,980 tonnes received at landfill each year
- over 104,400 tonnes diverted from landfill each year
- over 166,580 tonnes landfilled each year

Our Community Service Obligations

Community service obligations are defined under section 24 of the *Local Government Regulation 2012* as “an obligation the local government imposes on a business entity to do something that is not in the commercial interests of the business entity to do.”

Nature and Extent of Community Service Obligations

Table 5 shows what will be completed by Resource Recovery as community service obligations in 2026/27.

TABLE 5 - RESOURCE RECOVERY COMMUNITY SERVICE OBLIGATIONS

Category	Value (\$)
Concessions on landfill fees for charity organisations	58,715
Concessions on landfill fees for North Rail Yards site	3,330,320
Concessions on landfill fees for tip vouchers	330,000
Cost of provision for dead animal collection services	97,352
Cost of provision for infirm services	92,896
Cost of provision for community clean up events	870
Cost of provision for removal of illegal dumping	11,900
Hire of bins for community clean up events	1,000
Total	3,923,053

Cost of and Funding for Community Service Obligations

The community service obligations listed in Table 5 are funded by Council. It is anticipated that the cost of these identified community service obligations for 2026/27 will be approximately \$3,923,053 .

Additional community service obligations may be identified during the financial year, particularly in the event of natural disasters.

Our Customer Service

Resource Recovery uses a variety of methods to evaluate customer needs and analyse customer satisfaction, including:

- councillor requests
- customer feedback
- benchmarking against other waste and resource recovery service providers in regional Queensland.

Our Capital Structure, Investment and Borrowing

Capital Structure and Distribution Policy

Resource Recovery is a wholly owned commercial business unit of Council. Resource Recovery's notional capital structure comprises community equity to the value of assets less liabilities. Any surplus earned by a business unit of Council is returned as a distribution to Council. This return is in recognition that business units have been established to further the good management and provision of quality services to our community. Funds distributed to Council from the commercial operations of the Resource Recovery business are utilised to provide enhanced services and infrastructure to the Townsville region.

Proposed Major Investments

Resource Recovery proposed major investments are described in Table 2 – Capital Budget Summary.

Borrowings

Council will operate a central treasury function. It will provide working capital as required, as well as providing loans through Queensland Treasury Corporation.

Delegations

Council's delegated authorities relevant to Resource Recovery are made in accordance with sections 255–260 of the *Local Government Act 2009*. Delegated authorities are recorded in Council's Register of Delegations and each relevant Instrument of Delegation.

Council's Delegations Policy can be found on Council's website.

Reporting to Council

Resource Recovery reports against the financial and non-financial targets contained in this Performance Plan through several different mechanisms:

- on a quarterly basis, Resource Recovery reports to the community, via Council's Quarterly Performance Reports, about the performance targets that are included in its Operational Plan
- on an annual basis, Resource Recovery publishes an Annual Operations Report which is included in Council's Annual Report and shows its results against the Performance Plan.

The business unit will prepare all management plans as required by Council.

Review and Amendment of the Annual Performance Plan

Section 175 of the *Local Government Regulation 2012* allows for an Annual Performance Plan for a commercial business unit to be amended at any time before the end of the financial year for which it is prepared.

Performance Targets

TABLE 6 - RESOURCE RECOVERY PERFORMANCE TARGETS

Performance Measure	Description	Annual Target
Economic Sustainability		
Net operating result	Comparison of the actual net operating result with the budgeted net operating result.	Within 5% of adopted budget
Social Responsibility		
Customer service and collection performance	Less than 1 missed service for every 1,000 kerbside waste and recycling services. (Exceptions around disasters.)	<1 for each 1,000
	Response time to missed kerbside waste and recycling wheelie bin services.	>95% by the next business day
	Response time to repair/replace requests for waste and recycling wheelie bins.	95% within 3 business days
	Response time for new residential kerbside bin deliveries.	95% within 3 business days
Environmental Sustainability		
Penalty infringement notices or legal action for non-compliance	Number of penalty infringement notices issued, or instances of legal action initiated by the Regulator for non-compliance.	Zero

Our Budget



BUDGET REPORT

CHRIS WATTS , CHIEF FINANCIAL OFFICER

Executive summary

The 2026/27 Annual Budget represents a significant milestone for Townsville with the reported operating position being a small **surplus of \$0.1m**. Following a number of years where deficit budgets were the norm as were pressures of natural disasters, this reflects the hard work of the Leadership Team and Councillors to apply financial discipline to turn things around. With the election of Mayor Dametto and the focus on “Back to Basics”, continued service provision remains the focus.

The global conflicts and fuel crisis have created significant uncertainty for Council costs into the future. A 10% increase in fuel alone represents \$0.5m for Council’s operating budget. In addition, many Council goods have seen significant increases, either due to oil price inputs, or scarcity and uncertainty.

Under the Local Government Act, councils have only one opportunity to set rates and charges, which is at the budget meeting for the year. Council has had to make assumptions around future prices and impacts, which will be closely monitored throughout the year. Our position is aligned with commentary from financial experts and the Federal Budget, which suggests that prices will not return to normal levels for some time. With this uncertainty, an **increase to the average residential ratepayer of 6.8%** is planned.

Council’s budgeted expenditure (operational and capital) for the 2026/27 year is more than \$1 billion. Persistent inflationary pressures are increasing Council’s operating cost base and placing added pressure on long-term financial sustainability, requiring a disciplined approach to prioritisation, affordability, and value for money. Bringing this budget to a surplus position and ensuring the spending is focused on the right areas has taken considerable time by Townsville’s councillors and senior officers. The process has seen great cooperation from all involved, and I am encouraged that the **long-term financial position of Council is sustainable**.

The 2026/27 surplus has been supported by targeted operating efficiencies and savings, including ongoing cost containment, service planning improvements and a focus on productivity. These measures allow Council to manage financial pressures responsibly while directing available resources to priority outcomes across the operational and capital programs.

Overall, the budget supports delivery of Council’s 2026/27 strategic priorities by maintaining essential services, progressing priority infrastructure and continuing to strengthen long-term financial sustainability.

2026/27 Operating Budget Key Highlights

- A small surplus has been achieved for the first time in 5 years.
- Average increase in Council’s rate and utility charges of 6.8%.
- 20% capping continuing to apply to residential properties, heavily impacted by prior year land valuations.
- No reduction in Council services and a boost to allow “Back to Basics” lift in service provision.
- \$16m in savings and efficiencies found within Operating Costs to keep Rates Increases to minimum required.
- Continued investment in visitor attraction to our region through major event acquisition, Townsville tourism activities and the Townsville Entertainment and Convention Centre.
- Increased spend and focus toward Improving Townsville Central Business District, including a focus on safety, cleanliness, and activation.
- \$14m investment in improved systems (Connect) that will streamline Council services and create efficiencies for years to come.

2026/27 Capital Budget Key Highlights

Council's capital program for 2026/27 has capital expenditure of \$415.5m and capital revenue of \$188.8m. The significant focus of Council's capital program is continued investment in renewing the City's aging infrastructure, with \$120.9m forecast to be spent on renewal works. Key highlights of the capital program include:

- \$116.1m investment in Council's road and transport network including programs for pathways, bus stops, roads, bridges, culverts and renewal of the V8 Supercar track
- \$84.5m investment in water treatment and storage
- \$23.7m for wastewater renewals and construction
- \$14.2m in stormwater and drainage capital works
- \$23.8m invested in Council's waste facilities including delivery of new landfill cells and future resource recovery facility at Stuart Landfill
- \$46.8m in growth corridors, including Svensson Road and Lionel Turner Drive.
- \$9.8m for works in Townsville's open spaces including softfall renewals, lighting at Loam Island boat ramp and city centre revitalisation
- \$86.8m Lansdown enabling infrastructure works
- \$20.5m continued investment in the Haughton Pipeline and Burdekin Pump Station project
- \$31.1m of donated assets from development activity.

ADDITIONAL COMMENTARY TO SUPPORT THE BUDGET STATEMENTS

The 2026/27 budget has been prepared in accordance with sections 169–170 of the *Local Government Regulation 2012*. It is consistent with the Townsville 2025–2029 Corporate Plan (5-year Strategic Plan) and the Operational Plan 2026/27.

Statement of Income and Expenditure

The Statement of Income and Expenditure included in Table 9 measures Council's financial performance over a 12 month period ending 30 June 2027. Financial performance is assessed by summarising how Council acquires its revenue and expenditure through both operating and non-operating activities. A key indicator of financial performance is the operating result which depicts whether Council is generating enough income to cover the costs of delivering services.

Council is budgeting a minor operating surplus of \$0.1m in 2026/27.

Revenue

In 2026/27 Council is budgeting operating revenue of \$614.7m.

Rates

Net rates and utilities revenue includes rates and utilities charges, less discounts and concessions, and represents 85% of Council's total operating revenue. Net rates and utility charges revenue increased by 8% from 2025/26

Table 7 shows a summary of the general rate increases.

TABLE 7 - SUMMARY OF GENERAL RATES INCREASE

Differential Rating Category	Description of change	Rate-in-\$ Change	Minimum Rate Change
All Categories	A 7.2% increase has been applied to the rate in the dollar levied and the minimum general rate across Council's differential rating categories.	7.2%	7.2%

Utility Charges

Table 8 shows a summary of the increases for each utility charge type. Refer to Appendices E – G for full details of the utility charges.

TABLE 8 - SUMMARY OF RATES AND UTILITY CHARGES

Charge Type	Description	2025/26 Charge (\$)	2026/27 Charge (\$)
Water	Standard Plan Annual Access Charge	1,079	1,175
	Standard Plan Excess Consumption	4.13 per kL	4.50 per kL
	Water Watcher Annual Access Charge	488	531
	Water Watcher Consumption	1.96 per kL	2.13 per kL
	Non-Residential Annual Access Charge	514	560
	Non-Residential Consumption	4.03 per kL	4.39 per kL
	Total % Increase		8.9%
Wastewater	Residential Annual Charge	888	924
	Non-Residential Annual Charge Per Pedestal	1,042	1,084
	Total % Increase		4.1%
Waste	Domestic 240L/240L Wheelie Bin Per Annum	374	393*
	Domestic 240L/360L Wheelie Bin Per Annum	374	393*
	Commercial Service Waste 240L Bin Per Annum	411*	432*
	Commercial Service Recycling 240L Bin Per Annum	136	143
	Total % Increase		5.1%

*The State Waste Levy will be charged as a separate charge. Further details can be found in Appendix G - Waste Management and Recycling.

Townsville Average Residential Ratepayer

With the price increases forecast above, the estimated net impact on total rates and charges is 6.8% as per below. Note the average residential valuation for the year has not changed as there are no Valuation changes applied across the region for the 2026/27 year.

Description	2025/26 Charge (\$)	2026/27 Charge (\$)	Annual Change (\$)	Annual Change (%)
General Rate – Category 1 Average Valuation \$216,000	1,956	2,097	141	7.2%
Prompt Payment Discount – 5%	(98)	(105)	(7)	
Residential Standard Plan - Water	1,079	1,175	96	8.9%
Residential Sewerage Utility Charge	888	924	36	4.1%
240L Waste And 240L Recycle Wheelie Bin	374	393*	19	5.1%
Net Rates and Charges	4,199	4,484	285	6.8%

*The State Waste Levy will be charged as a separate charge. Further details can be found in Appendix G - Waste Management and Recycling.

Capping

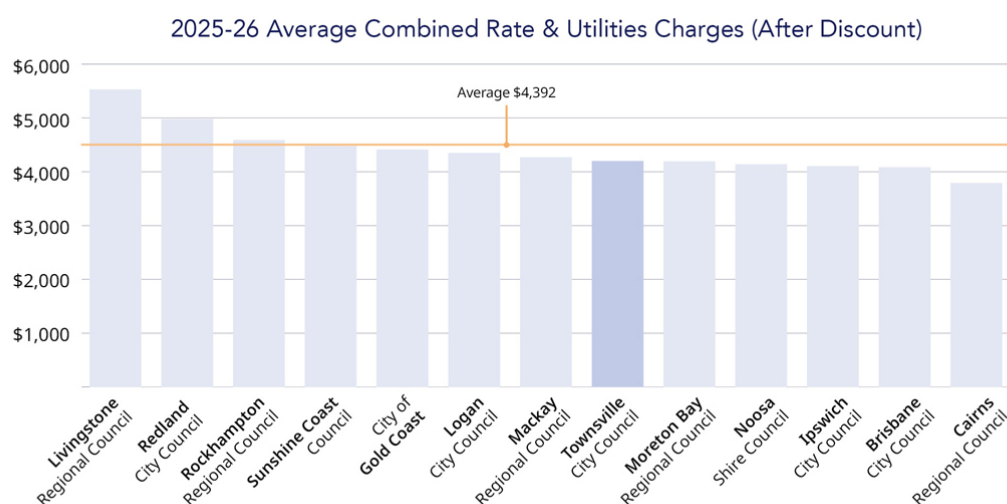
Council has continued to maintain the Cap on the General Rate increase for Residential Owner Occupied properties at 20%. As a result of significant valuation changes applied to the 2025/26 year, there are still approximately 2,300 properties who rely upon this Cap of General Rates.

Changes to Rating Concessions

Council has reviewed its General Rates and Utility Charges Concession Policy to improve clarity and equity in the support provided to organisations that benefit the wider community. The review has streamlined eligibility criteria, strengthened alignment between land use and organisational purpose, and simplified the policy structure. These changes ensure concessions are applied in a fair, transparent and consistent manner, with support directed to activities that deliver clear community benefit.

How Townsville Compares

In 2025/26 the average combined rates and utility charges for a residential property in Townsville were below the average of comparative Councils across Queensland. This is expected to continue in the 2026/27 financial year.



Based on 2025/26 data generally available, including pricing from Urban Utilities and Unity Water.

- **Fees and Charges**

The fees and charges for 2026/27 can be viewed on Council's website. The fees and charges include details of cost-recovery fees in accordance with section 98 of the *Local Government Act 2009*, commercial fees, charges for regulatory services, and those associated with the granting of a permit/licence or the regulation of an activity.

Changes in fees and charges can result from changes in state government legislative direction, volume, and service delivery costs for Council's services.

Fees and charges make up 8.4% of Council's operational revenue and is increasing by 8.9% from 2025/26, primarily due to increasing inflationary costs of the services themselves. The fees and charges are reviewed annually as part of the budget development process and the schedule of fees and charges for 2026/27 was adopted by Council on 3 June 2026.

- **All other Revenue**

Interest received relates to interest on bank balances and interest on overdue rates and utility charges. The 2026/27 budget for interest is higher compared to the 2025/26 budget, reflecting a stronger cash position and higher forecast interest rates.

Grants and subsidies include all monies received from Queensland and Australian government sources for the purposes of funding the delivery of Council's services to ratepayers.

Other revenue consists of revenue not separately categorised. It includes, but is not limited to, legal recoveries, bad debt recoveries, and private works.

Expenditure

Council's operating expenditure budget for 2026/27 is \$614.6m, an increase of 2% from 2025/26.

Expenditure includes employee costs, materials and services, depreciation and finance costs.

Employee Costs

Employee costs include all expenditure such as wages and associated allowances, leave entitlements, and employer superannuation.

During the 2025/26 Financial Year, three new Certified Agreements with employees were negotiated. During the period of negotiation, there was protected industrial action which meant service disruption to the community, particularly in the Waste collection area. The new agreements are for three years and include a significant uplift in our areas of key skills to ensure that Townsville City Council can attract the right people within Townsville's competitive job market. Increases over the three years have been factored into Council's three year budget and long term financial plan.

Materials and Services

Materials and services may include, but is not limited to, costs relating to repairs and maintenance of Council's infrastructure, building maintenance, grants and sponsorships given to the community, plant hire, purchasing of minor equipment, software licences, information technology costs, communications and insurance.

Increases in expenditure are the result of maintaining existing levels of service, whilst absorbing some of the impacts of cost increases for insurance, wages, materials, fuel, chemicals and construction costs. Efficiencies and savings of \$16.0m have been identified through the budget process to limit the increases in operating expenditure.

As indicated in the opening, the Middle East conflict and fuel price uncertainty have meant that we have seen significant increases in prices since March 2026. Council has seen an increase in commodity-based products of around 15%-25%, and significant increases in many delivery costs for its materials. At the start of the conflict, Council enacted emergency procurement provisions to allow for additional procurement of essential supplies to enable continued service provision. While fuel prices have been more stable in the last month, there is still considerable uncertainty in many prices. Additionally, the Federal Government's relief period for fuel excise cuts remains set to expire on 30 June 2026. A provisional impact of an additional \$10 million in materials and services has been included to accommodate future uncertainty.

With the appointment of the Chief Procurement Officer in July 2026, Council is now embarking on strategic procurement approaches for the procurement of key goods and services.

In essence, Council's annual contracting plan allows for a program approach to procurement and reduces duplication and administration. In addition, a stronger commercial approach by way of structured sourcing strategies for higher-value contracts improves market engagement and, in turn, value for money. The different approach was piloted in 2025/26 with evident success. The approach will continue for the 2026/27 year.

CBD activation

Both Mayor Dametto and Council's new Director Planning, Environment and Lifestyle commenced in December 2025. In this short time, considerable focus has been placed on the CBD and its challenges in promoting Townsville as the vibrant city that it is. A new operational plan action has been identified to develop a CBD Activation Program in partnership with local businesses, creatives, and community groups to increase visitation, patronage, and economic activity within the CBD.

The 2026/27 Budget provides for increased cleaning to lift the presentation of the spaces as well as a safety review of the spaces and installation of additional CCTV cameras. In addition, there is increased activation to attract visitation, particularly pre/post events at the Country Bank Stadium.

Project "Connect"

The Enterprise Resource Planning system review (Connect Program) is an exciting step in transforming Council's business for the future. The program involves upgrading Council's current end-of-life systems to the new, cloud-based OneCouncil solution, meaning better tools, smoother processes, easier access to future updates, and better customer interactions with Council. The program implementation occurs in three phases across the next three years. The drive to upgrade initially stemmed from Council's existing software reaching end of life and no longer being supported, but the business case for the investment showed considerable efficiencies and improved services in the longer term. Costs of implementation and ongoing licensing are included within the long-term forecast, as well as known savings. Further benefits are expected to be realised as the implementation progresses. The budget for Connect in the 2026/27 year is \$14 million.

Depreciation

Depreciation and amortisation are accounting measures which reflect the consumption of Council's infrastructure, property, plant and equipment assets.

Depreciation expenses have increased in 2026/27 reflecting continued rising infrastructure costs and the valuation of major infrastructure assets. Council's depreciation expenses will be \$166.5m million in 2026/27, an increase of \$5.4m from 2025/26. The forward prediction of price growth in Capital Projects in the financial plan is 6.3% each year. With the pipeline of projects across the state, notably for 2032 Olympics, and ongoing price uncertainty there will be pressure on the delivery of Council's ambitious capital program. Ultimately the increase in prices will impact upon future depreciation.

Finance Costs

Finance costs relate to interest and fees on borrowings as well as the valuation of landfill restoration provisions due to discounted cash flow movements (referred to as unwinding of discounts).

Despite the increase in cash rates during the 2025/26 year, the loans that Council has with Queensland Treasury Corporate are essentially fixed. The weighted average interest rate for Council's long term loans is 4%.

Other Expenses

Other expenses relate to the write-off of bad and doubtful debts.

Statement of Financial Position

The Statement of Financial Position included in Table 10 summarises Council's assets, liabilities and equity at a specific point in time. It presents what Council owns (e.g. infrastructure, land, buildings, cash and receivables) and owes (e.g. borrowings, payables and provisions), and the value of community equity utilised by Council.

Statement of Cash Flows

The Statement of Cash Flows included in Table 11 provides an overview of the cash inflows and outflows of Council, typically over a financial year. It tracks where cash comes from—such as rates, fees, and grants—and how it is spent on services, projects, and operations. It also shows the amount of cash Council has available at the end of the year.

Council maintains a closing cash balance that represents sufficient cash reserves to fund Council's day-to-day operations, given peaks and troughs in Council's revenue streams. It also enables Council to effectively respond to unforeseen events that may occur during the year.

Statement of Changes in Equity

The Statement of Changes in Equity included in Table 12 summarises the changes in equity of Council that have occurred during a specific accounting period, typically over a financial year. It summarises how Council's overall financial position has improved or declined over the year. In 2026/27 Council's overall financial position is expected to improve by 5.0%.

Statement of Business Activities

The Statement of Council Business Activities included in Table 13 and the Business Activities Statement included in Table 14 summarise Council's activities to which the competitive code of conduct applies. Council applies full cost pricing to these activities, identifying the cost of community service obligations included in Table 15, and eliminating the advantages and disadvantages of public ownership within that activity.

Sources of Funding

Funding for Council's Operational Plan and Budget outcomes are from four primary sources:

- General rates and utility charges
- Fees and charges
- Grants, subsidies, contributions and donations
- Borrowings.

The changes in revenue from rates and utilities levied is included in Table 16, which is in accordance with sections 169 (6) and (7) of the *Local Government Regulation 2012*.

Borrowings

Borrowings are utilised to assist with funding investment in significant new assets. In 2026/27 Council is budgeting to fund investment in Lansdown Eco Industrial Precinct and the Haughton Pipeline and Burdekin Pumpstation through new debt facilities of \$106.6m. At the end of the 2026/27 financial year total closing debt balance is expected to be \$437.1m. Further borrowings are forecast over the ten year forecast period with debt reducing to 2025/26 levels by 2034/35.

Queensland Treasury Corporation undertakes a detailed annual credit assessment of Council and makes recommendations to the State Government regarding sustainable borrowing levels.

Council's Debt Policy is included in the supporting documents section of this plan or alternatively can be found on Council's website.

Our Financial Sustainability

Long Term Financial Forecast

The Long Term Financial Forecast is a forward-looking plan that shows how Council expects to manage its finances over time. In Queensland, councils typically look ahead at least 10 years.

Rather than focusing on a single year, the forecast provides a bigger picture of future income (such as rates and fees) and expenses (such as delivering services and maintaining roads, parks, and community facilities). It helps explain how Council plans to balance these over the long term.

Preparing a Long Term Financial Forecast is a requirement under Queensland's local government legislation, including the Local Government Act 2009 and associated regulations. This ensures councils plan responsibly and consider the long-term impacts of today's decisions.

It is also a key part of good financial governance. By looking ahead, Council can make informed, responsible choices about spending, investment, and service levels, while keeping the community's needs and priorities in mind.

The forecast helps the community understand whether Council can continue to deliver services and infrastructure in a sustainable way over time. It shows:

- How Council plans to fund essential services such as waste, roads, and community programs
- How existing infrastructure will be maintained and when upgrades may be needed
- How borrowing (debt) is managed and repaid responsibly
- Whether Council's overall financial position remains stable into the future

In simple terms, it provides reassurance that Council is planning ahead to meet both current and future needs without placing an unfair burden on the community.

A Long Term Financial Forecast is not a fixed budget or a guarantee of what will happen. It is based on a set of assumptions about things like population growth, inflation, construction costs, and future funding.

Because the future can change, the forecast is reviewed and updated regularly to reflect the latest information and priorities. This ensures Council remains transparent and accountable while adapting to changing circumstances.

Commentary on Long Term Financial Forecast

In this Long term Financial Forecast Council has three projects significantly impacting upon Council's Financial Position, being the Lansdown Eco-Industrial Precinct, Haughton Pipeline and Burdekin Pump Station, and the Residential Activation Fund Capital Program.

- **Lansdown Eco-Industrial Precinct (LEIP)**

The Lansdown Eco-Industrial Precinct will be North Australia's foremost eco-industrial hub for advanced manufacturing, processing, technology and emerging industries.

Located in Woodstock, 40 kilometres south of Townsville, the 2200-hectare Lansdown site was acquired by Townsville City Council in 2001. It is primarily a High Impact Industrial Zone away from residential areas but well-positioned for transport links, power, water and has close proximity to North West Minerals Province.

Townsville City Council owns the 2,200-hectare site where Lansdown will be built and is supporting this as a development that will help grow Townsville and deliver opportunities for people in our region for decades to come.

Over the next 7 years Council is investing \$303m in roads and raw water supply infrastructure to support the precinct. This capital investment and associated loan funding for the project is included the long term financial forecast. Importantly for the city, Council's investment in the project will provide a return to the Council over the next 40 years, allowing investment in essential services and infrastructure.

Lansdown Eco-Industrial Precinct	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000	2031/32 \$000	2032/33 \$000	2033/34 \$000	2034/35 \$000	2035/36 \$000	Total \$000
Capital Expenditure	86,765	119,021	63,552	13,252	-	-	20,135	-	-	-	302,726
Grant Funding	15,950	28,469	-	-	-	-	-	-	-	-	44,419
Loan Proceeds	76,926	90,552	63,552	13,252	-	-	20,135	-	-	-	264,418
Net Operating Impact	(1,776)	4,207	(398)	21,760	21,434	20,769	19,354	20,399	21,144	21,920	148,813
Balance of Lansdown Loans at 30 June	115,474	211,505	282,570	307,007	310,670	305,361	313,422	300,057	285,850	270,750	

LEIP has featured in Council's LTFF for a few years, and projects and expenditure have been deferred and continually updated. As it is a greenfield site, the concept of LEIP is that Council is attempting to time the infrastructure in line with proponents who are also proceeding with their own developments. If further delays are incurred to proponents, Council may also defer its own expenditure. This in turns, defers loans and future revenues. For visibility, additional notes have been included around the balance of LEIP Loans in the Statement of Financial Position.

- Burdekin Pump Station**

The Burdekin Pump Station enables efficient, high-volume transfer of raw water from the Burdekin Haughton Water Supply Scheme to supplement Townsville's Ross River Dam catchment utilising the Haughton Pipeline and Burdekin Pumpstation Stages 1 and 2. The project mitigates risks from drought, climate variability and the limitations of the existing aging emergency pipeline and channel systems. The finalisation of the Pipeline as well as the design and construction costs of the Pump Station are included within the long-term forecast, as are borrowing assumptions and estimated operating costs when the pumpstation is commissioned. The delivery of the pumpstation is expected to be complete by 2032, with a cost of more than \$500m in Council's Long Term Financial Plan. Our assumption is that this project is reliant upon government funding, making up 90% of the required funding envelope.

- Local Government Growth Projects and Residential Activation Fund Assumptions**

The Residential Activation Fund is a Queensland Government initiative that accelerates the delivery of trunk and essential infrastructure that is fundamental to getting homes built without delay. Townsville City Council has been successful in applying for funding under the first round of this scheme and has made submissions under the second round of the scheme. The delivery of infrastructure under both rounds are included within the long term forecast. Preliminary assumptions have also been included in the forecast for a potential round three of the scheme.

Residential Activation Fund	Round	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000	Total Gross \$000	Total Funding \$000	Net \$000
Northern Beaches Trunk Road Infrastructure Package	1	31,412	11,679	-	-	-	43,091	28,773	14,318
Upper Ross Trunk Sewer & Water Infrastructure Package	2	10,898	40,629	26,304	-	-	77,831	67,712	10,119
Bohle River Estates Trunk Road Infrastructure Package	2	4,466	49,229	38,720	-	-	92,415	64,691	27,724
Dalrymple Road Duplication	2	500	16,477	17,515	-	-	34,492	29,317	5,175
Northern Beaches Trunk Water Infrastructure Design Package	2	2,072	1,507	-	-	-	3,579	2,505	1,074
Lionel Turner Drive Extension	2	15,419	24,185	-	-	-	39,604	31,683	7,921
North Shore Boulevard Water Main*	3	-	-	-	4,805	10,215	15,019	15,019	-
Northern Tank Farm*	3	-	-	11,300	30,029	-	41,329	41,329	-
Jensen Reservoir Facility Development*	3	-	-	6,215	-	-	6,215	6,215	-
Total		64,767	143,706	100,053	34,834	10,215	353,575	287,244	66,331

Rounding

Figures in tables and generally in the text throughout this document have been rounded. Any discrepancies in tables between totals and sums of components are due to rounding.

TABLE 9 - STATEMENT OF INCOME AND EXPENDITURE

Statement of Income and Expenditure	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000
Revenue			
General rates	255,002	268,648	281,665
Utility charges	286,618	309,022	325,681
<i>Water</i>	135,810	151,333	161,657
<i>Wastewater</i>	110,210	114,713	119,400
<i>Refuse and recycling</i>	40,598	42,976	44,624
Discounts and concessions	(17,543)	(18,722)	(19,885)
Fees and charges	51,712	54,693	57,020
Interest received	9,584	5,427	4,942
Contributions from developers	450	255	258
Grants and subsidies	16,105	12,524	12,781
Other revenue	12,750	20,562	26,341
Total revenue	614,678	652,410	688,803
Expenses			
Employee costs	191,429	199,695	206,367
Materials and services	239,291	244,449	258,090
Depreciation and amortisation	166,536	173,889	178,259
Finance costs	16,377	16,753	15,632
Other expenses	973	1,010	1,049
Total expenses	614,606	635,796	659,396
Operating surplus/(deficit)	72	16,614	29,407
Operating surplus ratio	0.4%	2.9%	4.5%
Capital Income			
Grants, subsidies, contributions and donations	188,774	246,120	200,071
Gain/(loss) on sale of property plant and equipment	(7,378)	-	-
Total capital income	181,396	246,120	200,071
Net result	181,468	262,733	229,477

TABLE 10 - STATEMENT OF FINANCIAL POSITION

Statement of Financial Position	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000
Current assets			
Unrestricted cash and cash equivalents	126,169	107,731	98,058
Externally restricted cash	13,372	557	557
Contract assets	2,930	-	-
Trade and other receivables	51,021	54,801	58,083
Inventories	3,853	3,949	4,048
Other assets	7,882	8,079	8,281
Total current assets	205,227	175,117	169,027
Non-current assets			
Property, plant and equipment	7,720,258	8,065,226	8,349,915
Right-of-use assets	14,827	12,536	10,704
Intangible assets	1,371	1,330	1,288
Other assets	11,215	11,215	11,215
Total non-current assets	7,747,671	8,090,307	8,373,122
Total assets	7,952,898	8,265,424	8,542,149
Current liabilities			
Payables	76,883	78,438	82,939
Contract liabilities	13,372	557	557
Borrowings	43,607	45,803	47,740
Lease liabilities	2,507	2,005	1,932
Provisions	35,069	35,801	38,342
Other current liabilities	155	155	155
Total current liabilities	171,593	162,759	171,665
Non-current liabilities			
Borrowings	393,487	446,723	477,066
Lease liabilities	16,482	14,478	12,546
Provisions	35,422	36,670	36,195
Other non-current liabilities	4,154	4,154	4,154
Total non-current liabilities	449,545	502,025	529,961
Total liabilities	621,138	664,784	701,626
Net community assets	7,331,760	7,600,640	7,840,523
Community equity			
Asset revaluation reserve	2,716,005	2,722,151	2,732,557
Retained surplus	4,615,756	4,878,489	5,107,966
Total community equity	7,331,760	7,600,640	7,840,523

TABLE 11 - STATEMENT CASH FLOWS

Statement of Cash Flows	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000
Revenue			
Cash flows from operating activities			
Receipts from customers	616,041	643,203	680,578
Payments to suppliers and employees	(423,534)	(442,826)	(460,239)
Interest received	9,583	5,427	4,942
Borrowing costs	(16,841)	(15,753)	(14,632)
Net cash provided by operating activities	185,249	190,051	210,649
Cash flow from investing activities			
Payments for property, plant and equipment	(392,739)	(466,734)	(395,186)
Proceeds from sale of property, plant and equipment	3,493	-	-
Grants, subsidies, contributions and donations	137,338	196,495	153,484
Net cash used in investing activities	(251,908)	(270,239)	(241,702)
Cash flows from financing activities			
Proceeds from borrowings	93,969	93,552	70,552
Repayment of borrowings	(43,690)	(42,111)	(47,167)
Repayment of leases	(2,391)	(2,506)	(2,005)
Net cash provided by financing activities	47,888	48,935	21,380
Net increase/(decrease) in cash held	(18,771)	(31,253)	(9,673)
Cash at beginning of reporting period	158,312	139,541	108,288
Cash at the end of reporting period	139,541	108,288	98,615

TABLE 12 - STATEMENT OF CHANGES IN EQUITY

Statement of Changes in Equity	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000
Asset revaluation reserve			
Opening balance	2,715,426	2,716,005	2,722,151
Increase in asset revaluation reserve	578	6,147	10,406
Closing balance	2,716,005	2,722,151	2,732,557
Retained surplus			
Opening balance	4,434,288	4,615,756	4,878,489
Net result for the period	181,468	262,733	229,477
Closing balance	4,615,756	4,878,489	5,107,966
Total community equity	7,331,760	7,600,640	7,840,523

TABLE 13 - STATEMENT OF COUNCIL BUSINESS ACTIVITIES

Statement of Council Business Activities	Townsville Water 2026/27 \$'000	Resource Recovery 2026/27 \$'000
Revenue		
Utility charges	261,882	41,033
Discounts and concessions	(4,048)	-
Fees and charges	5,413	38,497
Interest received	613	-
National Competition Policy revenue/recovery	4,362	4,024
Grants and subsidies	-	437
Other revenue	13,763	3,553
Total revenue	281,984	87,544
Operating expenses		
Employee costs	28,740	12,785
Materials and services	93,719	48,986
Depreciation and amortisation	55,466	1,050
Finance costs	11,818	5,920
National Competition Policy expense/charges	520	595
Total operating expenses	190,264	69,337
Operating surplus/(deficit) before income tax & capital items	91,720	18,207
Income tax	28,114	5,560
Operating surplus/(deficit) before capital items	63,606	12,647
Capital income		
Contributions capital	14,617	-
Contributions non-cash capital	7,292	-
Grants and subsidies capital	31,772	-
Profit/(loss) on sale of assets	(8,345)	-
Total capital income	45,335	-
Net result	108,941	-
Capital works		
Capital works	145,464	23,830
Donated assets	7,292	-
Total capital works	152,756	23,830

TABLE 14 - BUSINESS ACTIVITY STATEMENT

Business Activities Statement	Townsville Water 2026/27 \$'000	Resource Recovery 2026/27 \$'000
Revenue		
Services provided to local government	32,319	12,683
Services provided to clients other than local government	245,616	70,937
Community service obligations	4,048	3,923
Total revenue	281,984	87,544
Expenses		
Operating expenses	190,264	69,337
Operating surplus/(deficit) before income tax & capital items	91,720	18,207
Total capital income	45,335	-
Net result before tax	137,055	18,207
Income tax	28,114	5,560
Net result after tax	108,941	12,647

TABLE 15 - COMMUNITY SERVICE OBLIGATIONS

Community Service Obligations	Townsville Water 2026/27 \$'000	Resource Recovery 2026/27 \$'000
Revenue		
Concessions on Wastewater Utility Charges	1,470	-
Concessions on Water Utility Charges	2,578	-
Concessions on landfill fees for charity organisations	-	59
Concessions on landfill fees for North Rail Yards site	-	3,330
Cost of provision for dead animal collection services	-	97
Concession on landfill fees for dump vouchers	-	330
Cost of provision for infirm services	-	93
Cost of provision for community clean up events	-	1
Cost of provision for removal of illegal dumping	-	12
Hire of bins for community clean up events	-	1
Total Community Service Obligations	4,048	3,923

TABLE 16 - CHANGES IN RATES AND UTILITIES LEVIED

Changes in Rates and Utilities Levied	2025/26 - 2026/27	2026/27 - 2027/28	2027/28 - 2028/29
Change in rates and utility charges levied before discounts and concessions	8.20%	6.66%	5.14%
Change in rates and utility charges levied after discounts and concessions	8.27%	6.65%	5.10%

TABLE 17 – STATEMENT OF INCOME AND EXPENDITURE (LONG TERM)

Statement of Income and Expenditure (Long Term)	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000	2032/33 \$'000	2033/34 \$'000	2034/35 \$'000	2035/36 \$'000
Revenue										
General rates	255,002	268,648	281,665	293,886	306,638	319,943	333,825	348,310	363,423	379,192
Utility charges	286,618	309,022	325,681	351,950	376,433	408,943	432,331	454,081	476,588	500,303
<i>Water</i>	135,810	151,333	161,657	181,225	198,733	223,983	239,812	253,697	268,017	283,210
<i>Wastewater</i>	110,210	114,713	119,400	124,278	129,356	134,641	140,143	145,868	151,828	158,031
<i>Refuse and recycling</i>	40,598	42,976	44,624	46,447	48,344	50,320	52,376	54,516	56,743	59,061
Discounts and concessions	(17,543)	(18,722)	(19,885)	(21,017)	(22,214)	(23,479)	(24,816)	(26,230)	(27,724)	(29,303)
Fees and charges	51,712	54,693	57,020	59,447	61,979	64,620	67,374	70,248	73,245	76,372
Interest received	9,584	5,427	4,942	5,047	5,340	5,445	5,810	6,715	6,412	6,053
Contributions from developers	450	255	258	299	430	618	763	824	890	961
Grants and subsidies	16,105	12,524	12,781	12,957	13,137	13,321	13,510	13,703	13,902	14,105
Other revenue	12,750	20,562	26,341	38,574	42,059	42,984	43,742	44,309	44,884	45,447
Total revenue	614,678	652,409	688,803	741,143	783,802	832,395	872,539	911,960	951,620	993,130
Expenses										
Employee costs	191,429	199,695	206,367	213,593	219,984	227,700	235,689	243,959	252,521	261,385
Materials and services	239,291	244,449	258,090	268,550	282,584	310,362	326,014	339,083	353,936	379,232
Depreciation and amortisation	166,536	173,889	178,259	192,696	206,104	224,526	241,331	255,374	262,006	270,996
Finance costs	16,377	16,753	15,632	13,730	19,703	29,827	30,475	29,782	27,936	26,015
Other expenses	973	1,010	1,049	1,075	1,100	1,129	1,157	1,186	1,216	1,246
Total expenses	614,606	635,796	659,397	689,644	729,475	793,544	834,666	869,383	897,615	938,874
Operating surplus/(deficit) *	72	16,613	29,406	51,499	54,327	38,851	37,873	42,577	54,005	54,256
Operating surplus ratio	0.4%	2.9%	4.5%	7.2%	7.1%	4.8%	4.5%	4.8%	5.8%	5.6%
Capital Income										
Grants, subsidies, contributions and donations	188,774	246,120	200,071	320,849	353,196	108,676	117,454	124,308	162,718	139,592
Gain/(loss) on sale of property plant & equipment	(7,378)	-	-	-	-	-	-	-	-	-
Total capital income	181,396	246,120	200,071	320,849	353,196	108,676	117,454	124,308	162,718	139,592
Net result	181,468	262,733	229,477	372,348	407,524	147,527	155,327	166,885	216,722	193,848
* Operating surplus/(deficit) - Lansdown	(1,776)	4,207	(398)	21,760	21,434	20,769	19,354	20,399	21,144	21,920
* Operating surplus/(deficit) - Rest of Council	1,848	12,406	29,804	29,739	32,893	18,082	18,519	22,178	32,861	32,336
Operating surplus/(deficit)	72	16,613	29,406	51,499	54,327	38,851	37,873	42,577	54,005	54,256

TABLE 18 - STATEMENT OF FINANCIAL POSITION (LONG TERM)

Statement of Financial Position (Long-Term)	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000	2032/33 \$'000	2033/34 \$'000	2034/35 \$'000	2035/36 \$'000
Current assets										
Unrestricted cash and cash equivalents	126,169	107,731	98,058	83,173	93,054	104,956	102,225	121,485	95,387	100,532
Externally restricted cash	13,372	557	557	557	-	-	-	-	-	-
Contract assets	2,930	-	-	-	-	-	-	-	-	-
Trade and other receivables	51,021	54,801	58,083	62,520	66,119	70,046	73,616	76,887	80,281	83,609
Inventories	3,853	3,949	4,048	4,149	4,253	4,359	4,468	4,580	4,695	4,812
Other assets	7,882	8,079	8,281	8,488	8,700	8,917	9,141	9,369	9,603	9,843
Total current assets	205,227	175,117	169,027	158,887	172,126	188,278	189,449	212,321	189,966	198,796
Non-current assets										
Property, plant and equipment	7,720,258	8,065,226	8,349,915	8,763,609	9,195,455	9,381,985	9,617,314	9,832,660	10,149,601	10,419,406
Right-of-use assets	14,827	12,536	10,704	9,099	7,495	5,984	4,928	3,872	2,816	1,760
Intangible assets	1,371	1,330	1,288	1,247	1,205	1,164	1,122	1,081	1,039	998
Other assets	11,215	11,215	11,215	11,215	11,215	11,215	11,215	11,215	11,215	11,215
Total non-current assets	7,747,671	8,090,307	8,373,122	8,785,170	9,215,370	9,400,348	9,634,579	9,848,828	10,164,671	10,433,379
Total assets	7,952,898	8,265,424	8,542,149	8,944,057	9,387,496	9,588,626	9,824,028	10,061,149	10,354,637	10,632,175
Current liabilities										
Payables	76,883	78,438	82,939	86,275	90,366	98,656	103,839	107,981	112,668	120,181
Contract liabilities	13,372	557	557	557	-	-	-	-	-	-
Borrowings *	43,607	45,803	47,740	35,251	36,754	48,483	51,558	52,481	53,503	52,240
Lease liabilities	2,507	2,005	1,932	1,974	1,511	1,191	1,299	1,413	1,531	1,671
Provisions	35,069	35,801	38,342	42,534	60,137	40,065	41,131	42,197	43,263	44,263
Other current liabilities	155	155	155	155	155	155	155	155	155	155
Total current liabilities	171,593	162,759	171,665	166,746	188,923	188,550	197,982	204,227	211,120	218,510
Non-current liabilities										
Borrowings *	393,487	446,723	477,066	495,834	492,673	476,661	455,992	420,523	383,249	346,408
Lease liabilities	16,482	14,478	12,546	10,572	9,060	7,869	6,570	5,158	3,627	1,956
Provisions	35,422	36,670	36,195	32,594	12,456	13,456	14,456	15,456	16,456	17,522
Other non-current liabilities	4,154	4,154	4,154	4,154	4,154	4,154	4,154	4,154	4,154	4,154
Total non-current liabilities	449,545	502,025	529,961	543,154	518,343	502,140	481,172	445,291	407,486	370,040
Total liabilities	621,138	664,784	701,626	709,900	707,266	690,690	679,154	649,518	618,606	588,550
Net community assets	7,331,760	7,600,640	7,840,523	8,234,157	8,680,230	8,897,936	9,144,874	9,411,631	9,736,031	10,043,625
Community equity										
Asset revaluation reserve	2,716,005	2,722,151	2,732,557	2,753,844	2,792,393	2,862,572	2,954,183	3,054,056	3,161,733	3,275,479
Retained surplus	4,615,756	4,878,489	5,107,966	5,480,313	5,887,837	6,035,364	6,190,691	6,357,576	6,574,298	6,768,146
Total community equity	7,331,760	7,600,640	7,840,523	8,234,157	8,680,230	8,897,936	9,144,874	9,411,631	9,736,031	10,043,625
* Borrowings Summary										
Balance of Lansdown loans	115,474	211,505	282,570	307,007	310,670	305,361	313,422	300,057	285,850	270,750
Balance of loans - ROC	321,620	281,021	242,236	224,078	218,757	219,783	194,128	172,947	150,902	127,898
Total balance of loans	437,094	492,526	524,806	531,085	529,427	525,144	507,550	473,004	436,752	398,648

TABLE 19 – STATEMENT OF CASH FLOWS (LONG TERM)

Statement of Cash Flows (Long Term)	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities										
Receipts from customers	616,041	643,203	680,578	731,658	774,863	823,024	863,159	901,974	941,813	983,751
Payments to suppliers and employees	(423,534)	(442,826)	(460,239)	(479,124)	(498,828)	(530,159)	(556,943)	(579,361)	(602,269)	(633,642)
Interest received	9,583	5,427	4,942	5,047	5,340	5,445	5,810	6,715	6,412	6,053
Borrowing costs	(16,841)	(15,753)	(14,632)	(12,730)	(18,703)	(28,827)	(29,475)	(28,782)	(26,936)	(25,015)
Net cash provided by operating activities	185,249	190,051	210,649	244,851	262,672	269,483	282,551	300,546	319,020	331,147
Cash flow from investing activities										
Payments for property, plant and equipment	(392,739)	(466,734)	(395,186)	(519,955)	(535,956)	(298,049)	(317,973)	(300,004)	(396,442)	(348,020)
Proceeds from sale of property, plant and equipment	3,493	-	-	-	-	-	-	-	-	-
Grants, subsidies, contributions and donations	137,338	196,495	153,484	268,526	294,907	46,262	51,476	54,563	88,989	61,653
Net cash used in investing activities	(251,908)	(270,239)	(241,702)	(251,429)	(241,049)	(251,787)	(266,497)	(245,441)	(307,453)	(286,367)
Cash flows from financing activities										
Proceeds from borrowings	93,969	93,552	70,552	38,917	25,698	25,000	20,135	-	-	-
Repayment of borrowings	(43,690)	(42,111)	(47,167)	(45,292)	(36,022)	(29,283)	(37,729)	(34,547)	(36,252)	(38,104)
Repayment of leases	(2,391)	(2,506)	(2,005)	(1,932)	(1,975)	(1,511)	(1,191)	(1,298)	(1,413)	(1,531)
Net cash provided by financing activities	47,888	48,935	21,380	(8,307)	(12,299)	(5,794)	(18,785)	(35,845)	(37,665)	(39,635)
Net increases/(decrease) in cash held	(18,771)	(31,253)	(9,673)	(14,885)	9,324	11,902	(2,731)	19,260	(26,098)	5,145
Cash at beginning of reporting period	158,312	139,541	108,288	98,615	83,730	93,054	104,956	102,225	121,485	95,387
Cash at the end of reporting period	139,541	108,288	98,615	83,730	93,054	104,956	102,225	121,485	95,387	100,532

TABLE 20 – STATEMENT OF CHANGES IN EQUITY

Statement of Changes in Equity	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Asset revaluation reserve										
Opening balance	2,715,426	2,716,005	2,722,151	2,732,557	2,753,844	2,792,393	2,862,572	2,954,183	3,054,056	3,161,733
Increase in asset revaluation reserve	578	6,147	10,406	21,287	38,549	70,179	91,611	99,872	107,677	113,745
Closing balance	2,716,005	2,722,151	2,732,557	2,753,844	2,792,393	2,862,572	2,954,183	3,054,056	3,161,733	3,275,479
Retained surplus										
Opening balance	4,434,288	4,615,756	4,878,489	5,107,966	5,480,313	5,887,837	6,035,364	6,190,691	6,357,576	6,574,298
Net result for the period	181,468	262,733	229,477	372,348	407,524	147,527	155,327	166,885	216,722	193,848
Closing balance	4,615,756	4,878,489	5,107,966	5,480,313	5,887,837	6,035,364	6,190,691	6,357,576	6,574,298	6,768,146
Total community equity	7,331,760	7,600,640	7,840,523	8,234,157	8,680,230	8,897,936	9,144,874	9,411,631	9,736,031	10,043,625

TABLE 21 – SUMMARY OF COUNCIL'S FINANCIAL SUSTAINABILITY

Type	Summary of Councils Financial Sustainability	Target	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
Operating Performance	Operating Surplus Ratio (Operating result / total operating revenue)	> 0%	0.4%	2.9%	4.5%	7.2%	7.1%	4.8%	4.5%	4.8%	5.8%	5.6%
	Operating Cash Ratio (Operating result + depreciation and amortisation + finance costs / total operating revenue)	> 0%	29.7%	31.5%	32.2%	34.6%	35.5%	35.0%	35.3%	35.8%	36.0%	35.2%
Liquidity	Unrestricted Cash Expense Cover Ratio (Total cash equivalents + current investments + available ongoing QTC working capital facility limit - externally restricted cash / total operating expenditure - depreciation and amortisation - finance costs)	> 2 months	6.2									
	Asset Sustainability Ratio (Capital expenditure on replacement of infrastructure assets (renewals) / depreciation expenditure on infrastructure assets)	> 60%	71.3%	64.8%	78.6%	76.9%	76.5%	65.0%	61.9%	77.1%	136.8%	74.0%
Asset Management	Asset Consumption Ratio (Written down replacement cost of depreciable infrastructure assets / current replacement cost of depreciable infrastructure assets)	> 60%	73.9%	75.8%	76.9%	79.1%	81.3%	81.4%	78.9%	79.8%	81.3%	81.3%
	Asset Renewal Funding Ratio (Total planned capital expenditure on infrastructure asset renewals over 10 years / total required capital expenditure on infrastructure asset renewals over 10 years)	N/A	98.4%									
Financial Capacity	Council-Controlled Revenue (Net rates, levies and charges + fees and charges / total operating revenue)	N/A	93.7%	94.1%	93.6%	92.3%	92.2%	92.5%	92.7%	92.8%	93.1%	93.3%
	Population Growth (Prior year estimated population / previous year estimated population - 1)	N/A	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%
Debt Servicing Capacity	Leverage Ratio (Book value of debt / operating results + depreciation and amortisation and finance costs)	0 – 4 times	2.4	2.4	2.4	2.1	1.9	1.8	1.6	1.4	1.3	1.1

Measures of Financial Sustainability

Financial Sustainability measures are required under section 169 of the *Local Government Regulation 2012*:

- **Operating Surplus Ratio (Budget 0.4% | Target: >0%)**

The operating surplus ratio measures whether Council's day-to-day income is sufficient to cover the cost of delivering services.

Council is budgeting to achieve a positive operating surplus ratio in 2026/27 of 0.4%.

This indicates that Council is generating enough income to meet its operating costs, meaning that Council is operating sustainably. While the surplus is modest, it reflects a balanced approach between maintaining services and managing cost pressures.

- **Operating Cash Ratio (Budget 29.7% | Target: >0%)**

This ratio shows Council's ability to generate cash from its operations to fund services and infrastructure.

Council is budgeting to record an operating cash ratio of 29.7% in 2026/27.

This indicates that Council is generating strong cash flows from its core activities, providing capacity to fund asset renewals, service debt and reduce reliance on borrowing.

The result is well above target, indicating sound financial performance.

- **Unrestricted Cash Expense Cover Ratio (Budget 6.2 months | Target: >2 months)**

This ratio measures how long Council can continue to operate using its available unrestricted cash reserves.

In 2026/27 Council is budgeting 6.2 months of cash coverage.

The result demonstrates a strong liquidity position, with sufficient cash reserves to manage unexpected events.

The result exceeds the benchmark, reflecting a conservative and resilient financial position.

- **Asset Sustainability Ratio (Budget 71.3% | Target: >60%)**

This ratio assesses whether Council is investing enough in renewing infrastructure such as roads, drainage, and community facilities.

Council's asset sustainability ratio is forecast to be 71.3% in 2026/27, meaning that Council is renewing infrastructure at a rate that supports long-term service delivery. Continued investment focus is required to maintain this level over time.

- **Asset Consumption Ratio (Budget 73.9% | Target: >60%)**

This ratio reflects the overall condition of Council's infrastructure assets.

Council's assets have a remaining life of approximately 73.9% indicating Council's infrastructure is generally in good condition.

The result is well above the benchmark, indicating assets are not approaching the end of their useful life reducing the risk of large, sudden renewal costs.

- **Asset Renewal Funding Ratio (Budget 98.4% | Target: N/A)**

This ratio indicates whether Council has planned enough funding over the long term to replace its infrastructure assets.

Council is budgeting to fund 98.4% of its long-term asset renewal requirements in 2026/27.

This highlights the importance of ongoing financial planning to fully meet renewal demands.

- **Council-Controlled Revenue (Budget 93.7% | Target: N/A)**

This ratio shows how much of Council's income is generated locally (rates, charges, and fees) rather than external sources such as grants.

In 2026/27 93.7% of its revenue will be generated from its own sources indicating Council is largely self-reliant in funding services. This provides stability but also highlights reliance on local revenue sources such as rates and user charges.

- **Leverage Ratio (Budget 2.4 times | Target: 0–4 times)**

This ratio measures Council's debt relative to its ability to repay it from operating cash flows.

Council's leverage ratio is 2.4 times, indicating debt levels are within the acceptable range and being used responsibly to support infrastructure investment while remaining affordable.

- **Overall Financial Sustainability Position**

Council's financial sustainability indicators for 30 June 2027 demonstrate a sound and stable financial position

- Operating performance has returned to a positive surplus
- Cash generation and liquidity are strong
- Asset management indicators show infrastructure is being maintained at sustainable levels
- Debt levels remain within prudent limits

Overall, Council is well-positioned to continue delivering essential services and infrastructure while maintaining long-term financial sustainability for the Townsville community.

Revenue Statement and Policies



REVENUE STATEMENT

1. Overview

In accordance with section 172 of the *Local Government Regulation 2012*, a Revenue Statement is required to be prepared and adopted each financial year.

This revenue statement explains the revenue raising measures adopted in Council's 2026/27 budget.

2. Applicability

It is not intended that this revenue statement reproduce all related policies. Related policies will be referred to where appropriate and will take precedence if clarification is required.

3. Making and Levying of General Rates Rationale

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/property). Council is required to raise an appropriate amount of revenue to maintain assets and provide services to the region as a whole.

In accordance with section 6(1)(b) of the *Land Valuation Act 2010* (and section 74(1) of the *Local Government Regulation 2012*), land valuation is used as the basis for levying general rates in Queensland. The general rate could be determined by dividing the income needed from general rates by the rateable valuation of lands; however, that would be inequitable because of the considerable diversity in the Townsville region in terms of land use and location, land values, access to, and actual and potential demands for, services and facilities. To provide a more equitable and reasonable basis for its revenue raising, Council has adopted a general rating system that takes into account a combination of specific user charges, separate charges, special rates and charges and differential general rates.

In summary, rates and charges are determined after consideration of:

- Council's legislative requirements
- the needs and expectations of the general community
- the expected cost of providing services
- equity – that is, ensuring the fair and consistent approach of lawful rating and charging principles, taking into account all relevant considerations, and disregarding irrelevancies such as the perceived personal wealth of individual ratepayers or ratepayer classes.

4. Differential General Rating

Council levies differential general rates, which means the amount of general rates payable for any property depends upon:

- the land's unimproved capital or site value as advised by the Department of Natural Resources and Mines, Manufacturing and Regional and Rural Development
- the Differential General Rating Category that Council gives to the land.

All land within Townsville is given a Differential General Rating Category.

In accordance with section 81 of the *Local Government Regulation 2012*, Council has decided that:

- there will be 57 categories of rateable land for 2026/27 as set out in Appendix A – Differential Rating Categories
- the description of each of the rating categories of rateable land in the local government area is set out in Appendix A – Differential Rating Categories
- the rates and charges to be levied for each of the 57 differential general rating categories are detailed in Appendix B – Differential Rates, Limitations on Increases, Minimum General Rates.

5. Rateable Value of Land

To determine the rateable value of land, Council uses the unimproved capital or site valuation as advised by the Department of Natural Resources and Mines, Manufacturing and Regional and Rural Development. The last valuation of the city was carried out on 1 October 2024 with the valuation being applied from 1 July 2025.

6. Limitation of Increase in Rates

Council will limit the increase in general rates on Category 1 land that is not rated at the minimum general rate (capping). (For clarity, the Council has not limited the increase in general rates for all other categories.)

For the 2026/27 financial year, the general rates levied on Category 1 land, that is not rated at the minimum general rate, will be limited to the amount of the general rates levied for the property for the year ending 30 June 2026, plus an increase of 20%.

This is subject to the following conditions:

- The limitation of increase (commonly described as “capping”) is not available retrospectively.
- If ownership of the land to which capping applies is transferred after 1 July of any year, then capping will cease to apply for the following financial year.

7. Rural Fire Brigades Special Charge

The Rural Fire Brigade Special Charge is levied on rateable lands serviced by the rural fire brigades detailed in Appendix D – Rural Fire Levy. The funds raised from this charge are provided to the voluntary rural fire services so they can acquire and maintain fire-fighting equipment and provide training to volunteers, and to enable them to operate throughout the rural areas of the region.

The overall plan for the Rural Fire Brigades Special Charge is to provide financial assistance to the brigades to enable provision of a rural fire service in each area on an ongoing basis. The amount of the charge is based upon the three year budget for each brigade that has been provided to Council by the Queensland Fire and Rescue Service.

The annual implementation plan is to remit to the respective brigades the levy collected twice a year.

8. Commercial Business Activity – Water Utility Charges

Council conducts water services as a business activity on a commercial basis. The utility charges and other fees and charges for this business activity are set in accordance with full cost-recovery principles outlined in section 41 of the *Local Government Regulation 2012*.

Non-residential water customers, including commercial, industrial and government agencies, will be levied a fixed charge together with a consumption-based charge.

Council offers residential customers a choice between the Standard Plan and the Water Watchers Plan.

Standard Plan customers will be charged for a fixed allocation of water, plus a charge for any consumption in excess of the allocation. Water Watchers Plan residential consumers will be charged a two-part tariff which includes a fixed service charge and consumption-based charge. All developed and undeveloped residential properties within the water supply area connected to the water supply are placed on the Standard Plan. Residential property owners can opt into the Water Watchers Plan by application.

All undeveloped residential land within the water supply area not connected to the water supply is placed on the Water Watchers Plan.

Undeveloped residential and undeveloped non-residential land in a declared water service area will incur an undeveloped land charge as a contribution towards the cost of water infrastructure available for connection.

The fees charged for the Water Services Activity are detailed in Council’s Schedule of Rates and Charges 2026/27, and the utility charges for this activity are detailed in Appendix E – Utility Charges – Water.

9. Commercial Business Activity – Wastewater and Trade Waste Utility Charges

Council conducts wastewater (sewerage) services as a business activity on a commercial basis. The utility charges and other fees and charges for this business activity are set in accordance with full cost-recovery principles outlined in section 41 of the *Local Government Regulation 2012*.

A fixed service charge will be levied for each dwelling, home unit, flat or lot.

Non-residential wastewater customers, including commercial, industrial and government agencies will be levied as a fixed service charge for each pedestal.

An additional wastewater charge is levied on applicable non-residential customers in respect of liquid trade waste in accordance with Council's Trade Waste Policy.

Undeveloped residential and undeveloped non-residential land in the declared sewer service area will incur an undeveloped land charge on each lot as a contribution towards the cost of wastewater infrastructure available for connection.

Where a property is in a declared sewer area but is not connected to a sewer, that property will be levied sewerage utility charges as if it were connected. This acts as an incentive for property owners to connect their premises to the sewerage system.

The fees charged for the wastewater activity are detailed in Council's Schedule of Rates and Charges 2026/27 and the utility charges for this activity are detailed in Appendix F – Utility Charges – Wastewater and Trade Waste.

10. Commercial Business Activity – Waste Management and Recycling Utility Charges

Council conducts the waste management and recycling services as a business activity on a commercial basis. The utility charges and other fees and charges for this business activity are set in accordance with full cost-recovery principles outlined in section 41 of the *Local Government Regulation 2012*.

Residential properties will be levied, for each dwelling, home unit or flat, a combined waste and recycling service for domestic waste disposal at Council's landfill sites.

For non-residential premises, separate charges will apply on the basis of:

- waste collection charge based upon each waste collection service provided
- recycling collection charge based upon each recycling collection service provided
- all additional or special waste services are charged on a user-pays basis for each service provided.

The Queensland Government has developed a resource, recovery and waste strategy to help reduce the disposal of waste to landfill, increase recycling rates and recover valuable resources. The focus of the strategy is the Queensland Government Waste Levy, which came into effect 1 July 2019.

To limit impact on households, the Queensland Government is providing Council with an annual payment to partially offset the cost of the Queensland Government Waste Levy on households.

The Queensland Government Waste Levy will be payable on the disposal of commercially generated waste.

The fees charged for the waste management and recycling activities are detailed in Council's Schedule of Rates and Charges 2026/27, and the utility charges for this activity are detailed in Appendix G – Utility Charges – Waste Management and Recycling.

11. Utility Charges – Plumbing and Drainage

A backflow annual registration and monitoring fee will apply to each testable backflow prevention device installed at the premises in Council's area for the registration of and the activity of monitoring the maintenance and testing of each device.

Under section 101 of the *Plumbing and Drainage Regulation 2019*, Council has an obligation to:

- Register each testable backflow protection device; and
- Monitor the maintenance of each testable device.
- The backflow annual device fee will be charged on the first-rate notice issued for each financial year.

A charge of \$55.10 will apply to each testable backflow prevention device installed on the property.

12. Hardship Concession

Council has decided to allow concessions as set out in the Hardship Concession Policy to eligible ratepayers in accordance with section 120(1)(d) of the *Local Government Regulation 2012*.

Council's Hardship Concessions Policy can be found on Council's website.

13. Pensioner Rates Concessions

Council has decided to allow concessions in accordance with section 120(1)(a) of the *Local Government Regulation 2012* and as set out in the Pensioner Rates Concession Policy.

Council's Pensioner Rates Concession Policy can be found on Council's website.

14. Pre-2016 Pensioner Arrears Concession Policy

Council has provided the concessions as set out in the Pre-2016 Pensioner Arrears Policy in accordance with section 120(1)(a) of the *Local Government Regulation 2012*.

Council's Pre-2016 Pensioner Arrears Concession Policy can be found on Council's website.

15. General Rates and Utility Charges Concession Policy

Concessions for general rates, water and sewerage charges as set out in the General Rates and Utility Charges Concessions Policy will be granted to certain organisations and ratepayers that satisfy Council that they meet the eligibility criteria set out in section 120 of the *Local Government Regulation 2012* and this Policy.

Council's General Rates and Utility Charges Concession Policy can be found on Council's website.

16. Reduction of Water Consumption Charges Policy

In certain circumstances the Council will provide reduced water consumption charges to property owners that have experienced high consumption charges as a result of a concealed leak as set out in the Reduction of Water Consumption Charges Policy and in accordance with section 120(1)(d) of the *Local Government Regulation 2012*.

Council's Reduction of Water Consumption Charges Policy can be found on Council's website.

17. Concession of Water Charges for Home Haemodialysis Patients Policy

Council has decided to allow a concession for water service as set out in the Concession of Water Charges for Home Haemodialysis Patients Policy and in accordance with section 120(1)(d)) of the *Local Government Regulation 2012*.

Council's Concession of Water Charges for Home Haemodialysis Patients Policy can be found on Council's website.

18. Concession of Disposal Fees for Charity Bin Waste Policy

Council will waive the fees associated with disposal of waste from charity bins for charitable organisations that operate a charity bin service to raise funds for a charitable purpose as set out in the Concession of Disposal Fees for Charity Bin Waste Policy and in accordance with section 120(1)(b)(i) of the *Local Government Regulation 2012*.

Council's Concession of Disposal Fees for Charity Bin Waste Policy can be found on Council's website.

19. City Activation and Housing Incentive Policy

Concessions for general rates will be granted in accordance with Section 120(1)(e) of the *Local Government Regulation 2012* to certain ratepayers that meet the eligibility criteria set out in this Policy.

Council's City Activation and Housing Incentive Policy can be found on Council's website.

20. Prompt Payment Discount

Council offers a prompt payment discount on certain rates and charges when full payment of all rates and charges, including any arrears, are received by the due date shown on the notice. Council has decided to allow a 5% discount to the payment of differential general rates for rateable land included in differential rating category 1- Residential Principal Place of Residence to encourage the prompt payment of rates and charges on certain properties.

Council's Rates Discount Policy can be found on Council's website.

21. Interest Charges on Overdue Rates

Unpaid rates are considered overdue after midnight on the designated due date on the notice. Interest will be charged from 7 days after the designated due date of each charge until the date of payment, at the rate of 12.19% each year in accordance with section 133 of the *Local Government Regulation 2012*.

22. Cost-Recovery and Other Fees and Charges

In setting cost-recovery and other fees and charges, Council will apply the following criteria:

- Regulatory fees will be set at no more than the full cost of providing the service or taking the action for which the fee is charged. Council may choose to subsidise the fee from other sources (e.g., general rate revenue) when Council considers that it would not be reasonable to charge the full cost.
- Charges for commercial services will be set to recover the full cost of providing the service and, if provided by a business of Council, may include a component for return on capital.

Council's adopted fees and charges include a mixture of cost-recovery and commercial user-pays fees. The cost-recovery (regulatory) charges are identified as such in Council's Fees and Charges Schedule. Council's Fees and Charges Register contains full details of fees and charges adopted by Council for 2026/27 and is available on Council's website.

Appendix A: Differential Rating Categories

Pursuant to section 81 of *Local Government Regulation 2012*, the categories into which rateable land is categorised, the description of those categories and, pursuant to sub-sections (4) and (5) of section 81 of the *Local Government Regulation 2012*, the method by which land is to be identified and included in its appropriate category is as follows:

Differential General Rating Category	Description	Townsville City Council Land Use Code
Category 1 Residential Principal Place of Residence	Residential premises used as the owner's principal place of residence, where the premises are located within any of the following zone codes within the Townsville City Plan: - Low Density – Medium Density Residential - High Density Residential – Character Residential - Sport and Recreation – Emerging Residential - Open Space – Environmental Management/Conversion - Rural Residential – Rural.	Land having the land use code of either 1, 2, 4, 5, 6, 8, 9 or 94.
Category 2 Residential Non-Principal Place of Residence	Vacant residential land or residential premises used as a place of residence to provide rental accommodation to permanent residents, where the premises are located within any of the following zoning codes within the Townsville City Plan: - Low Density – Medium Density Residential - High Density Residential – Character Residential - Sport and Recreation – Emerging Residential - Open Space – Environmental Management/Conversion - Rural Residential – Rural.	Land having the land use code of either 1, 2, 4, 5, 6, 8, 9, 72 or 94.
Category 2-T Residential – Transitory Accommodation	Residential premises used as a place of residence to provide transitory accommodation to a paying guest, where the premises are located within any of the following zoning codes within the Townsville City Plan: - Low Density – Medium Density Residential - High Density Residential – Character Residential - Sport and Recreation – Emerging Residential - Open Space – Environmental Management/Conversion - Rural Residential – Rural.	Land having the land use code of either 1, 2, 4, 5, 6, 8, 9 or 94.
Category 3-02 Multi-Unit Dwelling 2 Units	Land with building(s): - comprised of 2 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-03 Multi-Unit Dwelling 3 Units	Land with building(s): - comprised of 3 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-04 Multi-Unit Dwelling 4 Units	Land with building(s): - comprised of 4 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.

Differential General Rating Category	Description	Townsville City Council Land Use Code
Category 3-05 Multi-Unit Dwelling 5 Units	Land with building(s): - comprised of 5 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-06 Multi-Unit Dwelling 6 Units	Land with building(s): - comprised of 6 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-07 Multi-Unit Dwelling 7 Units	Land with building(s): - comprised of 7 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-08 Multi-Unit Dwelling 8 Units	Land with building(s): - comprised of 8 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-09 Multi-Unit Dwelling 9 Units	Land with building(s): - comprised of 9 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-10 Multi-Unit Dwelling 10 Units	Land with building(s): - comprised of 10 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-11 Multi-Unit Dwelling 11 Units	Land with building(s): - comprised of 11 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.

Differential General Rating Category	Description	Townsville City Council Land Use Code
Category 3-12 Multi-Unit Dwelling 12 Units	Land with building(s): - comprised of 12 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-13 Multi-Unit Dwelling 13 Units	Land with building(s): - comprised of 13 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-14 Multi-Unit Dwelling 14 Units	Land with building(s): - comprised of 14 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-15 Multi-Unit Dwelling 15 Units	Land with building(s): - comprised of 15 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-16 Multi-Unit Dwelling 16 Units	Land with building(s): - comprised of 16 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-17 Multi-Unit Dwelling 17 Units	Land with building(s): - comprised of 17 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-18 Multi-Unit Dwelling 18 Units	Land with building(s): - comprised of 18 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.

Differential General Rating Category	Description	Townsville City Council Land Use Code
Category 3-19 Multi-Unit Dwelling 19 Units	Land with building(s): - comprised of 19 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-20 Multi-Unit Dwelling 20 Units	Land with building(s): - comprised of 20 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-21 Multi-Unit Dwelling 21 Units	Land with building(s): - comprised of 21 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-22 Multi-Unit Dwelling 22 Units	Land with building(s): - comprised of 22 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-23 Multi-Unit Dwelling 23 Units	Land with building(s): - comprised of 23 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-24 Multi-Unit Dwelling 24 Units	Land with building(s): - comprised of 24 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-25 Multi-Unit Dwelling 25 Units	Land with building(s): - comprised of 25 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.

Differential General Rating Category	Description	Townsville City Council Land Use Code
Category 3-26 Multi-Unit Dwelling 26 Units	Land with building(s): - comprised of 26 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-27 Multi-Unit Dwelling 27 Units	Land with building(s): - comprised of 27 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-28 Multi-Unit Dwelling 28 Units	Land with building(s): - comprised of 28 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-29 Multi-Unit Dwelling 29 Units	Land with building(s): - comprised of 29 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-30 Multi-Unit Dwelling 30 Units	Land with building(s): - comprised of 30 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-31 Multi-Unit Dwelling 31 Units	Land with building(s): - comprised of 31 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-32 Multi-Unit Dwelling 32 Units	Land with building(s): - comprised of 32 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.

Differential General Rating Category	Description	Townsville City Council Land Use Code
Category 3-33 Multi-Unit Dwelling 33 Units	Land with building(s): - comprised of 33 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-34 Multi-Unit Dwelling 34 Units	Land with building(s): - comprised of 34 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-35 Multi-Unit Dwelling 35 Units	Land with building(s): - comprised of 35 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-36 Multi-Unit Dwelling 36 Units	Land with building(s): - comprised of 36 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-37 Multi-Unit Dwelling 37 Units	Land with building(s): - comprised of 37 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-38 Multi-Unit Dwelling 38 Units	Land with building(s): - comprised of 38 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-39 Multi-Unit Dwelling 39 Units	Land with building(s): - comprised of 39 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.

Differential General Rating Category	Description	Townsville City Council Land Use Code
Category 3-40 Multi-Unit Dwelling 40-49 Units	Land with building(s): - comprised of 40-49 individual residential accommodation units - not registered on a building units plan or group titles plan, and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-50 Multi-Unit Dwelling 50-59 Units	Land with building(s): - comprised of 50-59 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-60 Multi-Unit Dwelling 60-69 Units	Land with building(s): - comprised of 60-69 individual residential accommodation units - not registered on a building units plan or group titles plan and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-70 Multi-Unit Dwelling 70+ Units	Land with building(s): - comprised of 70 or more individual residential accommodation units - not registered on a building units plan or group titles plan, and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose - that is not within Rating Categories 1, 2 or 2-T.	Land having the land use code of 3.
Category 3-R Retirement Villages/ Lifestyle villages	Land used as a retirement or lifestyle village: - not registered on a building units plan or group titles plan, and/or within a community title scheme under the Body Corporate and Community Management Act 1997 - predominately used for a residential purpose For avoidance of doubt, this description excludes land used for the provision of supervised accommodation where the use includes medical and other support facilities for residents who cannot live independently and require regular nursing or personal care (e.g. a convalescent home, nursing home or aged care facility).	Land having the land use code of either 1, 2, 7 or 21.
Category 3-BH Boarding House	Land used predominately as a boarding house, guest house, hostel, community housing or the like utilising a building or buildings classified (under the Building Code of Australia) as either Class 1a, Class 1b or Class 3.	Land having the land use code of either 1, 2, 5, 7, 8 or 21.

Differential General Rating Category	Description	Townsville City Council Land Use Code
Category 4-01 Commercial	Land not otherwise categorised, that is used in whole or in part for commercial (i.e. non-residential) purposes.	Land having the land use code of either 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 33, 34, 35, 36, 41, 42, 43, 44, 45, 47, 48, 49, 50, 51, 52, 56, 57, 58, 91, 95 or 97.
	Land, not otherwise categorised, that is used in whole or in part for commercial (i.e. non-residential) purposes that is zoned within any of the following zone codes within the Townsville City Plan: • Low Impact Industry - Medium Impact Industry • High Impact Industry - Community Facilities • Local Centre - District Centre • Major Centre - Neighbourhood Centre • Principal Centre (CBD) - Specialised Centre • Special Purpose - Mixed Use.	Land having the land use code of either 1, 4, 5, 6, 72 or 94.
Category 4-02 Heavy Industry	Land used in whole or part for an industrial activity or activities that include manufacturing, producing, processing, altering, recycling, refining, storing, distributing, transferring or treating of any, or any combination of, products, raw materials (excluding livestock), minerals, chemicals, oils, gases or metals, and includes such premises previously used for such purposes, but presently are under care and maintenance.	Land having the land use code of either 31, 32, 37, 39 or 40.
Category 4-03 Special Development >10ha	Land, having an area of greater than 10 hectares, located wholly within the Townsville State Development Area or the Elliot Springs master planned community.	Land having the land use code of either 1, 4, 5, 18, 35, 37, 65 or 66.
Category 4-04 Land not otherwise categorised	Land that is not capable of being categorised in another rating category.	As determined by the Chief Executive Officer
Category 5-01 Large Retail greater than 2,000 sqm but less than 20,000 sqm	Land used in whole or part for retail purposes where the building (or buildings) on the land have a gross floor area of greater than 2,000 m2 but less than 20,000 m2.	Land having the land use code of either 10, 11, 12, 13, 14, 15, 16, 23 or 28.
Category 5-02 Large Retail 20,000 sqm or more, but less than 30,000 sqm	Land used in whole or part for retail purposes where the building (or buildings) on the land have a gross floor area of greater than 20,000 m2 but less than 30,000 m2.	Land having the land use code of either 10, 11, 12, 13, 14, 15, 16, 23 or 28.
Category 5-03 Large Retail 30,000 sqm or more, but less than 40,000 sqm	Land used in whole or part for retail purposes where the building (or buildings) on the land have a gross floor area of greater than 30,000 m2 but less than 40,000 m2.	Land having the land use code of either 10, 11, 12, 13, 14, 15, 16, 23 or 28.
Category 5-04 Large Retail 40,000 sqm or more, but less than 50,000 sqm	Land used in whole or part for retail purposes where the building (or buildings) on the land have a gross floor area of greater than 40,000 m2 but less than 50,000 m2.	Land having the land use code of either 10, 11, 12, 13, 14, 15, 16, 23 or 28.
Category 5-05 Large Retail 50,000 sqm or more	Land used in whole or part for retail purposes where the building (or buildings) on the land have a gross floor area of greater than 50,000 m2.	Land having the land use code of either 10, 11, 12, 13, 14, 15, 16, 23 or 28.
Category 6-01 Agriculture and Grazing	Land used in whole or in part for agriculture and/or grazing purposes.	Land having the land use code of either 64, 65, 66, 74, 75, 79, 80, 81, 83, 84, 85, 86, 87, 88 or 89.

Dictionary

Any term that is not defined in this dictionary, unless the context or subject matter otherwise indicates or requires, is to have a meaning given to it by the following:

- the *Local Government Act 2009* and that Act's subordinate legislation
- if not defined in the *Local Government Act 2009* and that Act's subordinate legislation, the Macquarie Dictionary
- if (a) and (b) do not apply, the Oxford English Dictionary.

Gross floor area means the total floor area of all storeys of a building, Council deems appropriate (measured from the outside of the external walls or the centre of a common wall) other than areas used for the following:

- building services, plant, and equipment
- access between levels
- ground floor public lobby
- a mall
- the parking, loading, and manoeuvring of motor vehicles and
- unenclosed private balconies, whether roofed or not as determined by Council from any information source.

Land use code means the land use codes referred to in column 3 above that are prepared and adopted by the Council for use in conjunction with the differential rating categorisation, description and identification table appearing above. Similarly, the definitions of these land use codes are prepared and adopted by the Council for use in conjunction with the differential rating categorisation, description and identification table appearing above. A full list of the land use codes and their definitions are attached to Council's 2026/27 Revenue Statement (Appendix C).

Multi-unit dwelling means a property which contains more than one self-contained dwelling house/unit, either detached, semi-detached or integrated, whether for use by the same family or by unrelated occupants, with the exception of:

- a hotel, motel/motor inn/motor lodge
- a property that is within the Council's Differential Rates Category 3-R or 3-BH.

In determining whether a property meets this definition, consideration may be given, but not restricted to:

- the existence of separate or multiple:
- kitchens/food preparation areas (identified by the presence of a stove and/or oven) or
- metered water, electricity, or gas supplies or
- waste collection services or
- mailboxes or
- displayed house/unit numbers or
- pedestrian or vehicular entrances or
- the existence of dividing walls that prohibit free internal access from one living unit to another
- the number of occupants' residing at the property.

Predominant use means the single use, or in the case of multiple uses the main use, for which in the opinion of Council the property is being used or could potentially be used by virtue of improvements or activities conducted upon the property.

Principal place of residence means a single dwelling house or dwelling unit that is the place of residence at which at least one person who constitutes the owner(s) of the land predominantly resides. In establishing principal place of residence, Council may consider (but is not limited to) the owner's declared address for electoral, taxation, government social security or national health registration purposes, or any other form of evidence deemed acceptable by Council.

A single dwelling house or dwelling unit will not be a principal place of residence, if it is:

- a premises fully or partially held in other than the name of an individual or more than one individual (for example, where the land is owned or partially owned by companies, trusts, organisations, or any other entity other than an individual)
- not occupied by at least one person/s who constitute the owner(s), but occupied by any other person/s, whether in return for rent or remuneration or not, including members of the owner's family.

Retail means the offering of goods or services by means of any combination of sale, hire, supply, membership, subscription or other method of trade or commerce, and includes premises used wholly or predominantly for a retail business.

Retail business has the meaning in the *Retail Shop Leases Regulation 2016* as at 30 June 2026.

Storey means that part of a building between floor levels and if there is no floor above, it is the part between the floor level and the ceiling.

Transitory accommodation is where a residential premises is offered, available or used as temporary accommodation by a paying guest at any time during the rating period.

Transitory accommodation includes residential premises that are subject to a management agreement with a third party that permits the dwelling to be offered, made available or used for temporary accommodation by a paying guest.

Transitory accommodation listings or advertising/marketing (for example on publicly available websites and/or with real estate agents) will constitute evidence of the land being offered, available or used for transitory accommodation purposes.

Without limitation, the following is not transitory accommodation:

- an entire property that is offered, available, or used for temporary accommodation for a total of less than 30 days in the financial year; or
- a room in a residential premises that is offered, available or used for temporary accommodation within a principal place of residence and is considered home hosted as the owner(s) resides at the premises when the room is offered, available or used, or
- a residential premises with a documented tenancy agreement in place that meets the requirements of the *Residential Tenancies and Rooming Accommodation Act 2008* and the agreement is in place for a period of 90 consecutive days or more in the financial year and is within Rating Category 2; or
- land used to provide temporary accommodation that is within Rating Categories 3-02 to 3-70 (inclusive), 3-R, 3-BH and 4-01.

Appendix B: Differential Rates, Limitations on Increases, Minimum General Rates

Category	Description	Rate-in-\$	Minimum (\$)	Limitation (cap)
1	Residential - Principal Place of Residence	0.009706	1,343	20%
2	Residential - Non-Principal Place of Residence	0.012132	1,679	No Limit
2-T	Residential – Transitory Accommodation	0.017956	2,485	No Limit
3-02	Multi-Unit Dwelling 2 Units	0.012618	3,358	No Limit
3-03	Multi-Unit Dwelling 3 Units	0.012618	5,037	No Limit
3-04	Multi-Unit Dwelling 4 Units	0.012618	6,716	No Limit
3-05	Multi-Unit Dwelling 5 Units	0.012618	8,395	No Limit
3-06	Multi-Unit Dwelling 6 Units	0.012618	10,074	No Limit
3-07	Multi-Unit Dwelling 7 Units	0.012618	11,753	No Limit
3-08	Multi-Unit Dwelling 8 Units	0.012618	13,432	No Limit
3-09	Multi-Unit Dwelling 9 Units	0.012618	15,111	No Limit
3-10	Multi-Unit Dwelling 10 Units	0.012618	16,790	No Limit
3-11	Multi-Unit Dwelling 11 Units	0.012618	18,469	No Limit
3-12	Multi-Unit Dwelling 12 Units	0.012618	20,148	No Limit
3-13	Multi-Unit Dwelling 13 Units	0.012618	21,827	No Limit
3-14	Multi-Unit Dwelling 14 Units	0.012618	23,506	No Limit
3-15	Multi-Unit Dwelling 15 Units	0.012618	25,185	No Limit
3-16	Multi-Unit Dwelling 16 Units	0.012618	26,864	No Limit
3-17	Multi-Unit Dwelling 17 Units	0.012618	28,543	No Limit
3-18	Multi-Unit Dwelling 18 Units	0.012618	30,222	No Limit
3-19	Multi-Unit Dwelling 19 Units	0.012618	31,901	No Limit
3-20	Multi-Unit Dwelling 20 Units	0.012618	33,580	No Limit
3-21	Multi-Unit Dwelling 21 Units	0.012618	35,259	No Limit
3-22	Multi-Unit Dwelling 22 Units	0.012618	36,938	No Limit
3-23	Multi-Unit Dwelling 23 Units	0.012618	38,617	No Limit
3-24	Multi-Unit Dwelling 24 Units	0.012618	40,296	No Limit
3-25	Multi-Unit Dwelling 25 Units	0.012618	41,976	No Limit
3-26	Multi-Unit Dwelling 26 Units	0.012618	43,655	No Limit
3-27	Multi-Unit Dwelling 27 Units	0.012618	45,334	No Limit
3-28	Multi-Unit Dwelling 28 Units	0.012618	47,013	No Limit
3-29	Multi-Unit Dwelling 29 Units	0.012618	48,692	No Limit
3-30	Multi-Unit Dwelling 30 Units	0.012618	50,371	No Limit
3-31	Multi-Unit Dwelling 31 Units	0.012618	52,050	No Limit
3-32	Multi-Unit Dwelling 32 Units	0.012618	53,729	No Limit

Category	Description	Rate-in-\$	Minimum (\$)	Limitation (cap)
3-33	Multi-Unit Dwelling 33 Units	0.012618	55,408	No Limit
3-34	Multi-Unit Dwelling 34 Units	0.012618	57,087	No Limit
3-35	Multi-Unit Dwelling 35 Units	0.012618	58,766	No Limit
3-36	Multi-Unit Dwelling 36 Units	0.012618	60,445	No Limit
3-37	Multi-Unit Dwelling 37 Units	0.012618	62,124	No Limit
3-38	Multi-Unit Dwelling 38 Units	0.012618	63,803	No Limit
3-39	Multi-Unit Dwelling 39 Units	0.012618	65,482	No Limit
3-40	Multi-Unit Dwelling 40-49 Units	0.012618	67,161	No Limit
3-50	Multi-Unit Dwelling 50-59 Units	0.012618	83,951	No Limit
3-60	Multi-Unit Dwelling 60-69 Units	0.012618	100,741	No Limit
3-70	Multi-Unit Dwelling 70+ Units	0.012618	117,531	No Limit
3-R	Retirement Villages	0.012618	1,679	No Limit
3BH	Boarding House	0.012618	1,679	No Limit
4-01	Commercial	0.017956	2,485	No Limit
4-02	Heavy Industry	0.026206	3,627	No Limit
4-03	Special Development > 10 ha	0.033816	23,697	No Limit
4-04	Land not otherwise defined	0.017956	2,485	No Limit
5-01	Large Retail greater than 2,000 but less than 20,000 sqm	0.024459	2,485	No Limit
5-02	Large Retail 20,000 sqm or more, but less than 30,000 sqm	0.031447	268,643	No Limit
5-03	Large Retail 30,000 sqm or more, but less than 40,000 sqm	0.031447	402,965	No Limit
5-04	Large Retail 40,000 sqm or more, but less than 50,000 sqm	0.031447	537,286	No Limit
5-05	Large Retail 50,000 sqm or more	0.031447	671,608	No Limit
6-01	Agriculture and Grazing	0.011405	1,679	No Limit

Appendix C: Townsville City Council Land Use Codes

Code	Description	Definition
1	Vacant Urban Land	Land being put to no use in an urban locality
2	Single Unit Dwelling	The use of a parcel of land exclusively as a site for a dwelling
3	Multi-Unit Dwelling (Flats)	The use of a parcel of land for two or more self-contained residential flats including a duplex or group of units held under single ownership but not part of a community management scheme.
4	Large Homesite Vacant	A vacant site significantly larger than land of which the highest and best use would be as a residential site
5	Large Homesite Dwelling	A parcel of land (similar to code used as single unit residence)
6	Outbuildings	A parcel of land with a relatively minor shed or garage as the main structural improvement. . The improvement would be a gross underdevelopment of the site
7	Guest House, Private Hotel	An accommodation building where room only or room and meals are provided and have shared facilities (not a motel)
8	Building Units	A parcel of land where the single structure improvement has been surveyed on a SP plan and a Community Entitlement scheme has been established and registered. These developments are now incorporated under the BCCM Act. The secondary use of each strata-title should refer to the actual use (i.e. commercial, industrial)
9	Group Titles	A parcel of land where the single structure improvement has been surveyed on a SP plan and a Community Entitlement scheme has been established and registered. These developments are now incorporated under the BCCM Act. The secondary use of each strata-title should refer to the actual use (i.e. commercial, industrial)
10	Combination Multi Dwelling & Shops	Combined multi dwelling and shops i.e. Predominantly residential flats with shops but not registered on a Building Unit Plan or Group Title Plan
11	Shop Single	Shop with or without attached accommodation
12	Shops, Shopping Group (> 6 Shops)	More than six shops on subject property built to road alignment
13	Shopping Group (2 to 6 Shops)	Two to six shops on subject property built to road alignment
14	Shops, Main Retail (Central Business District)	Shops located in main inner city/town commercial area (central business district)
15	Shops, Secondary Retail (Fringe Central Business District)	Shops located on fringe of a central business district of city/town commercial areas.. Presence of service industry in locality
16	Drive-in Shopping Centre	Drive in shopping minimum 4000sm including - neighbourhood, community and regional centres
17	Restaurant	Isolated prepared food outlet outside commercial area and including fast food outlet. E.g. KFC, McDonalds
18	Special Tourist Attraction	Any development with special recreation, historical or residential features which attracts a large number of people (including tourist village)

Code	Description	Definition
19	Walkway	Stratum as walkway
20	Marina	Marina including land-based component (boat servicing facilities and storage) not including harbour industries or structural, mechanical repairs
21	Residential Institutions (Non-Medical Care)	Aged peoples home not predominantly medical care.
22	Car Park	An area of land which has been prepared to accommodate vehicles either below or at ground level or on suspended concrete floors
23	Retail Warehouse	Isolated large showroom, warehouse used for retail purposes, but not in main inner city/town commercial area
24	Sales Area Outdoor	Dealers, Boats, Stock Cars, etc
25	Professional Offices	Building with professional offices, finance, banks, lending agents and brokers which are predominantly offices
26	Funeral Parlours	Funeral Parlours
27	Hospitals, Convalescent Homes (Medical Care Private)	Hospitals, aged people's home, nursing home, convalescent homes. Predominantly medical care
28	Warehouses and Bulk Stores	Not used for retail purposes
29	Transport Terminal	Freight and/or passengers
30	Service Station	Predominantly fuel retailing. If predominantly servicing repairs, see Code 36
31	Oil Depots and Refinery	Fuel dumps or storage and all refineries
32	Wharves	Actual wharves, jetties and barge landing
33	Builders Yards, Contractors Yards	Building and/or garden material storage centres (not retail or hardware). Fenced area for parking heavy equipment/materials
34	Cold Stores, Ice works	Isolated
35	General Industry	Heavy manufacturing industries e.g. Motor vehicle assembly, plant structural steelworks etc. See Town Planning guidelines
36	Light Industry	Light manufacturing industry and service industry. See Town Planning guidelines
37	Noxious, Offensive Industry	Industry from where a deal of offensive noise, odour, dust, etc. emanates, including abattoirs. See Town Planning guidelines
39	Harbour Industries	As code. Predominantly used for advertising
40	Extractive	Harbour associated service industry. Storage industry and processing
41	Child Care excluding Kindergarten	Facility for safe keeping of below school age children.
42	Hotel, Tavern	Premises licensed by Licensing Commission as hotel or tavern for the sale of liquor including casino.
43	Motels	Building predominantly used for overnight or short-term accommodation (includes motor inn).
44	Nursery (Plants)	Retail of plants and associated garden material.
45	Theatres & Cinemas	Theatres & Cinemas

Code	Description	Definition
47	Licensed Clubs	Any club with liquor licence/nonsporting e.g. R.S.L. (not including clubs with attached sporting/recreation facilities).
48	Sports Clubs, Facilities	All sporting/dance/fitness/health/bowling clubs with or without a liquor licence run as a business.
49	Caravan Parks	Caravan Parks
50	Other Clubs (Non-Business)	Boy Scouts/Girl Guides etc. not run as a business. Memorial Halls, Q.C.W.A., School of Arts etc. Sporting Clubs not run as business including sports fields/area tennis courts etc.
51	Religious	Churches, places of worship, church hall etc.
52	Cemeteries	Cemeteries including Crematoria
53	Commonwealth Owned Land	Secondary land use code Commonwealth Owned Land
54	State Owned Land	Secondary land use code State Owned Land
56	Showgrounds, Racecourses, Airfields	Airfield parking, hangers - no maintenance - if maintenance See 36
57	Parks, Gardens	Including undeveloped parkland
58	Educational	University, tertiary, training academy, colleges/school (including ancillary uses) and kindergarten.
59	Local Government Owned Land	Secondary land use code Local Government Owned Land
64	Cattle Grazing - Breeding	Concentration of the growing and selling of young stock – includes stud breeding.
65	Cattle Breeding & Fattening	Mixture of growing and/or selling young and mature stock – includes associated studs.
66	Cattle Fattening	Concentration of feeding and grazing mature stock for sale (includes feedlots).
72	Subdivided Vacant Land	Vacant land subdivided under Sections 49 -51 of the Land Valuation Act 2010 Council to discount value for rates
74	Turf Farms	Growing turf for the purpose of harvesting and sale
75	Sugar Cane	Lands used for the growing of sugar cane or associated experimental purposes
79	Orchards	Includes all orchards - citrus, exotic fruit and nut, stone, other fruits and nuts
80	Tropical Fruits	As separate to orchards e.g. bananas, paw paw
81	Pineapple	The growing of pineapple either for cash crop or manufacturing purposes
83	Small Crops & Fodder Irrigated	All vegetable and small crop items including strawberries, also includes legumes and other improved pasture, used for fodder or stock breeding purposes, grown under irrigation
84	Small Crops, Fodder Non-Irrigated	As with 83 without irrigation
85	Pigs	The breeding and/or growing and/or fattening of pigs in open range or feed lot environment
86	Horses	The breeding and/or growing of horses including stud purposes, including predominantly stables
87	Poultry	Includes breeding, plus the growing for meat and/or egg production either in a controlled environment or by open runs

Code	Description	Definition
88	Forestry & Logs	Growing for the purposes of harvesting areas of natural and/or plantation hardwood or softwood owned either privately or by the crown
89	Animals, Special	Any animal not listed above (includes dog kennels, cattery, permanent pounds, quarantine stations, cattle dips)
90	Stratum	Secondary land use code Stratum
91	Transformer	Transformer and substation, television/radio, transmission towers, telecommunication
94	Vacant Rural Land	A vacant parcel of land where the highest use is for rural pursuits
95	Reservoir, Dams, Bores	Includes permanent pump sites
97	Welfare Homes, Institutions	Child/Adult welfare institutions e.g. Subnormal, MS and similar organisations

Appendix D: Rural Fire Levy 2026/27

Rural Fire Brigade Area	Annual Charge for each Property (\$)
Black River and Districts	30
Bluewater	35
Clevedon	50
Cungulla	40
Horseshoe Bay	40
Lime Hills-Elliott	40
Majors Creek	25
Nome	20
Oak Valley	20
Paluma	50
Purono Park	5
Rangewood	20
Reid River	20
Rollingstone	60
Rupertswood	30
Saunders Beach	45
West Point	30

Appendix E: Utility Charges - Water

Council, trading as Townsville Water, is a registered water service provider under section 22 of the Water Supply (Safety and Reliability) Act 2008. It supplies potable and non-potable water to properties within the Townsville local government area. The declared water area is the area to which Council is able to offer a potable water service to properties. Not all properties within the local government area will have access to a potable water service.

Residential

Residential properties are:

- those properties categorised as Category 1, 2, 2-T and 3-02 to 3-70 (inclusive) for rating purposes, unless the property has been approved for a non-residential use
- or
- those properties not categorised because they are exempt from general rates that are used for residential purposes.

When charging for the supply and consumption of water at a residential property, Council offers a choice between (1) a Standard Plan water billing option and (2) a Water Watchers Plan water billing option.

Standard Plan

For each dwelling, home unit, flat or lot:

- the fixed annual charge for access to the water service and an allocation of up to 772 kL of water will be \$1,175 each year; and
- an excess water charge of \$4.50 per kL will apply for all consumption over the allowance of 772 kL during the consumption year.

Water Watchers Plan

For each dwelling, home unit, flat or lot, including undeveloped residential land:

- the fixed annual access residential water service charge will be \$531 each year; and
- the residential consumption charge will be \$2.13 per kL of water used during the consumption year.

All developed and undeveloped residential properties that are within the declared water supply area and are connected to the water supply are placed on the Standard Plan. Residential property owners can opt into the Water Watchers Plan by application.

All undeveloped residential properties that are within the declared water supply area but not connected to the water supply are placed on the Water Watchers Plan.

Election of Water Billing Option

When applying for a water meter to be connected to a residential property, the property owner or their agent may choose the water billing option that will apply to the property by completing an Authorisation for Residential Water Pricing Plan form. The Standard Plan will be applied if the property owner or their agent does not indicate a preference at the time of applying for a water meter to be connected.

A residential property owner can change the water billing option for their property during a Water Opt-in period each year. Only the body corporate/managing agent can change the billing method for residential properties with shared water meters, e.g., units, duplexes. All multiple dwellings/units connected to the same meter/s must be on the same plan.

Upon being notified that a residential property has been purchased, Council will send a letter to the owner giving them an option to change their water billing option. The owner has four weeks from the date of the letter to make an election to change their water billing option. The change will be effective from the next scheduled meter read.

Non-residential

When charging for the supply and consumption of water at a non-residential property, for each lot including undeveloped land:

- the fixed annual access water service charge will be \$560 each year; and
- the consumption charge will be \$4.39 per kL of water used during the consumption year.

Commencement Date for Charges

Additional fixed charges will apply from the date the water meter is connected and will be based upon the proposed development of the land as set out in the Building/Development Application, and water consumption charges will apply from the date the water meter is connected:

- for land within the declared water supply area
- fixed charges will apply from the date of registration of the land.

Additional Connections

It is Council's preference that only one connection be made to each property. Additional connections will only be granted at Council's discretion and additional charges may apply for each additional connection.

Metered Standpipes

A hire fee and bond deposit will apply for standpipes at the rate detailed in Council's Fees and Charges Register. For water consumed, a charge of \$4.39 per kL will apply.

Bulk Water

There is no fixed charge for bulk water supply. Bulk water consumed will be charged at \$4.39 per kL.

Residential Non-potable Supply

There is no fixed charge for a non-potable water supply. Non-potable water consumed will be charged at \$4.39 per kL.

Non-residential Non-potable Supply

Water provided will be priced on application.

Water Conservation Measures

Use of water is subject to water conservation measures which may apply during the financial year. See Council's website for further information.

Reading of Water Meters and Notification of High Usage

Water meters are read by Council four times each year. As a courtesy to residential water users, high usage alert letters are issued after the property's quarterly read when usage exceeds 2.5 kL each day. It is the owner's responsibility to monitor and manage water consumption at the property.

Appendix F: Utility Charges – Wastewater and Trade Waste

Council, trading as Townsville Water, is a registered water service provider under section 22 of the Water Supply (Safety and Reliability) Act 2008. Council collects and treats sewage and trade waste from properties within the Townsville local government area and supplies recycled water for irrigation purposes only.

The declared sewer area is the area to which Council is able to offer a sewerage service to properties. Not all properties within the local government area will have access to a sewerage service.

Residential

Residential properties are:

- those properties categorised as Category 1, 2, 2-T and 3-02 to 3-70 (inclusive), 3-R for rating purposes, unless the property has been approved for a non-residential use
- those properties not categorised because they are exempt from general rates that are used for residential purposes.

The sewerage utility charge for residential properties is \$924 each year. Each dwelling, home unit, flat or lot is a separate sewerage service.

The sewerage utility charge for each undeveloped residential lot is \$830 each year.

For the purpose of sewerage charges only, aged care facilities and retirement and/or lifestyle villages/communities will be levied at the residential sewerage utility charge each pedestal.

Non-residential

The sewerage utility charge for each non-residential customer is \$1,084 each pedestal, each year.

The sewerage utility charge for each undeveloped or developed with no pedestals non-residential lot is \$976 each year.

Where a separate habitation space on a non-residential property is occupied as a principal place of residence, the owner may request that the pedestals within that space be charged at the residential sewerage utility charge. If approved, the change will commence from the financial year in which the application is received, unless Council decides it should apply from a later date.

Unconnected Premises

A sewerage utility charge applies to each property in a declared sewer area that is not connected to the sewerage service. The charge will be at the residential or non-residential rate depending upon use of the property.

Commencement Date for Charges

Sewerage charges will be imposed from the earlier of the:

- date of inspection of the installation by Council's Hydraulic Services section
- or
- date of the final inspection certificate and/or certification of classification.

Undeveloped land sewerage charges will apply from the date of registration of the land where the land is within the declared sewer area.

Properties Outside the Declared Sewer Area

Council may provide services outside the declared sewer area upon application. The decision as to whether services will be supplied is entirely at Councils' discretion. Individual charging arrangements will apply to each service.

Sewerage Infrastructure Alternative Access Fee

Where the applicable contribution to Council's Sewer Network, under Council's Planning Policies, has not been received, an additional surcharge of \$690 each lot applies.

Trade Waste Charges

Liquid trade waste charges will be:

- an annual access fee for each liquid trade waste approval each year. The amount of the annual access fee will be dependent on the risk rating of the approval holder
- a volume charge for the trade waste discharge
- a pollutant charge may apply to liquid trade waste approval holders in discharge category 2.0.

Charges will apply for liquid trade waste discharge in accordance with Council's Trade Waste Policy which can be found on Council's website.

The requirements of Council's trade waste management plan will be effective from the date the trade waste approval is issued.

The annual access fee will apply based on the risk rating of the approval holder as set out in the table below:

Risk Rating	Annual Access Fee (\$)
1	1,574
2	838
3	611
4	331
5	218
6	104

The trade waste volume discharged to sewer will be levied in accordance with the table below:

Discharge Category	Volume Charge (\$/kL)
Category 1.1	2.39
Category 1.2	2.12
Category 1.3	1.95
Category 1.4	1.70
Category 1.5	2.39

Discharge Category	Volume Charge (\$/kL)	Pollutant Charges (\$)		
		Chemical Oxygen Demand (COD) (kg)	Suspended Solids (kg)	SO4
Category 2.0	2.58	1.40	1.30	0.75

Note: Trade Waste discharge volume = (Water consumption – Allowances) x discharge factor

Allowance Type	Allowance Volume (kL)	Measure
Pedestal	60	Each pedestal

Annual sewer loading charges will be levied in accordance with the table below:

Capacity	Grease Trap		Hold tank	
	8 weeks service frequency (\$)	13 weeks service frequency (\$)	8 weeks service frequency (\$)	13 weeks service frequency (\$)
1,000L	3,110	1,910	4,950	3,050
2,000L	6,210	3,820	8,060	4,955

Commencement Date

Trade waste charges will be effective from the date of issue of a trade waste discharge approval (unless otherwise notified).

Appendix G: Utility Charges – Waste Management and Recycling

Council provides waste collection and disposal services to properties within the Townsville local government area.

The defined waste collection area is the area to which Council routinely provides waste collection services. Council provides waste collection services outside of the defined collection area by special arrangement.

Residential

Residential properties are:

- those categorised as Category 1, 2, 2-T and 3-02 to 3-70 (inclusive), 3-R and 3-BH for rating purposes, unless the property has been approved for a non-residential use, and
- those properties not categorised because they are exempt from general rates that are used for residential purposes.

Wheelie Bin Service Charge

All residential disposed waste will incur a Waste Levy Service Fee due to the Queensland Government's Waste Levy that was introduced 1 July 2019. Residential waste disposal charges have been partially offset by a rebate (provided by the Queensland Government) to reduce the direct impact of the levy on households.

Council imposes an annual fixed charge for each residential dwelling, home unit or flat within the defined waste collection area for the collection of one waste bin each week and one recycling bin each fortnight:

Description	Annual Charge (\$)	State Waste Levy (\$)
240L waste and 240L recycle wheelie bin	393	34.17
240L waste and 360L recycle wheelie bin	393	34.17
140L waste and 240L recycle wheelie bin	382	19.93
140L waste and 360L recycle wheelie bin	382	19.93

Additional waste collection services can be requested. One waste collection service is one waste bin collected each week.

Description	Annual Charge (\$)	State Waste Levy (\$)
Additional permanent 240L waste wheelie bin	305	34.17
Additional permanent 140L waste wheelie bin	293	19.93

Additional recycling collection services can be requested. One recycling collection service is one recycling bin collected each fortnight.

Description	Annual Charge (\$)
Additional permanent 240L recycle wheelie bin	93
Additional permanent 360L recycle wheelie bin	133

Council imposes an annual fixed charge for each residential dwelling, home unit or flat within the Paluma area, and for waste collection services that Council provides outside the defined waste collection area. One waste collection service is one waste bin collected each week. This service will be provided at Council's absolute discretion.

Defined Paluma Area and Non-Defined Areas	Annual Charge (\$)	State Waste Levy (\$)
240L waste wheelie bin	305	34.17
140L waste wheelie bin	293	19.93

Council may choose to supply a bulk bin to a customer instead of a wheelie bin where multiple collections are required each week.

State Waste Levy

The Queensland Government Waste Levy for general waste is now \$100 per tonne. Council received \$4,369,999 for the 2026/27 financial year from the Queensland Government to partially mitigate impacts from the Waste Levy on households. This payment is around 60% of the amount required to be paid by Council to the Queensland Government as a levy for household waste to landfill. The Waste Utility Charge covers costs associated with managing waste in 2026/27, while the State Waste Levy Charge is the gap between the 60% rebate and the levy charged to Council by the Queensland Government.

Commencement Date for Full Charges

Developed properties within the defined waste collection area will be charged waste and recycling collection charges from the earlier of:

- the date collection services are requested or commenced; or
- the date of the final inspection certificate.

Non-residential

Non-residential waste collections services within the defined waste collection area are provided upon request.

All non-residential disposed waste will incur a Waste Levy Service Fee due to the Queensland Government's Waste Levy that was introduced on 1 July 2019. Some services are eligible for a partial offset by a rebate (provided by the Queensland Government) to reduce the direct impact of the levy.

Council imposes an annual fixed charge for each non-residential waste collection service:

Description	Annual Charge (\$)	State Waste Levy (\$)
Waste 140L wheelie bin	359	44.15
Waste 240L wheelie bin	432	75.68
Recycling 240L wheelie bin	143	-
Recycling 360L wheelie bin	213	-

The waste service charge is for one waste bin collection each week.

The recycling service charge is for one recycling bin collection each fortnight.

Council can supply a range of container sizes to meet specific waste management needs. Prices are available on application.



1. Policy Statement

In accordance with section 169(2) of the *Local Government Regulation 2012* (the Regulation), a Revenue Policy is required to be prepared and adopted each financial year.

In 2026/27, Townsville City Council (Council) will levy rates and charges in compliance with this policy.

2. Principles

Council makes decisions about levying rates and charges in alignment with the following Local Government Principles:

- (a) Transparent and effective processes, and decision-making in the public interest;
- (b) Sustainable development and management of assets and infrastructure, and delivery of effective services;
- (c) Democratic representation, social inclusion and meaningful community engagement;
- (d) Good governance of, and by, local government; and,
- (e) Ethical and legal behaviour of Councillors and local government employees.

3. Scope

This policy demonstrates the principles that Council intends to apply in the preparation and adoption of the 2026/27 budget, including:

- the making and levying of rates and charges;
- granting concessions for rates and charges;
- recovering overdue rates and charges; and,
- setting of cost-recovery fees and methods.

This policy also addresses:

- the purpose for concessions; and
- infrastructure charges for Council.

4. Responsibility

Councillors, the Chief Executive Officer and the Chief Financial Officer are responsible for ensuring that this policy is understood and followed.

5. Definitions

All definitions are in accordance with the *Local Government Act 2009* (the Act) and the Regulation.

6. Policy

6.1. Principles Used for the Levying of Rates and Charges

When levying rates and charges, Council will seek to achieve financial sustainability, while minimising the impact of Council rates and charges upon the community and distributing the burden of payments equitably across the community. Council will consider the consumers of each service, the benefit to the community and all factors that contribute to Council's costs.

Council accepts that land valuations are generally an appropriate basis to achieve the equitable imposition of general rates, with differential rating categories determined by:

- land use;
- ownership;
- availability of services;
- consumption of and demand for services; and,
- whether any attribute of the land (including the status of the land under the Planning Scheme) gives rise to, or is likely to give rise to, increased costs for the Council, whether at that land or elsewhere.

When levying the rates and charges, Council will:

- consider its long-term financial forecast when setting rates and charges;
- seek to minimise the revenue required to be raised from rates and charges by:
 - i. maximising income from available grants and subsidies; and
 - ii. imposing cost-recovery fees in respect of services and activities for which it believes cost-recovery is appropriate;
- consider the prevailing local economic conditions, and when possible, limit increases in an attempt to avoid significant price escalation in any one year; and,
- offer an early payment discount to provide an incentive for the timely payment of rates and charges.

Council will levy special rates and charges to minimise the extent to which the general community subsidises the unique costs arising from the provision of local government benefits or services to particular land.

6.2. Principles Used for Recovering Overdue Rates and Charges

Council will exercise its rate recovery powers to reduce the overall rate burden upon ratepayers while:

- making clear the obligations of ratepayers and the process used by Council in assisting them to meet their financial obligations;
- making the processes used to recover outstanding rates and utility charges clear, simple to administer and cost-effective;
- considering the capacity to pay in determining appropriate payment plans for different sectors of the community;

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- endeavouring to treat ratepayers with similar circumstances in a consistent way;
- offering flexibility to ratepayers experiencing financial hardship through concessional arrangements; and,
- adapting its response when necessary to city-wide events such as natural disasters or changes in the local economy.

6.3. Principles Used for Granting Concessions for Rates and Charges

Council will support desirable community objectives by providing concessions for certain categories of landowners, and in respect of properties used for certain purposes when those concessions:

- reduce the financial burden of rates and charges payable by pensioners; or,
- support the community activities of not-for-profit organisations encouraging the economic or development of all or part of the local government area; or,
- support entities that provide assistance or encouragement for arts or cultural development; or,
- encourage the preservation, restoration or maintenance of land that is of cultural, environmental, historic, heritage or scientific significance to the local government area.

6.4. Setting of Cost-Recovery Fees

Council considers that in almost all instances it is appropriate and in the community's interest to apply full cost-recovery to its water, sewerage and refuse and recycling utility charges, which includes obtaining a return on capital for assets used in the delivery of these services.

In accordance with section 97 of the Act, cost-recovery fees will also be set for other services and activities which Council deems appropriate.

A return on capital will only be charged where permissible under sections 97-100 of the Act or under section 41 of the Regulation. By imposing charges that accurately reflect the full cost of the provision of services, Council will promote efficiency in both provision and use of the services.

Council may choose to subsidise the charges from other sources (e.g. general rate revenue) when Council believes that is in the community's interest.

6.5. Supporting Development of City Activation and Housing Incentive

To the fullest extent permissible by law, Council will fund the physical and social costs of any new development by levying charges upon that development. Council considers that the current law strikes a reasonable balance between minimising costs for new developments and managing the burden of new developments upon existing ratepayers. Council considers that this approach promotes efficiency and competition between developers and achieves development at the least overall cost to the community.

Council may choose to subsidise from other sources (e.g. general rates) the charges payable for the development when Council believes that it is in the community's interest.

7. Legal Parameters

Local Government Act 2009

Local Government Regulation 2012

8. Associated Documents

City Activation and Housing Incentive Policy

Concession of Disposal Fees for Charity Bin Waste Policy

Concession of Water Charges for Home Haemodialysis Patients Policy

Debt Recovery Policy

General Rates and Utility Charges Concessions Policy

Hardship Concessions Policy

Pensioner Rates Concession Policy

Planning Scheme

Pre-2016 Pensioner Arrears Concession Policy

Rate Discount Policy

Reduction of Water Consumption Charges Policy

Revenue Statement

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1. Policy Statement

In accordance with section 192(1) of the *Local Government Regulation 2012* (the Regulation), a Debt Policy is required to be prepared and adopted each financial year.

Townsville City Council (Council) will utilise a debt management strategy based on sound financial management guidelines.

2. Principles

The purposes of establishing an annual debt policy are to:

- comply with legislative requirements;
- establish when borrowings will be made by Council and for what purpose;
- provide a view of the city's long-term debt requirements; and,
- demonstrate to lending institutions that Council adopts a disciplined approach to borrowing.

3. Scope

This policy applies to all Councillors and Council workers.

4. Responsibility

The Chief Executive Officer and Chief Financial Officer are responsible for ensuring that this policy is understood and adhered to by all workers.

5. Definitions

Any term used in this policy that is defined in the *Local Government Act 2009* or the Regulation has that definition.

Term	Definition
Borrow	means to raise and obtain, in any way, money, credit and other financial accommodation.
Workers	includes employees, contractors, volunteers and all others who perform work on behalf of Council.

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6. Policy

Borrowings are only available for capital investment purposes, as outlined below:

- Council may meet capital investment requirements by first using any surplus cash available (even if these are surplus only for a short term) before undertaking a new borrowing. This is the case even if using existing funds only defers the need to borrow for a short period of time.
- Council cannot use long-term debt to finance operating activities or recurrent expenditure. A working capital facility or overdraft may be utilised to help fund short-term cash flow requirements that may arise from time to time.
- Council recognises and accepts that infrastructure demands placed upon Council can often only be met through borrowings but will always be mindful of the additional cost incurred by the community when assets are acquired through borrowings, which increases the cost of providing capital infrastructure.
- Council will endeavour to fund all capital renewal projects from operating cash flows in the first instance and borrow for new and upgrade capital projects.
- Where borrowing is constrained, borrowings for infrastructure that provides a return on capital will take precedence over borrowings for other assets.
- When Council finances capital projects through borrowings, it will repay the loans in a term not exceeding the life of those assets and in accordance with Queensland Treasury Corporation's borrowing guidelines.
- Council will actively monitor debt levels to ensure the relevant financial sustainability indicators remain within the target bands prescribed by the Financial Management (Sustainability) Guideline 2024.
- Council will use as its basis for determining funding options the Strategic Asset Management Plan, together with the Long-Term Financial Forecast.
- The amount of new debt to be borrowed in a year must be approved as part of the annual budget process, excluding working capital and bank overdraft facilities. New borrowing applications must also be approved by the Department of Local Government, Water and Volunteers.
- In accordance with section 192 of the Regulation, details of the planned borrowings for the budget year and the following nine financial years will be presented at Council's annual budget meeting. The details will include the planned borrowings for each year, the purpose of the borrowings and the term of repayment of existing and planned borrowings.

Planned borrowings are as follows:

Year and Purpose of Borrowing	Amount \$000
Year ended 30/06/2027 - New and upgrade infrastructure	106,574
Year ended 30/06/2028 - New and upgrade infrastructure	108,389
Year ended 30/06/2029 - New and upgrade infrastructure	80,965
Year ended 30/06/2030 - New and upgrade infrastructure	38,917
Year ended 30/06/2031 - New and upgrade infrastructure	25,698
Year ended 30/06/2032 - New and upgrade infrastructure	25,000
Year ended 30/06/2033 - New and upgrade infrastructure	20,135
Year ended 30/06/2034	-
Year ended 30/06/2035	-
Year ended 30/06/2036	-

Repayment term of new loans is up to 20 years with existing loans at 30 June 2026 having repayment terms between 1 year and 14 years. The amount projected to be outstanding at 30 June 2027 is \$437.1 million.

Anticipated loan principal repayments for the year ending 30 June 2027 is \$45.1 million.

Council holds an ongoing working capital facility of \$100 million for the purpose of managing potential liquidity risks.

7. Legal Parameters

Local Government Act 2009

Local Government Regulation 2012

Statutory Bodies Financial Arrangements Act 1982

Statutory Bodies Financial Arrangements Regulation 2019

8. Associated Documents

Adopted Budget

Department of Local Government, Water and Volunteers - Financial Management (Sustainability) Guideline 2024

Local Government Borrowings, Working Capital Facilities, and Refinancing - Application Guideline

Long-Term Financial Forecast

Revenue Policy

Revenue Statement

Strategic Asset Management Plan

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1. Policy Statement

In accordance with section 104(5)(c)(i) of the *Local Government Act 2009* and section 191(1) of the *Local Government Regulation 2012*, an Investment Policy is required to be prepared and adopted each financial year.

Townsville City Council (Council) will manage its investments on a corporate basis and in a centralised manner in accordance with its internal treasury management process.

2. Principles

This policy identifies Council's investment objectives and overall financial risk philosophy.

3. Scope

This policy applies to all workers that are responsible for transactions which may affect Council's investment accounts.

4. Responsibility

The Chief Executive Officer (CEO) and Chief Financial Officer are responsible for ensuring this policy is understood and adhered to by workers.

5. Definitions

Term	Definition
At Call	means an investment that can be redeemed and the monies invested can be retrieved by the investor from the financial institution immediately or within 30 days without penalty.
Credit Risk	the risk of loss due to the failure of the counterparty (i.e. the other individual or institution to an agreement or contract) of an investment to meet its financial obligations in a timely manner.
Financial Institution	means an authorised deposit-taking institution as governed by the <i>Banking Act 1959</i> (Cth).

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Term	Definition
Interest Rate Risk	is the risk of a change in the market value of the investment portfolio, which arises due to a change in interest rates.
Investment Portfolio	a collection of short, medium and long-term cash deposit investment accounts.
Liquidity Risk	the risk that Council will have insufficient cash available to meet its working capital needs.
Preservation of Capital	means an investment strategy with the primary goal of preventing losses in an investment's total value. In modern portfolio theory terms, it refers to a guaranteed investment of principal, which would provide a return of at least inflation.
Transaction Risk	the risk of a direct or indirect loss resulting from inadequate or failed internal processes, people or systems.
Workers	includes employees, contractors, volunteers and all others who perform work on behalf of Council.

6. Policy

Council's investment portfolio will be managed centrally on a corporate basis and a conservative investment approach will be applied. Council will:

- endeavour to preserve capital through the effective management of the investment portfolio's exposure to credit risk, interest rate risk, liquidity risk and transaction risk; and
- maintain sufficient liquidity of its investment portfolio to meet all reasonably anticipated cash flow requirements, as and when they fall due.

6.1. Reporting and Performance Measurement

Council will endeavour to maximise returns on surplus cash after assessing the risk limitations, prudent investment principles, budget considerations and the economic cycle.

Reporting will be undertaken monthly reviewing all investment related exposures, specifically detailing information on the investment portfolio in terms of holdings and performance.

Regular cash management reports will be prepared by Financial Services.

6.2. Documentation and Approval

Any transaction occurring between Council's transactional bank account and at call cash deposit accounts will require approval from two authorised account signatories.

Any transactions occurring between Council's at call cash deposit accounts and cash deposit accounts, with a term to maturity of one month or more, will require approval from the CEO.

Each transaction will require written confirmation by the approved financial institution. Council will maintain the necessary documents related to all transactions with approved financial institutions.

7. Legal Parameters

Banking Act 1959 (Cth)

Local Government Act 2009

Local Government Regulation 2012

Statutory Bodies Financial Arrangement Act 1982

Statutory Bodies Financial Arrangement Regulation 2019

8. Associated Documents

Register of Authorised Deposit-taking Institutions - Australian Prudential Regulation Authority

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GLOSSARY OF TERMS

Term	Definition
Asset consumption ratio	Indicates the extent to which Council's infrastructure assets have been consumed compared to what it would cost to build a new asset with the same benefit to the community.
Asset renewal	An activity that results in restoring an asset so it can perform at its original function and capacity.
Asset renewal funding ratio	An indicator of ability to fund projected infrastructure asset renewal/replacements in the future.
Asset sustainability ratio	An indicator of the extent to which the infrastructure assets managed by Council are being replaced as they reach the end of their useful lives. It can assist in identifying the potential decline or improvement in asset condition and standards.
Business case	A business case will identify the specific business requirement, and the costs and benefits of the project or task.
Capital expenditure	An amount spent to construct, purchase, or improve long-term assets such as roads, parks, buildings, equipment, or infrastructure.
Carbon neutral	Achieving net-zero carbon dioxide emissions.
Circular economy	An economic system that eliminates waste and the continual use of resources. The circular economy aims to keep products, equipment, and infrastructure in use for longer, improving the productivity of these resources.
City Plan	The Townsville City Plan (planning scheme) sets the vision for how Townsville should grow over the next 25 years. It is Council's key document for deciding development applications.
Consumer Price Index (CPI)	CPI is a measure of the average change over time in the prices paid by households for a fixed basket of goods and services.
Council controlled revenue ratio	An indicator of Council's financial flexibility, ability to influence its operating income, and capacity to respond to unexpected financial shocks.
Development infrastructure	Development infrastructure is land and/or works for water cycle management (including water supply, sewage, and drainage), transport, public parks and land for community facilities.
Grants	An amount of money or in-kind value that is contributed to achieve a specific purpose or outcome.
Levels of Service	The agreed and documented expected service quality and/or regularity.
Leverage ratio	An indicator of Council's ability to repay its existing debt. It measures the relative size of Council's debt to its operating performance.
Operating cash ratio	A measure of Council's ability to cover its core operational expenses and generate a cash surplus excluding depreciation, amortisation and finance costs.

Operating expenditure	The amount spent to operate and maintain assets and to deliver services to the community.
Operating surplus ratio	An indicator of the extent to which operating revenues generated cover operational expenses. Any operating surplus would be available for capital funding or other purposes.
Owner occupier	Refers to those properties allocated a differential rating category of 1: Residential Principal Place of Residence as per Appendix A: Differential Rating Categories.
Parks and open space	• Parcels of land under the control of or managed by Council for the community. Types of parks include: • Regional – large open space parklands that offer a wide variety of both active and passive recreation opportunities to a broad section of the community • District – much bigger than local sized parks that can service several suburbs, or a whole community, and or a community event • Local – moderately small open space parklands that offer local residents a communal open space to complement their own backyards • Amenity/Pocket – small open space parklands that offer a limited range of recreational activities for local residents • Corridor – usually a linear open space that follows creeks, drainage channels, service corridors or green belts.
Population growth ratio	Key driver of Council's operating income, service needs, and infrastructure requirements into the future.
Potable water	Known as drinking water, supplied to end users via a reticulation network.
Recycled water	Wastewater that is treated for re-use.
Recycling	Converting waste materials into new materials and objects.
Rate In the Dollar (RID)	Rate in the dollar, used in the calculation of General Rates.
Seasonal	Dividing the year by the weather variation – wet season and dry season.
Service	A group of activities provided to the city, including: • Roads and Transport Management • Drain and Stormwater Management • Water Services • Wastewater Services • Resource Recovery • Parks and Open Space Management • Cultural and Community Services • Environment and Sustainability Services • Planning and Development • Service Partners
Unrestricted cash expense cover ratio	An indicator of the unconstrained liquidity available to a council to meet ongoing and emergent financial demands, which is a key component to solvency. It represents the number of months a council can continue operating based on current monthly expenses.
Service standards	Service standards set targets to meet customer requirements via people, systems, assets, and technology.
Trunk infrastructure	Larger, significant infrastructure that supports growth and benefits several development sites.



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