

Budget meeting checklist

For Queensland Councils governed by the *Local Government Act 2009* (LGA) and *Local Government Regulation 2012* (LGR)

This checklist simply lists the requirements of the LGA and LGR, relating to council’s budget meeting, in one handy reference document. It does not refer to relevant case law, replace legal advice, or include other legislative requirements.

Requirement	Reference	✓
What is a budget meeting?		
Council’s budget meeting is the meeting at which the budget for the financial year is adopted.		
When is a budget meeting held?		
Each council must adopt a budget for the financial year: <ul style="list-style-type: none"> • after 31 May, in the year before the financial year; and • before 1 August, in the financial year to which the budget relates; or • before a later day decided by the minister. 	LGR s170(1)(a) & (b)	
What is a budget?		
Council’s budget is a statutory document that must be adopted for each financial year. The budget is part of council’s system of financial management.	LGA s104	
The budget must contain certain information and meet certain requirements (see <u>Budget checklist</u>).	LGA s104(5)(a)(iv), LGR s169 & s170	
Councillors can be liable for disbursements not provided for in the council’s budget for the financial year and made without the approval of council by resolution. Exceptions apply where the disbursement is made for a genuine emergency or hardship.	LGA s110	
Once adopted, council may amend its budget at any time, by resolution. The amended budget must contain certain information and meet certain requirements. The meeting where the budget is amended is not a ‘budget meeting’.	LGR s170	
Other documents that must be presented at the budget meeting		
In addition to presenting a budget, council’s chief executive officer must present a statement of estimated financial position to the budget meeting which states the: <ul style="list-style-type: none"> • financial operations, and • financial position, of the council for the previous financial year.	LGR s205	



Requirement	Reference	✓
Budget meeting decisions		
At the budget meeting , in addition to adopting the budget, the council must pass the following resolutions:		
<ul style="list-style-type: none"> • A resolution deciding what rates and charges are to be levied for the financial year: <ul style="list-style-type: none"> ○ the resolution may limit the increase in rates or charges subject to certain conditions (see ‘Limiting the increase in rates and charges’ in the Rates and charges checklist) ○ if the council is levying special rates and charges the resolution must identify: <ul style="list-style-type: none"> ▪ the rateable land to which the special rates or charges apply; and ▪ the overall plan for the service, facility or activity to which the special rates or charges apply. 	LGA s94 (2) LGR s116 LGR s94	
<ul style="list-style-type: none"> • The date by which, or the period within which, rates or charges must be paid, which must be: <ul style="list-style-type: none"> ○ at least 30 days after the rate notice for the rates or charges is issued; and ○ subject to any concessions, the same date or period for each person liable to pay the rates or charges. 	LGR s118	
<ul style="list-style-type: none"> • If the council is to levy differential general rates, a resolution to decide the different categories (each a rating category) of rateable land in the local government area. The resolution must state: <ul style="list-style-type: none"> ○ the rating categories of rateable land in the local government area; and ○ a description of each of the rating categories. 	LGR s81(2) & (3)	
<ul style="list-style-type: none"> • If the local government is to allow ratepayers to pay rates or charges by instalments, a resolution for that decision stating: <ul style="list-style-type: none"> ○ the periods for payment of each instalment of the rates or charges; and ○ any other requirements for paying the rates or charges by instalments ○ the requirements may include a requirement for the ratepayer to pay an additional charge in return for paying the rates or charges by instalments ○ the resolution may state a discount for paying an instalment of the rates or charges within the period for paying the instalment. 	LGR s129	
<ul style="list-style-type: none"> • If the local government decides to allow a discount for payment of rates or charges before the end of a discount period, a resolution for that decision stating: <ul style="list-style-type: none"> ○ whether the discount is to be: <ul style="list-style-type: none"> ▪ a fixed amount; or ▪ a percentage of the rates or charges; and ○ if the discount is to be a fixed amount—the amount; and ○ if the discount is to be a percentage of the rates or charges—the percentage; and ○ whether the discount applies only if: <ul style="list-style-type: none"> ▪ other rates or charges are paid; or ▪ an amount, including any interest on the amount, is paid for work that was performed by the local government under a remedial notice issued under the LGA; and ○ the discount period. 	LGR s130	
<ul style="list-style-type: none"> • If interest is to be charged on overdue rates and charges, a resolution deciding the amount of interest that will be charged for the financial year (the interest rate cannot exceed a maximum rate. The maximum rate changes each year and is published on the department’s website – for the 2021-22 budget year the rate is 8.03%). <ul style="list-style-type: none"> ○ Interest is payable on overdue rates or charges from: <ul style="list-style-type: none"> ▪ the day the rates or charges become overdue; or ▪ a later day decided by the local government ○ interest must be calculated on daily rests and as compound interest; or in another way the local government decides, if an equal or lower amount will be payable ○ the decision about interest on overdue rates and charges must apply equally to all ratepayers. 	LGR s133	

Requirement	Reference	✓
Rating decisions that are commonly made at the budget meeting		
If council wants to make any of the following rating decisions they must be made by council resolution, which could be the annual budget meeting.		
<ul style="list-style-type: none"> • A decision to use the value of land averaged over a number of financial years as the rateable value of land: <ul style="list-style-type: none"> ○ The resolution must state whether the local government will use: <ul style="list-style-type: none"> ▪ the 2-year averaged value of the land; or ▪ the 3-year averaged value of the land. ○ If the value of the land averaged over a number of financial years is more than the value of the land for the financial year, the rates must be calculated using the value of the land for the financial year. 	LGR s74 (3) & (4)	
<ul style="list-style-type: none"> • A decision to exempt land primarily used for showgrounds or horseracing from being rateable land. 	LGA s93(3)(h)	
<ul style="list-style-type: none"> • A decision to exempt other land from being rateable land, for charitable purposes. 	LGA s93(3)(i)	
<ul style="list-style-type: none"> • If a local government wishes to levy special rates and charges: <ul style="list-style-type: none"> ○ it must adopt an overall plan for the service, facility or activity to which the special rates or charges apply before, or at the same time as, it first resolves to levy the special rates or charges ○ if an overall plan is for more than 1 year, the local government must also adopt an annual implementation plan for each year before or at the budget meeting ○ the local government may at any time, by resolution, amend: <ul style="list-style-type: none"> ▪ an overall plan; or ▪ an annual implementation plan. 	LGR s94(4) LGR s94(6) LGR s94(9)	
<p>To grant a concession for rates and charges council must pass a resolution or resolutions:</p> <ul style="list-style-type: none"> • granting the concession to a stated ratepayer: <ul style="list-style-type: none"> ○ the ratepayer must have applied for the concession in a way accepted by the local government <p>or</p> <ul style="list-style-type: none"> • granting the concession to a ratepayer who is a member of a stated class of ratepayers: <ul style="list-style-type: none"> ○ concessions can only be granted to a class of ratepayers: <ul style="list-style-type: none"> ▪ if the concession is a rebate of all or part of the rates or charges, or ▪ an agreement to defer payment of the rates or charges. <p>The resolution may include conditions for granting the concession to a ratepayer. For example, a condition requiring the ratepayer to produce a health care card or pensioner concession card to show the ratepayer's eligibility for the concession.</p>	LGR s122	

Useful links

The department's publication [Guideline on equity and fairness in rating for Queensland local governments.](#)

The *Local Government Act 2009* and Local Government Regulation 2012 can be found on the Queensland legislation website www.legislation.qld.gov.au.