

OM 19 August 2021 - Item 8.6

Rebate Policy for Infrastructure Charges for Not-for-Profit Organisations

Purpose of Report

- To seek Council's endorsement of the revised Rebate Policy for Infrastructure Charges for eligible community organisations.

Background

- **2009** – Council adopted a policy which allows community organisations to apply for relief from Infrastructure Charges.
- Reduced or removed charges under this policy are considered foregone revenue and as such, are funded from general revenue to acknowledge the contribution made by community organisations providing services to the Sunshine Coast community. (In doing so, retains Council’s funding of growth infrastructure capability.)
- Over 12 years and is timely for a review
 - Provide clarity
 - Direct the rebate where best needed

Current Policy

- Allows a **100% rebate** where the purpose of development is to construct new or extended community service, sporting, recreation or lifesaving facilities.
- Permits a **30% rebate** for social, entertainment, gaming or liquor facilities component of the development on basis that some of the profits generated from the commercial operations are directed towards the community, recreation or lifesaving functions of the organisation.
- Applies a **rebate of 50%** for non-state schools for construction of new or extended educational facilities.
- Allows for religious organisations a **100% rebate** for community, youth or meeting facilities available to general community & are non-denominational in their application & use.

Proposed Changes

- **Non-State Schools** are no longer included as an eligible community organisation. (Ministerial Designations apply.)
- Removal of clubs which are self-funded through **commercial operations or liquor licences**. (e.g., linked to Nippers' facilities 30%.)
- Recognises organisations registered with the **Australian Charities and Not-for-Profits Commission** as eligible community organisations are to be included. (Not just ATO recognised.)
- **Lifesaving Clubs** are not identified separately but are now included as community, sporting or recreation organisations.
- Clarity of the operation of the policy and application process, including a **standardised application form** and a **rebate assessment guide**.

Rebates for Eligible Community Organisations Comparisons

Current

| Type of Organisation | | Purpose of Development | Rebate |
|---|---------------------------------------|---|-------------------|
| Charitable organisations (non-profit and volunteer based) and Community based Organisations | | Construct new or extended community service facilities. | 100% |
| Charitable Organisations (non-profit) | | Construct new or extended community service facilities. | 100% |
| Sporting or Recreation Organisations (non-profit and volunteer) | | Construct new or extended sporting or recreation facilities (including clubhouse amenities). | 100% |
| Community, Sporting or Recreation Organisations (non-profit and gaming or liquor licence) | | Construct new or extended community, sporting or recreation facilities (including amenities). | 100% |
| | | Construct new or extended social, entertainment, gaming or liquor facilities. | 30% |
| Lifesaving Clubs | | Construct new or extended facilities that only relate to the lifesaving component of the premises. | 100% |
| | | Construct new or extended social, entertainment, gaming or liquor facilities. | 30% |
| Non State Schools | | Construct new or extended facilities that only relate to the educational component of the premises. | 50% |
| Religious Organisations | Worship | Construct new or extended facilities that only relate to the religious (worship) component of the premises. | nil |
| | Schools | Construct new or extended facilities that only relate to the educational component of the premises. | 50% |
| | Community/Youth or Meeting Facilities | Construct new or extended facilities that only relate to the community use component of the premises. | 100% (see note 1) |

Proposed

| Type of Organisation | Purpose of Development | Rebate |
|---|--|--------|
| Charitable organisations (non-profit and volunteer based) and Community-based Organisations | Residential or community service facilities | 100% |
| Charitable Organisations (non-profit) | Residential or community service facilities | 100% |
| Sporting or Recreation Organisations (non-profit and volunteer) | Sporting or recreation facilities (including clubhouse amenities) | 100% |
| Community, Sporting or Recreation Organisations (non-profit and gaming or liquor licence) | Community, sporting or recreation facilities (including amenities) | 100% |
| | Social, entertainment, gaming or liquor facilities | nil |
| Religious Organisations | Place of Worship | nil |
| | Community facilities | 100% |

Note 1: For a Religious Organisation to qualify for the rebate, the community, youth or meeting facilities must be available to the general community and be non-denominational.

Finance

Community Organisation Infrastructure Charge Rebates Approved (October 2009 to March 2021)

| Type of Development | | Actual | | |
|----------------------|--|------------------|-------------|-------------|
| Rebate Subcategory | Typical Development | Rebate Amount | % of total | Note |
| SLSC-30 | Life saver or sporting club with some element of social entertainment | 404,322 | 7% | 30% Rebate |
| SLSC-100 | Life saver or sporting club without social entertainment | 620,396 | 11% | 100% Rebate |
| Education | Non-state schools | 1,883,396 | 33% | 50% Rebate |
| Education - Spec | Offices to support Training Adults with intellectual disabilities; Camping and training facilities for persons with disabilities; Special needs training for persons with disabilities | 127,999 | 2% | 100% Rebate |
| Community | Men's shed; Clubs; Special Care Facilities | 49,054 | 4% | 100% Rebate |
| Community - Church | Church hall, meeting facilities that are available to the community | 376,008 | 7% | 100% Rebate |
| Residential - Social | Residential accommodation for physically or intellectually disabled; | 709,490 | 12% | 100% Rebate |
| Residential - Aged | Residential accommodation for aged care (nursing homes) | 695,964 | 12% | 100% Rebate |
| Health - Special | Eating Disorder Rehab; Qld Aids Council; Uniting Church Hospital | 560,655 | 10% | 100% Rebate |
| Commercial | Opportunity shop run by a Charity | 90,343 | 2% | 100% Rebate |
| Total | | 5,717,627 | 100% | |

Past Average ~ \$600,000/yr

Forecast Average ~ \$400,000/yr

Recommendation

That Council:

- a) receive and note the report titled “Rebate Policy for Infrastructure Charges for Not-for-Profit Organisations”
- b) endorse the “Proposed Infrastructure Charges Rebates for Eligible Community Organisations Policy” as provided in Appendix A and
- c) delegate to the Chief Executive Officer the authority to determine applications for Infrastructure Charges rebates for eligible community organisations that comply with the proposed policy.

Thank you.



See Council's website for further details
www.sunshinecoast.qld.gov.au