



**GLADSTONE**  
REGIONAL COUNCIL

**GENERAL MEETING NOTICE  
AND AGENDA**

**TO BE HELD AT THE COUNCIL CHAMBERS – CIVIC CENTRE  
101 GOONDOON STREET, GLADSTONE**

**On Tuesday 18 January 2022**

**Commencing at 9.00am**

**Leisa Dowling  
CHIEF EXECUTIVE OFFICER**

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**G/1. MAYORAL STATEMENT OF CURRENT ISSUES**

**G/2. CONFIRMATION OF MINUTES**

**G/2.1. CONFIRMATION OF GENERAL MEETING MINUTES FOR 21 DECEMBER 2021**

**Responsible Officer:** Chief Executive Officer

**Council Meeting Date:** 18 January 2022

**File Ref:** CM7.2

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**Purpose:**

Confirmation of the minutes of the General Meeting held on 21 December 2021.

**Officer's Recommendation:**

That the minutes of the General Meeting of Council held on 21 December 2021 be confirmed.

**Attachments:**

1. Minutes of the General Meeting of Council held on 21 December 2021.

**Tabled Items:**

Nil.

**Report Prepared by:** Executive Secretary

## **G/3. OFFICERS' REPORTS**

### **G/3.1. SALE OF LAND**

**Responsible Officer:** General Manager Finance Governance and Risk

**Council Meeting Date:** 18 January 2022

**File Ref:** RV7.1

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#### **Purpose:**

This report identifies properties that have outstanding rates in excess of three years and recovery action is available under the *Local Government Regulation 2012*.

#### **Officer's Recommendation:**

That Council, pursuant to section 140(2) of *Local Government Regulation 2012*, resolve to sell the 71 properties listed in Attachment 1 to the officers report, for overdue rates and charges.

#### **Background:**

Attachment 1 provides a list of properties with outstanding rates which have now exceeded the three-year period, and the one-year period for vacant or commercial properties as at 5 January 2022. As per the attached table, this is a loss in revenue to Council amounting to \$1,018,560.83

Section 140(2) of the *Local Government Regulation 2012* enables Council to resolve to sell land for recovery of overdue rates or charges where rates or charges have been overdue in excess of three years, or where default judgment has been obtained for vacant or commercial properties.

Once notice of its intention to sell land has been issued, if payment is not made within three months, Council may within 6 months of giving notices of intention to sell, start the procedures for selling the land by auction under section 142. An Auction must be held within 35 days of issuing an Auction Notice. The reserve price will be set in accordance with section 143. If the reserve is not reached, either by auction or subsequent negotiation, Council may decide to continue to offer sale under section 144 but the selling procedure must end within 12 months of giving the notice of intention to sell.

Interest will continue to accrue until the outstanding balances are paid in full. Section 141 requires that overdue rates and charges must be paid in full in order for sale procedures to be stopped.

It is possible that Queensland Land Tax owed to the Office of State Revenue will apply to a number of the listed properties. Specific information regarding Land Tax is obtained closer to the auction date if applicable.

#### **Options, Risk and Opportunity Analysis:**

71 Properties are identified in Attachment 1 as being eligible for sale of land action. This year's number of properties decreased by 148 properties in comparison to 2020/21 financial year. The properties are a mixture of land use types, including commercial, residential and vacant land. Only 8 properties identified in Attachment 1 are not encumbered by registered mortgages.

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The utility of sale of land action to Council does not lie in the actual sale of properties. Historically, only a very small percentage of properties on the sale list are sold (*last year, 5 properties out of the original 219 were taken to sale on auction*). The true utility of sale of land action lies in its unique and powerful ability to focus the minds of owners (as well as mortgagees) on the implications of non-payment of rates, or alternatively, on the implications of not abiding by the terms of a payment arrangement which Council has granted in good faith. Sale of land action is an effective means of encouraging ratepayers to comply with their legislative responsibilities, as indeed most ratepayers already do, in order to ensure that a fair and equitable financial contribution to the Gladstone Region is made by all.

Option 1 (Officer's recommendation):

That Council, pursuant to section 140(2) of *Local Government Regulation 2012*, resolve to sell the 71 properties listed in Attachment 1, for overdue rates and charges.

Option 2

That Council resolve not to proceed with selling the 71 properties listed in Attachment 1 for overdue rates and charges.

### **Communication and Consultation:**

General Manager Finance Governance and Risk  
Senior Legal Advisor  
Senior Rates Officer  
Debt Recovery-Rates Officers

### **Legal Strategy and Policy Implications:**

Chapter 4 Part 12 of the *Local Government Regulation 2012* deals with the collection of overdue rates and charges by court proceedings and the sale of land.

Council may sell land for overdue rates and charges where the rates and charges remain unpaid for a period of more than three years for residential properties and one year for commercial properties and vacant land Council has obtained Court Judgement.

### **Financial and Resource Implications:**

Rates and charges arrears are due and payable to Council. Failure to collect these amounts will result in a reduction of funds available to be expended for the benefit of the Gladstone Region by Council in accordance with its adopted budget.

All costs associated with the debt recovery process for the listed properties are recoverable either from sale of land or are able to be added as a charge against the land.

### **Summary:**

Nil.

### **Anticipated Resolution Completion Date:**

It is anticipated that sale of land proceedings with respect to this resolution will be completed by 30 June 2022.

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**Attachments:**

1. Sale of Land Property List

**Tabled Items:**

Nil.

**Report Prepared by:** Manager Revenue Services

## G/3.2. COMMUNITY INVESTMENT PROGRAM - ELEVATOR FUND

**Responsible Officer:** General Manager Community Development and Events

**Council Meeting Date:** 18 January 2022

**File Ref:** GS3.1

**Purpose:**

To consider the recommendations of the Community Investment Panel on applications received under the Elevator Fund.

**Officer's Recommendation:**

That Council:

1. Adopt the Community Investment Panel recommendation of funding for the applications received under the category of funding tabled below:

| Applicant  | Project   | Recommendation |
|--|---|----------------|
| Gladstone South Swimming Club                    | Boys' Changeroom Privacy Upgrade                            | \$11,336       |
| EQIP Gladstone Incorporated                      | EQIP Authentic Workplace Learning                           | \$25,000       |
| Not-For-Profit HQ Limited trading as NFP House   | Training and Development for NFPs                           | \$40,200       |
| Integreat Queensland Inc                         | Building the Gladstone Professional Skilled Worker Network. | \$18,000       |
| Gladstone MTB Inc                                | Event Timing Equipment                                      | \$0            |
| Gladstone Area Promotion and Development Limited | Nurture and Nutrition                                       | \$40,000       |
| Gladstone Women's Health Centre                  | Men's Education Network (MENS) Program                      | \$0            |
| Gladstone Amateur Basketball Association Inc     | Regional Facility Proposal - Shovel ready planning          | \$48,740       |
| Strong Communities Ltd                           | Strong Cook Out - Often at Philip Street (SCOOPS)           | \$11,020       |
| Total Funding recommendation                     |   | \$194,296      |

and

2. Authorise the Chief Executive Officer or delegate to finalise and execute funding agreements with the successful applicants detailing relevant entitlements and conditions.



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### Background:

The nine (9) eligible applications have been assessed by a Community Investment Panel (the Panel) with the recommendation presented to Council at this General Meeting for decision.

The Community Investment Program offers five (5) key funding streams including the Elevator Fund.

The Elevator Fund is intended for higher cost, higher risk proposals of over \$10,000. Applicants need to demonstrate a high level of competency, capacity, and planning capability to deliver the stated outcomes for Elevator proposals. Applicant's proposals must align with one or more of the five Elevator Fund Objectives as defined within the Community Investment Policy. These funding objectives align to Councils Community Development Strategy which aim to strengthen and enhance the health and wellbeing of the region:

- **Capacity**
- **Place**
- **Connect**
- **Wellbeing**
- **Planning**

### Panel Assessment Process

In accordance with the Community Investment Policy (P-2021-09) and Community Investment Corporate Standard (CS-2021-07), the eligible applications have been assessed by the Panel.

Panel assessment is undertaken using an assessment matrix to score each application against Key Selection Criteria (KSC) to determine an order of merit. The overall score (ranking) is used to inform the recommendation. The table below defines the KSC, weighting and definition of score applied in the assessment matrix:

| <b>KEY SELECTION CRITERIA (KSC)</b>                  | <b>Weighting</b> |
|--|------------------|
| <b>KPI 1:</b> Demonstratable need                    | 20               |
| <b>KPI 2:</b> Fund Objective and Aims                | 60               |
| <b>KPI 3:</b> Provides opportunity for collaboration | 15               |
| <b>KPI 4:</b> Capacity to deliver                    | 5                |

| <b>RATING MATRIX</b>   |
|--|
| <b>Green</b> = An overall score of 2.60 (65.5%) and above demonstrates that an application has met or exceeded all KPIs. The Assessment Panel may favorably recommend the application for the full funding sought.   |
| <b>Orange</b> = An overall score between 2.01 (51%) to 2.59 (65%) demonstrates that an application has met or exceeded a KPI(s) but mostly marginal evidence in others. The Assessment Panel may choose to recommend funding the application based on scores received for KPIs with high weighting and overall alignment to Community Celebration Fund objectives. |
| <b>Red</b> = An overall score of 2 (50%) or less demonstrates that an application has mostly provided marginal evidence across all KPIs. The Assessment Panel may still choose to recommend the application for part funding based on some evidence of meeting the objectives of the Community Celebration Fund objectives.  |

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**Options, Risk and Opportunity Analysis:**

As per the Community Investment Policy, an assessment was undertaken by a panel to consider the applications, with recommendations summarised below:

| Applicant  | Project   | Project Location    | Applicant Request | Panel Score | Recommendation |
|--|---|---------------------|-------------------|-------------|----------------|
| Gladstone South Swimming Club                    | Boys' Changeroom Privacy Upgrade                            | Gladstone           | \$11,336          | 3.44        | \$11,336       |
| EQIP Gladstone Incorporated                      | EQIP Authentic Workplace Learning                           | Gladstone           | \$30,000          | 2.94        | \$25,000       |
| Not-For-Profit HQ Limited trading as NFP House   | Training and Development for NFPs                           | Gladstone           | \$40,200          | 3.31        | \$40,200       |
| Integreat Queensland Inc                         | Building the Gladstone Professional Skilled Worker Network. | Gladstone           | \$18,000          | 3.56        | \$18,000       |
| Gladstone MTB Inc                                | Event Timing Equipment                                      | Gladstone           | \$10,115          | 1.53        | \$0            |
| Gladstone Area Promotion and Development Limited | Nurture and Nutrition                                       | Gladstone /Calliope | \$40,000          | 3.23        | \$40,000       |
| Gladstone Women's Health Centre                  | Men's Education Network (MENs) Program                      | Gladstone LGA       | \$40,000          |             | \$0            |
| Gladstone Amateur Basketball Association Inc     | Regional Facility Proposal - Shovel ready planning          | Gladstone           | \$71,735          | 2.13        | \$48,740       |
| Strong Communities Ltd                           | Strong Cook Out - Often at Philip Street (SCOOPS)           | Gladstone           | \$22,040          | 2.39        | \$11,020       |
| Total Funding                                    |   |                     | \$283,426         |             | \$194,296      |

Panel commentary that supports the Panel recommendation is included below:

| <b>Boys' Changeroom Privacy Upgrade</b> |   |
|---|---|
| <b>Project Dates</b>                    | 01/02/2022 – 31/08/2022   |
| <b>Organisation Name</b>                | Gladstone South Swimming Club   |
| <b>Objective Alignment</b>              | Place   |
| <b>Brief Project Description</b>        | This project involves installing 3 individual cubicles around the existing showers as well as 2 additional changerroom cubicles in the boys' changerroom at the John Dahl pool operated by Gladstone South Swimming Club (GSSC). Currently there are communal showers and an open change area in the boys changerroom, and there is nowhere for boys to change or shower with privacy. Installing cubicles will allow the boys to shower and change with privacy and will upgrade the boys changerroom to the equivalent configuration of the adjacent girls' |

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|                               | changeroom, which was upgraded in the past.  |
| <b>Project Beneficiaries</b>  | Male children and youth (aged 0-17)  |
| <b>Total Amount Requested</b> | \$11,336   |
| <b>Total Project Cost</b>     | \$12,336   |
| <b>Panel Score</b>            | 3.44   |
| <b>Panel Commentary</b>       | The Panel agreed there is a clear need for this project to be undertaken on a Council leased property and highlighted the importance of being able to shower and change in privacy. The Panel fully support the club in raising this issue as a priority and support full funding of the request to ensure project delivery. |
| <b>Panel Recommendation</b>   | Full funding as requested - \$11,336   |

**EQIP Authentic Workplace Learning**

|                                  |   |
|----------------------------------|---|
| <b>Project dates</b>             | 01/02/2021 – 31/12/2021   |
| <b>Organisation Name</b>         | EQIP Gladstone Incorporated   |
| <b>Objective Alignment</b>       | Capacity  |
| <b>Project Title</b>             | EQIP Authentic Workplace Learning   |
| <b>Brief Project Description</b> | <p>EQIP coordinates 7 vocational education (VET) programs that are designed to provide pathways into a wide variety of industries including civil construction, engineering manufacturing, process plant operations, automotive mechanical, building construction, hospitality, tourism, health and business support services.</p> <p>These programs run annually and include:</p> <ul style="list-style-type: none"> <li>• EQIP Engineering Skills Centre (EESC) onsite training at NRG Gladstone Power Station.</li> <li>• EQIP Business Industry and Tourism Skills Centre (EBITS) on site at Boyne Smelters Limited.</li> <li>• EQIP Technical College Gladstone Region (ETCGR) onsite training at local small to medium businesses.</li> <li>• EQIP Doorways to Civil Construction (ED2CC) onsite training at McCosker Contracting.</li> <li>• EQIP Process Plant Operations (EPMA) onsite training with Queensland Alumina Limited.</li> <li>• EQIP Health Support Services (EHSS)</li> <li>• PREQIP Year 10 indigenous program providing individualised career development and case management.</li> </ul> <p>EQIP VET Programs are available to year 10, 11 and 12 students from Education Queensland high schools within Gladstone. This represents approximately 70% of secondary students in the Gladstone Region.</p> |
| <b>Project Beneficiaries</b>     | 200 students aged 15-18   |
| <b>Total Amount Requested</b>    | \$30,000  |
| <b>Total Project Cost</b>        | \$233,000   |
| <b>Panel Score</b>               | 2.94  |
| <b>Panel Commentary</b>          | The Panel noted that this application received was for the 2021 EQIP program to retrospectively fund 200 students to undertake their chosen EQIP program that finished in November 2021. Under the funding guidelines, Council will not fund projects that have already been undertaken or commenced, however the Panel will consider this application in lieu of an application for the 2022 school calendar year. The Panel see benefit in continued support that Council has shown   |

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|                             | previously towards the education of our young people through the EQIP program. |
| <b>Panel Recommendation</b> | Partial funding - \$25,000   |

**Training and Development for NFPs**

|                                  |  |
|----------------------------------|--|
| <b>Project Dates</b>             | 01/02/2022 – 31/12/2022  |
| <b>Organisation Name</b>         | Not-For-Profit HQ Limited trading as NFP House   |
| <b>Objective Alignment</b>       | Capacity   |
| <b>Brief Project Description</b> | <p>NFP House is seeking funding to deliver a Training and Development Program to local not-for-profit organisations. The Training and Development Program has two parts:</p> <p>Part 1. A Grant Writing component to educate individuals on successfully obtaining grants. Within this section, NFP House will provide a workshop open for all NFPs and community groups in the Gladstone region to attend, then deliver one-one-one guidance to 8 new organisations while continuing to work with the original organisations already engaged in an earlier grant writing program.</p> <p>Part 2. A Constitution/AGM Compliance Capacity Building component around constitution compliance and AGMs by delivering a workshop open for all NFPs and community groups in the Gladstone region to attend and to provide one-on-one training for 6 not-for-profit organisations, which will include intensive sessions with those organisations who have difficulty meeting their constitutional requirements.</p> |
| <b>Project Beneficiaries</b>     | Community organisations and clubs within the Gladstone LGA   |
| <b>Total Amount Requested</b>    | \$40,200   |
| <b>Total Project Cost</b>        | \$43,700   |
| <b>Panel Score</b>               | 3.31   |
| <b>Panel Commentary</b>          | <p>The Panel viewed this application favorably considering the request is to ensure the continued full delivery of the Grant Writing Support Service for the duration of 2022. The funding is currently partly supported through the Together Gladstone Fund, this application was welcomed by the panel considering the success and interested in the continuation of this service. The Panel noted the additional investment request for the delivery of organisational Capacity Building programming focusing of governance. The panel recognised the additional investment value and alignment to meeting the capacity objective which will work to further develop strengths within the Region's community organisations. The panel unanimously supports the application as it has strong alignment to the Community Development Strategy and its success measures.</p>   |
| <b>Panel recommendation</b>      | Full funding as requested - \$40,200   |

**Building the Gladstone Professional Skilled Worker Network.**

|                            |                          |
|----------------------------|--------------------------|
| <b>Project Dates</b>       | 01/03/2022 - 28/02/2023  |
| <b>Organisation Name</b>   | Integreat Queensland Inc |
| <b>Objective Alignment</b> | Connect                  |

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| <b>Brief Project Description</b> | <p>This funding will provide the seed funding necessary to develop a Professional Network for skilled workers to reach their potential by addressing barriers to gaining the right employment, retaining their expertise in Gladstone and encouraging civic and community participation.</p> <p>Consulting with Skilled Professionals and Workers (SKPW) and employers to develop a program of activities to be held fortnightly for a minimum of 22 Network meetings with additional professional development activities as identified. The program will be tailored and co-designed to meet the needs of SKPW and employers across different industries and sectors in Gladstone.</p> <p>This Professional Network will help SKPW connect to pathways to work and settlement in Gladstone.</p> |
| <b>Project Beneficiaries</b>     | Over 30 participants with at least 20 attending each session;<br>6 program mentors;<br>Various Gladstone LGA employers.  |
| <b>Total Amount Requested</b>    | \$18,000   |
| <b>Total Project Cost</b>        | \$32,000   |
| <b>Panel Score</b>               | 3.56   |
| <b>Panel Commentary</b>          | The Panel acknowledged the applicant's well written and detailed application that showed evidenced based need for the project in addressing opportunities to improve the livability of the region for migrants and address skill shortages in the Gladstone region. The panel agreed this project, when delivered, will build on community capacity to support the Culturally and Linguistically Diverse community while creating connections across the community. With a strong alignment to the funds Connect objective and alignment to the 'Welcoming Cities' accreditation Council is currently undertaking; the Panel fully supports this application.  |
| <b>Panel recommendation</b>      | Full funding as requested - \$18,000   |

| Event Timing Equipment           |  |
|----------------------------------|--|
| <b>Project Dates</b>             | 24/01/2022 - 31/03/2022  |
| <b>Organisation Name</b>         | Gladstone MTB Inc  |
| <b>Objective Alignment</b>       | Connect  |
| <b>Brief Project Description</b> | Purchase of event timing equipment to provide professional and accurate time keeping for sports events.  |
| <b>Project Beneficiaries</b>     | Living environment > Place-based people or groups;   |
| <b>Total Amount Requested</b>    | \$10,115   |
| <b>Total Project Cost</b>        | \$10,115   |
| <b>Panel Score</b>               | 1.53   |
| <b>Panel Commentary</b>          | While the panel could acknowledge the clubs need for better timing equipment to improve competition standards, on this occasion the application presented did not demonstrate alignment with the funding objective identified in the application. Future applications can be strengthened by exploring in greater detail how the introduction of the initiative will meet the objective and detailing how this would be of benefit to the organisation and broader community. i.e. Providing explanation and evidence of how the procurement of timing equipment creates connections within the community. The Panel recommend the |

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|                             | organisation's executive committee have a conversation with the Community Investment Officer to discuss opportunities to further strengthen the application. |
| <b>Panel recommendation</b> | Nil funding, applicant to reapply in future rounds.  |

| <b>Nurture and Nutrition</b>     |   |
|----------------------------------|---|
| <b>Project Dates</b>             | 01/01/2022 - 30/06/2022   |
| <b>Organisation Name</b>         | Gladstone Area Promotion and Development Limited  |
| <b>Objective Alignment</b>       | Wellbeing   |
| <b>Brief Project Description</b> | <p>A partnership with Strong Communities to deliver the Nurture and Nutrition (NaN) Playgroup across the Gladstone Region during term one and two of 2022. The NaN activity is a supported playgroup using the Abecedarian Approach Australia (3a) to provide a social, structured and positive learning environment for parents and children (aged 5 years and under) who may not normally access early learning activities.</p> <p>The activity would be facilitated from the Philip Street Communities and Families Precinct once per week and from the Calliope RSL Hall once per week. The activity aims to increase parenting and social skills of the adult participants and provide an environment that helps develop a culture of lifelong learning for both the adult and child participants.</p> |
| <b>Project Beneficiaries</b>     | 50+ families each week  |
| <b>Total Amount Requested</b>    | \$40,000  |
| <b>Total Project Cost</b>        | \$55,050  |
| <b>Panel Score</b>               | 3.23  |
| <b>Panel Commentary</b>          | The Panel was very supportive of this funding application identifying its alignment to the intent of the fund and the demonstrated community need. Supporting evidence presented to the Panel showed increasing growth in the program since its introduction in late 2021. This gave the Panel confidence in the programs potential to merit the recommendation made to fully fund this application.  |
| <b>Panel recommendation</b>      | Full funding as requested - \$40,000  |

| <b>Men's Education Network (MENs) Program</b> |  |
|---|--|
| <b>Project Dates</b>                          | 01/04/2022 onwards   |
| <b>Organisation Name</b>                      | Gladstone Women's Health Centre  |
| <b>Objective Alignment</b>                    | Wellbeing  |
| <b>Brief Project Description</b>              | To deliver a program that supports men of the Gladstone Region who are committed to changing their abusive behaviors through group sessions and activities, with the goal to improve the wellbeing and safety of women, families and the whole community by reducing the incidence of domestic and family violence. This program has been funded previously by Rio Tinto Here for Gladstone and has an end date. Demand has increased two-fold with more self-referrals as well as those through the judicial system so we would like to extend this program for a further year as well as commence free counselling services for men of the Gladstone Region. |
| <b>Project Beneficiaries</b>                  | Children and youth (age 0-17);<br>Females and Males of the Gladstone Region.   |
| <b>Total Amount Requested</b>                 | \$40,000   |
| <b>Total Project Cost</b>                     | \$25,000   |
| <b>Panel Score</b>                            |  |

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| <b>Panel Commentary</b>     | The Applicant advised the Panel prior to the assessment that they had secured alternate funding for the MENS program and sought to redefine the scope of this funding request to focus solely on the expansion of the Counselling component of the project. Due to the significant changes to the scope and budget the Panel did not score the application and encourage the Applicant to resubmit in a future round acknowledging the projects alignment to the Wellbeing objective, identified need for programs such as this. |
| <b>Panel recommendation</b> | Nil funding, applicant to reapply in future rounds.  |

**Regional Facility Proposal - Shovel ready planning**

|                                  |   |
|----------------------------------|---|
| <b>Project Dates</b>             | 11/01/2022 - 22/02/2022   |
| <b>Organisation Name</b>         | Gladstone Amateur Basketball Association Inc  |
| <b>Objective Alignment</b>       | Planning  |
| <b>Brief Project Description</b> | Gladstone Amateur Basketball are seeking funding for the next stage in planning for the proposal presented to council for a new Regional Facility for the Gladstone community in the Memorial Park precinct.  |
| <b>Project Beneficiaries</b>     | Children and youth (age 0-17);<br>Adults (people aged 18+);   |
| <b>Total Amount Requested</b>    | \$71,735  |
| <b>Total Project Cost</b>        | \$71,735  |
| <b>Panel Score</b>               | <b>2.13</b>   |
| <b>Panel Commentary</b>          | <p>The Panel members all agreed that this application provided very limited detail to demonstrate alignment to the Planning objective and the community need.</p> <p>The Panel has suggested the organisation could strengthen future applications by providing supporting evidence and details surrounding the project need and stronger explanations of alignment to the fund objective. The panel noted the need for the applicant to explore, with examples, the organisation's capacity and ability to deliver a project of this size. This could be achieved by drawing from the letters of support.</p> <p>The Panel agreed that as the project aligns to the Planning objective and the intent of the fund and on this occasion, they recommend to partially fund the applicant to conduct the feasibility study. This recommendation is based on the cheaper of the two quotes provided.</p> |
| <b>Panel recommendation</b>      | Partial funding - \$48,740  |

**Strong Cook Out - Often at Philip Street (SCOOPS)**

|                                  |  |
|----------------------------------|--|
| <b>Project Dates</b>             | 17/01/2022 - 16/01/2023  |
| <b>Organisation Name</b>         | Strong Communities Ltd   |
| <b>Objective Alignment</b>       | Connect  |
| <b>Brief Project Description</b> | Strong Cook Out Often at Philip Street (SCOOPS) is a project that connects community and aims to increase the wellbeing of our community members through creating meaningful volunteering experiences. Participants will have an opportunity to learn about nutrition and cooking skills in a fun and supportive environment. These weekly sessions include food preparation and food handling training along with practical food preparation experiences, where they create and can take home their nutritious creations. Each weekly session will build skills to support the SCOOPS monthly Community meal, where |

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|                               |  |
|-------------------------------|--|
|                               | participants plan and create a meal for the community in conjunction with other community groups such as: Rotary, Quota, Shy, Lions Club, Ride 4 Lives. These meals will be available to all community for a pay what you can afford donation and will be on a day where Financial Aid is not available by services at the Philip Street Precinct. Any donations will be utilised to provide a community meal in January 2023 when our vulnerable community members may experience additional stress (post-Christmas) when services may not be available.  |
| <b>Project Beneficiaries</b>  | Families;<br>People with disabilities;<br>Economically disadvantaged people;<br>Immigrants and migrants;   |
| <b>Total Amount Requested</b> | \$22,040   |
| <b>Total Project Cost</b>     | \$47,680   |
| <b>Panel Score</b>            | <b>2.39</b>  |
| <b>Panel Commentary</b>       | The Panel recognised the strong alignment of the project to the intent of the fund objective though increasing community connection through food whilst building the capacity of individuals through skills learnt and shared. Future applications could be strengthened through providing more detail and evidence to support projected attendance and potential collaborations identified.<br><br>The Panel recommends partial funding to support the procurement of groceries and initial delivery of the program to see it established within the Philip Street Communities and Families Precinct. |
| <b>Panel recommendation</b>   | Partial funding 50% of requested - \$11,020  |

### Communication and Consultation:

As detailed within the Community Investment Corporate Standard the assessment panel consisted of the following delegated Officers:

- General Manager Community Development & Events
- Manager Engagement & Partnerships
- Manager Brand
- Community Development Specialist
- Communications and Public Relations Specialist (Acting)
- Property Acquisition and Disposal Officer

### Legal Strategy and Policy Implications:

The application has been assessed against Council's Community Investment Program (P-2021-09), Community Investment Corporate Standard (CS-2021-07) and published Elevator Fund funding guideline. On favorable adoption of the Panel's recommendations detailed in this report, authorised officers will proceed to enter into a grant and or funding agreement (detailing entitlements and conditions) with the successful applicant.



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**Financial and Resource Implications:**

In 2021/22, Council budgeted \$180,000.00 to fund recommended applications received through the Elevator Fund, with two proposed funding rounds.

Given the quantity and diversity of projects and programs within the application pool and the success of round one applicant, upon endorsement of the officer’s recommendation within this report the Elevator Fund will be over subscribed.

Considering this, round two (2) of the Elevator Fund may not proceed as planned in April 2022. A decision regarding this will be made once an adjusted forecast of the Community Investment Program’s overall budget has been conducted.

The table below summarises the current overall budget position of the Community Investment Program:

| <b>Fund</b>                                  | <b>Initiative</b>                          | <b>Budget</b> | <b>Actuals to date</b> | <b>Commitments</b> | <b>Budget Remaining</b> |
|--|--|---------------|------------------------|--------------------|-------------------------|
| <b>Carried over from old funding streams</b> |  |               |                        |                    |                         |
| Connected Communities                        |  | \$0           | \$192                  | \$2,585            | -\$2,777                |
| Regional Enhancement                         |  | \$0           | \$45,352               | \$20,766           | -\$66,118               |
| <b>Community Investment Program</b>          |  |               |                        |                    |                         |
| Charity Waste                                | Charity Waste waivers                      | \$18,000      |                        |                    | \$18,000                |
| Community Hall                               | Community Hall donations                   | \$36,000      | \$23,500               | \$2,000            | \$10,500                |
| Community Celebration                        | Community Events                           | \$15,000      | \$1,500                | \$5,825            | \$7,675                 |
|  | Ignite Events                              | \$70,000      | \$25,216               | \$28,620           | \$16,164                |
|  | Impact Events                              | \$70,000      | \$2,400                | \$45,400           | \$22,200                |
|  | Destination Events                         | \$75,000      | \$3,333                | \$80,750           | -\$9,083                |
|  | Signature Events                           | \$150,000     |                        | \$63,181           | \$86,819                |
| Community Led Investment                     | Our Place, Our Wellbeing                   | \$25,000      |                        |                    | \$25,000                |
| Strategic Projects                           |  | \$100,000     |                        |                    | \$100,000               |
| Grassroots                                   | Capacity                                   | \$50,000      |                        | \$7,000            | \$43,000                |
|  | Connect                                    | \$15,000      |                        | \$21,095           | -\$6,095                |
|  | Place                                      | \$30,000      |                        | \$6,577            | \$23,423                |
|  | Planning                                   | \$25,000      |                        | \$6,000            | \$19,000                |
|  | Wellbeing                                  | \$25,000      |                        | \$17,782           | \$7,218                 |
| Bursary and Scholarships                     | Regional School Bursary                    | \$12,000      | \$12,200               |                    | -\$200                  |
|  | Col Brown Memorial                         | \$1,000       |                        | \$1,000            | \$0                     |
|  | Gladstone District Sports Foundation Trust | \$6,000       |                        | \$6,000            | \$0                     |
|  | CQ University                              | \$14,000      |                        | \$14,000           | \$0                     |
| In-kind Support                              |  | \$170,000     | \$11,245               | \$35,709           | \$123,046               |
| Gladstone Region                             |  | \$80,000      | \$170                  |                    | \$79,830                |

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|                                       |           |                    |                  |                  |                  |
|---------------------------------------|-----------|--------------------|------------------|------------------|------------------|
| COVID-19 Recovery                     |           |                    |                  |                  |                  |
| <b>Recommendations in this report</b> |           |                    |                  |                  |                  |
| Elevator Fund                         | Capacity  | \$45,000           |                  | \$65,200         | -\$20,200        |
|                                       | Connect   | \$30,000           |                  | \$29,020         | \$980.00         |
|                                       | Place     | \$30,000           |                  | \$11,336         | \$18,664         |
|                                       | Planning  | \$30,000           |                  | \$48,740         | -\$18,740        |
|                                       | Wellbeing | \$45,000           |                  | \$40,000         | \$5,000          |
| Subtotals                             |           | \$180,000          |                  | \$194,296        | -\$14,296        |
| <b>TOTALS</b>                         |           | <b>\$1,167,000</b> | <b>\$125,108</b> | <b>\$558,856</b> | <b>\$483,306</b> |

Upon endorsement of the officer’s recommendation within this report the Elevator Fund will have a remaining balance of -\$14,296.

It should be noted that there is opportunity to transfer unused funds from other funding areas to ensure Council's budgeted funds are utilised to contribute towards our Corporate Plan objectives of Connecting Communities and Resilient Economy.

**Summary:**

Nil.

**Anticipated Resolution Completion Date:**

28 February 2022

**Attachments:**

Nil.

**Tabled Items:**

Nil.

**Report Prepared by:** Community Investment Officer

### G/3.3. 2021-22 GENERAL SOLE SUPPLIERS - ADDITIONAL

**Responsible Officer:** General Manager Finance Governance and Risk

**Council Meeting Date:** 18 January 2022

**File Ref:** PE1.1

---

#### **Purpose:**

This report seeks resolution from Council to include additional suppliers to the General Sole/Specialised Suppliers listing for 2021/22 financial year, making use of the provisions in section 235(a) of the Local Government Regulation 2012, that allows for exceptions to the requirement for written quotes or tenders.

#### **Officer's Recommendation:**

That in accordance with s235(a) of the *Local Government Regulation 2012*, Council is satisfied that the below suppliers are the only suppliers reasonably available to deliver the respective product/service for the 2021/22 financial year:

| <b>Supplier</b>                     | <b>Relevant Product/Service</b>                      |
|-------------------------------------|--|
| <b>TNT Australia Pty Ltd</b>        | Australia wide freight services.                     |
| <b>Followmont Transport Pty Ltd</b> | Queensland and New South Wales freight services.     |
| <b>Gladrock Transport</b>           | Central Queensland freight services.                 |
| <b>Cat &amp; Back</b>               | Central Queensland courier services.                 |
| <b>Bundy Bullet Pty Ltd</b>         | Bundaberg to Gladstone freight services.             |
| <b>Nextra Valley News</b>           | Magazine and newspaper supply for Council libraries. |

#### **Background:**

Section 225 of the *Local Government Regulation (LGR) 2012* provides that a local government cannot enter into a medium sized contractual arrangement unless it first invites 3 potential suppliers to quote.

A *medium sized contractual arrangement* as a contractual arrangement with a supplier that is expected to be worth \$15,000 or more (plus GST) but less than \$200,000 over a financial year (or longer term of contract). The *expected value* is the total expected value of all Council's contracts with the supplier for goods and services of a similar type under the arrangement.

Due to the nature of some goods and services, there may be only one supplier who is reasonably available. In recognition of this, s235 of the LGR provides an exception to the requirement to obtain 3 quotes where a local government resolves it is satisfied that there is only 1 supplier who is reasonably available.

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After investigation, it has been determined that the following suppliers meet the requirements of s235(a) of the LGR for the relevant product or service set out below:

| Supplier                     | Relevant Product/Service                    | Rationale   |
|------------------------------|---|---|
| TNT Australia Pty Ltd        | Freight service                             | Australia wide services.  |
| Followmont Transport Pty Ltd | Freight service                             | Queensland and New South Wales services.  |
| Gladrock Transport           | Freight service                             | Central Queensland services.  |
| Cat & Back                   | Courier service                             | Central Queensland services.  |
| Bundy Bullet Pty Ltd         | Freight service                             | Bundaberg to Gladstone services.  |
| Nextra Valley News           | Newspaper and Magazine Supply for Libraries | Only local supplier with full stock of Council's requirements and free delivery service |

### Options, Risk and Opportunity Analysis:

#### Option 1 - Officer's Recommendation

Should Council adopt the officer's recommendation, the identified suppliers will be added to Council's General Sole/Specialised Supplier and the goods/services can be procured on an as required basis without the need for Council to obtain multiple quotations.

With respect to the freight/courier services, it is difficult to assign requirements to one supplier or obtain quotes each time transport is required. The nature of this service along with Council's geographical location, limits the ability to establish panel arrangements or seek quotations. Suppliers are chosen depending on pickup and delivery timeframes, size/weight of load and pickup/drop off locations. The common freight companies utilised by Council are listed in this report, however other companies may be used depending on the requirements.

With respect to the newspaper and magazine supply, the local market has been approached and Nextra Valley News were the only local news agency that were able to confirm supply of the full range of magazines and newspapers required for our libraries and offer free delivery to the Gladstone City Library. Whilst Nextra Valley News are the only news agency listed in this report, purchases from other news agencies and outlets throughout the region will not change.

#### Option 2 – Council does not resolve that the suppliers meet the requirements of s235(a) i.e. that the suppliers are not sole suppliers

Should Council elect not to resolve that the suppliers meet the requirements of s235(a) of the LGR, there will likely be significant interruption to operational activities as well as impacts to Council's ability to deliver key services to the community and to meet regulatory requirements.

### Communication and Consultation:

Nil.

### Legal Strategy and Policy Implications:

The officer's recommendation is consistent with Councils Procurement Policy, Procurement Corporate Standard and legislative requirements.

**Financial and Resource Implications:**

Nil.

**Summary:**

Nil.

**Anticipated Resolution Completion Date:**

Exceptions granted within this report will be added to Council's contracts register by 31 January 2022.

**Attachments:**

Nil.

**Tabled Items:**

Nil.

**Report Prepared by:** Manager Contracts and Procurement.

### **G/3.4. 87-22 PSA BIOSOLIDS REMOVAL, REUSE AND DEWATERING**

**Responsible Officer:** General Manager Finance, Governance & Risk

**Council Meeting Date:** 18 January 2022

**File Ref:** PE1.1

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#### **Purpose:**

This report seeks resolution from Council to enter into a contract with Impact Carbon Pty Ltd for the provision of biosolids removal, reuse and dewatering activities.

#### **Officer's Recommendation:**

That Council:

1. Endorse the Tender Evaluation Panel's recommendation and accept the offer from Impact Carbon Pty Ltd for Tender 87-22 Biosolids Removal, Reuse and Dewatering; and
2. Authorise the Chief Executive Officer to enter into a 2-year contract with the option to extend for 2 further periods of 2 years each with Impact Carbon Pty Ltd for Tender 87-22 Biosolids Removal, Reuse and Dewatering.

#### **Background:**

Council requires a suitably qualified and licensed organic recycling service provider contractor to undertake biosolids removal, reuse and dewatering activities on a preferred supplier arrangement ('PSA') for:

- the removal and reuse of biosolids produced by three (3) of GRC Wastewater Treatment Plants (WWTP);
- the biannual/ annual dewatering of nine (9) sludge lagoons; and
- dewatering of seven (7) WWTP treated effluent lagoons on an 'as required' basis.

Council's seven (7) WWTP's and one (1) Water Treatment Plant (WTP) require dewatering activities to be undertaken on a biannual, annual and as required basis dependent on the site. These ponds and lagoons vary in size and quantities across the Region and are to be dewatered using specialist equipment. The dewatered cake is to be transported and reused in accordance with the Queensland End of Waste Code – Biosolids ENEW07359617 (EOWC).

In addition to the removal and dewatering activities, there is a significant amount of stockpiled biosolids built up on the Gladstone Wastewater Treatment Plant (WWTP) site which has been generated from the Gladstone WWTP, including sludge from dewatering activities at several of Gladstone Regional Council ("Council") other Treatment Plants. In addition to this stockpile, there also exists another large stockpile at the Benaraby Landfill which is composed of biosolids generated from the Boyne Island and Tannum Sands WWTP's and green waste mulch.

Council is seeking to implement an on-going arrangement to remove the current stockpiles and manage the biosolids expected to be generated from the three (3) WWTP's in accordance with the Queensland End of Waste Code – Biosolids ENEW07359617 (EOWC).

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On 15 September 2020, Council resolved (G/20/4322) to award a 2-year contract (02-21) with options to extend, to Conhur Pty Ltd for biosolids removal, reuse and dewatering activities. In September 2021, after being placed into administration, Conhur Pty Ltd closed operations and the contract was subsequently terminated on 9 September 2021. An emergency contract was then approved by Council with Remondis Australia Pty Ltd & Arkwood (Gloucester) Pty Ltd Joint Venture (RAJV) on 2 November 2021 (resolution GM/21/4624), to enable continuity of critical biosolids removal services whilst a tender process for the new long-term contract was conducted.

The contract will be a PSA based on a schedule of rates, which provides flexibility around the tonnes produced. A PSA gives no guarantee or representation as to the volume or value of orders to be issued. The term shall be 2 years, and Council may in its sole discretion elect to extend the arrangement for 2 further periods of 2 years each.

### Options, Risk and Opportunity Analysis:

On 6 November 2021, Council released an Invitation to Tender ('ITT') to the open market via VendorPanel, in accordance with the tender process requirements set out in section 228 of the *Local Government Regulation 2012*.

The tender closed on 30 November 2021, with two (2) conforming submissions received.

The offers were evaluated by a panel of subject matter experts, based on the criteria disclosed in the ITT which included:

| Objective Evaluation Criteria   | Weighting |
|---|-----------|
| Proposed Program/Schedule addresses GRC's defined requirements                        | 15%       |
| Offer demonstrates understanding of the specification and GRC's requirements          | 20%       |
| Proposed resourcing addresses all aspects of the specification and GRC's requirements | 15%       |
| Nominated past projects performed meet GRC's experience requirements                  | 20%       |
| Proposed Key Personnel have the qualifications and experience required by GRC         | 15%       |
| Local Content   | 15%       |

The offers were scored against the above evaluation criteria as follows:

| Vendor/Response  | Score (before local content) | Score (after local content) |
|--|------------------------------|-----------------------------|
| Impact Carbon Pty Ltd  | 61.0                         | 68.0                        |
| Remondis Australia Pty Ltd & Arkwood (Gloucester) Pty Ltd Joint Venture (RAJV) | 48.0                         | 56.0                        |

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The offer from Impact Carbon Pty Ltd presented the best overall value for money to Council, due to receiving the highest technical scoring and presenting the most cost-effective offer. The Impact Carbon Pty Ltd offer included a comprehensive level of detail in the methodology, good allocation of resources and quality key personnel allocation. Impact Carbon has a local branch in the Gladstone Region. The price offered by Impact Carbon included the removal of stockpiles and biosolids from the plants, as well as pricing for dewatering activities as requested.

The tender evaluation panel recommends the submission from Impact Carbon Pty Ltd as it presents the best overall offer to Council.

### **Communication and Consultation:**

Consultation on this award recommendation has occurred with stakeholders from the Operations and Strategic Asset Performance teams.

### **Legal Strategy and Policy Implications:**

Council sought offers via VendorPanel in accordance with the *Local Government Regulation 2012*, *Local Government Act 2009* and Council's Procurement Policy P-2018-12.

Council's endorsement of this tender award is in accordance with the Register of Delegations - Exercise of Statutory Powers and Financial Delegation Register.

The Officer's recommendation is based on the evaluation methodology and criteria in the ITT. There are risks associated with Council awarding a contract contrary to the officer's recommendation. If Council is not satisfied with the evaluation methodology and criteria or the application thereof, Council may refer the matter back to officers for re-evaluation.

In the interests of probity, an amendment to the evaluation methodology and/or criteria may require referral back to tenderers so that they can each have the opportunity to make any changes to their offers having regard to the amended criteria prior to re-evaluation.

### **Financial and Resource Implications:**

The offer made by Impact Carbon Pty Ltd will be approximately \$7,654,438.00 ex GST based on forecasted tonnages and includes the stockpile removals, ongoing removal, reuse and dewatering activities for the full 6-year potential term. These costs are contained within the annual operating budget.

### **Summary:**

Impact Carbon Pty Ltd's offer was evaluated as presenting the best value to Council.

### **Anticipated Resolution Completion Date:**

The contract will be awarded in January 2022.

### **Attachments:**

1. CONFIDENTIAL 87-22 Offer Evaluation Report.

### **Tabled Items:**

Nil.

**Report Prepared by:** Manager Contracts and Procurement.



## G/3.5. CENTRAL QUEENSLAND REGIONAL WASTE WORKING GROUP REPRESENTATIVES

**Responsible Officer:** General Manager Finance Governance and Risk

**Council Meeting Date:** 18 January 2022

**File Ref:** GR9.1

---

### **Purpose:**

The purpose of this report is for Council to consider the nomination of a Councillor representative and provide for the nomination of a Council Officer for the Central Queensland Regional Waste Working Group.

### **Officer's Recommendation:**

That Council:

1. Appoint Cr \_\_\_\_\_ as the Gladstone Regional Councillor representative for the Central Queensland Regional Waste Working Group; and
2. Appoint Cr \_\_\_\_\_ as the alternate Gladstone Regional Councillor representative for the Central Queensland Regional Waste Working Group; and
3. Authorise the Chief Executive Officer to appoint a Council Officer as the Gladstone Regional Council Officer representative for the Central Queensland Regional Waste Working Group.

### **Background:**

The Central Queensland Regional Organisation of Councils (CQROC) communicated a proposal to Council in early December for the development of a Central Queensland Regional Waste Management and Resource Recovery Infrastructure Plan. To support the development of the regional plan, CQROC propose to create a Central Queensland Regional Waste Working Group (CQRWWG).

A draft terms of reference has been developed with the proposed purpose of the CQRWWG being to:

- facilitate discussions between Councils, state government agencies, business and industry on key waste management and resource recovery and investment priorities, challenges and opportunities
- identify synergies with industry that have value to all parties
- identify and communicate the economic development benefits for all Councils in the region
- make recommendations to the Regional Organisation of Councils Board regarding opportunities and options;

with the aim of co-designing a coordinated and integrated Regional Waste Management and Infrastructure Plan (Plan).

The proposed members of the CQRWWG includes representatives from:

- Department of Environment and Science
- Local Government Association of Queensland
- Department of State Development
- Banana Shire Council
- Central Highlands Regional Council

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- Livingstone Regional Council
- Rockhampton Regional Council
- Woorabinda Aboriginal Shire Council
- Gladstone Regional Council

with representatives from the Department of Environment and Science organising the chair of the meetings and providing secretariat services.

Nominations of a Councillor and an officer to represent each Council is sought.

### **Options, Risk and Opportunity Analysis:**

Option 1 – Nominate a Councillor Representative (recommended)

This option provides Council the opportunity to participate and be part of a regional approach to the development of a Waste Management and Resource Recovery Infrastructure Plan.

Option 2 – Resolve not to nominate a Councillor Representative

Not participating in a regional approach to the development of a Waste Management Plan and Resource Recovery Infrastructure Plan facilitates a single entity approach however may prevent access to cost and efficient saving initiatives.

### **Communication and Consultation:**

NA

### **Legal Strategy and Policy Implications:**

There is no legal or policy implications to joining the Central Queensland Regional Waste Working

### **Financial and Resource Implications:**

Financial and resource implications have yet to be quantified and will be identified through the Central Queensland Regional Waste Working Group meetings. However, in December 2021, the Queensland Government announced a \$2.1 billion dollar funding package to support the fast-tracking of Queensland's transition to a zero-waste society. The CQRWWG may facilitate access to some grant funding to support the development of the Waste management and Resource Recovery Infrastructure Plan.

### **Summary:**

Nomination of a Councillor representative is sought to participate on a new Central Queensland Regional Waste Working Group.

### **Anticipated Resolution Completion Date:**

Nominated representatives will be communicated prior to 28 January 2022.

### **Attachments:**

Nil

### **Tabled Items:**

Nil.

**Report Prepared by:** Manager Governance and Risk (Acting)

## G/3.6. MONTHLY FINANCIAL REPORT FOR THE PERIOD ENDING 31 DECEMBER 2021

**Responsible Officer:** General Manager Finance Governance and Risk

**Council Meeting Date:** 18 January 2022

**File Ref:** FM15.1

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### Purpose:

This report seeks Council adoption of the Monthly Financial Statements for the 2021-22 year to date, for the period ended 31 December 2021.

### Officer's Recommendation:

That Council adopt the Monthly Financial Statements attached to the officer's report for the 2021-22 year to date, for the period ended 31 December 2021 as required under Section 204 *Local Government Regulation 2012*.

### Background:

The percentage of year passed (pro-rata rate) as at 31 December 2021 is 50.68%.

The 2021-22 budget was adopted on 15 June 2021. Council officers have undertaken a forecasting process, resulting in a forecast operating deficit of \$1.8m compared to the budgeted operating deficit of \$0.9m.

Major movements are as follows:

- Increase in income tax equivalents revenue from the Gladstone Area Water Board (GAWB) +\$3.4m
- Increase in finance costs due to borrowing rate obtained at time of loan restructure (\$1.4m)
- Increase in operating costs across salaries, materials and contractors & consultants relating to gravel pits based on no inventory production for the 2021-22 year (\$1.0m)
- Decrease in Gladstone Airport Corporation (GAC) contribution to finance costs - excess over cost to Council now allocated as principal repayments (\$0.9m)
- Increase in employee benefits expenditure following Enterprise Bargaining Agreement (EBA) negotiations (\$0.7m)

### Statement of Income and Expenditure

#### Income

##### Recurrent Revenue

| Total recurrent revenue | 2021-22  | Actual as % |
|-------------------------|----------|-------------|
| Actual                  | \$155.0m |             |
| Budget                  | \$199.4m | 77.75%      |
| Forecast                | \$199.3m | 77.77%      |

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Of note:

| <b>Net rates and utility charges</b> | 2021-22         | Actual as %   |
|--------------------------------------|-----------------|---------------|
| Actual                               | <b>\$139.3m</b> |               |
| Budget                               | <b>\$158.0m</b> | <b>88.16%</b> |
| Forecast                             | <b>\$157.6m</b> | <b>88.39%</b> |

Council's primary source of recurrent revenue is the generation of annual rates, along with access charges for water, sewerage and waste. This generation was completed in July, with notices issued to ratepayers in August.

The remaining forecast revenue relates to water consumption revenue for 2021-22 (forecast \$20.0m). This revenue will be raised upon completion of the biannual water meter reading cycles during the year.

| <b>Total interest revenue</b> | 2021-22       | Actual as %   |
|-------------------------------|---------------|---------------|
| Actual                        | <b>\$0.5m</b> |               |
| Budget                        | <b>\$1.7m</b> | <b>29.83%</b> |
| Forecast                      | <b>\$1.5m</b> | <b>35.38%</b> |

Investment opportunities remain limited due to the on-going COVID-19 pandemic. Rates available to Council for investing remain lower than the cash rates available from the Queensland Treasury Corporation (QTC).

Interest revenue is expected to increase during the remaining months of the year. This is due to the increased balance of cash that Council has available for investing, as well as the commencement of interest charges for overdue rates.

| <b>Sales revenue</b> | 2021-22       | Actual as %   |
|----------------------|---------------|---------------|
| Actual               | <b>\$1.4m</b> |               |
| Budget               | <b>\$7.5m</b> | <b>18.48%</b> |
| Forecast             | <b>\$4.2m</b> | <b>32.80%</b> |

Recoverable works contract values were estimated at the time of budget preparation. As the year progresses these contract values have been confirmed as lower than initial estimates. Revenue relating to these contracts has been reduced by \$3.5m and is offset by a reduction in operating expenditure of \$3.3m.

Claims for the Roads Maintenance Performance Contract (RMPC) are expected to significantly increase in the second half of the financial year as works progress.

| <b>Income tax equivalents</b> | 2021-22       | Actual as %  |
|-------------------------------|---------------|--------------|
| Actual                        | <b>\$0.0m</b> |              |
| Budget                        | <b>\$3.9m</b> | <b>1.27%</b> |
| Forecast                      | <b>\$7.3m</b> | <b>0.67%</b> |

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Council has increased the income tax equivalents in the Forecast that is expected to be received from the Gladstone Area Water Board (GAWB) to \$7.0m. This is due to a significantly improved position reported by GAWB over initial estimates provided during Budget preparation. This Income is expected to be received later in the year.

The remaining forecast of \$0.3m relates to the Gladstone Airport Corporation competitive neutrality fees. These fees are received progressively throughout the year, and account for the year-to-date amount currently reflected in the Statement of Income and Expenditure.

| <b>Other recurrent revenue</b> | 2021-22       | Actual as %   |
|--------------------------------|---------------|---------------|
| Actual                         | <b>\$1.5m</b> |               |
| Budget                         | <b>\$2.4m</b> | <b>62.01%</b> |
| Forecast                       | <b>\$2.3m</b> | <b>62.70%</b> |

This category of revenue covers all revenue not separately accounted for. This includes events & entertainment revenue, fines & penalties, commission and rental income.

Internal plant hire reflects positively within this category, with \$0.4m of costs allocated to capital projects year to date.

| <b>Grants, subsidies, contributions and donations</b> | 2021-22        | Actual as %   |
|---|----------------|---------------|
| Actual  | <b>\$3.2m</b>  |               |
| Budget  | <b>\$10.3m</b> | <b>31.67%</b> |
| Forecast  | <b>\$10.5m</b> | <b>30.81%</b> |

General purpose grants (Financial Assistance Grant) make up \$8.6m of the forecast, to be received in instalments. A sizable portion (50%) of this income is received at the end of the financial year resulting in timing differences.

### Capital Revenue

| <b>Capital grants revenue</b> | 2021-22        | Actual as %   |
|-------------------------------|----------------|---------------|
| Actual                        | <b>\$3.2m</b>  |               |
| Budget                        | <b>\$16.7m</b> | <b>19.10%</b> |
| Forecast                      | <b>\$16.7m</b> | <b>19.10%</b> |

Capital grants revenue is recognised as project milestones are met. Therefore, the revenue recognised on the Statement of Income and Expenditure does not necessarily reflect the funding received during the year. Where milestones are still to be achieved, revenue is recognised as a contract liability on the Statement of Financial Position.

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Capital revenue recognised for significant projects is detailed below:

| <b>Project</b>  | <b>Budget</b>  | <b>Forecast</b> | <b>Actual</b> |
|---|----------------|-----------------|---------------|
| <b>State Government Grants &amp; Subsidies</b>  |                |                 |               |
| Gladstone Sewer Mains Renewal   | \$2.2m         | \$2.2m          | -             |
| Toolooa Street, Gladstone - Pavement and footpath renewal   | \$0.8m         | \$0.8m          | \$0.1m        |
| Bindaree Road, Miriam Vale - Investigate and design replacement options                           | \$0.5m         | \$0.5m          | -             |
| Upgrade to pump station SPS A06   | -              | -               | \$0.7m        |
| Other State Government Funding  | \$1.9m         | \$1.9m          | \$0.4m        |
| <b>Total</b>  | <b>\$5.4m</b>  | <b>\$5.4m</b>   | <b>\$1.2m</b> |
| <b>Federal Government Grants &amp; Subsidies</b>  |                |                 |               |
| A01 to Gladstone Wastewater Treatment Plant Partial Main Replacement                              | \$2.0m         | \$2.0m          | -             |
| Gladstone Aquatic Centre Upgrade – Stage 2  | \$1.6m         | \$1.6m          | \$0.7         |
| Benaraby Landfill – Capping of Cell 2   | \$1.1m         | \$1.1m          | -             |
| Asphalt Overlay and Bitumen Reseals   | \$1.1m         | \$1.1m          | -             |
| Gentle Annie Road - Widen existing seal   | \$0.9m         | \$0.9m          | -             |
| Coast Road, Baffle Creek - Install shoulders & edge lines   | \$0.9m         | \$0.9m          | -             |
| Cotton Street, Gladstone - Reconstruct to high strength pavement, kerb, and channel (Design only) | \$0.7m         | \$0.7m          | -             |
| Gorge Road, Lowmead (Baffle Creek Crossing) - Investigate appropriate repair method               | \$0.7m         | \$0.7m          | \$0.1m        |
| John Clifford Way, Lowmead (Hobble Creek Bridge) - Investigate appropriate repair method          | \$0.7m         | \$0.7m          | -             |
| Gentle Annie Road, Ambrose - Install shoulder & edge lines  | \$0.5m         | \$0.5m          | -             |
| Other Federal Government Funding  | \$1.1m         | \$1.1m          | \$1.2m        |
| <b>Total</b>  | <b>\$11.3m</b> | <b>\$11.3m</b>  | <b>\$2.0m</b> |

## GENERAL MEETING AGENDA 18 JANUARY 2022

### Expenditure

Year to date expenditure, although lower than pro-rata rate, is tracking in line with expectations for this time of year.

#### Recurrent expenditure

| <b>Total recurrent expenditure</b> | 2021-22         | Actual as %   |
|------------------------------------|-----------------|---------------|
| Actual                             | <b>\$96.4m</b>  |               |
| Budget                             | <b>\$200.3m</b> | <b>48.11%</b> |
| Forecast                           | <b>\$201.1m</b> | <b>47.91%</b> |

Of note:

| <b>Employee benefits</b> | 2021-22        | Actual as %   |
|--------------------------|----------------|---------------|
| Actual                   | <b>\$32.8m</b> |               |
| Budget                   | <b>\$66.5m</b> | <b>49.98%</b> |
| Forecast                 | <b>\$67.0m</b> | <b>49.03%</b> |

Employee benefits are the largest component of Councils recurrent expenditure. The average vacancy rate for the year-to-date is 9.0%, compared to a budgeted 6.0%. This increase in vacancy rate has assisted in reducing the impact of an EBA increase (finalised in December 2021) of 2.5% which has been factored into forecast. This EBA increase is 1% above the 2021-22 budget assumption.

| <b>Motor vehicle expenses</b> | 2021-22       | Actual as %   |
|-------------------------------|---------------|---------------|
| Actual                        | <b>\$0.9m</b> |               |
| Budget                        | <b>\$1.1m</b> | <b>78.02%</b> |
| Forecast                      | <b>\$1.4m</b> | <b>63.45%</b> |

Motor vehicle expenses which include; parts and materials, outside repairs and tyres are all exceeding the pro-rata forecast. This is attributed to Councils ageing large vehicle fleet. Logistical supply issues are causing delays in renewing these assets.

| <b>Other materials and services</b> | 2021-22       | Actual as %   |
|-------------------------------------|---------------|---------------|
| Actual                              | <b>\$3.5m</b> |               |
| Budget                              | <b>\$9.5m</b> | <b>36.48%</b> |
| Forecast                            | <b>\$9.0m</b> | <b>38.79%</b> |

This category of expenditure includes all costs not separately accounted for. This includes the purchase of materials and various administrative and overhead costs.

## GENERAL MEETING AGENDA 18 JANUARY 2022

| Staff and Councillor associated expenses | 2021-22       | Actual as %   |
|--|---------------|---------------|
| Actual                                   | <b>\$0.7m</b> |               |
| Budget                                   | <b>\$1.9m</b> | <b>35.78%</b> |
| Forecast                                 | <b>\$2.2m</b> | <b>32.22%</b> |

Costs relating to recruitment and medicals have been minimal for the year-to-date with actuals of \$0.1m year-to-date against a forecast of \$0.4m. Recruitment activity is expected to increase in line with the increase in vacancy rate.

Non-mandatory training and travel for staff are also below pro-rata forecast. Opportunities for attendance at face-to-face training continue to be impacted by the ongoing COVID-19 situation. The forecast includes \$0.5m for non-mandatory training and travel in the second half of the year.

| Finance Costs - QTC | 2021-22       | Actual as %    |
|---------------------|---------------|----------------|
| Actual              | <b>\$0.9m</b> |                |
| Budget              | <b>\$0.5m</b> | <b>174.65%</b> |
| Forecast            | <b>\$1.9m</b> | <b>47.57%</b>  |

Budgeted interest expenses for the restructured loan portfolio were based upon quoted borrowing rates during the time of budget preparation. Actual rates accessible in June 2021 (when loan restructures took place) were less favorable, resulting in a variance. The additional interest costs in the 2021-22 year (and beyond) are offset by the reduced Early Repayment Adjustment paid in the 2020-21 year.

Council's debt portfolio includes \$49.9m of borrowings relating to the 2010 upgrade of the Gladstone Airport. Contributions from GAC cover the interest costs for these loans. Where the contributions exceed the interest cost to Council, the remaining amounts are applied as principal repayments to reduce the balance of the Shareholder Loan between Council and GAC.

The forecast has been adjusted to reflect the anticipated position for the 2020-21 year. Actual results will continue to deviate from budget as the year progresses.

### Statement of Financial Position

|                          | Current Value   | Budget          | Variance (Actual to Budget)    | Forecast        | Variance (Actual to Forecast)  |
|--------------------------|-----------------|-----------------|--------------------------------|-----------------|--------------------------------|
| Year-to-date Assets      | <b>\$2.6b</b>   | <b>\$2.5b</b>   | <b>\$27.9m</b><br>Favourable   | <b>\$2.6b</b>   | <b>\$22.2m</b><br>Favourable   |
| Year-to-date Liabilities | <b>\$154.2m</b> | <b>\$139.4m</b> | <b>\$14.8m</b><br>Unfavourable | <b>\$144.2m</b> | <b>\$10.0m</b><br>Unfavourable |



## GENERAL MEETING AGENDA 18 JANUARY 2022

### Assets

Cash balances are currently high following the rates generation and are expected to reduce by \$94.6m as Council incurs operating and capital expenditure and meets its liabilities.

The forecast movement in property, plant and equipment (PPE) of \$49.6m is dependent on the delivery of the capital works program as well as any revaluation movement at 30 June.

Receivables and other assets are also forecast to increase by \$9.4m and \$9.1m respectively.

### Liabilities

The forecast for liabilities reflects the expected position at 30 June 2022.

The current balance includes a \$5.2m provision for the restoration of cell 2a of the Benaraby Landfill. This provision is expected to be utilised towards the end of the 2020-21 year.

The balance of total borrowings is expected to decrease by \$2.9m as repayments are made paid during the year.

Contract liabilities of \$7.2m reflect funds that have been received but not utilised. As the relevant projects progress, the revenue will be recognised and this balance will be reduced.

### **Capital Expenditure**

|                                    | <b>Actual</b>  | <b>Budget</b> | <b>Actual as % of Budget</b> |
|------------------------------------|----------------|---------------|------------------------------|
| Year to date capital expenditure   | \$25.1m        | \$73.5m       | 34.13%                       |
| Commitments (open purchase orders) | \$13.6m        |               | 52.65%                       |
| <b>Total</b>                       | <b>\$38.7m</b> |               |                              |

Of the \$13.6m in commitments, \$3.2m relates to fleet replacement and \$1.3 relates to the Baffle Creek crossing (Gorge Road) project.

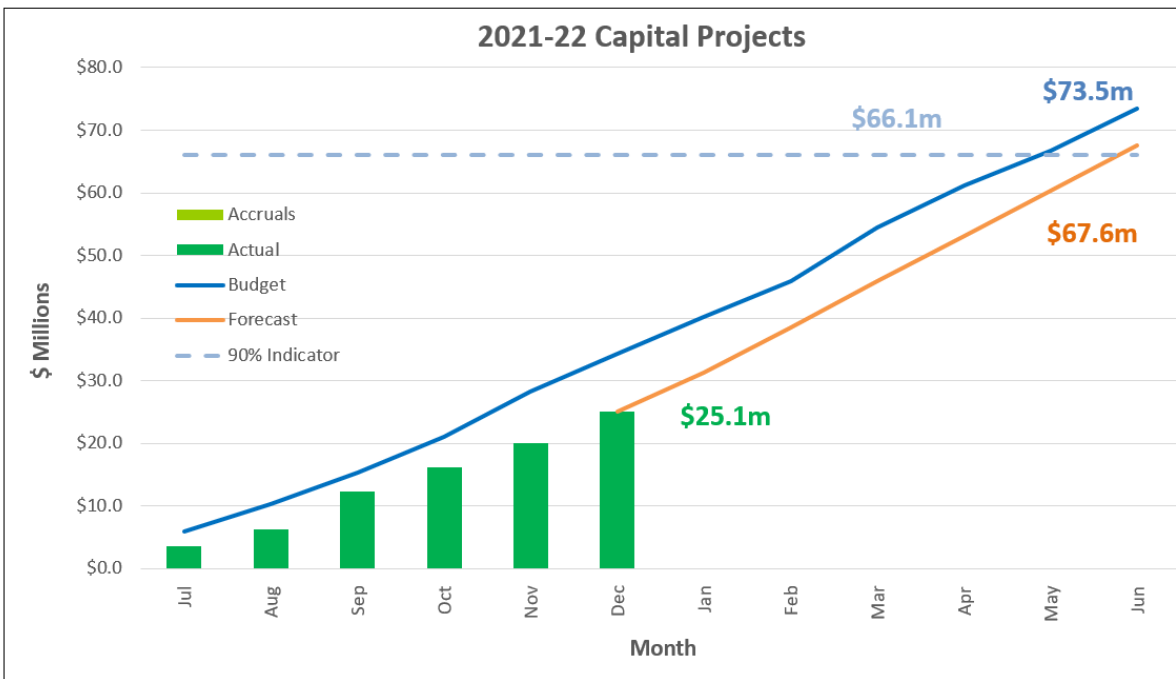
No accrual estimates have been included in the actuals, as claims for December work were processed by the end of the month.

**GENERAL MEETING AGENDA 18 JANUARY 2022**

Capital expenditure against groups with significant capital expenditure budgets are shown in the table below:

| Group                            | YTD Actual     | Commitments    | Budget         | Actual as % of Budget |
|----------------------------------|----------------|----------------|----------------|-----------------------|
| Road Assets                      | \$7.9m         | \$4.8m         | \$24.5m        | 32%                   |
| Sewerage Assets                  | \$4.8m         | \$2.1m         | \$17.2m        | 28%                   |
| Asset Governance                 | \$0.0m         |                | \$5.0m         | 0%                    |
| Water Assets                     | \$4.2m         | \$1.8m         | \$5.7m         | 73%                   |
| Delivery Support and Performance | \$4.5m         | \$3.2m         | \$8.0m         | 56%                   |
| Waste Assets                     | \$0.4m         | \$0.1m         | \$2.4m         | 15%                   |
| Property Assets                  | \$2.1m         | \$1.1m         | \$6.7m         | 31%                   |
| Parks & Environment Assets       | \$0.1m         |                | \$1.1m         | 6%                    |
| Community Development & Events   | \$0.2m         | \$0.1m         | \$1.1m         | 15%                   |
| Other                            | \$1.0m         | \$0.4m         | \$1.8m         | 56%                   |
| <b>Total</b>                     | <b>\$25.1m</b> | <b>\$13.6m</b> | <b>\$73.5m</b> | <b>34%</b>            |

The forecast within the graph below represents projections by the Works Planning & Scheduling team as at November 2021. December projections were not available at the time of preparing this report due to key staff on leave over the Christmas and New Year period. Updated projections will be presented in the detailed Capital Report provided at the next Councillor Information Session.



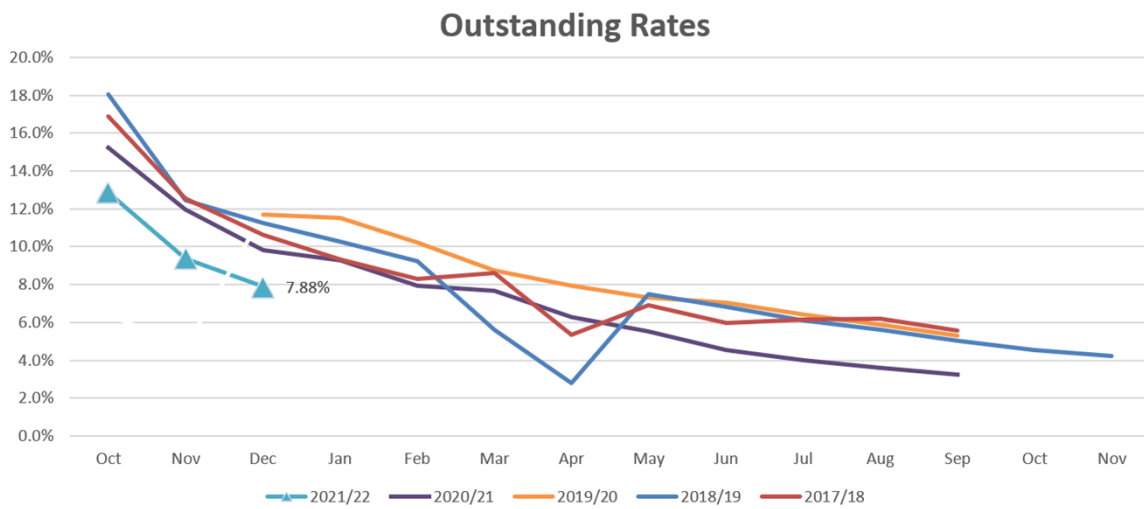
**Outstanding Rates**

Outstanding rates, as a percentage of gross rates levied for 2021-22, and collectible, is at 7.88% at the end of December 2021, compared to 9.83% for the same period last year.

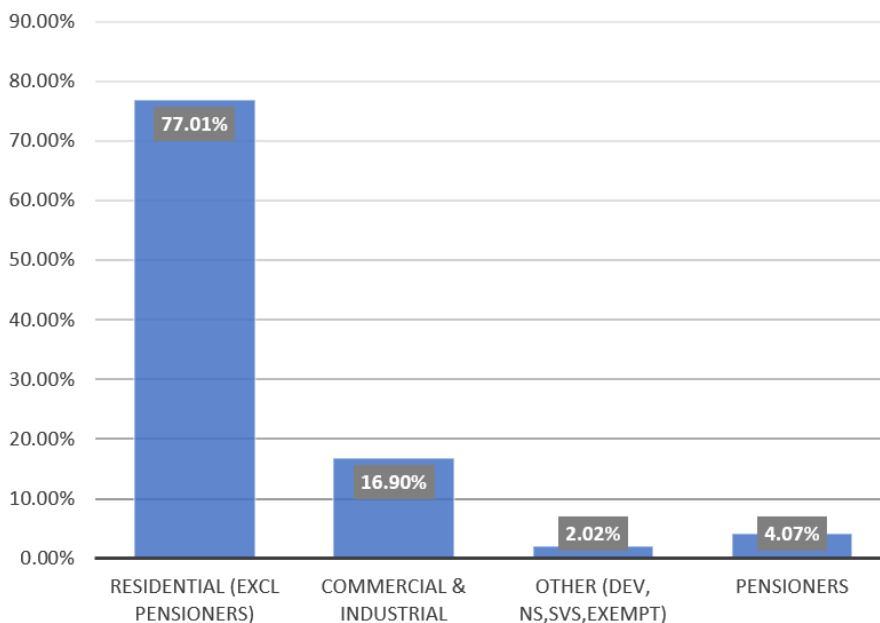
Of the \$14.2m of outstanding rates 16.90% relates to commercial/industrial assessments and 83.10% represents residential assessments.

These figures include \$3.6m of rates that are currently being repaid under an authorised payment plan, for which there were 41 commercial/industrial assessments and 1,716 residential assessments. A total of 1,757 assessments, which is an increase from 1,524 assessments in November 2021. This movement is a result of new arrangement entered into since rates notices were posted.

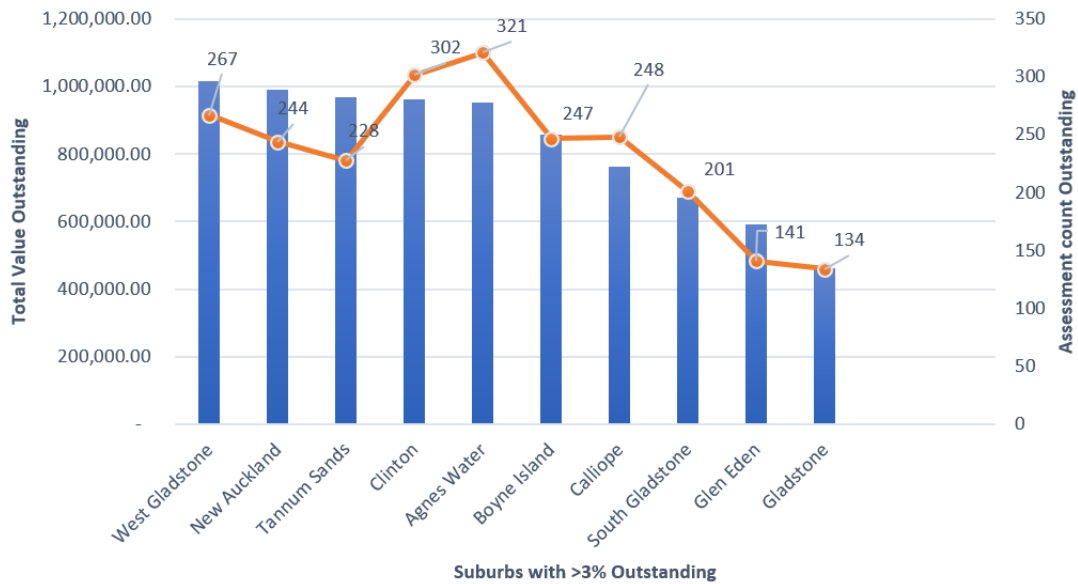
There were 4,967 ratepayers who had paid their rates in advance totalling \$5.8m.



**Outstanding Rates & Charges at 31/12/2022**



### Residential Rates & Charges Outstanding > 3% per Suburb



### Sustainability Ratios

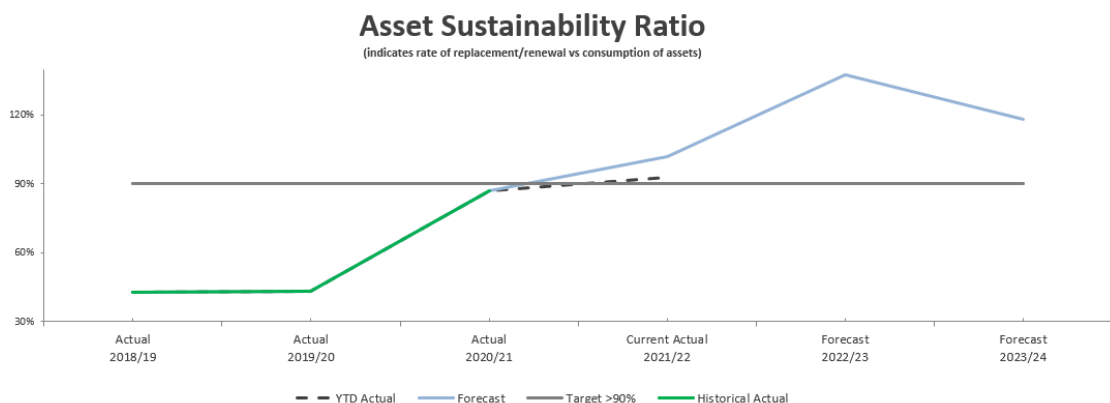
Financial ratios provide a useful snapshot of Council’s financial status and emerging trends. Individual ratios do not provide enough information to form a comprehensive opinion of Council's financial position and performance, but when the right mix of ratios are considered together, they become a valuable tool in analysing Council's overall financial performance.

#### Asset Sustainability Ratio

This ratio compares Council's expenditure on capital renewal assets with the rate at which our assets are depreciating. As Council invests in the renewal of its asset base on a rolling cycle, the expected results can vary from year to year. The results for a single year are dependent on the delivery of renewal projects in the capital program.

Infrastructure renewals have accounted for 70.77% of capital expenditure with the balance on new and upgrade projects. The 2021-22 capital forecast includes a significant allocation to renewal projects and Council is expecting to exceed the target ratio.

| Asset Sustainability Ratio |           |         |          |        |
|----------------------------|-----------|---------|----------|--------|
| CURRENT YTD                | PRIOR YTD | BUDGET  | FORECAST | TARGET |
| 92.93%                     | 31.65%    | 101.77% | 101.77%  | >90%   |

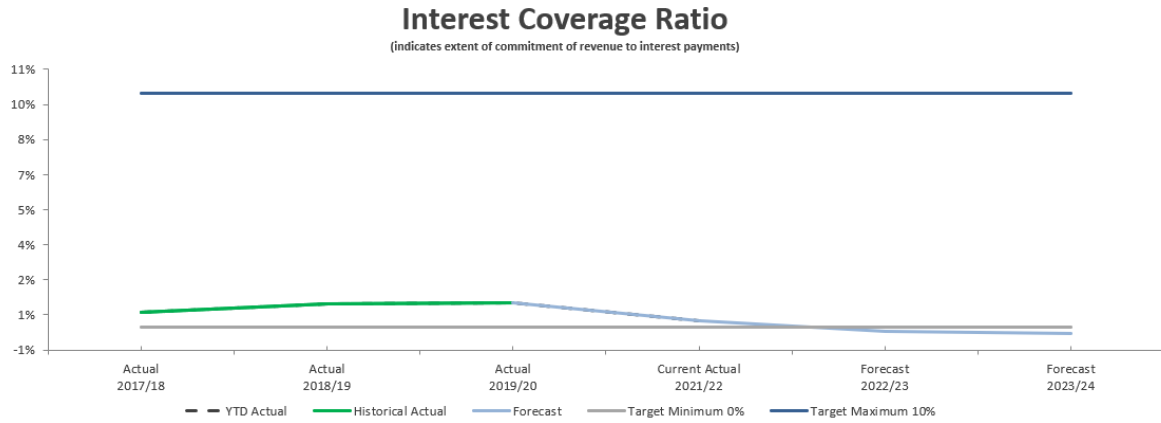


**GENERAL MEETING AGENDA 18 JANUARY 2022**

Interest Coverage Ratio

This ratio indicates the percentage of operating revenue required to cover net interest costs. The ratio is reflecting an improvement on the prior year, as a result of reduced interest expenses following the loan restructure in June 2021.

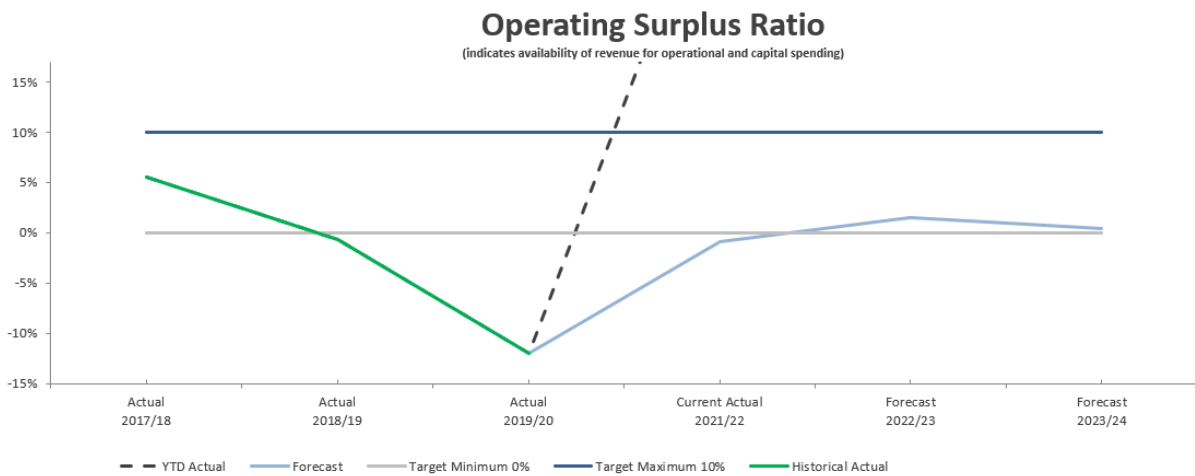
| <b>Interest Coverage Ratio</b> |                  |                |                 |                |
|--------------------------------|------------------|----------------|-----------------|----------------|
| <b>CURRENT YTD</b>             | <b>PRIOR YTD</b> | <b>BUDGET</b>  | <b>FORECAST</b> | <b>TARGET</b>  |
| <b>0.26%</b>                   | <b>0.84%</b>     | <b>(0.61%)</b> | <b>0.23%</b>    | <b>0 - 10%</b> |



Operating Surplus Ratio

A positive result for this ratio indicates that operating revenue can be used to fund capital expenditure, on top of the operational costs of Council. The results are currently skewed due to the generation of annual rates and other charges. This will align closer to forecast as the year progresses.

| <b>Operating Surplus Ratio</b> |                  |                |                 |                |
|--------------------------------|------------------|----------------|-----------------|----------------|
| <b>CURRENT YTD</b>             | <b>PRIOR YTD</b> | <b>BUDGET</b>  | <b>FORECAST</b> | <b>TARGET</b>  |
| <b>37.85%</b>                  | <b>34.13%</b>    | <b>(0.45%)</b> | <b>(0.89%)</b>  | <b>0 - 10%</b> |

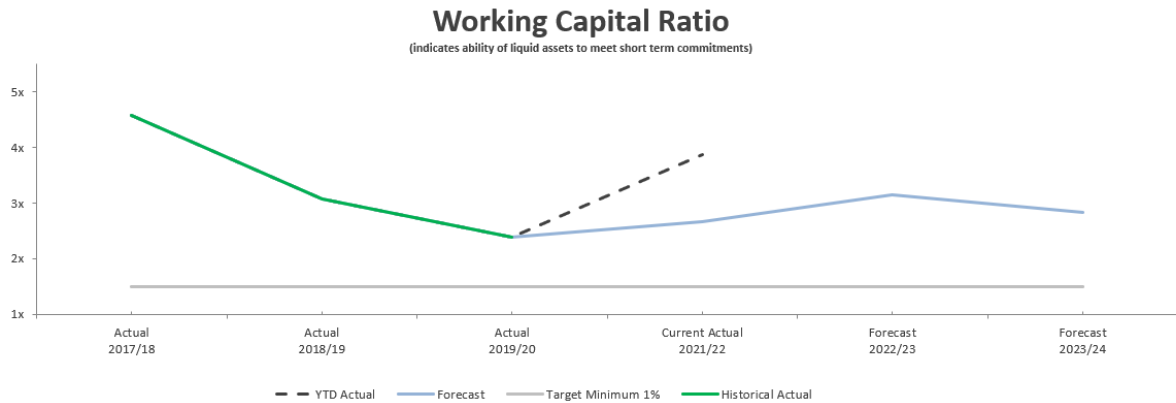


**GENERAL MEETING AGENDA 18 JANUARY 2022**

Working Capital Ratio

The working capital ratio shows the ability of Councils current assets, to cover the commitments of its current liabilities. Following the rates generation, Council has a significant balance of cash, causing this ratio to reflect favorably.

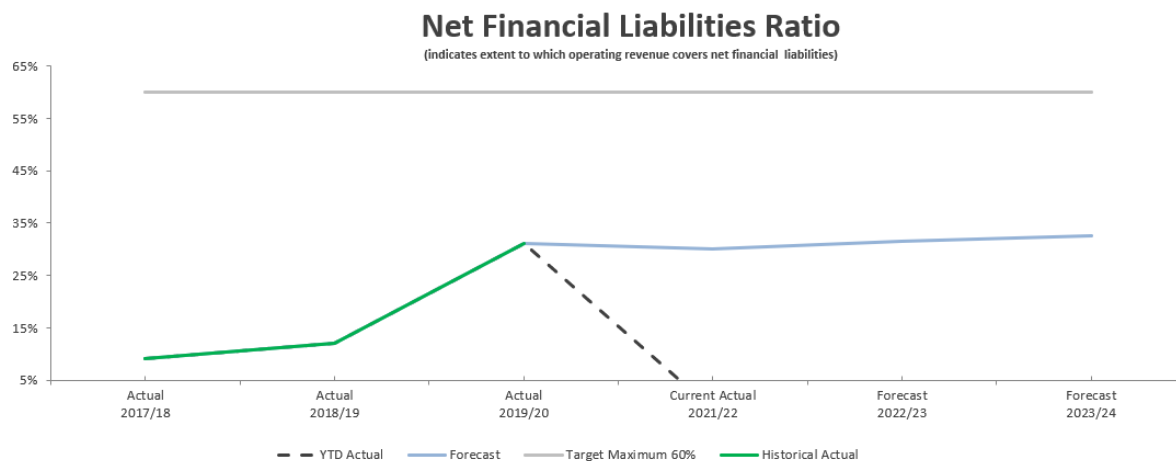
| <b>Working Capital Ratio</b> |                  |               |                 |                         |
|------------------------------|------------------|---------------|-----------------|-------------------------|
| <b>CURRENT YTD</b>           | <b>PRIOR YTD</b> | <b>BUDGET</b> | <b>FORECAST</b> | <b>TARGET</b>           |
| <b>3.37x</b>                 | <b>5.86x</b>     | <b>3.12x</b>  | <b>2.16x</b>    | <b>Greater than 1:1</b> |



Net Financial Liabilities Ratio

The ratio shows the extent to which operating revenue covers net financial liabilities. Again, the results are skewed following the rates generation which has created both high income and a high cash balance.

| <b>Net Financial Liabilities Ratio</b> |                  |               |                 |                 |
|--|------------------|---------------|-----------------|-----------------|
| <b>CURRENT YTD</b>                     | <b>PRIOR YTD</b> | <b>BUDGET</b> | <b>FORECAST</b> | <b>TARGET</b>   |
| <b>(0.57%)</b>                         | <b>(23.01%)</b>  | <b>30.07%</b> | <b>30.16%</b>   | <b>&lt; 60%</b> |

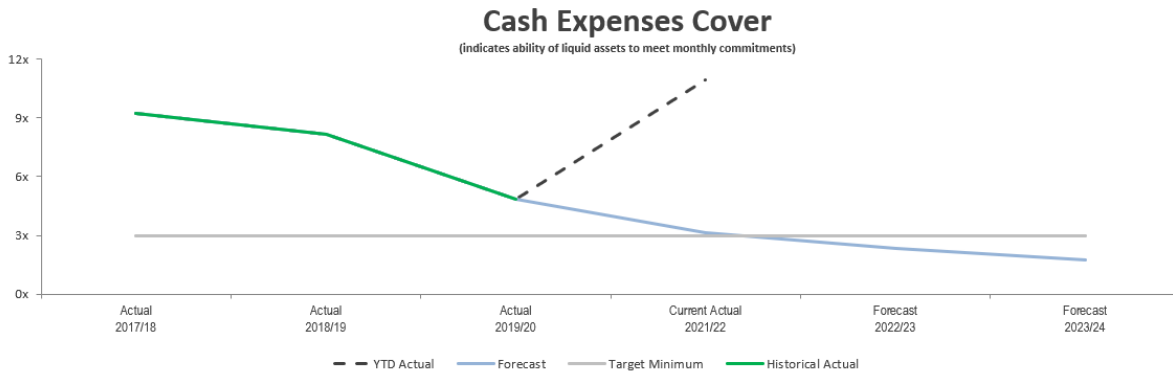


## GENERAL MEETING AGENDA 18 JANUARY 2022

### Cash Expenses Cover Ratio

This ratio indicates the number of months that Councils cash balance could cover its monthly cash expenses. The current result reflects a continuing strong cash position proportional to operating costs. This is due to the high cash balance following the rates due date.

| <b>Cash Expenses Cover Ratio</b> |                  |               |                 |                |
|----------------------------------|------------------|---------------|-----------------|----------------|
| <b>CURRENT YTD</b>               | <b>PRIOR YTD</b> | <b>BUDGET</b> | <b>FORECAST</b> | <b>TARGET</b>  |
| <b>10.96x</b>                    | <b>11.55x</b>    | <b>3.24x</b>  | <b>3.13x</b>    | <b>&gt; 3x</b> |



### **Options, Risk and Opportunity Analysis:**

Nil.

### **Communication and Consultation:**

The report seeks specialist input from the following internal sources:

Budget and forecast - Systems Modelling and Metrics Specialist and Cost Analyst  
Investing activity – Team Leader Financial Operations  
Procurement and supply – Manager Contracts and Procurement  
Recoverable works – Road Maintenance Performance Contract Team Leader  
Vacancies – Recruitment, Remuneration and Benefits Business Partner  
Capital expenditure - Manager Works Planning and Scheduling  
Outstanding rates and prepaid rates - Manager Revenue Services.

### **Legal Strategy and Policy Implications:**

Council is required to receive an update at least monthly relative to its financial position, *Section 204 Local Government Regulation 2012*.

### **Financial and Resource Implications:**

Nil.

### **Summary:**

Nil.

**GENERAL MEETING AGENDA 18 JANUARY 2022**

**Anticipated Resolution Completion Date:**

18 January 2022

**Attachments:**

1. Monthly Financial Statements for the period ending 31 December 2021
2. Operating Statements for month end December

**Tabled Items:**

Nil.

**Report Prepared by:** Systems and Reporting Accountant



### **G/3.7. AUDIT RISK AND IMPROVEMENT COMMITTEE MINUTES - 1 DECEMBER 2021**

**Responsible Officer:** General Manager Finance Governance and Risk

**Council Meeting Date:** 18 January 2022

**File Ref:** CM26.2

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#### **Purpose:**

To present a report about the matters presented at the Audit Risk and Improvement Committee meeting held on 1 December 2021, pursuant to section 211 of the *Local Government Regulation 2012*.

#### **Officer's Recommendation:**

That Council receive the Minutes of the Audit Risk and Improvement Committee Meeting that was held on 1 December 2021.

#### **Background:**

Council's audit committee, the Audit Risk and Improvement Committee (ARIC), met on 1 December 2021.

In accordance with section 211(1)(c) the audit committee of Council must, as soon as practicable after a meeting of the committee, give a written report about the matters reviewed at the meeting and the committee's recommendations about the matters.

The minutes of the Audit Risk and Improvement Committee meeting held on 1 December 2021 are attached for consideration.

#### **Options, Risk and Opportunity Analysis:**

##### ***Item 8.1 - Finance Reports***

The committee was presented with the final audited 2020/21 Financial Statements and Management Representation Letter with no concerns raised.

##### ***Item 9.1 – External Audit***

The committee was advised that Queensland Audit Office (QAO) have developed an annual tool for performing a self-assessment for internal controls, with the committee requesting that Council undertake the self-assessment. It was also noted that there are three grant audit acquittals due to be completed by the end of December 2021 which will finalise the FY21 audit perspective.

##### ***Item 12.2 – Transformation Program Update***

The committee cautioned the terminology of 'transformation' with various interpretations of the term which could cause angst within the workplace. It was advised that consideration has been given to the transformation title and roles, however, given the traction that the transformation team has within the business, a change to the title was not considered appropriate. It was further noted that the focus is on what transformation means for Council and bringing teams together to work collaboratively.

The Audit Committee has requested quarterly updates of the Transformation Program to be added to the committee's workplan.

**12.3 People Culture and Safety Report**

A discussion was held regarding an increase in vehicle incidents and it was noted that officers were reviewing the process for operating vehicles and implementing additional safety procedures. The committee provided advice that another organisation has had some success in improving vehicle safety by working with their insurer who sponsored gift cards for employees that demonstrated safe driving practices and recommended that officers explore proactive encouragement of positive safety practices.

**Communication and Consultation:**

The minutes of the committee are reviewed by the ARIC members, the Manager Governance and Risk, Ethics Integrity and Audit Specialist, General Manager Finance Governance and Risk and the Chief Executive Officer.

**Legal Strategy and Policy Implications:**

The *Local Government Act 2009* requires that the audit committee of Council - the Audit Risk and Improvement Committee – oversee audit, annual financial reporting and other relevant governance functions to provide Council with an additional level of assurance that systems and controls are in place to minimise risk exposure.

The Audit Risk and Improvement Committee also operates in accordance with Councils' Audit Risk and Improvement Committee Policy (P-2020-15).

**Financial and Resource Implications:**

Nil.

**Summary:**

Nil.

**Anticipated Resolution Completion Date:**

N/A - information only report.

**Attachments:**

1. Minutes of the Audit Risk and Improvement Committee Meeting held on 1 December 2021.

**Tabled Items:**

Nil.

**Report Prepared by:** Manager Governance & Risk

**G/4. DEPUTATIONS**

**G/5. COUNCILLORS REPORT**

**G/6. URGENT BUSINESS**

**G/7. NOTICE OF MOTION**

**G/8. CONFIDENTIAL ITEMS**

**G/8.1. PLANNING AND ENVIRONMENT COURT APPEAL BD 1649/21 - YARALLA SPORTS CLUB INC**

**Responsible Officer:** General Manager Finance Governance and Risk

**Council Meeting Date:** 18 January 2022

**File Ref:** CM8.7

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**Reason for Confidentiality:**

This report is **CONFIDENTIAL** in accordance with Section 254J of the Local Government Regulation 2012, the meeting is to be closed to the public to discuss business relating to the following: -

(e) legal advice obtained by the local government or legal proceedings involving the local government including, for example, legal proceedings that may be taken by or against the local government.