



ORDINARY MEETING

AGENDA

9 NOVEMBER 2021

Your attendance is required at an Ordinary meeting of Council to be held in the Council Chambers, 232 Bolsover Street, Rockhampton on 9 November 2021 commencing at 9:00am for transaction of the enclosed business.

In line with section 277E of the Local Government Regulation 2012, it has been determined that it is not practicable for the public to attend Council meetings in person at the current time. Until further notice, Council meetings will be livestreamed online.

A handwritten signature in black ink that reads "R Cheesman".

ACTING CHIEF EXECUTIVE OFFICER
4 November 2021

Next Meeting Date: 23.11.21

Please note:

In accordance with the *Local Government Regulation 2012*, please be advised that all discussion held during the meeting is recorded for the purpose of verifying the minutes. This will include any discussion involving a Councillor, staff member or a member of the public.

TABLE OF CONTENTS

ITEM	SUBJECT	PAGE NO
1	OPENING.....	5
2	PRESENT	5
3	APOLOGIES AND LEAVE OF ABSENCE	5
3.1	LEAVE OF ABSENCE - COUNCILLOR NEIL FISHER - 23 OCTOBER TO 31 DECEMBER 2021	5
4	CONFIRMATION OF MINUTES.....	6
5	DECLARATIONS OF INTEREST IN MATTERS ON THE AGENDA	6
6	PUBLIC FORUMS/DEPUTATIONS	6
	NIL	6
7	PRESENTATION OF PETITIONS.....	6
	NIL	6
8	COUNCILLOR/DELEGATE REPORTS	6
	NIL	6
9	OFFICERS' REPORTS	7
	ADVANCE ROCKHAMPTON.....	7
9.1	MASTER BUILDERS SPONSORSHIP	7
	AIRPORT.....	9
9.2	SPECIALISED SUPPLIER ROCKHAMPTON AIRPORT - SMITHS DETECTION.....	9
	COMMUNITIES AND HERITAGE.....	11
	INFRASTRUCTURE	11
	PARKS, SPORT AND PUBLIC SPACES	11
	PLANNING AND REGULATION	11
9.3	REDUCTION IN DEVELOPMENT ASSESSMENT APPLICATION FEES FOR OPERATIONAL WORKS FOR DRAINAGE WORKS, STORMWATER, WATER INFRASTRUCTURE, SEWAGE INFRASTRUCTURE, ACCESS, PARKING AND SITE WORKS	11
9.4	D/109-2021 - DEVELOPMENT APPLICATION FOR RECONFIGURING A LOT (TWO LOTS INTO THREE LOTS) AND ACCESS EASEMENTS.....	13
9.5	ADOPTED INFRASTRUCTURE CHARGES RESOLUTION.....	35

9.6	ROCKHAMPTON REGION PLANNING SCHEME - MAJOR AMENDMENT VERSION 3.....	47
9.7	ROCKHAMPTON REGION PLANNING SCHEME - MAJOR AMENDMENT VERSION 4.....	49
WASTE AND RECYCLING		52
WATER AND ENVIRONMENTAL SUSTAINABILITY		52
BUDGET, GOVERNANCE AND OTHER MATTERS		52
9.8	SUMMARY BUDGET MANAGEMENT REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2021	52
9.9	FINAL MANAGEMENT REPORT FOR ROCKHAMPTON REGIONAL COUNCIL 2020/2021	59
9.10	REVISED POLICIES - ENTERTAINMENT AND HOSPITALITY, EXPENSES REIMBURSEMENT AND PROVISION OF FACILITIES FOR MAYOR AND COUNCILLORS AND COUNCILLOR GIFTS, BENEFITS AND HOSPITALITY.....	67
9.11	2021-22 OPERATIONAL PLAN QUARTERLY REPORT - QUARTER 1 AND PROPOSED AMENDMENTS TO THE 2021-22 OPERATIONAL PLAN.....	167
9.12	ADOPTION OF 2020/21 ANNUAL REPORT	285
10	NOTICES OF MOTION	422
	NIL	422
11	QUESTIONS ON NOTICE	423
	NIL	423
12	URGENT BUSINESS/QUESTIONS	424
13	CLOSED SESSION	425
14.1	AIRPORT LICENCE AGREEMENT RENEWAL	
14.2	QANTAS LOUNGE AND OFFICE LEASE NEGOTIATIONS	
14.3	VIRGIN OFFICE LEASE	
14.4	VIRGIN CARGO AND FREIGHT SITE	
14.5	SPECIALISED SUPPLIER ROCKHAMPTON MUSEUM OF ART - SUTTON GALLERY AUSTRALIA PTY LTD	
14.6	PROPERTY MATTER	
14.7	LEGAL MATTER UPDATE	
14	CONFIDENTIAL REPORTS.....	426
14.1	AIRPORT LICENCE AGREEMENT RENEWAL.....	426
14.2	QANTAS LOUNGE AND OFFICE LEASE NEGOTIATIONS	427
14.3	VIRGIN OFFICE LEASE.....	428
14.4	VIRGIN CARGO AND FREIGHT SITE	429
14.5	SPECIALISED SUPPLIER ROCKHAMPTON MUSEUM OF ART - SUTTON GALLERY AUSTRALIA PTY LTD	430
14.6	PROPERTY MATTER	431
14.7	LEGAL MATTER UPDATE	432
15	CLOSURE OF MEETING.....	433

1 OPENING

- 1.1 Acknowledgement of Country
- 1.2 Opening prayer delivered by Sister Beryl Amedee from the Cathedral Parish of St Joseph.

2 PRESENT

Members Present:

The Mayor, Councillor A P Williams (Chairperson)
Councillor S Latcham
Councillor C E Smith
Councillor C R Rutherford
Councillor M D Wickerson
Councillor G D Mathers

In Attendance:

Mr E Pardon – Chief Executive Officer

3 APOLOGIES AND LEAVE OF ABSENCE

Councillor Donna Kirkland - Leave of Absence from 30 October 2021 to 13 November 2021

3.1 LEAVE OF ABSENCE - COUNCILLOR NEIL FISHER - 23 OCTOBER TO 31 DECEMBER 2021

File No:	10072
Attachments:	Nil
Authorising Officer:	Emma Brodel - Senior Executive Assistant to the Mayor Ross Cheesman - Acting Chief Executive Officer
Author:	Nicole Semfel - Executive Support Officer

SUMMARY

Councillor Neil Fisher is requesting leave of absence from 23 October 2021 to 31 December 2021 inclusive.

OFFICER'S RECOMMENDATION

THAT Councillor Neil Fisher be granted leave of absence from 23 October 2021 to 31 December 2021 inclusive.

BACKGROUND

Councillor Neil Fisher has advised the Acting Chief Executive Officer that he would like to extend his leave of absence from 23 October 2021 to 31 December 2021 inclusive. Councillor Fisher has provided the Acting Chief Executive Officer with a medical certificate in this regard.

4 CONFIRMATION OF MINUTES

Minutes of the Ordinary Meeting held 12 October 2021

5 DECLARATIONS OF INTEREST IN MATTERS ON THE AGENDA

6 PUBLIC FORUMS/DEPUTATIONS

Nil

7 PRESENTATION OF PETITIONS

Nil

8 COUNCILLOR/DELEGATE REPORTS

Nil

9 OFFICERS' REPORTS

ADVANCE ROCKHAMPTON

Councillor Portfolio – Mayor Williams

9.1 MASTER BUILDERS SPONSORSHIP

File No: 12534

Attachments: Nil

Authorising Officer: Graham Sheppard - Senior Executive Economic Development
Greg Bowden - Executive Manager Advance Rockhampton

Author: Emily Van Riet - Economic Development and Industry Engagement Advisor

SUMMARY

Rockhampton Regional Council through Advance Rockhampton has the opportunity to sponsor the Central Queensland Master Builders Association. It is proposed that the sponsorship is provided to continue promoting Rockhampton region as a leader in the construction industry, connect with industry leaders and further develop collaboration with corporate bodies and industry bodies.

OFFICER'S RECOMMENDATION

THAT Rockhampton Regional Council and Advance Rockhampton sponsor Central Queensland Master Builders for \$1170 plus GST.

COMMENTARY

Sponsorship of Central Queensland Master Builders provides an opportunity for major companies, industry leaders and local business to connect with Rockhampton Regional Council through Advance Rockhampton.

Operating since 1882, Master Builders is a trusted household name and the home of building in Queensland. As the go-to voice for members, broader industry and media alike, they are the peak industry association representing the building and construction industry of Queensland.

It is proposed that an Integrate package is taken up at the cost of \$1170 plus GST. This package will include sponsorship of the major Industry information sessions in Rockhampton, Yeppoon, Gladstone, Emerald, Biloela and Longreach. The package also includes an exhibitor position at the annual Master Builder's roadshow and inclusion in the regular newsletter.

BUDGET IMPLICATIONS

The sponsorship of Master Builders will cost \$1170 which is budgeted in the Advance Rockhampton Economic Development budget.

CORPORATE/OPERATIONAL PLAN

Operational Plan Economy

2.2.2 Deliver economic development and industry engagement initiatives that create economic growth and lifestyle improvements in the region and continue to strengthen resources, construction, agriculture and Defence industry services and create new opportunities in the renewable energy sector.

CONCLUSION

Sponsorship of the Central Queensland Masters Builders provides an opportunity to continue to promote Rockhampton as leader in construction to an audience of major proponents, professionals, industry groups and suppliers from within the industry, further reinforcing Rockhampton's position as a major industry hub.

AIRPORT**Councillor Portfolio – Councillor Fisher**

9.2 SPECIALISED SUPPLIER ROCKHAMPTON AIRPORT - SMITHS DETECTION

File No: 3429
Attachments: Nil
Authorising Officer: Ross Cheesman - Acting Chief Executive Officer
Author: Marcus Vycke - Manager Airport

SUMMARY

The purpose of this report is to seek a Council resolution that Smiths Detection is deemed a specialised supplier in accordance with Section 235(b) of the Local Government Regulation 2012.

OFFICER'S RECOMMENDATION

THAT pursuant to s235(b) of the *Local Government Regulation 2012* Council approve Smiths Detection as a specialised supplier for the supply and maintenance of Airport Security Screening equipment.

COMMENTARY

The Airport recently upgraded both the Checked Baggage Screening (CBS) and Passenger Screening equipment to meet the Federal Government's direction on enhanced screening services to Australian Airports and Ports.

As part of the security equipment upgrade Council purchased and installed two CTX passenger carry-on luggage x-ray units fitted with an automated tray return system.

With the onset of COVID 19 Smiths Detection has developed a ultraviolet (UV) light tray disinfection kit that will eradicate up to 99.9% of coronaviruses detected on trays at security screening check points, the new units can be retrofitted to the newly purchased Smiths Detection CTX x-ray units

It is impractical to invite quotes from other security equipment providers as the units need to be specifically designed to fit our Smiths Detection equipment.

The new Smiths Detection UV units have been installed at a number of airports worldwide and all major airports in New Zealand.

BACKGROUND

Council has a long association with Smiths Detection utilising there products to provide screening services since 2012.

As part of the Federal Government directive to upgrade the screening equipment to new technology Council went to tender in 2020 and awarded Smiths Detection a contract to supply and install security equipment to the value of \$4.23M.

Purchase of two UV tray cleaning modules for the passenger x-ray's and an additional Explosive Trace Detection Unit (ETD) for the new FIFO / Charter terminal area from Smiths Detection ensures all equipment remains compatible and maintenance agreements are only required with one service provider.

PREVIOUS DECISIONS

Nil

BUDGET IMPLICATIONS

Funding is available in the current financial Capex Budget

LEGISLATIVE CONTEXT

Under Section 235, Other Exceptions, of the Local Government Regulation 2012:

“A local government may enter into a medium-sized contractual arrangement or large-sized contractual arrangement without first inviting written quotes or tenders if –

b) the local government resolves that, because of the specialised or confidential nature of the services that are sought, it would be impractical or disadvantageous for the local government to invite quotes or tenders; or

LEGAL IMPLICATIONS

There are no legal implications.

STAFFING IMPLICATIONS

There will be no staffing implications.

RISK ASSESSMENT

The potential spreading of Coronavirus and other viruses has been identified as a risk if the newly developed equipment from Smiths Detection is not installed.

CORPORATE/OPERATIONAL PLAN

Operational Plan 2021/22 – Section 1.1.16 – Manage the airport in accordance with the Rockhampton Airport 2020-21 Performance Plan.

CONCLUSION

In order to enhance the operational safety of screening staff and members of the travelling public at Rockhampton Airport, it is recommended Council approve Smiths Detection as a specialised supplier in accordance with Section 235(b) of the *Local Government Regulation 2012*.

COMMUNITIES AND HERITAGE**Councillor Portfolio – Councillor Wickerson**

No items for consideration

INFRASTRUCTURE**Councillor Portfolio – Councillor Smith**

No items for consideration

PARKS, SPORT AND PUBLIC SPACES**Councillor Portfolio – Councillor Rutherford**

No items for consideration

PLANNING AND REGULATION**Councillor Portfolio – Councillor Mathers**

9.3 REDUCTION IN DEVELOPMENT ASSESSMENT APPLICATION FEES FOR OPERATIONAL WORKS FOR DRAINAGE WORKS, STORMWATER, WATER INFRASTRUCTURE, SEWAGE INFRASTRUCTURE, ACCESS, PARKING AND SITE WORKS**File No: D/134-2021****Attachments: Nil****Authorising Officer: Tarnya Fitzgibbon - Coordinator Development Assessment
Doug Scott - Manager Planning and Regulatory Services
Alicia Cutler - General Manager Community Services****Author: Kathy McDonald - Planning Officer**

SUMMARY

This report discusses a proposal for consideration of a reduction in the development assessment fee relating to an Operational Works Application for Drainage Works, Stormwater, Water Infrastructure, Sewage Infrastructure, Access, Parking and Site Works located at Lot 6 Canoona Road, West Rockhampton - Lot 6 on CP906611.

OFFICER'S RECOMMENDATION

THAT Council accept an application fee of \$59,924.37 for the proposed development located at Lot 6 Canoona Road, West Rockhampton.

BACKGROUND

Alliance Airlines Pty Ltd have lodged a development application to Council for Operational Works for Drainage Works, Stormwater, Water Infrastructure, Sewage Infrastructure, Access, Parking and Site Works over Lot 6 on CP906611, located at Lot 6 Canoona Road, West Rockhampton.

The proposed operational work is in relation to constructing a maintenance, repair and overhaul (MRO) facility at Rockhampton airport as per the related development permit for Air Services approved 28 May 2021.

As per Council's Fee Schedule item 332, operational works application fees are calculated from the estimated quote (schedule of costs) cost of construction inclusive of GST.

The monetary value of the proposed operational work is \$24,661,494 (inclusive of GST).

Based on this calculation the application fee is \$119,848.74.

A 50% fee reduction is proposed and more closely aligns with the cost of assessing the development application.

Therefore, although the proposed fee represents a reduction of \$59,924.37 it will not result in Council being left exposed to a financial liability.

PREVIOUS DECISIONS

The Fees and Charges Schedule for 2021/2022 was adopted at the 8 June 2021 Council Meeting.

BUDGET IMPLICATIONS

Council will receive only half of the calculated application fee.

LEGISLATIVE CONTEXT

Section 109 of the *Planning Act 2016*, provides an Assessment Manager being a Local Government entity (Council) authority to refund all or part of a required fee; or waive all or part of a required fee, in the circumstances prescribed by regulation.

LEGAL IMPLICATIONS

Council is able to reduce application fees that are excessive and do not reflect the fees for the work undertaken by the planners, engineers and Development Advice Centre to reflect cost recovery.

STAFFING IMPLICATIONS

No staffing changes are proposed.

RISK ASSESSMENT

A 50% fee reduction more closely aligns with the cost of assessing the development application.

CORPORATE/OPERATIONAL PLAN

No effect on current or future Operational Plans or Corporate Plan.

CONCLUSION

The proposed fee reduction will not result in Council being left exposed to a financial liability, and more appropriately reflects the cost involved with assessing the application.

9.4 D/109-2021 - DEVELOPMENT APPLICATION FOR RECONFIGURING A LOT (TWO LOTS INTO THREE LOTS) AND ACCESS EASEMENTS

File No: D/109-2021

Attachments: 1. [Locality Plan](#)
2. [Reconfiguration Plan](#)

Authorising Officer: Tarnya Fitzgibbon - Coordinator Development Assessment
Doug Scott - Manager Planning and Regulatory Services
Alicia Cutler - General Manager Community Services

Author: Brendan Standen - Senior Planning Officer

SUMMARY

Development Application Number: D/109-2021

Applicant: A, G, C, R, P, M & P Hopkins and C. Hoseason-Smith and M & K Mansfield as Ttes

Real Property Address: Lot 1 on RP606914 and Lot 13 on RP609433

Common Property Address: 106 Water Street, Berserker

Area of Site: 4,148m²

Planning Scheme: Rockhampton Region Planning Scheme 2015 (version 2.2)

Planning Scheme Zone: Low Density Residential Zone

Planning Scheme Overlays: Acid Sulfate Soils Overlay;
Airport Environs Overlay;
Biodiversity Areas Overlay;
Coastal Protection Overlay;
Flood Hazard Overlay; and
Steep Land Overlay.

Existing Development: Vacant

Approval Sought: Development Permit for Reconfiguring a Lot (Two Lots into Three Lots and Access Easements)

Category of Assessment: Assessable (Impact Assessment)

Submissions: Nil

Referral Agency: Nil

Infrastructure Charges Area: Charge Area 1

OFFICER'S RECOMMENDATION

RECOMMENDATION A

THAT in relation to the application for a Development Permit for Reconfiguring a Lot (Two Lots into Three Lots and Access Easements), made by A, G, C, R, P, M & P Hopkins and C. Hoseason-Smith and M & K Mansfield as Ttes, located at 106 Water Street, Berserker, described as Lot 1 on RP606914 and Lot 13 on RP609433, Council resolves to provide the following reasons for its decision:

STATEMENT OF REASONS

Description of the development	The proposed development is for a Development Permit for Reconfiguring a Lot (Two Lots into Three Lots and Access Easements)	
Reasons for Decision	<p>a) Assessment of the development against the relevant zone purpose, planning scheme codes and planning scheme policies demonstrates that the proposed development will not cause significant adverse impacts on the surrounding natural environment, built environment and infrastructure, community facilities, or local character and amenity; and</p> <p>b) On balance, the application should be approved because the circumstances favour Council exercising its discretion to approve the application even though the development does not comply with an aspect of the assessment benchmarks.</p>	
Assessment Benchmarks	<p>The proposed development was assessed against the following assessment benchmarks:</p> <ul style="list-style-type: none"> • Strategic Framework • Low Density Residential Zone Code • Access, Parking and Transport Code • Filling and Excavation Code • Landscape Code • Reconfiguring a Lot Code • Stormwater Management Code • Water and Sewer Code • Biodiversity Overlay Code • Coastal Protection Overlay Code • Flood Hazard Overlay Code • Steep Land Overlay Code 	
Compliance with assessment benchmarks	The development was assessed against all of the assessment benchmarks listed above and complies with all of these with the exceptions listed below.	
	Assessment Benchmark	Reasons for the approval despite non-compliance with benchmark
	Access, Parking and Transport Code	<p>PO3</p> <p>The proposed development does not comply with AO3.1 as the access driveway to the two rear lots does not meet the design specifications for driveways contained in the <i>Capricorn Municipal Development Guidelines</i>. Specifically, the design specifications do not allow multiple lots to utilise a single driveway.</p> <p>However, the vehicle movements associated with two rear lots are unlikely to compromise the safety or efficiency of the local road network. The number and type of vehicle movements would be similar to a dual occupancy use with a single vehicle crossover, which is not an uncommon scenario.</p>

	Reconfiguring a Lot Code	<p>PO8</p> <p>The proposed development does not comply with AO8.4 as the driveway length to the two rear lots exceed 40 metres. The length of the proposed driveway from Water Street is approximately 45 metres to Lot 14 and 65 metres to Lot 15.</p> <p>However, the width of the access and services easement (six metres within Lot 1 and seven metres within Lot 14) allows a five metre carriageway, which is considered suitable to allow two-way vehicle movements within the site and to the proposed lots. Conditions of approval have been recommended to this effect.</p>
	Flood Hazard Overlay Code	<p>PO14</p> <p>The proposed development does not comply with AO14 because it results in the creation of an additional lot within the Flood Hazard Overlay. The Flood Hazard Overlay affects an approximate 1,900m² combined area at the rear of lots 14 and 15.</p> <p>The proposed development also does not comply with Overall Outcome (2) (f) of the Flood Hazard Overlay Code because it results in the creation of additional lots in the Flood Hazard Overlay.</p> <p>However, the proposed development is considered to comply with the Strategic Framework as it relates to the 'Natural environment and hazards' theme and in particular the specific outcomes 'Natural hazards and climate change' element, which seeks to ensure the flood risk is managed in new development. Only part of the two rear lots is mapped as being affected by the flood hazard overlay and the developable area (i.e. excluding the flood hazard overlay and easements) of each lot exceeds 750m². A condition of approval has also been recommended requiring a drainage easement over the extent of the Flood Hazard Overlay. The drainage easement will ensure no further development occurs within the flood hazard areas.</p> <p>On this basis, it is considered that there is no increased risk to people or property from flooding as a result of the</p>

		proposed subdivision.
	Coastal Protection Overlay Code	<p>PO14</p> <p>The proposed development does not comply with AO14 because it results in the creation of an additional lot within the Coastal Protection Overlay. The eastern boundary of proposed lots 14 and 15, being the bank of Frenchmans Creek, is mapped as being a Medium Hazard area.</p> <p>However, the proposed development does comply with the Overall Outcomes of the Coastal Protection Overlay Code. Specifically, Overall Outcome (b) because future development on lots 14 and 15 are able to avoid the coastal hazard risk. The Coastal Overlay affects those parts of lots 14 and 15 contained within the drainage easement. Future dwelling houses within the resulting lots will be well separated from the hazard area.</p>
Relevant Matters	There are no relevant matters for the development application.	
Matters raised in submissions	Issue	How matter was dealt with
	No submissions received.	Nil
Matters prescribed by regulation	<ul style="list-style-type: none"> • The <i>Rockhampton Region Planning Scheme 2015</i> (version 2.2); and • The common material, being the material submitted with the application. 	

RECOMMENDATION B

THAT in relation to the application for a Development Permit for Reconfiguring a Lot (Two Lots into Three Lots and Access Easements), made by A, G, C, R, P, M & P Hopkins and C. Hoseason-Smith and M & K Mansfield as Ttes, located at 106 Water Street, Berserker, described as Lot 1 on RP606914 and Lot 13 on RP609433, Council resolves to Approve the application subject to the following conditions:

1.0 ADMINISTRATION

- 1.1 The Developer and their employee, agent, contractor or invitee is responsible for ensuring compliance with the conditions of this development approval.
- 1.2 Where these Conditions refer to "Council" in relation to requiring Council to approve or to be satisfied as to any matter, or conferring on the Council a function, power or discretion, that role may be fulfilled in whole or in part by a delegate appointed for that purpose by the Council.
- 1.3 All conditions, works, or requirements of this development approval must be undertaken, completed, and be accompanied by a Compliance Certificate for any operational works required by this development approval:
 - 1.3.1 to Council's satisfaction;
 - 1.3.2 at no cost to Council; and

- 1.3.3 prior to the issue of the Survey Plan Approval Certificate, unless otherwise stated.
- 1.4 Infrastructure requirements of this development approval must be contributed to the relevant authorities, where applicable, at no cost to Council, prior to the issue of the Survey Plan Approval Certificate, unless otherwise stated.
- 1.5 The following further Development Permits must be obtained prior to the commencement of any works associated with their purposes:
- 1.5.1 Operational Works:
- (i) Access Works;
 - (ii) Sewerage Works;
 - (iii) Water Works;
- 1.6 All works must be designed, constructed and maintained in accordance with the relevant Council policies, guidelines and standards, unless otherwise stated.
- 1.7 All engineering drawings/specifications, design and construction works must be in accordance with the requirements of the relevant *Australian Standards* and must be approved, supervised and certified by a Registered Professional Engineer of Queensland.
- 1.8 Easement documents relating to all easements required by the conditions of this development approval must accompany the Survey Plan for endorsement by Council, prior to the issue of the Survey Plan Approval Certificate.

2.0 APPROVED PLANS AND DOCUMENTS

- 2.1 The approved development must be completed and maintained generally in accordance with the approved plans and documents, except where amended by any condition of this development approval:

Plan/Document Name	Prepared by	Date	Reference No.	Version/Issue
Reconfiguration Plan	Capricorn Survey Group	13/09/2021	8226-03-ROL	B

- 2.2 Where there is any conflict between the conditions of this development approval and the details shown on the approved plans and documents, the conditions of this development approval must prevail.
- 2.3 Where conditions require the above plans or documents to be amended, the revised document(s) must be submitted for approval by Council prior to the submission of an application for a Development Permit for Operational Works.

3.0 ACCESS WORKS

- 3.1 A Development Permit for Operational Works (access works) must be obtained prior to the commencement of any access works required by this development approval.

Note: It is advised that a Works in Road Reserve Permit (including a fee for the vehicle crossover and compliant with Standard Capricorn Municipal Development Guidelines, Standard Drawings) may be accepted in place of the application for a Development Permit for Operational Works (access works).

- 3.2 A vehicle crossover must be constructed from Water Street to service Lots 1, 14 and 15. Only a single vehicle access is permitted from Water Street to Lot 1.
- 3.3 All access works must be designed and constructed in accordance with the approved plans (refer to condition 2.1), *Capricorn Municipal Development Guidelines*, and the provisions of a Development Permit for Operational Works (access works).

- 3.4 All vehicular access to and from proposed Lots 1, 14 and 15 must be via the proposed easement(s) only.
- 3.5 The terms of the access easement must ensure that:
- 3.5.1 The access easement within Lot 1 is in favour of lots 14 and 15; and
- 3.5.2 The access easement within Lot 14 is in favour of Lot 15.
- 3.6 The internal access to proposed Lots 1, 14 and 15 must be constructed from the western development site boundary of Lot 1 to the northern boundary of Lot 14 at a minimum width of 5.0 metres. Construction must be either reinforced concrete not less than 100 millimetres deep or a compacted gravel pavement not less than 100 millimetres deep sealed with either twenty-five (25) millimetres of asphaltic concrete, hot sprayed bitumen consisting of a primer and two (2) seal coats, or approved segmental pavers.
- 4.0 SEWERAGE WORKS
- 4.1 A Development Permit for Operational Works (sewerage works) must be obtained prior to the commencement of any sewerage works required by this development approval.
- 4.2 All sewerage works must be designed and constructed in accordance with the approved plans (refer to condition 2.1), *Capricorn Municipal Development Guidelines, Water Supply (Safety and Reliability) Act 2008, Plumbing and Drainage Act 2018* and the provisions of a Development Permit for Operational Works (sewerage works).
- 4.3 All lots within the development must be connected to Council's reticulated sewerage network. Each lot must be provided with its own separate sewerage connection point, located wholly within its respective property boundary.
- 4.4 Easements must be provided over all sewerage infrastructure located within private property.
- 4.5 Large trees must not be planted within one (1) metre of the centreline of any sewerage infrastructure; small shrubs and groundcover are acceptable.
- 5.0 WATER WORKS
- 5.1 A Development Permit for Operational Works (water works) must be obtained prior to the commencement of any water works required by this development approval.
- 5.2 All water works must be designed and constructed in accordance with the approved plans (refer to condition 2.1), *Capricorn Municipal Development Guidelines, Water Supply (Safety and Reliability) Act 2008, Plumbing and Drainage Act 2018* and the provisions of a Development Permit for Operational Works (water works).
- 5.3 All lots within the development must be connected to Council's reticulated water network.
- 5.4 A new 100mm water main, terminating with a fire hydrant, must be provided for the proposed development from the existing reticulated water network located in Water Street to a suitable point within the internal easement to allow fire-fighting for any new dwellings on Lots 14 and 15. This non-trunk infrastructure is conditioned under section 145 of the *Planning Act 2016*.
- 5.5 Easements must be provided over all water infrastructure located within private property. The easement location(s) and width(s) must be in accordance with the requirements of the *Capricorn Municipal Development Guidelines*.
- 6.0 ROOF AND ALLOTMENT DRAINAGE WORKS
- 6.1 All roof and allotment runoff from the development must be directed to a lawful point of discharge and must not restrict, impair or change the natural flow of runoff water or cause a nuisance to surrounding land or infrastructure.

7.0 ELECTRICITY

- 7.1 Electricity services must be provided to each lot in accordance with the standards and requirements of the relevant service provider.

8.0 TELECOMMUNICATIONS

- 8.1 Telecommunications services must be provided to each lot in accordance with the standards and requirements of the relevant service provider. Unless otherwise stipulated by telecommunications legislation at the time of installation, this includes all necessary pits and pipes, and conduits that provide a connection to the telecommunications network.

9.0 ASSET MANAGEMENT

- 9.1 Any alteration necessary to electricity, telephone, water mains, sewerage mains, and/or public utility installations resulting from the development or in connection with the development, must be undertaken and completed at no cost to Council.
- 9.2 Any damage to existing stormwater, water supply and sewerage infrastructure, kerb and channel, pathway or roadway (including removal of concrete slurry from public land and Council infrastructure), that occurs while any works are being carried out in association with this development approval must be repaired at full cost to the developer. This includes the reinstatement of any existing traffic signs or pavement markings that may have been removed or damaged.
- 9.3 'As Constructed' information pertaining to assets to be handed over to Council and those which may have an impact on Council's existing and future assets must be provided prior to the issue of the Survey Plan Approval Certificate. This information must be provided in accordance with the Asset Design and As Constructed Manual (ADAC).

10.0 ENVIRONMENTAL

- 10.1 An Erosion Control and Stormwater Control Management Plan prepared by a Registered Professional Engineer of Queensland in accordance with the *Capricorn Municipal Design Guidelines*, must be implemented, monitored and maintained for the duration of the works, and until all exposed soil areas are permanently stabilised (for example, turfed, hydromulched, concreted, landscaped). The plan must be available on-site for inspection by Council Officers whilst all works are being carried out.

11.0 OPERATING PROCEDURES

- 11.1 All construction materials, waste, waste skips, machinery and contractors' vehicles must be located and stored or parked within the development site. Storage of materials, or parking of construction machinery or contractors' vehicles must not occur within Water Street.

12.0 DRAINAGE EASEMENT

- 12.1 A drainage easement must be registered, in favour of Council, over the inundation extents for the 1% Annual Exceedance Probability (AEP) local storm event within lots 14 and 15 and generally in accordance with the approved plan.
- 12.2 The terms of the drainage easement must state that no buildings, structures or excavation and filling are permitted within the drainage easement.

ADVISORY NOTES**NOTE 1. Aboriginal Cultural Heritage**

It is advised that under section 23 of the *Aboriginal Cultural Heritage Act 2003*, a person who carries out an activity must take all reasonable and practicable measures to ensure the activity does not harm Aboriginal cultural heritage (the "cultural heritage duty of care"). Maximum penalties for breaching the duty of care are listed in the Aboriginal cultural heritage legislation. The information on

Aboriginal cultural heritage is available on the Department of Aboriginal and Torres Strait Islander and Partnerships website www.datsip.qld.gov.au.

NOTE 2. General Environmental Duty

General environmental duty under the *Environmental Protection Act 1994* prohibits unlawful environmental nuisance caused by noise, aerosols, particles, dust, ash, fumes, light, odour or smoke beyond the boundaries of the development site during all stages of the development including earthworks, construction and operation.

NOTE 3. General Safety Of Public During Construction

The *Work Health and Safety Act 2011* and *Manual of Uniform Traffic Control Devices* must be complied with in carrying out any construction works, and to ensure safe traffic control and safe public access in respect of works being constructed on a road.

NOTE 4. Infrastructure Charges Notice

Council has resolved not to issue an Infrastructure Charges Notice for this development.

NOTE 5. Works in Road Reserve Permit

It is advised that a Works in Road Reserve Permit (including a fee for the vehicle crossover and compliant with Standard Capricorn Municipal Development Guidelines, Standard Drawings) may be accepted in place of the application for a Development Permit for Operational Works (access works).

RECOMMENDATION C

THAT in relation to the application for a Development Permit for Reconfiguring a Lot (Two Lots into Three Lots and Access Easements), made by A, G, C, R, P, M & P Hopkins and C. Hoseason-Smith and M & K Mansfield as Ttes, located at 106 Water Street, Berserker, described as Lot 1 on RP606914 and Lot 13 on RP609433, Council resolves to issue an Infrastructure Charges Notice for the amount of \$21,000.00.

BACKGROUND

PROPOSAL IN DETAIL

The proposal is to maintain Lot 1 in its current configuration and subdivide Lot 13 (the rear lot) into two lots. Lot 1 is to accommodate a future dwelling house, as well as to provide vehicular access from Water Street to the two proposed rear lots within Lot 13. It is anticipated each of the proposed rear lots will accommodate future dwelling houses. The proposed lots are:

- Lot 1 (fronting Water Street)
- Lot 14 (rear lot)
- Lot 15 (rear lot)

An overview of the proposed lot sizes and dimensions are provided in **Table 1**:

TABLE 1 – PROPOSED LOT OVERVIEW

PROPOSED LOT	LOT SIZE (m ²)	LOT DIMENSIONS (~m)
Lot 1	690	15 x 45
Lot 14	1,950	22.82 x 84
Lot 15	1,500	22.82 x 66
Easement 1 (burdening Lot 1)	~270	6 x 45
Easement 2 (burdening Lot 14)	159.74	7 x 22.82

The access and services easements will be located over Lot 1, extending from Water Street through to Lot 14 along the southern property boundary. The access easement over Lot 1 will benefit both proposed lots 14 and 15. The access easement over Lot 14 will only benefit Lot 15.

At Council's request, the Applicant has also included a drainage easement over the flood hazard area within proposed lots 14 and 15 on the Reconfiguration Plan. The area of the drainage easement is approximately 1,900m². The terms of the drainage easement would restrict the ability to undertake development within it.

Because of the easements (including access, services and drainage), the developable area of each proposed lot is reduced from the lot size shown in column two of Table 1. The developable area of each lot is approximately:

- Lot 1 - 420m²
- Lot 14 - 760m²
- Lot 15 - 740m²

The developable area of each lot still exceeds the minimum lot size for the Zone.

The large area of vacant land within proposed lots 14 and 15 contained within the drainage easement would likely be used for private open space.

SITE AND LOCALITY

The site is located at 106 Water Street, Berserker and comprises two lots, being Lot 1 on RP606914 and Lot 13 on RP609433. Lot 1 is a rectangular, vacant lot that fronts Water Street and is 690m² (~15m x ~45m) in area. Lot 13 is an irregularly shaped vacant lot, located to the rear of Lot 1 and two other lots that front Water Street and is 3,458m² in area.

The rear (eastern) boundary of Lot 13 is a waterway (Frenchmans Creek), which is mapped as being subject to flood hazard (creek catchment and Fitzroy River flooding). The land gradually slopes down from Water Street to the waterway. Approximately 1,500m² of Lot 13 is mapped outside the Flood Hazard overlay.

The area west of the site is generally characterised by detached dwellings on lots ranging from approximately 500m² to 700m². The area to the east, beyond the waterway, is included in the Sport and Recreation zone and Open Space zone, reflecting the public open space and Kalka Shades Cricket Grounds.

PLANNING ASSESSMENT

MATTERS FOR CONSIDERATION

This application has been assessed by relevant Council planning, engineering, environmental health, and other technical officers as required. The assessment has been in accordance with the assessment process provisions of the Development Assessment Rules, based on consideration of the relevant State Planning Policy; State Government guidelines; the Council's Town Planning Scheme, Planning Policies and other general policies and procedures, as well as other documents as considered relevant.

Development Engineering Comments

Support, subject to conditions.

Public and Environmental Health Comments

Support, no conditions.

Other Staff Technical Comments

Not applicable as the application was not referred to any other technical staff.

TOWN PLANNING COMMENTS**State Planning Policy 2017**

Section 2.1 of *Rockhampton Region Planning Scheme 2015* noted the *State Planning Policy 2017* is integrated in the planning scheme. The State planning interests are therefore addressed as part of this assessment of the development against the *Rockhampton Region Planning Scheme 2015*.

Central Queensland Regional Plan 2013

The *Central Queensland Regional Plan 2013* is a statutory document which came into effect on 18 October 2013. The Regional Plan is identified as being appropriately integrated with the Planning Scheme and therefore an assessment against the Planning Scheme is taken to be an assessment against the *Central Queensland Regional Plan 2013*.

Rockhampton Region Planning Scheme 2015**Strategic framework**

The site is situated within the Urban Area designation under the scheme's strategic framework map and the rear half of Lot 13 is situated within the Defined Flood Event Inundation Area.

The strategic framework themes and their strategic outcomes, as identified within Part 3 of the *Rockhampton Region Planning Scheme 2015* are applicable:

(i) *Settlement pattern*

- (1) *The pattern of settlement is reinforced in accordance with the Strategic framework – settlement pattern maps (SFM-1 to SFM-4) and as defined in Table 3.3.2.2 – Strategic map designations and descriptions. Sufficient land has been allocated for residential, commercial, industrial and community uses to meet the needs of the region for at least twenty (20) years.*
- (2) *Residential development within Rockhampton and Gracemere will occur in urban areas, urban infill and intensification areas and new urban areas (greenfield areas). These areas are shown on the strategic framework maps SFM-2 to SFM-3.*
- (3) *Urban development in Mount Morgan will only occur within the urban area and local centre as shown on strategic framework map SFM-4.*
- (4) *Residential development is compact, encourages strong neighbourhoods with attractive places for residents, makes efficient use of land and optimises the delivery and use of infrastructure and services. Expansion beyond these identified areas will not occur to ensure a focus on urban infill and intensification areas and to avoid further encroachment on natural assets and ecologically vulnerable areas.*
- (5) *Sufficient land for employment growth has been identified in industrial areas, new industrial areas and centres (including proposed centres) at locations that can be most efficiently serviced with infrastructure and facilities.*
- (6) *Future urban areas and future industrial areas are the preferred location for greenfield development beyond 2026.*
- (7) *The settlement pattern provides for a diverse range of housing to meet changing demographic needs, and creates opportunities for more affordable living close to services and facilities. These housing options will help stimulate centres and community focal points, and assist in making the most efficient use of infrastructure and other public investment.*
- (8) *Higher density development is focussed around centres and public transport nodes and corridors. Increased residential densities will be encouraged in the*

urban infill and intensification areas in a range of dwelling types that are located to make public transport, walking and cycling more convenient, safe and viable.

- (9) *The design of the built environment (including buildings, streets and public spaces) is consistent with the existing or desired character of the area and buildings are oriented to the street and public places. Development is undertaken in accordance with urban design principles.*
- (10) *Centres provide for employment, retail, accommodation, entertainment and community services that meet the needs of residential communities that are well connected by the public transport network.*
- (11) *Centres are based on a hierarchy that ensures the scale and form of development is appropriate to the location, and that the centres' roles and functions are appropriate within the wider planning scheme area.*
- (12) *Centres are consolidated within designated areas, and expansion does not occur into adjoining residential areas.*
- (13) *An integrated and high quality public open space network caters for the needs of residents, particularly in and around centres and higher density areas.*
- (14) *The continuing viability of areas that provide for economic development such as industrial and specific use areas is protected from incompatible land uses.*
- (15) *Limited rural residential areas provide for semi-rural living; however, these areas do not expand beyond the areas designated.*
- (16) *The productive capacity of all rural land is protected.*
- (17) *Rural lands and natural areas are maintained for their rural and landscape values.*
- (18) *The scenic and environmental values of areas identified as nature conservation or natural corridor link are protected.*
- (19) *The cultural heritage of Rockhampton is conserved for present and future communities.*
- (20) *Development responds to natural hazards (flooding, bushfire, steep land, storm tide inundation and coastal erosion) by avoiding, mitigating, adapting and building resilience to natural hazards in areas mapped as being susceptible.*

Complies - The proposed development advances and does not compromise the strategic outcomes for the Settlement Pattern Theme.

The proposal will assist in allowing a compact form of residential development in an area where it is intended to occur. The resulting lots sizes and configurations are consistent with that exhibited in the surrounding low-density residential area, and will increase opportunities for housing supply and choice. The proposed development also responds to natural hazards by ensuring that resulting lots have sufficient area not affected by the Flood Hazard Overlay where dwelling houses can be constructed.

(ii) Natural environment and hazards

- (1) *The natural environment and landscape are highly valued by the community for their contribution to the planning scheme area's biodiversity, economic prosperity, culture, character and sense of place. These areas are to be protected from incompatible development.*
- (2) *Development does not create unsustainable impacts on:*
 - (a) *the natural functioning of floodplains;*
 - (b) *environmentally significant areas, including areas of state and locally significant vegetation, which provide fauna habitat and support biodiversity;*
 - and*

- (c) *the quality of water entering waterways, wetlands and local catchments.*
- (3) *Development does not increase the risk to human life and property in areas that are affected, or potentially affected, by storm-surge, erosion, sea-level rise or other coastal processes, flooding, bushfire, or landslide. This occurs through the avoidance of natural hazards in new development areas, particularly greenfield areas and the mitigation of risks in existing built up areas.*
- (4) *Strategic and iconic scenic and landscape values are protected from potential adverse impacts of development.*

Complies – The proposed development advances and does not compromise the strategic outcomes for the Natural Environment and Hazards Theme. The proposed development does not increase the risk to people or property and is unlikely to create unsustainable impacts on the natural environment.

Two of the proposed lots (14 and 15) are partially affected by the Flood Hazard Overlay given the site's adjacency to Frenchmans Creek; however, there is sufficient area within the resulting lots, outside the mapped flood hazard areas, for dwelling houses to be constructed. Further, conditions of approval have been recommended requiring an easement to be registered over the 1% AEP flood hazard areas, in favour of Council, to ensure it is not developed within.

The part of the site that is mapped as containing Matters of State Environmental Significance (MSES) is contained within the mapped flood hazard area. The proposed drainage easement over the 1% AEP will ensure there will be no adverse impacts on MSES by limiting development within that area.

(iii) **Community identity and diversity**

- (1) *The quality of life of residents is enhanced through equitable access to social infrastructure, community services and facilities necessary to support community health and well-being.*
- (2) *The community is self-sufficient and does not rely on services and facilities located in other regions. Development contributes to the provision of new social infrastructure, including land.*
- (3) *Cultural heritage including character housing and heritage buildings are conserved and enhanced.*
- (4) *Public places are safe, functional, characterised by good urban design, and include a range of facilities to encourage healthy and active lifestyles.*
- (5) *Crime prevention through environmental design is achieved in urban areas including public spaces to improve public safety.*

Complies – The proposed development advances and does not compromise the strategic outcomes for the Community Identity and Diversity Theme. The proposed development is located within a well-established residential area that has access to all social infrastructure, community services and public facilities

(iv) **Access and mobility**

- (1) *Connectivity is achieved between residential uses, employment centres and services through the provision of active transport infrastructure integrated with efficient public transport services.*
- (2) *The trunk transport network (as shown on the strategic framework maps SFM-9 to SFM-12 and in plans for trunk infrastructure in the local government infrastructure plan) supports the settlement pattern and the local economy by facilitating the efficient and safe movement of people and goods both within the planning scheme area (especially between the main urban centres of Rockhampton and Gracemere), and to and from other locations.*

- (3) *The transport network encourages and supports active living in centres by providing for integrated walking, cycling, and public transport infrastructure to support a progressive reduction in car dependency.*
- (4) *The safety and efficiency of transport infrastructure, including the Bruce and Capricorn highways and other state and local roads, rail, airport and seaports, are not compromised by development.*

Complies – The proposed development advances and does not compromise the strategic outcomes for the Access and Mobility Theme. The proposed development will not compromise the safety or efficiency of the local road network, and affords future residents of the lots access to employment centres. The proposed development only results in the creation of one additional lot to what currently exists.

(v) **Infrastructure and services**

- (1) *Infrastructure and services are planned and delivered in a logical and cost efficient manner in support of the planned settlement pattern. It is fit for purpose and is sensitive to cultural and environmental values. In particular:*
 - (a) *efficient, affordable, reliable, timely and lasting infrastructure makes best use of public resources;*
 - (b) *the long-term needs of the community, industry and business are met; and*
 - (c) *the desired standards of service in Part 4 — Local government infrastructure plan are achieved.*

Complies – The proposed development advances and does not compromise the strategic outcomes for the Infrastructure and Services Theme. The proposed development has access to all urban infrastructure and services. Conditions of approval have been recommended requiring each lot to be connected to reticulated water and sewerage, and telecommunications and electricity networks.

(vi) **Natural resources and economic development**

- (1) *The economy of the planning scheme area continues to grow and provides the community with diverse and new employment opportunities. Rockhampton continues to strengthen as the retail, service, cultural and administrative centre for both the planning scheme area and the wider Central Queensland region.*
- (2) *The strategic importance of Rockhampton for transport and logistics industries is fostered, given its central location at the junction of the Bruce Highway, the Capricorn Highway (through to the Landsborough Highway) and the Burnett Highway (through to the Leichhardt Highway).*
- (3) *The local community continues to value its traditional economic assets and natural resources and protects and conserves them and the contribution they make to maintaining and growing the region's economic prosperity, culture, character and sense of place. The region's traditional economic sectors of tourism and agriculture (including the iconic beef industry) continue to strengthen.*
- (4) *Development protects and, where possible, leverages the intrinsic economic value of the region's natural resources, including productive grazing, agricultural and forestry land, extractive and mineral resources, marine and coastal resources, and existing and planned water resources, including watercourses, water bodies and groundwater.*
- (5) *Natural assets identified by this planning scheme are protected as they underpin current and emerging tourism opportunities and important lifestyle values for residents.*

Complies – The proposed development advances and does not compromise the strategic outcomes for the Natural Resources and Economic Development Theme. The proposed

development does not compromise natural resources or economic development in the region. The proposed development will increase residential stock in the urban area, while maintaining matters of environmental significance.

The performance assessment of the proposal demonstrates that the development will not compromise the *Rockhampton Region Planning Scheme 2015* strategic outcomes.

Low Density Residential Zone

The subject site is situated within the Low Density Residential Zone under the *Rockhampton Region Planning Scheme 2015*. The overall outcomes contained in the purpose of the Low Density Residential Zone Code identifies that: -

- (a) development provides for predominantly single detached dwelling houses on individual lots of varying sizes and dual occupancies, maintaining a generally low-rise, 1-2 storey built form and low density character with small scale, detached buildings;
- (b) residential development within the zone is of a type which primarily provides for the long-term accommodation of residents and not for short-term accommodation, except in the circumstances stated in (d);
- (c) low-rise multiple dwellings, relocatable home parks, residential care facilities and retirement facilities develop in the zone when they are situated in proximity (convenient walking distance) to parks, centres, major community facilities (hospital, university etcetera) and have access to higher order roads (minor urban collector or higher) or public transport;
- (d) short-term accommodations only occurs where it:
 - (i) is established in an existing dwelling;
 - (ii) does not adversely impact on the amenity of the surrounding residential area;
 - (iii) maintains the appearance of an ordinary dwelling that is consistent with the intentions of the zone; and
 - (iv) is limited in scale and duration;
- (e) non-residential uses only occur within the zone where they:
 - (i) do not compromise the residential character and existing amenity of the surrounding area;
 - (ii) are small-scale and consistent with the surrounding urban form;
 - (iii) primarily function to service the needs of the immediate local residential community;
 - (iv) do not detract from the role and function of centres;
 - (v) do not result in the expansion of a centre zone; and
 - (vi) have direct access to higher order roads (minor urban collector or higher) and are in proximity to public transport;
- (f) no expansion of existing centres or industrial areas will occur into the low density residential zone. In addition, no additional local centres or higher order centres are required within the low density residential zone;
- (g) neighbourhood centres do not expand to service a wider local centre catchment. South Gracemere is to accommodate a neighbourhood centre commensurate with the population of the immediate catchment;
- (h) new proposed centres within greenfield areas are not intended to accommodate full-line supermarkets;

- (i) *development maximises opportunities for surveillance, activation of street fronts, integration with surrounding streetscapes, and presents an attractive appearance to the street with variations in built form, shape and colour;*
- (j) *development maintains a high level of residential amenity having regard to traffic, noise, dust, odour, lighting and other locally specific impacts;*
- (k) *new residential developments are not located in proximity to existing incompatible uses such as rural uses, industrial uses and major community facilities without separation distances, landscaping and screening that minimise impacts on amenity in relation to noise, odour, dust, light, loss of privacy or other adverse impacts;*
- (l) *new residential developments are located and integrated with existing neighbourhoods;*
- (m) *development is sited and designed to respond to the region's climate (sustainable practices for maximising energy efficiency, water conservation and public/active transport use), local heritage features, natural landscape features and environmental constraints;*
- (n) *development provides connection to pathways, cycle ways, roads and public transport infrastructure commensurate with the needs of the use;*
- (o) *development is serviced by infrastructure that is commensurate with the needs of the use; and*
- (p) *the establishment of one (1) precinct within the zone where particular requirements are identified:*
 - (i) [Fitzroy River accommodation precinct](#); and
 - (ii) [Residential stables precinct](#).

Complies - This application is consistent with the overall outcomes for the Zone as it provides lots that are capable of accommodating future uses that are consistent in the zone (i.e. dwelling houses).

Rockhampton Regional Planning Scheme Codes

The following codes are applicable to this application:

- Low Density Residential Zone Code;
- Access, Parking And Transport Code;
- Filling and Excavation Code;
- Landscape Code;
- Reconfiguring a Lot Code;
- Stormwater Management Code; and
- Water and Sewer Code.
- Biodiversity Overlay Code
- Coastal Protection Overlay Code
- Flood Hazard Overlay Code
- Steep Land Overlay Code.

An assessment has been made against the requirements of the abovementioned codes and the proposed development generally complies with the relevant Performance Outcomes and Acceptable Outcomes. An assessment of the Performance Outcome/s which the application is in conflict with, is outlined below:

Access, Parking and Transport Code		
Performance Outcome/s		Officer's Response
PO3	<p>Access driveways are designed and constructed so as to:</p> <ul style="list-style-type: none"> (a) enable safe and functional vehicular access from the street to the property; and (b) not cause a change in the level of a footpath. 	<p>The proposed development does not comply with AO3.1 as the access driveway to the two rear lots does not meet the design specifications for driveways contained in the <i>Capricorn Municipal Development Guidelines</i>. Specifically, the design specifications do not allow multiple lots to utilise a single driveway.</p> <p>However, the vehicle movements associated with two rear lots are unlikely to compromise the safety or efficiency of the local road network. The number and type of vehicle movements would be similar to a dual occupancy use with a single vehicle crossover, which is not an uncommon scenario.</p>

Reconfiguring a Lot Code		
Performance Outcome/s		Officer's Response
PO8	<p>Rear lots are only created where:</p> <ul style="list-style-type: none"> (a) the lots are not to prejudice future subdivisions or development of adjoining land; (b) it is not practicable for the <u>site</u> to be reconfigured so that all lots have full <u>frontage</u> to the road; (c) the siting of buildings is not likely to be detrimental to the use and amenity of the surrounding area; (d) sufficient width is provided for access for the use of the lot; and (e) infrastructure services to the lot can be easily constructed, monitored and maintained. 	<p>The proposed development does not comply with AO8.4 as the driveway length to the two rear lots exceed 40 metres. The length of the proposed driveway from Water Street is approximately 45 metres to Lot 14 and 65 metres to Lot 15.</p> <p>However, the width of the access and services easement (six metres within Lot 1 and seven metres within Lot 14) allows a five metre carriageway, which is considered suitable to allow two-way vehicle movements within the site and to the proposed lots. Conditions of approval have been recommended to this effect.</p>

Flood Hazard Overlay Code		
Performance Outcome/s		Officer's Response
PO14	Development does not result in the creation of additional lots.	<p>The proposed development does not comply with AO14 because it results in the creation of an additional lot within the Flood Hazard Overlay. The Flood Hazard Overlay affects an approximate 1,900m² area at the rear of lots 14 and 15.</p> <p>The proposed development also does not comply with Overall Outcome (2) (f) of the Flood Hazard Overlay Code because it results in the creation of additional lots in the Flood Hazard Overlay.</p> <p>However, the proposed development is considered to comply with the Strategic Framework as it relates to the 'Natural environment and hazards' theme and in particular the specific outcomes 'Natural hazards and climate change' element, which seeks to ensure the flood risk is managed in new development. Only part of the two rear lots is mapped as being affected by the flood hazard overlay and the developable area of each lot exceeds 750m². A condition of approval has also been recommended requiring a drainage easement over the extent of the Flood Hazard Overlay. The drainage easement will ensure no further development occurs within the flood hazard areas.</p> <p>On this basis, it is considered that there is no increased risk to people or property from flooding as a result of the proposed subdivision.</p>

Coastal Protection Overlay Code		
Performance Outcome/s		Officer's Response
PO14	Development does not result in the creation of additional lots in areas subject to coastal hazards.	<p>The proposed development does not comply with AO14 because it results in the creation of an additional lot within the Coastal Protection Overlay. The eastern boundary of proposed lots 14 and 15, being the bank of Frenchmans Creek, is mapped as being a Medium Hazard area.</p> <p>However, the proposed development does comply with the Overall Outcomes of the Coastal Protection Overlay Code. Specifically, Overall Outcome (b) because future development on lots 14 and 15 are able to avoid the coastal hazard risk. The Coastal Overlay affects those parts of lots</p>

		14 and 15 contained within the drainage easement. Future dwelling houses within the resulting lots will be well separated from the hazard area.
--	--	---

Based on a performance assessment of the abovementioned codes, it is determined that the proposal is acceptable and generally complies with the relevant Performance Outcomes and where there is deviation from the codes, sufficient justification has been provided.

INFRASTRUCTURE CHARGES

Adopted Infrastructure Charges Resolution (No. 5) 2015 for Reconfiguring a Lot applies to the application and it falls within Charge Area 1. The Infrastructure Charges are as follows:

Column 1 Charge Area	Column 2 Infrastructure Charge (\$/lot)	Column 3 Unit	Calculated Charge
Charge Area 1	21,000	per lot	\$63,000.00
Charge Area 2	12,000	per lot	
Charge Area 3	7,000	per lot	
Total			\$63,000.00
Less credit			\$42,000.00
TOTAL CHARGE			\$21,000.00

This is based on the following calculations:

- (a) A charge of \$21,000.00 each for three (3) new allotments; and
- (b) An Infrastructure Credit of \$42,000.00, made up as follows:
 - (i) \$42,000.00 - Infrastructure Credit applicable for the existing two (2) lots.

Therefore, a total charge of \$21,000.00 is payable and will be reflected in an Infrastructure Charges Notice for the development.

CONSULTATION

The proposal was the subject of public notification between 24 September and 20 October 2021, in accordance with the requirements of the *Planning Act 2016* and the Development Assessment Rules, and no submissions were received.

REFERRALS

Nil.

CONCLUSION

THAT the proposed development is not anticipated to compromise the Strategic Framework of *Rockhampton Region Planning Scheme 2015*. Furthermore, the proposal generally complies with the provisions included in the applicable codes. The proposal is therefore, recommended for approval in accordance with the approved plans and subject to the conditions outlined in the recommendation.

**D/109-2021 - DEVELOPMENT
APPLICATION FOR RECONFIGURING
A LOT (TWO LOTS INTO THREE LOTS)
AND ACCESS EASEMENTS**

Locality Plan

Meeting Date: 9 November 2021

Attachment No: 1

D/109-2021 - Locality Plan



A4 Page scale at 1: 1,490.75
Printed from GeoCortex on 25/10/2021



Copyright protects this publication. Reproduction by whatever means is prohibited without prior written permission of the Chief Executive Officer, Rockhampton Regional Council. Rockhampton Regional Council will not be held liable under any circumstances in connection with or arising out of the use of this data nor does it warrant that the data is error free. Any queries should be directed to the Customer Service Centre, Rockhampton Regional Council or telephone 1300 22 55 77. The Digital Cadastral DataBase is current as at October 2021. © The State Government of Queensland (Department of Natural Resources and Mines) 2021. All other data © Rockhampton Regional Council 2021. This map is a user generated static output from an Internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.

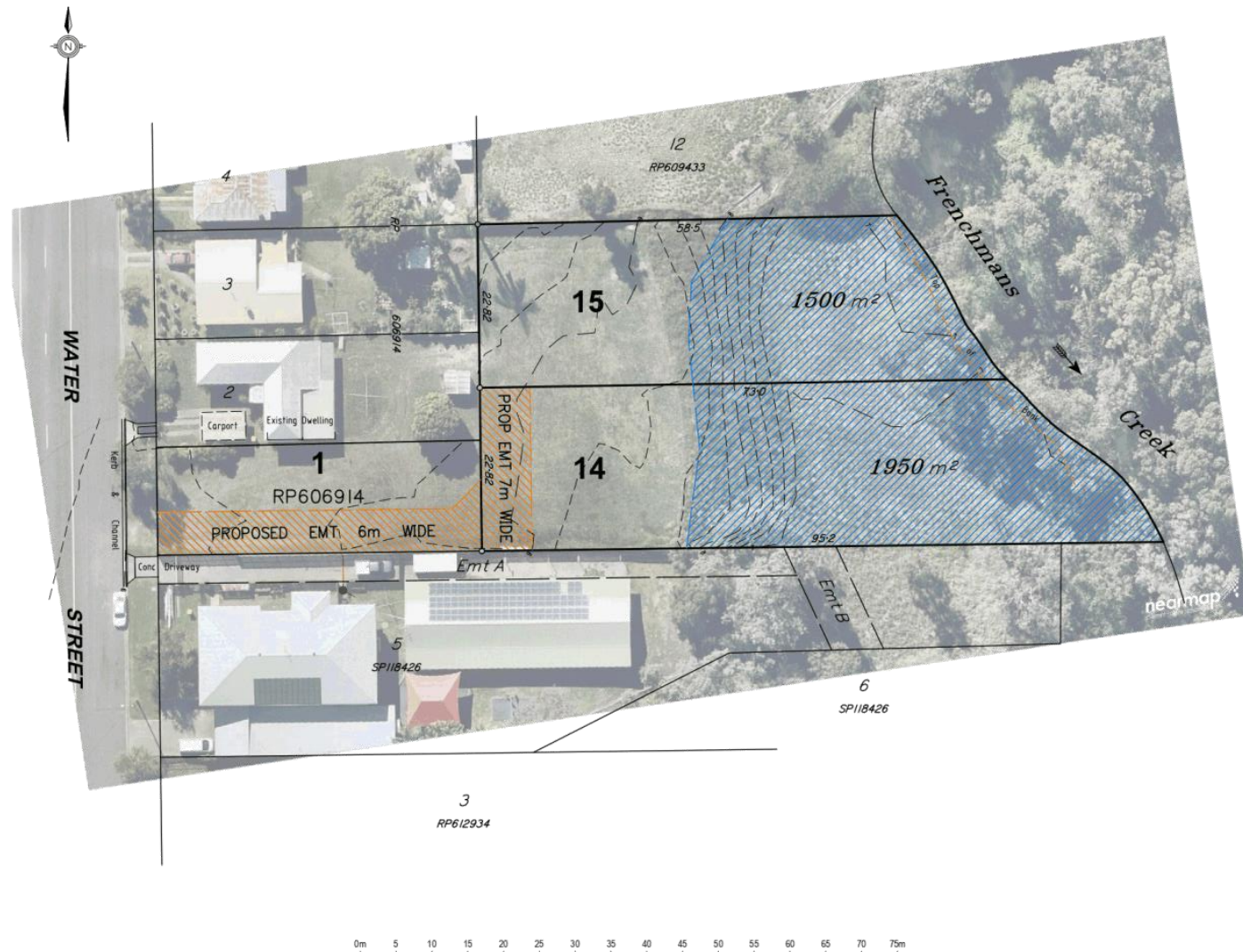


**D/109-2021 - DEVELOPMENT
APPLICATION FOR RECONFIGURING
A LOT (TWO LOTS INTO THREE LOTS)
AND ACCESS EASEMENTS**

Reconfiguration Plan

Meeting Date: 9 November 2021

Attachment No: 2



Denotes Proposed Easements For Drainage

Denotes Proposed Easements For Access & Services

IMPORTANT NOTE

This plan was prepared to accompany an application to Rockhampton Regional Council and should not be used for any other purpose.

The dimensions and areas shown hereon are subject to field survey and also to the requirements of council and any other authority which may have requirements under any relevant legislation.

In particular, no reliance should be placed on the information on this plan for any financial dealings involving the land.

This note is an integral part of this plan.

client

A. Hopkins

project

106 Water Street,
Berserker

plan of

Reconfiguration Plan
(1 Lot into 2 Lots + Easements)
with Ortho Underlay

gd

Lot 13 on RP609433
(1 Lot into 2 Lots + Easements)
Lot 1 on RP606914
(Proposed Access Easement)

by

Rockhampton Regional Council

date	description	status	author
15/09/2021	Prop layout amended - 1 into 2 lots + Easements	RP/RF	RP/RF

created

capricornsurveygroup.co
SURVEYING & PLANNING SOLUTIONS

scale

1:500 @ A3 AHD 0.25m Contours

sheet no.

1 of 1 8226-03-ROL-B

plan no.

8226-03-ROL B

9.5 ADOPTED INFRASTRUCTURE CHARGES RESOLUTION

File No: 11344
Attachments: 1. Prescribed Maximum Charges [↓](#)
Authorising Officer: Cameron Wyatt - Coordinator Strategic Planning
Angus Russell - Manager Strategy and Planning
Ross Cheesman - Acting Chief Executive Officer
Author: Alyce James - Strategic Planner

SUMMARY

This report discusses a number of options and makes recommendations to guide drafting of a new Adopted Infrastructure Charges Resolution.

OFFICER'S RECOMMENDATION

THAT Council endorse the following as the basis for drafting of a new Adopted Infrastructure Charges Resolution:

1. Increasing Infrastructure Charges to the Prescribed Cap for all use categories with the exception of dual occupancy and multiple dwellings with these uses to be set at 60% of the Prescribed Cap;
2. Having a single charge area across the Local Government Area;
3. Incorporating indexation of Infrastructure Charges between the date levied and the date paid;
4. Setting 1 July 2022 as the commencement date for the new Adopted Infrastructure Charges Resolution;
5. Developing a new Development Incentives Policy with a 15% discount to the proposed infrastructure charges from 1 July 2022 to 30 June 2023; and
6. Continuing the current *Reconfiguration of a Lot Incentives Policy* that allows developers the option of deferring the payment of the infrastructure charges until the ownership of the lot is transferred or within two years of a new title being created.

COMMENTARY

The purpose of this report is to guide subsequent drafting of a new Adopted Infrastructure Charges Resolution (AICR). Once drafted, the new AICR and any related development incentives policies will be presented to Council for consideration and adoption. To avoid ambiguity, this report and recommendation do not set infrastructure charges or related matters including development incentives.

Council's current infrastructure charges are set by the *Adopted Infrastructure Charges Resolution No.5* which has been in force since 28 September 2015. Council officers have identified a need to prepare an updated AICR based on the following:

- a) The overall cost of providing development infrastructure;
- b) Escalation of costs and the absence of any increase of charges since 2011;
- c) Alignment with the *Planning Act 2016*; and,
- d) An external legal review of Council's current charges resolution.

Based on the above drivers, a range of potential changes to the AICR are discussed in the following sections. The areas specifically discussed include the infrastructure charge amounts, charge areas, indexation of charges, transitional arrangements and development incentives.

1. Infrastructure Charge Amounts

The introduction of maximum capped infrastructure charges occurred through changes to State planning legislation in 2011. To date, Council has adopted infrastructure charges which are less than the maximum prescribed by the State Government with the aim of attracting and incentivising new development. Council has not increased or indexed the infrastructure charges since they were first set in 2011.

For context, the current charge for a new residential lot is \$21,000. If the annual Producer Price Index (PPI) had been applied to the infrastructure charges, the charge payable today would be \$24,995.12.

Current charges do not cover the full cost of trunk infrastructure that is required to support development. The charges are relatively low in comparison with other Council's and are less than the State prescribed maximum as outlined in Schedule 16 of the *Planning Regulation 2017* (Attachment 1). It is noted that even the State's prescribed maximum charge falls well short of the actual costs of trunk infrastructure.

Table 1 below shows a comparison of the estimated full cost of trunk infrastructure, the current prescribed maximum charge and Council's current charge with and without indexation on a new residential lot scenario.

Table 1: Comparison of Residential lot scenario – shown as dollars per lot

Full Cost of Trunk Infrastructure	Prescribed Amount (maximum charge)	Council's Current Charge	Current charge if indexation applied (2011 to 2021)
\$70,609	\$30,677.65	\$21,000	\$24,995.12

It is clear from benchmarking that a number of local governments have moved to be at or near the maximum allowable infrastructure charges, as a mechanism for recouping a greater proportion of the costs associated with the delivery of infrastructure to support growth and development. Some of the local governments in Queensland that have adopted the maximum charge, include:

- Cairns Regional Council;
- Mackay Regional Council;
- Sunshine Coast Regional Council;
- Toowoomba Regional Council; and
- Townsville City Council.

Notes:

- *The above is not an exhaustive list, only certain local governments with larger population bases were compared in the benchmarking process.*
- *It is important to note that there may be marginal variances of 5% or less from the maximum charge based on when the other local governments adopted their Charges Resolution.*

It is recommended that Council consider Option 1 outlined in Table 2 below and increase the infrastructure charges to the current prescribed maximum charge as set by the State Government. It is further recommended that 'Dual Occupancy' and 'Multiple Dwellings' have a reduced charge rate of 60% of the maximum charge. This approach seeks to encourage and support infill and higher density development where the costs of servicing development are inherently less than low density greenfield development.

Table 2: Options and Considerations for Charge Amounts

Option	Description
Option 1 Maximum Charge	<ul style="list-style-type: none"> • Increase the adopted infrastructure charges to reflect the current prescribed maximum charges set by the State Government for all development types and land uses, except for dual occupancy and multiple dwellings. • For dual occupancy and multiple dwellings – charge 60% of the current prescribed maximum charge to encourage infill and

	<p>higher density development.</p> <ul style="list-style-type: none"> Approximately \$2.9M pa revenue increase (based on an estimated average 320 lots pa)
Option 2 Future increase to maximum charge	<ul style="list-style-type: none"> Increase residential lot charges by \$4,500 to \$25,500 Apply a proportionate increase across all use categories (21.42% increase) Future increase to the prescribed cap across all use categories twelve months later (via a subsequent AICR amendment) Approximately \$1.4M pa revenue increasing to \$2.9M pa (at 320 lots pa)
Option 3 Nominal increase	<ul style="list-style-type: none"> Increase residential lot charges by \$4,500 to \$25,500 Apply a proportionate increase across all use categories (21.42% increase) Approximately \$1.4M pa revenue increase (at 320 lots pa)
Option 4 Nominal staged increases	<ul style="list-style-type: none"> Staged Increases of residential lot charges, for example, \$2,500 and \$2,000 to \$25,500 Apply a proportionate increases across all use categories Two or more separate amendments to the AICR over time Approximately \$0.8M to \$1.4M pa revenue increase based on the example provided (at 320 lots pa)

2. Charge Areas

The current AICR identifies three “charge areas” with different charge rates in each. Broadly, this means that rural areas (Charge Area 3) are subject to lower charges than urban areas. Charge Area 2 generally reflects the Rockhampton CBD and residential uses are currently subject to lower charge rates to encourage infill and higher density development and support CBD revitalisation efforts.

As an alternative approach, it is recommended that Council consider Option 1 as outlined in Table 3 below, and consider uniform charge rates across the local government area. The key driver for this approach would be to maximise revenue for Council and better reflect the costs of providing trunk infrastructure.

Table 3: Options and Considerations for Charge Areas

Option	Description
Option 1 Single Charge Area	This option maximises revenue and discourages development outside of the serviced urban footprint and discourages rural subdivision.
Option 2 Multiple Charge Areas	This option is more equitable for rural landholders but reduces revenue.

3. Indexation of Charges

Under the *Planning Act 2016*, Council can automatically increase the charges from the date the infrastructure charge is levied to the time the charge is paid using the Producer Price Index (PPI). However, the infrastructure charge payable is not to exceed the maximum adopted charge as set by the State.

Council does not currently applied any indexation to charges. It is recommended that Council include this provision in the new AICR to account for cost escalation over time.

4. Transitional Arrangement

Under the *Planning Act 2016*, Council is only able to have a single Charges Resolution in effect at any given time. This means that if a developer has made a development application before the AICR commences, but their development is decided after the resolution commences, they will be subject to charges under the new AICR, rather than the resolution applying when they made their development application.

It is therefore, recommended that Council consider Option 1 as outlined in Table 4 below, and include a future commencement date to allow sufficient time to publicly communicate the details of the new Charges Resolution. A future commencement date may also provide an incentive to bring forward development.

Table 4: Options and Considerations for Transitional Arrangements

Option	Description
Option 1 Future commencement date	Include a future commencement date in the Charges Resolution and consider transitional arrangements via development incentives. (Developers would still be able to seek to negotiate and enter into an Infrastructure Agreement.)
Option 2 Include transitional arrangements	Include transitional arrangements in the Charges Resolution, for example, applications made before commencement will apply the previous rates (Developers would still be able to enter into an Infrastructure Agreement)

5. Development Incentives

If Council considers increasing infrastructure charges to the Prescribed Cap, it is recommended that a short-term discount policy is provided to all developments within the first twelve months after commencement of the new AICR. The aim of this is to provide a transitional arrangement outside of the AICR to mitigate the short term impacts of increased charges and potentially bring forward development to capitalise on this incentive.

The following development incentives would be proposed in conjunction with the new AICR:

- All Development Applications – granting a 15% discount on the new charges from 1 July 2022 to 30 June 2023 (equating to a new lot charge of \$26,076); and,
- Reconfiguring a Lot applications - continue the current *Reconfiguring of a Lot Development Incentives Policy* that allows up to 2 years deferral of payment.

It is noted that the current *Development Incentives Policy – 1 January 2021 to 31 December 2021* is due to lapse on 31 December 2021 and a review is currently underway by Advance Rockhampton.

BACKGROUND

Infrastructure charges are levied on new development approvals. Those charges are made via an AICR and informed by Council's *Local Government Infrastructure Plan* (LGIP), *Plans for Trunk Infrastructure* (PFTI) and *Schedule of Works* (SOW) that form part of the Planning Scheme.

Since adoption of the current infrastructure charges regime in 2011, Council has updated the resolution on five occasions to reflect legislative changes and commencement of the current *Rockhampton Region Planning Scheme* and *Local Government Infrastructure Plan*. The infrastructure charges amounts have not been increased since 2011.

BUDGET IMPLICATIONS

The legal review and drafting of the AICR is currently funded in Council's operational budget. Any changes to the AICR infrastructure charge rates, associated transitional arrangements and development incentives policies will affect Council's revenue and its ability to fund trunk infrastructure delivery.

LEGISLATIVE CONTEXT

The revised Adopted Infrastructure Charges Resolution must properly reflect the *Planning Act 2016*.

STAFFING IMPLICATIONS

The proposed basis for drafting a new AICR and subsequent AICR and associated Development Incentives Policy may lead to an increase in development applications and increased demand on the Development Assessment and Development Engineering teams.

RISK ASSESSMENT

There has been no formal risk assessment, however, the report aims to balance objectives and risks associated with growth and development in the region and Council's long term financial sustainability.

CORPORATE/OPERATIONAL PLAN

The report aim to align with the following Corporate Plan outcomes:

- 1.1 Safe, accessible, reliable and sustainable infrastructure and facilities; and,
- 5.3 Financially sustainable organisation.

CONCLUSION

It is proposed that a new AICR be drafted on the following basis with a subsequent report to Council for formal consideration and adoption of the AICR and any associated Development Incentives Policy.

1. Increasing Infrastructure Charges to the Prescribed Cap for all use categories with the exception of dual occupancy and multiple dwellings with these uses to be set at 60% of the cap;
2. Having a single charge area across the Local Government Area;
3. Incorporating indexation of Infrastructure Charges between the date levied and the date paid;
4. Setting 1 July 2022 as the commencement date for the new Adopted Infrastructure Charges Resolution;
5. Developing a new Development Incentives Policy with a 15% discount to the proposed infrastructure charges from 1 July 2022 to 30 June 2023; and
6. Continuing the current *Reconfiguration of a Lot Incentives Policy* that allows developers the option of deferring the payment of the infrastructure charges until the ownership of the lot is transferred or within two years of a new title being created.

By way of demonstration, and subject to subsequent adoption of a new AICR, these proposed changes would indicatively result in the following infrastructure charge increases for selected uses.

Key Use Categories	Current Charge	Proposed Charge	Discounted Charge
Reconfiguring a Lot	\$21,000	\$30,677.65	\$26,076.00
Multiple Dwellings (3 or more bedrooms)	\$12,000	\$18,406.59	\$15,645.60
Bulky Goods/Office	\$119*	\$153.40*	\$130.39*
Retail	\$153*	\$197.20*	\$167.62*
Low/Medium Impact Industry	\$42.50*	\$54.80*	\$46.58*

* for each square metre of GFA

ADOPTED INFRASTRUCTURE CHARGES RESOLUTION

Prescribed Maximum Charges

Meeting Date: 9 November 2021

Attachment No: 1

Planning Regulation 2017

Schedule 16

Schedule 16 Prescribed amount

section 52

Notes—

- 1 This schedule was inserted by amending legislation that commenced on 1 July 2021.
- 2 See also section 112(2) of the Act.

Table 1—Prescribed amount	
Column 1	Column 2
Use	Prescribed amount
Residential uses	
1 Dwelling house	1 \$21,912.60 for each dwelling with 2 or less bedrooms
2 Dual occupancy	2 \$30,677.65 for each dwelling with 3 or more bedrooms
3 Caretaker's accommodation	
4 Multiple dwelling	
Accommodation (short-term)	
1 Tourist park	1 If the tourist park has tent or caravan sites— (a) \$10,956.25 for each group of 2 sites or less (b) \$15,338.75 for each group of 3 sites 2 If the tourist park has cabins— (a) \$10,956.25 for each cabin with 2 or less bedrooms (b) \$15,338.75 for each cabin with 3 or more bedrooms
2 Hotel	1 \$10,956.25 for each suite with 2 or less bedrooms
3 Short-term accommodation	2 \$15,338.75 for each suite with 3 or more bedrooms
4 Resort complex	3 \$10,956.25 for each bedroom that is not part of a suite

Current as at 27 September 2021

Page 349

Authorised by the Parliamentary Counsel

Planning Regulation 2017

Schedule 16

Table 1—Prescribed amount	
Column 1	Column 2
Use	Prescribed amount
Accommodation (long-term)	
1 Relocatable home park	1 \$21,912.60 for each relocatable dwelling site for 2 or less bedrooms 2 \$30,677.65 for each relocatable dwelling site for 3 or more bedrooms
2 Community residence	1 \$21,912.60 for each suite with 2 or less bedrooms
3 Retirement facility	2 \$30,677.65 for each suite with 3 or more bedrooms
4 Rooming accommodation	3 \$21,912.60 for each bedroom that is not part of a suite
Places of assembly	
1 Club	1 \$76.75 for each square metre of gross floor area
2 Community use	2 \$10.95 for each square metre impervious to stormwater
3 Function facility	
4 Funeral parlour	
5 Place of worship	
Commercial (bulk goods)	
1 Agricultural supplies store	1 \$153.40 for each square metre of gross floor area
2 Bulk landscape supplies	2 \$10.95 for each square metre impervious to stormwater
3 Garden centre	
4 Hardware and trade supplies	
5 Outdoor sales	
6 Showroom	
Commercial (retail)	

Planning Regulation 2017

Schedule 16

Table 1—Prescribed amount	
Column 1	Column 2
Use	Prescribed amount
1 Adult store 2 Food and drink outlet 3 Service industry 4 Service station 5 Shop 6 Shopping centre	1 \$197.20 for each square metre of gross floor area 2 \$10.95 for each square metre impervious to stormwater
Commercial (office)	
1 Office 2 Sales office	1 \$153.40 for each square metre of gross floor area 2 \$10.95 for each square metre impervious to stormwater
Educational facility	
1 Childcare centre 2 Community care centre 3 Educational establishment	1 \$153.40 for each square metre of gross floor area 2 \$10.95 for each square metre impervious to stormwater
Entertainment	
1 Hotel 2 Nightclub entertainment facility 3 Theatre 4 Resort complex	1 \$219.10 for each square metre of gross floor area, other than areas for providing accommodation 2 \$10.95 for each square metre impervious to stormwater
Indoor sport and recreation	
1 Indoor sport and recreation	1 \$219.10 for each square metre of gross floor area, other than court areas 2 \$21.85 for each square metre of gross floor area that is a court area 3 \$10.95 for each square metre impervious to stormwater

Current as at 27 September 2021

Page 351

Authorised by the Parliamentary Counsel

Planning Regulation 2017

Schedule 16

Table 1—Prescribed amount		
Column 1		Column 2
Use		Prescribed amount
High impact industry or special industry		
1	High impact industry	1 \$76.75 for each square metre of gross floor area
2	Special industry	2 \$10.95 for each square metre impervious to stormwater
Other industry		
1	Low impact industry	1 \$54.80 for each square metre of gross floor area
2	Medium impact industry	2 \$10.95 for each square metre impervious to stormwater
3	Research and technology industry	
4	Rural industry	
5	Warehouse	
6	Marine industry	
High impact rural		
1	Cultivating, in a confined area, aquatic animals or plants for sale	1 \$21.85 for each square metre of gross floor area
2	Intensive animal industry	
3	Intensive horticulture	
4	Wholesale nursery	
5	Winery	
Low impact rural		
1	Animal husbandry	Nil
2	Cropping	
3	Permanent plantation	
4	Wind farm	
Essential services		

Planning Regulation 2017

Schedule 16

Table 1—Prescribed amount	
Column 1	Column 2
Use	Prescribed amount
1 Correctional facility	1 \$153.40 for each square metre of gross floor area 2 \$10.95 for each square metre impervious to stormwater
2 Emergency services	
3 Health care service	
4 Hospital	
5 Residential care facility	
6 Veterinary service	
Minor uses	
1 Advertising device	Nil
2 Cemetery	
3 Home-based business	
4 Landing	
5 Market	
6 Outdoor lighting	
7 Park	
8 Roadside stall	
9 Telecommunications facility	
10 Temporary use	
Other uses	

Current as at 27 September 2021

Page 353

Authorised by the Parliamentary Counsel

Planning Regulation 2017

Schedule 16

Table 1—Prescribed amount	
Column 1	Column 2
Use	Prescribed amount
1 Air service	The prescribed amount for another similar use listed in column 1 (other than in this row) that the local government or distributor-retailer decides to apply to the use
2 Animal keeping	
3 Car park	
4 Crematorium	
5 Extractive industry	
6 Major sport, recreation and entertainment facility	
7 Motor sport facility	
8 Non-resident workforce accommodation	
9 Outdoor sport and recreation	
10 Port service	
11 Tourist attraction	
12 Utility installation	
13 Any other use not listed in column 1, including a use that is unknown	

**9.6 ROCKHAMPTON REGION PLANNING SCHEME - MAJOR AMENDMENT
VERSION 3****File No:** RRPS-PRO-2021/002-01-06**Attachments:** 1. Due to size of documentation, supporting information is provided separately via this link:

<https://rockhamptonregion.sharefile.com/d-sbd2428a15e084720b84292c1a7a35327>

Authorising Officer: Cameron Wyatt - Coordinator Strategic Planning
Angus Russell - Manager Strategy and Planning
Ross Cheesman - Acting Chief Executive Officer**Author:** Alyce James - Strategic Planner

SUMMARY

This report seeks approval from Council to submit major amendment version 3 to the Rockhampton Region Planning Scheme to the Minister for State Development, Infrastructure, Local Government and Planning to undertake a State interest review.

OFFICER'S RECOMMENDATION

1. THAT Council prepares a major amendment to the Rockhampton Region Planning Scheme (version 3) in accordance with section 20 of the *Planning Act 2016* and *Minister's Guidelines and Rules*; and
2. THAT Council provides a written statement for the amendment, to the Minister advising that a major amendment has commenced, including the nature and details of the changes.

COMMENTARY

To ensure the Rockhampton Region Planning Scheme continues to accurately reflect the community's expectations and needs, whilst enhancing growth opportunities and avoiding risk associated with natural hazards, major amendments to the planning scheme are proposed.

The process of amending a Planning Scheme is a normal and necessary part of maintaining the integrity of Council's planning framework and something that most local governments undertake periodically. This process seeks to improve the clarity of the Planning Scheme and to deliver good development outcomes through development assessment.

In accordance with the *Planning Act 2016*, major amendments are amendments that result in a change to the policy direction and are not minor amendments or administrative amendments. Council is required to undertake public notification and the Minister is responsible for approving the adoption of the major amendments.

The major changes to the planning scheme for 'version 3' include:

- Update the residential designations based on the anticipated population growth. Three parcels of land designated as 'Future Urban' in the Strategic Framework and Emerging Community in the zone framework and are proposed to be changed to 'New Urban' and 'Low Density Residential' zone;
- Allow home-based business in Industry zones for existing houses;
- Provide further clarification to the Industrial use definitions by adding the industry thresholds to the definitions;
- Amend subdivision provisions to align with the mandatory State regulations;

- Include North Rockhampton Flood Management Area (NRFMA) Stage 2 (temporary flood barriers);
- Amend inconsistencies in regard to interpretation of the Planning Scheme; and
- Zone and Overlay mapping changes.

A full register of the proposed changes are outlined in the State Submission Report (refer to supporting information).

Major Amendment Process

In accordance with the Minister's Guidelines and Rules, Council must submit the following information to the State:

- 1) letter to the Minister requesting a state interest review of the proposed major amendment;
- 2) a written statement (State interest report) outlining how the proposed major amendment reflects all relevant State Planning Instruments; and
- 3) additional information such as community engagement strategy, register of changes and reports that informed the preparation of the major amendment.

Once a response has been received from the State Government, further consultation will be undertaken with Councilors prior to the contents of the draft planning scheme being publicly released via the formal public consultation process. The public consultation process must be undertaken for a minimum of twenty (20) business days.

A draft communication strategy has been included in the supporting information and provides an outline of the public consultation process and the activities. Prior to releasing any information publicly regarding these amendments, a further report will be submitted to Council, following the State interest review process, seeking adoption of the final community engagement plan.

BUDGET IMPLICATIONS

The cost associated with public consultation is currently funded in Council's 2021-22 Operational Budget.

LEGAL IMPLICATIONS

The process for undertaking a major amendment to the planning scheme is detailed under section 20 of the *Planning Act 2016* and chapter 2 *Minister's Guidelines and Rules*.

CORPORATE/OPERATIONAL PLAN

The amendments to the planning scheme align with the ***Operational Plan 2021–22*** Action 4.4.1 – Amend the Rockhampton Region Planning Scheme as required to achieve Council's policy objectives and outcomes.

CONCLUSION

The proposed major amendments to the Rockhampton Region Planning Scheme (version 3) are presented to Council along with recommendations to commence the amendments and provide a written statement to the Minister of State Development, Infrastructure, Local Government and Planning.

**9.7 ROCKHAMPTON REGION PLANNING SCHEME - MAJOR AMENDMENT
VERSION 4****File No:** RRPS-PRO-2021/002-01-06**Attachments:** 1. Due to size of documentation, supporting information is provided separately via this link:

<https://rockhamptonregion.sharefile.com/d-sbd2428a15e084720b84292c1a7a35327>

Authorising Officer: Cameron Wyatt - Coordinator Strategic Planning
Angus Russell - Manager Strategy and Planning
Ross Cheesman - Acting Chief Executive Officer**Author:** Alyce James - Strategic Planner

SUMMARY

This report seeks approval from Council to submit major amendment versions 4.1, 4.2, 4.3 and 4.4 to the Rockhampton Region Planning Scheme to the Minister for State Development, Infrastructure, Local Government and Planning to undertake a State interest review.

OFFICER'S RECOMMENDATION

1. THAT Council prepares major amendments to the Rockhampton Region Planning Scheme (versions 4.1, 4.2, 4.3 and 4.4) in accordance with section 20 of the *Planning Act 2016* and *Minister's Guidelines and Rules*; and
2. THAT Council provides a written statement for each amendment, to the Minister advising that a major amendment has commenced, including the nature and details of the changes.

COMMENTARY

To ensure the Rockhampton Region Planning Scheme continues to accurately reflect the community's expectations and needs, whilst enhancing growth opportunities and avoiding risk associated with natural hazards, major amendments to the planning scheme are proposed.

The process of amending a Planning Scheme is a normal and necessary part of maintaining the integrity of Council's planning framework and something that most local governments undertake periodically. This process seeks to improve the clarity of the Planning Scheme and to deliver good development outcomes through development assessment.

In accordance with the *Planning Act 2016*, major amendments are amendments that result in a change to the policy direction and are not minor amendments or administrative amendments. Council is required to undertake public notification and the Minister is responsible for approving the adoption of the major amendments.

The proposed major amendments (versions 4.1, 4.2, 4.3 and 4.4) have been outlined below.

Major Amendment versions 4.1, 4.2, 4.3 and 4.4

Council, as part of its on-going commitment to the Rockhampton Regional Council Flood Management Strategy, has completed several flood studies to improve its current flood information and understanding of existing flood risks in the Rockhampton region. A key component of this work has involved updating several flood studies, and undertaking new flood studies within the region.

The outcomes from these studies provide Council with a better understanding of local catchment flood behavior, flood risk, and vulnerability, to assist with the development of flood mitigation options and inform future natural hazard overlays for associated development controls. The flood studies also provide information to assist in emergency management planning.

These studies were presented at a Councillor workshop on 15 September 2020. They are currently already available to the community via Council's website and further consultation with the community will occur through the major amendment public consultation process.

As a result of new information, it is proposed that Council submits major amendments to the Rockhampton Region Planning Scheme to incorporate the updated flood studies for the Fitzroy River, Moores Creek, Splitters Creek, Limestone Creek, Ramsay Creek, South Rockhampton Catchment, Wandal and West Rockhampton Catchment, and, Gracemere catchments. The amendments are also proposed to incorporate the Mount Morgan Local Catchment flood study and updated flood hazard profiling (i.e. from 4 hazard categories to 6 hazard categories, and the subsequent categorisation into Planning Area 1 and 2).

The following changes to the flood hazard overlay mapping are required:

- Updated Fitzroy River Flood Overlay Map OM-8A; and
- Updated Local Catchment Flood Overlay Map OM-8C.

To ensure there are no delays during the State Interest Review, the amendment to include flood catchment overlays will be separated into four amendments that will be lodged to the State Government as identified below:

- Major Amendment version 4.1 – North Rockhampton and Fitzroy River;
- Major Amendment version 4.2 – South Rockhampton;
- Major Amendment version 4.3 – Gracemere; and
- Major Amendment version 4.4 – Mount Morgan.

Major Amendment Process

In accordance with the Minister's Guidelines and Rules, Council must submit the following information to the State:

- 1) letter to the Minister requesting a state interest review of the proposed major amendment;
- 2) a written statement (State interest report) outlining how the proposed major amendment reflects all relevant State Planning Instruments; and
- 3) additional information such as community engagement strategy, register of changes and reports that informed the preparation of the major amendment.

Once a response has been received from the State Government, further consultation will be undertaken with Councilor's prior to the contents of the draft planning scheme being publicly released via the formal public consultation process. The public consultation process must be undertaken for a minimum of twenty (20) business days.

A draft communication strategy has been included in the supporting information and provides an outline of the public consultation process and the activities. Prior to releasing any information publicly regarding these amendments, a further report will be submitted to Council, following the State interest review process, seeking adoption of the final community engagement plan.

BUDGET IMPLICATIONS

The cost associated with public consultation is currently funded in Council's 2021-22 Operational Budget.

LEGAL IMPLICATIONS

The process for undertaking a major amendment to the planning scheme is detailed under section 20 of the *Planning Act 2016* and chapter 2 *Minister's Guidelines and Rules*.

CORPORATE/OPERATIONAL PLAN

The amendments to the planning scheme align with the ***Operational Plan 2021–22*** Action 4.4.1 – Amend the Rockhampton Region Planning Scheme as required to achieve Council's policy objectives and outcomes.

CONCLUSION

The proposed major amendments to the Rockhampton Region Planning Scheme (versions 4.1, 4.2, 4.3 and 4.4) are presented to Council along with recommendations to commence the amendments and provide a written statement to the Minister of State Development, Infrastructure, Local Government and Planning.

WASTE AND RECYCLING**Councillor Portfolio – Councillor Latcham**

No items for consideration

WATER AND ENVIRONMENTAL SUSTAINABILITY**Councillor Portfolio – Councillor Kirkland**

No items for consideration

BUDGET, GOVERNANCE AND OTHER MATTERS

9.8 SUMMARY BUDGET MANAGEMENT REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2021**File No:** 8148**Attachments:**
1. **Income Statement - September 2021** [↓](#)
2. **Key Indicator Graphs - September 2021** [↓](#)**Authorising Officer:** Ross Cheesman - Deputy Chief Executive Officer**Author:** Marnie Taylor - Chief Financial Officer

SUMMARY

The Chief Financial Officer presenting the Rockhampton Regional Council Summary Budget Management Report for the period ended 30 September 2021.

OFFICER'S RECOMMENDATION

THAT the Rockhampton Regional Council Summary Budget Management Report for the period ended 30 September 2021 be 'received'.

COMMENTARY

The attached financial report and graphs have been compiled from information within Council's TechnologyOne system. The reports presented are as follows:

1. Income Statement (Actuals and Budget for the period 1 July 2021 to 30 September 2021), Attachment 1.
2. Key Indicators Graphs, Attachment 2.

The attached financial statement provides Council's position after the first quarter of the 2021/22 financial year. After the first quarter, results should be approximately 25% of budget.

The following commentary is provided in relation to the Income Statement:

Total Operating Revenue is at 40% of the adopted budget. Key components of this result are:

- Net Rates and Utility Charges are at 46% of budget. Council's rates and utility charges for the first six months of the financial year ending 31 December 2021 have been raised and were due on 1 September 2021.
- Private and recoverable works are at 19% of budget. This is mostly due to the timing of the works to be performed and invoiced.
- Grants and Subsidies are ahead of budget at 31%. Council has received the first quarterly payment for the Financial Assistance Grant for 2021/22 of \$1.1M.
- All other revenue items are in proximity to budget.

Total Operating Expenditure is at 23% of the adopted budget. Key components of this result are:

- Contractors and consultants are at 18%. Professional consultancies and other contractors are below budget due to the timing of works planned during the year. It is expected that as the year progresses these works will be completed and paid.
- Materials and Plant expenses are at 32%. The budget for water carting to Mt Morgan is captured under the Contractors and Consultants account group, whereas the majority of actual expenses are allocated under Materials and Plant. The budget will be amended in the October monthly budget review to realign actuals to budget between the two account groups.
- Administrative expenses are at 19% as the estimated timing for the majority of this account group is later in the financial year for events managed by Community and Culture Units and Advance Rockhampton.
- All other expenditure items are in proximity to budget.

The following commentary is provided in relation to capital income and expenditure, as well as investments and loans:

Total Capital Income is at 28% of the carry over budget and in line with expectations at this stage of the financial year.

Total Capital Expenditure is at 11% of the carry over budget with some major projects yet to fully ramp up. The level of capital expenditure is expected to increase in coming months.

Total Investments are \$114.7M as at 30 September 2021.

Total Loans are \$140.7M as at 30 September 2021.

CONCLUSION

With a quarter of the financial year passed indications are that operational activities are well underway and mainly on track. Total operational revenue is ahead of budget at 40% due to the levying of the General Rates and Utility Charges for the six months ending 31 December 2021.

The capital program saw \$16.9M spent during the first quarter of the financial year and will need to gain momentum over the coming months to deliver the projects budgeted for 2021/22.

SUMMARY BUDGET MANAGEMENT REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2021

Income Statement - September 2021

Meeting Date: 9 November 2021

Attachment No: 1



Income Statement
For Period July 2021 to September 2021
25% of Year Gone

	Adopted Budget	YTD Actual	Commitments	YTD Actuals (inc commitments)	% of Adopted Budget
	\$	\$	\$	\$	
OPERATING					01 03
Revenues					
Net rates and utility charges	(180,931,373)	(73,465,742)	0	(73,465,742)	46% A
Fees and Charges	(27,088,335)	(6,762,267)	0	(6,762,267)	24% A
Private and recoverable works	(8,292,810)	(1,223,572)	0	(1,223,572)	19% A
Rent/Lease Revenue	(3,331,723)	(776,322)	0	(776,322)	23% A
Grants Subsidies & Contributions	(13,907,572)	(4,272,099)	0	(4,272,099)	31% A
Interest revenue	(508,000)	(138,756)	0	(138,756)	27% A
Other Income	(7,197,133)	(1,798,662)	0	(1,798,662)	25% A
Total Revenues	(219,856,946)	(88,437,420)	0	(88,437,420)	40% A
Expenses					
Employee Costs	89,494,925	20,691,955	216,778	20,908,733	23% A
Contractors & Consultants	22,039,536	4,087,968	9,047,955	13,135,921	18% A
Materials & Plant	13,684,577	4,425,268	2,671,853	7,097,121	32% A
Asset Operational	28,072,816	6,328,744	2,150,847	8,479,591	23% A
Administrative expenses	14,536,811	2,828,244	2,433,205	5,261,449	19% A
Depreciation	56,812,137	14,203,228	0	14,203,228	25% A
Finance costs	4,582,740	1,242,005	0	1,242,005	27% A
Other Expenses	1,334,865	361,066	37,064	398,130	27% A
Total Expenses	231,158,406	54,168,475	16,557,702	70,726,177	23% A
Transfer / Overhead Allocation					
Transfer / Overhead Allocation	(9,170,179)	(2,004,212)	0	(2,004,212)	22% A
Total Transfer / Overhead Allocation	(9,170,179)	(2,004,212)	0	(2,004,212)	22% A
TOTAL OPERATING POSITION (SURPLUS)/DEFICIT	2,131,281	(36,273,156)	16,557,702	(19,715,454)	-1702% A
CAPITAL	Carry Over Budget	YTD Actual	Commitments	YTD Actuals (inc commitments)	% of Carry Over Budget
Total Developers Contributions Received	(5,345,400)	(709,211)	0	(709,211)	13%
Total Capital Grants and Subsidies Received	(55,825,200)	(18,295,237)	0	(18,295,237)	33%
Total Proceeds from Sale of Assets	(7,275,000)	(6,023)	0	(6,023)	0%
Total Capital Income	(68,445,660)	(19,010,470)	0	(19,010,470)	28%
Total Capital Expenditure	158,315,399	16,939,367	41,093,713	58,033,080	11%
Net Capital Position	89,869,740	(2,071,103)	41,093,713	39,022,610	-2%
TOTAL INVESTMENTS		114,703,827			
TOTAL BORROWINGS		140,650,082			

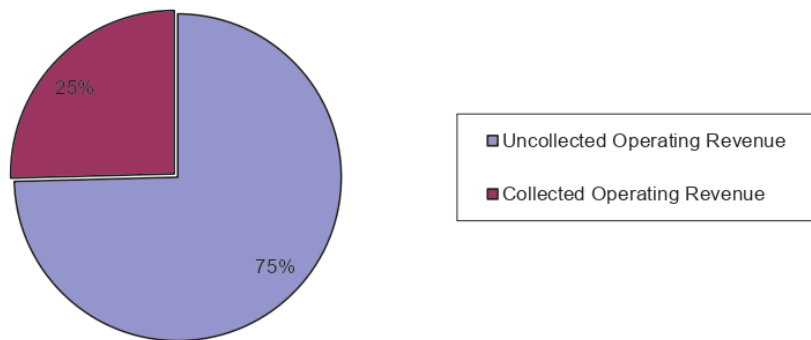
SUMMARY BUDGET MANAGEMENT REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2021

Key Indicator Graphs - September 2021

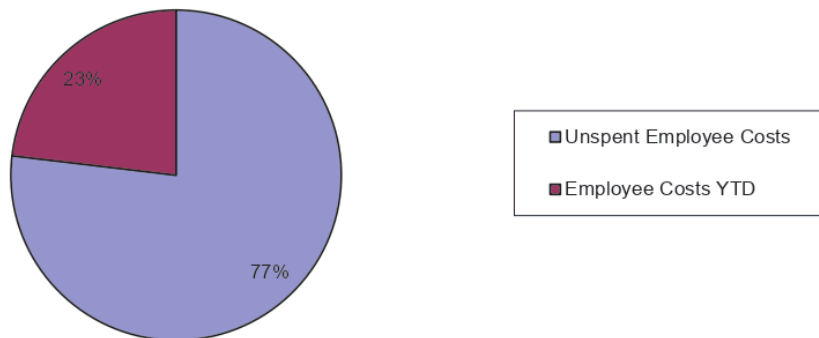
Meeting Date: 9 November 2021

Attachment No: 2

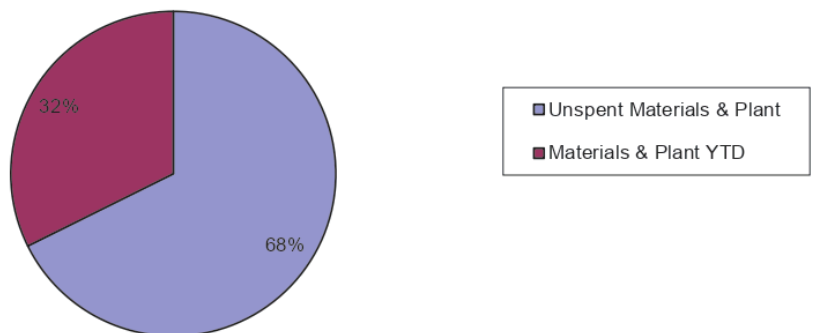
**Operating Revenue
(Excluding Net Rates and Utility Charges)
(25% of Year Gone)**

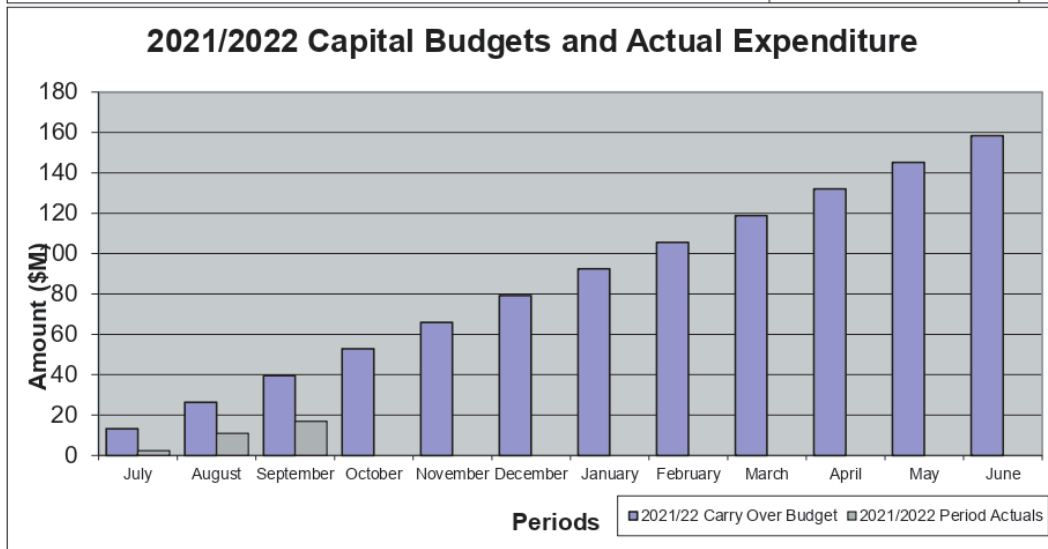
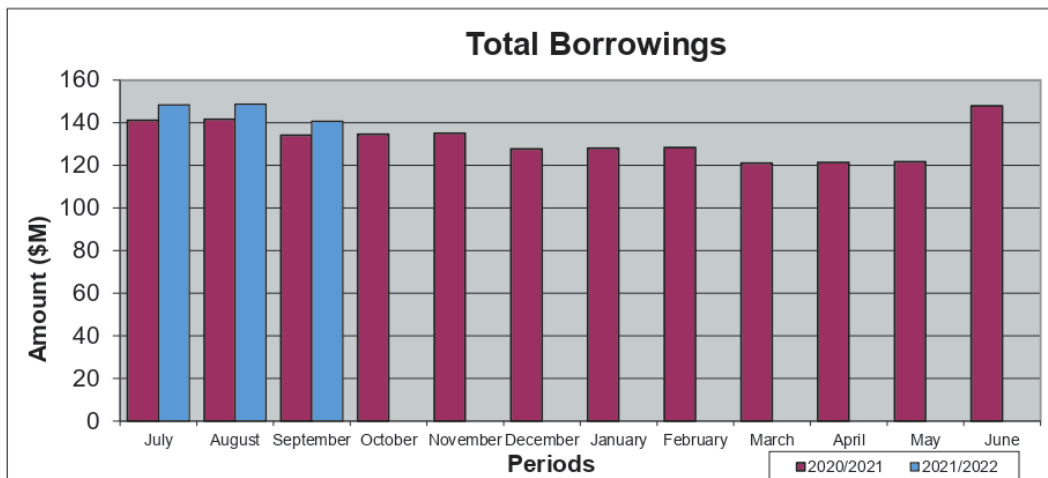
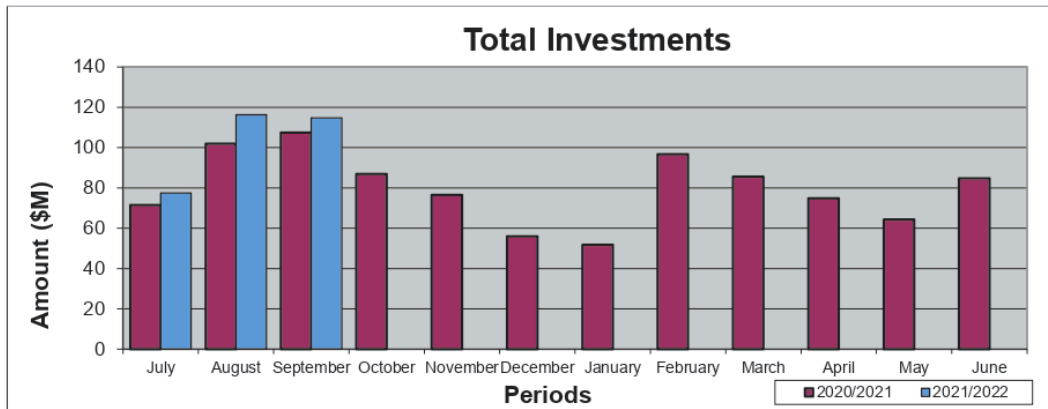


**Operating Employee Costs
(25% of Year Gone)**



**Operating Materials & Plant
(25% of Year Gone)**





**9.9 FINAL MANAGEMENT REPORT FOR ROCKHAMPTON REGIONAL COUNCIL
2020/2021**

File No: 8151
Attachments: 1. Final Management Report 2020/2021 [↓](#)
Authorising Officer: Ross Cheesman - Acting Chief Executive Officer
Author: Marnie Taylor - Chief Financial Officer

SUMMARY

Following the certification of the Financial Statements for the period ended 30 June 2021, the Final Management Report was received from the Queensland Audit Office (signed by Thomas Noble & Russell as delegate).

OFFICER'S RECOMMENDATION

THAT the Final Management Report for the 2020/2021 financial audit of Rockhampton Regional Council be received.

COMMENTARY

The Audit and Business Improvement Committee Meeting was held on 7 October 2021, where the draft statements and matters that are disclosed in this Final Management Report were discussed. Since then, the Report has been finalised and is now attached for review.

BACKGROUND

The report did not identify any new matters and three Internal Control Issues were closed out during the period, with the following remaining issues still requiring attention, with action dates scheduled by the close of the 2021/2022 financial year:

- 20CR-1 – Capitalisation of capital works in progress
- 20OM-1 – General data security.

Progress on the resolution of these outstanding matters will be monitored through the year.

BUDGET IMPLICATIONS

There are some savings to Council for the final audit fee and this is due mainly to the Interim and Final Audits being undertaken remotely by Thomas Noble & Russell, as a result of travel restrictions and COVID-19 lockdowns.

LEGISLATIVE CONTEXT

In accordance with Section 213 of the Local Government Regulation 2012, this report must be presented to the next ordinary meeting of Council.

LEGAL IMPLICATIONS

There are no legal implications associated with receiving the Final Management Report.

STAFFING IMPLICATIONS

There are no staffing implications associated with receiving the Final Management Report.

RISK ASSESSMENT

There are no foreseen risks associated with receiving the Final Management Report.

CORPORATE/OPERATIONAL PLAN

This report aligns with the Corporate Plan Outcome of a financially sustainable organisation and also meets the Operational Plan action of the efficient and effective management of Council's finances.

CONCLUSION

It is recommended that Council receive the Queensland Audit Office Final Management Report for 2020/2021.

FINAL MANAGEMENT REPORT FOR ROCKHAMPTON REGIONAL COUNCIL 2020/2021

Final Management Report 2020/2021

Meeting Date: 9 November 2021

Attachment No: 1



Your ref:
Our ref: 2021-4134

29 October 2021

Cr Tony Williams
Mayor
Rockhampton Regional Council
PO Box 1860
ROCKHAMPTON QLD 4700

Dear Cr Williams

Final Management Report for Rockhampton Regional Council

We have completed our 2021 financial audit for Rockhampton Regional Council and have issued an unmodified audit opinion on your financial statements.

The purpose of this letter is to provide the Council with details on audit matters and other important information related to the audited financial statements. Please note that under section 213 of the *Local Government Regulation 2012*, you must present a copy of this report at the next ordinary meeting of the Council.

Reporting on issues

Issues and other matters formally reported to management and an update on actions taken by management to resolve these issues is included as Appendix A to this letter.

Report to parliament

Each year we report the results of all financial audits and significant issues to Parliament.

Consistent with previous years, we intend to include the results of our audit of Council in our report to Parliament on the results of the Local Government sector. In this report we will comment on the results of our audit of your financial report, any significant internal control issues we identified, and the overall results of the sector, including, major transactions and events. We will discuss the proposed content of our report with your Chief Financial Officer and will continue to consult as we draft our report. Formally, you will have an opportunity to comment on our report and for these comments to be included in the final report.

Audit fee

The final audit fee for this year is \$161,600 exclusive of GST (2020: \$184,000). This fee is in line with the estimated fee in our external audit plan and included audit work over the Asset Management System upgrade.

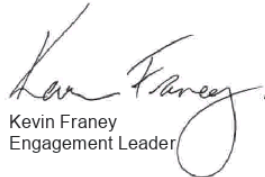
We would like to thank you and your staff for their engagement in the audit this year, and look forward to working with your team again next year.

Queensland Audit Office
Level 13, 53 Albert Street, Brisbane Qld 4000
PO Box 15396, City East Qld 4002

Phone 07 3149 6000
Email qao@qao.qld.gov.au
Web www.qao.qld.gov.au
 Queensland Audit Office (QAO)

If you have any questions about this letter or would like to discuss any matters regarding our audit service, please contact me on 07 5593 1601.

Yours sincerely


Kevin Franey
Engagement Leader

cc. Mr Evan Pardon, Chief Executive Officer
Mr Glen Mullins, Chair, Audit and Business Improvement Committee

Appendix A—Matters previously reported



Status

The following table summarises previously reported control deficiencies and other matters that we reported this year in our interim management letter and unresolved issues raised in prior years.

Our risk ratings are as follows—refer to [Our rating definitions](#) for more detail.



Internal control issues

Financial reporting issues

Significant deficiency	Deficiency	Other matters	High	Medium	Low

Reference	Rating	Issue	Status / Comment Action Date
Internal control issues			
21IR-1		Cloud services assurances Component: <i>Risk assessment</i> Council utilise several cloud or internet based services. Council assesses data and service security as part of the initial project evaluation for the implementation of any cloud-based service however the organisation does not have a formal periodic process to receive and consider an ongoing security assurance.	Resolved. Management have developed a policy which requires periodic assurances be received from cloud-based service providers. Action date: 30/06/2021
21IR-2		Database user access rights review Component: <i>Monitoring activities</i> Council has implemented a framework that requires management to conduct regular reviews of database user access rights. Results of database user access reviews are assessed by senior IT management and authorised as evidence of this process however the results of these reviews are not conveyed to business owners or risk management.	Resolved. Tasks have been modified to include the additional notifications as recommended. Action date: 23/04/2021
18FR-2		Monitoring of activity logs of users with privileged administrative rights Component: <i>Monitoring activities</i> Council does not regularly review activity logs of users with privileged administrative rights. The activity of privileged users within Council, at the network and application levels is reviewed/monitored on an ad hoc basis.	Resolved. Management have implemented EventLog Analyzer software that allows ongoing review of privileged user activity. Action date: 31/07/2021

Appendix A—Matters previously reported (cont)

Reference	Rating	Issue	Status / Comment Action Date
Internal control issues			
20CR-1		<p>Capitalisation of capital works in progress Component: <i>Control activities</i></p> <p>There are approximately \$42.6 million of completed projects in work-in-progress (WIP) at 30 June 2020 not transferred to Infrastructure, Property, Plant and Equipment asset classes.</p> <p>As at 30 June 2021, there are approximately \$98 million of completed projects in work-in-progress (WIP) at 30 June 2021 not transferred to Infrastructure, Property, Plant and Equipment asset classes.</p>	<p>Work in progress</p> <p>The current audit identified \$98m of WIP as at 30 June 2021 that had not been capitalised to the underlying Infrastructure, Property, Plant and Equipment asset registers. A manual adjustment was recorded which meant that the financial report was not materially misstated.</p> <p>The first priority of Council will be to process the capitalised assets through the asset registers for which a manual adjustment has occurred in 20/21 (\$98m).</p> <p>Council is establishing a plan to gather resources to address the backlog of asset capitalisations from prior years. The aim is to process a substantial amount of capitalisations from prior years to significantly reduce the value of assets held in work in progress which have been completed and are ready for capitalisation.</p> <p>Action date: 30/06/2022</p>
Other matters			
20OM-1		<p>General data security</p> <p>This observation included various general observations to further strengthen the general data security environment.</p>	<p>Work in progress</p> <p>Management have advised that 4 of 6 of the recommendations have been implemented.</p> <p>The remaining items are expected to be addressed as part of M365 implementation.</p> <p>Action date: 30/06/2022</p>

Appendix B—Our rating definitions



Internal rating definitions

	Definition	Prioritisation of remedial action
Significant deficiency 	<p>A significant deficiency is a deficiency, or combination of deficiencies, in internal control that requires immediate remedial action.</p> <p>Also, we increase the rating from a deficiency to a significant deficiency based on:</p> <ul style="list-style-type: none"> the risk of material misstatement in the financial statements the risk to reputation the significance of non-compliance with policies and applicable laws and regulations the potential to cause financial loss including fraud, or where management has not taken appropriate timely action to resolve the deficiency. 	This requires immediate management action to resolve.
Deficiency 	A deficiency arises when internal controls are ineffective or missing, and are unable to prevent, or detect and correct, misstatements in the financial statements. A deficiency may also result in non-compliance with policies and applicable laws and regulations and/or inappropriate use of public resources.	We expect management action will be taken in a timely manner to resolve deficiencies.
Other matter 	An other matter is expected to improve the efficiency and/or effectiveness of internal controls, but does not constitute a deficiency in internal controls. If an other matter is not resolved, we do not consider that it will result in a misstatement in the financial statements or non-compliance with legislative requirements.	Our recommendation may be implemented at management's discretion.

Financial reporting issues

	Potential effect on the financial statements	Prioritisation of remedial action
High 	We assess that there is a high likelihood of this causing a material misstatement in one or more components (transactions, balances and disclosures) of the financial statements, or there is the potential for financial loss including fraud.	This requires immediate management action to resolve.
Medium 	We assess that there is a medium likelihood of this causing a material misstatement in one or more components of the financial statements.	We expect management action will be taken in a timely manner.
Low 	We assess that there is a low likelihood of this causing a material misstatement in one or more components of the financial statements.	We recommend management action to resolve; however, a decision on whether any action is taken is at management's discretion.

SENSITIVE

5

9.10 REVISED POLICIES - ENTERTAINMENT AND HOSPITALITY, EXPENSES REIMBURSEMENT AND PROVISION OF FACILITIES FOR MAYOR AND COUNCILLORS AND COUNCILLOR GIFTS, BENEFITS AND HOSPITALITY**File No:** 11979

- Attachments:**
1. Entertainment and Hospitality Policy (Clean)[↓](#)
 2. Entertainment and Hospitality Policy (Tracked)[↓](#)
 3. Expenses Reimbursement and Provision of Facilities for Mayor and Councillors Policy (Clean)[↓](#)
 4. Expenses Reimbursement and Provision of Facilities for Mayor and Councillors Policy (Tracked)[↓](#)
 5. Councillor Gifts, Benefits and Hospitality Policy (Clean)[↓](#)
 6. Councillor Gifts, Benefits and Hospitality Policy (Tracked)[↓](#)
 7. Employee Gifts, Benefits and Hospitality Procedure (Clean)[↓](#)
 8. Employee Gifts, Benefits and Hospitality Procedure (Tracked)[↓](#)
 9. Entertainment and Hospitality General Ledger Expense Allocation Whole of Council Work Instruction (Clean)[↓](#)
 10. Entertainment and Hospitality General Ledger Expense Allocation Whole of Council Work Instruction (Tracked)[↓](#)
 11. Provision of Complimentary Tickets for Events and Performances Policy[↓](#)

Authorising Officer: Ross Cheesman - Acting Chief Executive Officer**Author:** Tracy Sweeney - Executive Manager Workforce and Governance

SUMMARY

The Entertainment and Hospitality Policy is amended to include Councillors in the scope, a definition for official Council business and provisions on the distribution of tickets and is presented to Council for consideration and adoption. Subsequently the Provision of Complimentary Tickets for Events and Performances Policy is presented to Council for rescindment. The Expenses Reimbursement and Provision of Facilities for Mayor and Councillors Policy and the Councillor Gifts, Benefits and Hospitality Policy are reviewed and is presented to Council for consideration and adoption. The Employee Gifts, Benefits and Hospitality Procedure and the Entertainment and Hospitality General Ledger Expense Allocation Whole of Council Work Instruction is presented for Council's information.

OFFICER'S RECOMMENDATION

THAT Council adopt the following amended policies as attached to this report:

1. Entertainment and Hospitality Policy;
2. Expenses Reimbursement and Provision of Facilities for Mayor and Councillors Policy; and
3. Councillor Gifts, Benefits and Hospitality Policy, and

THAT Council rescind the Provision of Complimentary Tickets for Events and Performances Policy.

COMMENTARY

Early this year it was identified that a consistent framework is needed for the receiving, purchasing, distributing, reporting and declaring of complimentary tickets for events and performances received across the organisation in order to reinforce integrity and transparency in decision-making.

The Entertainment and Hospitality Policy, the Expenses Reimbursement and Provision of Facilities for Mayor and Councillors Policy and the Councillor Gifts, Benefits and Hospitality Policy have been revised to include governance around tickets. Subsequently the addition of Councillors into the scope of the Entertainment and Hospitality Policy is recommended as this policy applies to the spending of entertainment and hospitality across Council.

Due to the inclusion of ticket content in the Entertainment and Hospitality Policy it is recommended to Council that the Provision of Complimentary Tickets for Events and Performances Policy, is rescinded.

The definition of “official Council business” has been updated in the Expenses Reimbursement and Provision of Facilities for Mayor and Councillors Policy and added to the Entertainment and Hospitality Policy, Councillor Gifts, Benefits, Hospitality Policy and the Employee Gifts, Benefits and Hospitality Procedure. This update is in accordance with recommendations provided to Council by the Department of State Development, Infrastructure, Local Government and Planning at the recent Councillor Refresher Session.

The Expenses Reimbursement and Provision of Facilities for Mayor and Councillors Policy has also been updated to reflect previous resolutions of Council on 25 May 2021 and 27 July 2021 regarding travel approvals.

The Councillor Gifts, Benefits and Hospitality Policy has also been updated to increase the nominal value of gifts received from \$150 to \$500 for consistency with the declarable conflict of interests and register of interest requirements in the Local Government Act 2009.

The Entertainment and Hospitality General Ledger Expense Allocation Whole of Council Work Instruction is presented to Council for information only. This document has been updated for consistency with amendments to the Entertainment and Hospitality Policy. This whole of Council work instruction also applies to Councillors and its purpose is to ensure the financial records for entertainment and hospitality expenses are recorded appropriately.

PREVIOUS DECISIONS

The policies were previously adopted by Council on:

Entertainment and Hospitality	15 April 2016
Expenses Reimbursement and Provision of Facilities for Mayor and Councillors Policy	13 October 2020
Councillor Gifts, Benefits and Hospitality Policy	11 December 2018

BUDGET IMPLICATIONS

The suggested changes have no impact on Council’s operating budget.

LEGISLATIVE CONTEXT

Section 196 of the *Local Government Regulation 2012* requires that a Local Government must prepare and adopt a policy about entertainment and hospitality spending.

S196 Entertainment and hospitality

- (1) A local government must prepare and adopt a policy about the local government’s spending on entertainment or hospitality (an ***entertainment and hospitality policy***).
- (2) A local government may spend money on entertainment or hospitality only in a way that is consistent with its entertainment and hospitality policy.

Section 250(1) of the *Local Government Regulation 2012* requires that a Local Government must adopt an expenses reimbursement policy.

S250(1) Requirement to adopt expenses reimbursement policy or amendment

- (1) A local government must adopt an expenses reimbursement policy.
- (2) A local government may, by resolution, amend its expenses reimbursement policy at any time.

Once adopted the local government must ensure a copy of the policy is made available for the public via the website or inspection and/or purchase.

LEGAL IMPLICATIONS

Nil

STAFFING IMPLICATIONS

Nil

RISK ASSESSMENT

Nil

CORPORATE/OPERATIONAL PLAN

Nil

CONCLUSION

The purpose of this report is to present to Council for consideration and adoption a framework for the receiving, purchasing, distributing, reporting and declaring of complimentary tickets for events and performances across the organisation. Further, additional amendments to the Expenses Reimbursement and Provision of Facilities for Mayor and Councillors Policy and the Councillor Gifts, Benefits and Hospitality Policy are presented to Council for consideration and adoption.

**REVISED POLICIES - ENTERTAINMENT
AND HOSPITALITY, EXPENSES
REIMBURSEMENT AND PROVISION OF
FACILITIES FOR MAYOR AND
COUNCILLORS AND COUNCILLOR
GIFTS, BENEFITS AND HOSPITALITY**

**Entertainment and Hospitality Policy
(Clean)**

Meeting Date: 9 November 2021

Attachment No: 1

ENTERTAINMENT AND HOSPITALITY POLICY

STATUTORY POLICY



1 Scope

This policy applies to all purchases of entertainment and hospitality by Rockhampton Regional Council.

2 Purpose

The purpose of this policy is to ensure:

- (a) Compliance with section 196 of the *Local Government Regulation 2012*; and
- (b) Council's spending on entertainment and hospitality is reasonable and appropriate.

3 Related Documents

3.1 Primary

Local Government Regulation 2012

3.2 Secondary

A New Tax System (Goods and Services Tax) Act 1999 (Cwth)

Fringe Benefits Tax Assessment Act 1986 (Cwth)

Local Government Act 2009

Code of Conduct

Code of Conduct for Councillors in Queensland

Conflict of Interest Policy and Procedure

Corporate Purchase Card Procedure

Councillor Gifts, Benefits and Hospitality Policy

Delegation and Authorisation Policy

Delegations Corporate Register

Employee Gifts, Benefits and Hospitality Procedure

Entertainment and Hospitality General Ledger Expense Allocation Whole of Council Work Instruction

Events Register

Expenses, Reimbursement and Provision of Facilities for Mayor and Councillors Policy

Lost Time Injury Free Milestone Whole of Council Work Instruction

Memorandum of Understanding between Rockhampton Regional Council and Friends of the Theatre Rockhampton Inc.

Payment Exception Authority Procedure

Purchasing Policy – Acquisition of Goods and Services

Service Recognition Policy and Procedure

LEGAL AND GOVERNANCE USE ONLY			
Adopted/Approved:	Draft	Department:	Office of the CEO
Version:		Section:	Workforce and Governance
Reviewed Date:		Page No:	Page 1 of 9

Travel and Event Attendance Policy and Procedure

4 Definitions

To assist in interpretation, the following definitions apply:

Approved Positions	Delegated officers and other positions as approved by the CEO from time to time.
CEO	Chief Executive Officer A person who holds an appointment under section 194 of the <i>Local Government Act 2009</i> . This includes a person acting in this position.
Council	Rockhampton Regional Council
Councillor/s	The Mayor and Councillors of Council, within the meaning of the <i>Local Government Act 2009</i> .
Delegated Officer	An employee appointed to a position with a corporate band 1, 2 or 3 delegated in accordance with the Delegation and Authorisation Policy and detailed in the Delegations Corporate Register.
Employees	Local government employee: (a) The CEO; or (b) A person holding an appointment under section 196 of the <i>Local Government Act 2009</i> .
Manager C&C	Manager Communities and Culture
Mayor	An elected member of Council, also referred to as a Councillor, with additional responsibilities as outlined in section 12(4) of the <i>Local Government Act 2009</i> .
MOU	Memorandum of Understanding between Council and Friends of the Theatre Rockhampton Inc.
Official Council Business	Official business conducted on behalf of Council that should result in a benefit being achieved for the local government and/or local government Region (for example opening a school fete) and where a Councillor, employee or volunteer is required to undertake certain tasks to satisfy legislative requirements or achieve business continuity for the Council including, but not limited to: (a) Official Council meetings, Councillor forums and workshops; (b) Meetings and engagements associated with Councillors or employees who have been formally appointed to an external organisation; (c) Attendance at prescribed Local Government training/workshops and conferences; (d) Attendance at civic ceremonies and community events where a formal invitation has been received inviting Councillors, employees or volunteers in their capacity to undertake official duties; (e) Attending public meetings, annual meetings, community meetings, organised/official events or presentation dinners where invited as an Councillor, employee or volunteer; (f) Attending meetings of community groups where invited to speak about Council programs or initiatives; (g) Attending private meetings with constituents about Council strategies, programs or initiatives;

LEGAL AND GOVERNANCE USE ONLY			
Adopted/Approved:	Draft	Department:	Office of the CEO
Version:		Section:	Workforce and Governance
Reviewed Date:		Page No:	Page 2 of 9

	(h) Attending organised meetings, inspections and community consultations pertaining to Council responsibilities. Participating in a community group event or being a representative on a board not associated with Council is not regarded as official Council business.
PSA	Partner, spouse or associate.
Volunteer	Any person, who of their own free will, offers to undertake un-paid work for Council and is accepted as a volunteer by the CEO and/or their authorised delegates.

5 Policy Statement

Council recognises that there are circumstances where expenses on entertainment and hospitality are appropriate in the conduct of official Council business. As Council is a publicly funded body, it must ensure funds are spent for the purpose of Council operations, and a high standard of accountability for funds are maintained.

Any expenditure incurred must:

- (a) Be for official Council business purposes;
- (b) Be properly documented with the purpose identified;
- (c) Be available for scrutiny by both internal and external audit;
- (d) Appear appropriate and responsible and withstand the public defensibility test; and
- (e) Be in accordance with the adopted budget.

5.1 Approval of Expenditure

Entertainment and hospitality may be allowed where it is considered important for the conduct of official Council business and/or facilitating corporate and professional relationships. Paragraph 5.2 lists the appropriate entertainment and hospitality expenditure. Requests for expenditure must be submitted for approval via email.

All expenditure, excluding the purchase of tickets, must be approved prior by the relevant delegated officer with the exception of the following:

- (a) Service recognition in accordance with the Service Recognition Policy and Procedure; and
- (b) Lost time injury free milestones in accordance with the Lost Time Injury Free Milestone Whole of Council Work Instruction.

5.1.1 Employees and Volunteers

If it is not practicable to gain prior approval, expenditure incurred on behalf of Council should be paid for by the most senior employee in attendance and then approved by the relevant delegated officer.

Expenditure to cover an employee's PSA attendance must be approved by the CEO prior to spending funds. If attendance by a PSA has been approved the PSA is expected to comply with the Code of Conduct.

On approval of the CEO, Council may acquire tickets to certain events that are then paid for by the employee or volunteer.

Expenditure incurred by an employee which is not reasonable and appropriate must be repaid to Council.

LEGAL AND GOVERNANCE USE ONLY			
Adopted/Approved:	Draft	Department:	Office of the CEO
Version:		Section:	Workforce and Governance
Reviewed Date:		Page No:	Page 3 of 9

5.1.2 Councillors

Where practicable, entertainment and hospitality expenses incurred by Councillors, excluding the Mayor, must be approved by the CEO prior to spending funds and be within the expenditure limits set for the Councillors and Mayor in the Expenses Reimbursement and Provision of Facilities for Mayor and Councillors.

Expenditure to cover a Councillor's PSA attendance must be approved by the Mayor or the CEO prior to spending funds. If attendance by a PSA has been approved the PSA is expected to comply with the Code of Conduct for Councillors in Queensland.

On approval of the CEO, Council may acquire tickets to certain events that are then paid for by the Councillor.

Expenditure incurred by a Councillor which is not reasonable and appropriate must be repaid to Council.

5.2 Appropriate Entertainment and Hospitality

Expenditure considered to be appropriate entertainment and hospitality includes the following.

5.2.1 Meeting Refreshments

Entertainment and hospitality for employee meetings held within ordinary working hours should be avoided where possible where there is an expectation of Council providing refreshments.

Light refreshments/lunches may be available for meetings or conferences where employees are required to work during a meal time and an alternative meal break is not available.

Meals and buffet snacks, including refreshments, may be provided during official Council and/or committee meetings, workshops and other events and functions.

5.2.2 Civic Events

In accordance with the Civic Events Policy refreshments and catering may be provided during civic receptions or functions:

- (a) To recognise significant contributions from groups or individuals to the community;
- (b) To host official dignitaries;
- (c) For citizenship ceremonies; and
- (d) For community celebrations.

5.2.3 Functions with External Parties

Councillors and approved positions may be required to participate in business meetings with representatives of business, industry, professional associations or community groups in a less formal environment. In these instances there is an obligation to ensure the function is official Council business and expenditure is not excessive.

5.2.4 Employee Functions

Functions may be held for Council rewards and service recognition presentations and other minor in-house social events including farewells for long standing employees, whole of Council annual Christmas functions or employee achievement awards.

5.2.5 Significant Events

For significant events it is acceptable that under certain circumstances (for example the time of day or duration of shift) employees and volunteers may be provided refreshments and meals.

5.2.6 Council Community Programs and Events

Refreshments and catering may be provided to members of the public in order to promote a Council community program, project, service or event.

LEGAL AND GOVERNANCE USE ONLY			
Adopted/Approved:	Draft	Department:	Office of the CEO
Version:		Section:	Workforce and Governance
Reviewed Date:		Page No:	Page 4 of 9

5.2.7 Tickets to Events

5.2.7.1 Purchase of Tickets

There may be occasions where tickets may be purchased for the Mayor, Councillors, employees or volunteers to attend events. The decision must be based solely on optimising the advocacy and/or networking benefit with other stakeholders, to meet corporate objectives, support community initiatives and/or raise the profile of the Region. The CEO approves all tickets purchased. This process also ensures tickets allocated to Councillors do not exceed the expenditure limits specified in the Expenses Reimbursement and Provision of Facilities for Mayor and Councillors Policy. If tickets for Councillors are limited, the Mayor allocates to Councillors. The CEO allocates all tickets to employees or volunteers.

5.2.7.2 Pilbeam Theatre Complimentary Tickets Where Council is Presenting or has a Direct Involvement in the Production

In circumstances where Council is presenting or has a direct involvement in a production at the Pilbeam Theatre and is maintaining the ticketing inventory and has control over the issuing of complimentary tickets, complimentary tickets may be provided in accordance with the following table.

The specific rationale for the offering of these tickets and composition of the categories is detailed in the table below. Complimentary tickets are issued by the Pilbeam Theatre Box Office.

No.	Category	Members of Category	Rationale	Number of Tickets/Approval
1.	Councillors	Mayor and Councillors	<ul style="list-style-type: none"> Awareness and understanding of Council services provided to the community For advocacy 	Councillor + Guest (not transferable)
2.	CEO	<ul style="list-style-type: none"> CEO Leadership Team Employees 	<ul style="list-style-type: none"> Awareness and understanding of Council services provided to the community For recognition and reward 	5 double passes distributed at the CEO's discretion
3.	Pilbeam Theatre Employees	Employees based at the Pilbeam Theatre	Professional Development Opportunity	Employee + Guest (not transferable) generally for preview shows only (when scheduled). Number at Manager C&C's discretion
4.	Friends	Friends of the Theatre Rockhampton Inc	In accordance with the MOU between Council and Friends of the Theatre Rockhampton Inc, a number of tickets per performance may be made available for use by the volunteering members of the organisation.	Purchase with voucher at discounted rate

LEGAL AND GOVERNANCE USE ONLY			
Adopted/Approved:	Draft	Department:	Office of the CEO
Version:		Section:	Workforce and Governance
Reviewed Date:		Page No:	Page 5 of 9

5.	Queensland and Federal Elected Members	<ul style="list-style-type: none"> Queensland members for Rockhampton, Keppel and Mirani Queensland Minister for the Arts Queensland Shadow Minister for the Arts Federal Member for Capricornia Federal Minister for the Arts Federal Shadow Minister for the Arts 	<ul style="list-style-type: none"> For building relationships For awareness For advocacy 	Member + Guest
6.	Queensland and Federal Public Services	<ul style="list-style-type: none"> Program Managers for the Playing Australia Program Queensland Director General and senior staff of Arts Queensland Regional Arts Sector 	<ul style="list-style-type: none"> For demonstrating use of Queensland and federal funding For building relationships For awareness and advocacy 	Only invited if members are in Rockhampton at the time of the performance.
7.	Marketing and Media	<ul style="list-style-type: none"> Marketing contacts – industry and show specific Media representatives Market influencers 	<ul style="list-style-type: none"> For media awareness, coverage and promotion of the production For facilitating reviews of the production For encouraging social media coverage of the production 	Number at Manager C&C's discretion and only to preview shows (when scheduled) where tickets are not selling and additional media exposure is required.
8.	Existing and Potential Sponsors, Supporters and Suppliers	<ul style="list-style-type: none"> Venue sponsors Event specific sponsors Sponsors of visiting companies Potential sponsors 	For meeting contractual arrangements under sponsorship agreements	In accordance with agreements
9.	Local Indigenous Community	<ul style="list-style-type: none"> Elders and other key members of local indigenous communities Other indigenous contacts 	<ul style="list-style-type: none"> For maintaining and enhancing relations with indigenous communities For ensuring visiting indigenous companies, for example Bangarra Dance Theatre, feel welcome at the venue 	Number of tickets at Manager C&C's discretion
10.	Trustees of Central Qld Performing Arts Foundation and Central Qld Regional Performing Arts Foundation	Trustees	<ul style="list-style-type: none"> For acknowledging commitment For providing trustees with a better understanding of activities and programs For attracting future philanthropy 	4 tickets + Guest
11.	Socially Disadvantaged Community Organisations	Community organisations identified as having a link to the production, which then distribute complimentary tickets to their members/clients	For allowing people to access live theatre who might otherwise not have the opportunity to do so	Number of tickets at Manager C&C's discretion, generally for preview shows only (when scheduled)

LEGAL AND GOVERNANCE USE ONLY			
Adopted/Approved:	Draft	Department:	Office of the CEO
Version:		Section:	Workforce and Governance
Reviewed Date:		Page No:	Page 6 of 9

12	Other	<ul style="list-style-type: none"> Others invited to attend by Mayor Others identified by the CEO 	CEO approval required
----	-------	---	-----------------------

5.2.7.3 Pilbeam Theatre Complimentary Tickets Where Council is Not Presenting the Production or has No Direct Involvement

In circumstances where Council is not presenting or has no direct involvement in a production at the Pilbeam Theatre complimentary tickets may be issued as house seats in accordance with the following table.

No.	Category	Members of Category	Rationale	Number of Tickets/Approval
1.	House Seats	<ul style="list-style-type: none"> Mayor and Councillors General Public (where there are issues with allocated seating or last minute purchases where no other tickets are available) 	<p>In accordance with the venue hire agreement 2 x 6 seat blocks are provided in the theatre.</p> <p>Tickets issued as house seats to the Mayor and/or Communities Portfolio Councillor for use under this provision are recorded and reported in accordance with Expenses Reimbursement and Provision of Facilities for Mayor and Councillors Policy with the value of the tickets recorded as the face value of the appropriate ticket buyer type.</p>	Max 12 tickets, number of tickets at Manager C&C's discretion
2.	Friends	Friends of the Theatre Rockhampton Inc	In accordance with the MOU between Council and Friends of the Theatre Rockhampton Inc., up to six tickets per performance may be made available for use by the volunteering members of the organisation.	Six tickets
3.	Pilbeam Theatre Employees	Employees based at the Pilbeam Theatre	Professional Development Opportunity	Employee + Guest (not transferable) only for preview show (when scheduled)

Tickets not issued as detailed above, prior to 48 hours before the performance or event, are returned to the ticketing inventory and may be sold with all ticket proceeds payable to the venue hirer in accordance with the venue hire agreement.

5.2.7.4 Tickets Allocated via Sponsorship

Excluding events under paragraph 5.2.7.3, there are many sponsorship arrangements Council undertakes for the benefit of the community. Whilst Council's position is not to seek tickets as part of these arrangements, they may be offered from time to time. In these circumstances the CEO approves the distribution of tickets prior to the event:

- The Mayor or CEO allocates to Councillors and PSA's, (on approval these must be entered in the Gift and Hospitality Register – Councillors in accordance with the Councillor Gifts, Benefits and Hospitality Policy); and
- The CEO allocates to employees, volunteers and PSA's (on approval these must be declared in accordance with the Employee Gifts, Benefits and Hospitality Procedure).

5.2.7.5 All Other Tickets Offered or Donated

It is recognised that Mayor and Councillors, as part of their role as elected representatives of Council and in recognition of the role they play in advocating for the Region, are offered invitations/tickets to events. These instances must be entered in the Gift and Hospitality Register – Councillors in accordance with the Councillor Gifts, Benefits and Hospitality Policy.

LEGAL AND GOVERNANCE USE ONLY			
Adopted/Approved:	Draft	Department:	Office of the CEO
Version:		Section:	Workforce and Governance
Reviewed Date:		Page No:	Page 7 of 9

When the invitation or ticket is not specifically addressed to a Councillor the Mayor or CEO allocates to Councillors and PSA's.

In relation to employees, as part of their role at times may be offered invitations/tickets to events. Consequently the CEO decides the most appropriate use of such tickets, including PSA's prior to the date of the event. When approved these are deemed gifts and as such employees must ensure they are declared in accordance with the Employee Gifts Benefits and Hospitality Procedure.

5.3 Not Reasonable or Appropriate Expenditure

Unless approved in accordance with this policy the following expenditure is considered not to be reasonable or appropriate:

- (a) Any events not deemed official Council business;
- (b) Dinners/functions at the private residence of a Councillor or employee;
- (c) Drinks only costs - including hot and cold beverages;
- (d) Morning/afternoon tea and refreshments outside Council premises, where only Councillors and/or employees are attending;
- (e) Christmas and other notable date celebrations/lunches outside of authorised whole of Council events;
- (f) Stocking of bar fridges (except in the instance of the Mayor or CEO for small scale entertainment); and
- (g) Expenditure should not be incurred for attendance of a Councillor's or employee's PSA except where prior approval has been obtained.

5.4 Claiming Reimbursement of Personal Expenditure

There may be times when a Councillor or employee is able to be reimbursed for personally spending funds on entertainment or hospitality. In order to claim for reimbursement, the Councillor or employee should be comfortable in disclosing the expense (the public defensibility test).

Councillors must seek approval from the CEO.

Employees must seek approval from a delegated officer.

When approving the claim, the CEO or relevant GM will consider the following:

When considering claims for reimbursement the approving officer must consider the following:

- (a) Prior approval for the spending has been received;
- (b) The activity is deemed official Council business;
- (c) The frequency of claims;
- (d) Factors such as accepted community practice or standard;
- (e) Be satisfied it is reasonable;
- (f) Includes appropriate documentary evidence;
- (g) Whether the claim withstands the public defensibility test;
- (h) For employees, is in accordance with the allowable and non-allowable expenditure detailed in the Travel and Event Attendance Procedure (if applicable); and
- (i) For Councillors, is in accordance with the Expenses Reimbursement and Provision of Facilities for Mayor and Councillors Policy.

All reimbursements must be in accordance with Council's Payment Exception Authority Procedure.

LEGAL AND GOVERNANCE USE ONLY			
Adopted/Approved:	Draft	Department:	Office of the CEO
Version:		Section:	Workforce and Governance
Reviewed Date:		Page No:	Page 8 of 9

5.5 Use of Corporate Purchase Card

A Councillor or an employee issued with a corporate purchase card may use this card to pay for entertainment and hospitality expenditure subject to the terms and conditions of the card and in accordance with this policy and the Corporate Purchase Card Procedure.

5.6 Allocation of Funding

This policy is subject to the allocation of funding in the annual budget.

Hospitality expenses related to civic events and other approved functions organised by employees must be met from relevant approved budgets.

5.7 Reporting

Entertainment and hospitality expenditure are charged to specified accounts as per the Entertainment and Hospitality General Ledger Expense Allocation Guideline to ensure compliance with tax obligations relating to goods and services tax and fringe benefits tax.

Entertainment and hospitality expenditure relating to official overseas travel must be included in the Annual Report, as required under the *Local Government Regulation 2012*.

Tickets to events purchased by Council, including approved purchase of tickets by a Councillor or employee who is reimbursed by Council, must be recorded on an Events Register maintained by the Office of the CEO.

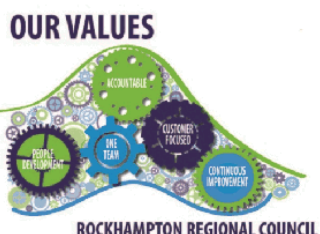
6 Review Timelines

This policy is reviewed when any of the following occur:

- (a) As required by legislation;
- (b) The related information is amended or replaced; or
- (c) Other circumstances as determined from time to time by the Council.

7 Document Management

Sponsor	Chief Executive Officer
Business Owner	Chief Executive Officer
Policy Owner	Executive Manager Workforce and Governance
Policy Quality Control	Legal and Governance



LEGAL AND GOVERNANCE USE ONLY			
Adopted/Approved:	Draft	Department:	Office of the CEO
Version:		Section:	Workforce and Governance
Reviewed Date:		Page No:	Page 9 of 9

**REVISED POLICIES - ENTERTAINMENT
AND HOSPITALITY, EXPENSES
REIMBURSEMENT AND PROVISION OF
FACILITIES FOR MAYOR AND
COUNCILLORS AND COUNCILLOR
GIFTS, BENEFITS AND HOSPITALITY**

**Entertainment and Hospitality Policy
(Tracked)**

Meeting Date: 9 November 2021

Attachment No: 2

ENTERTAINMENT AND HOSPITALITY POLICY

STATUTORY POLICY



1 Scope

This policy applies to all purchases of entertainment and hospitality by Rockhampton Regional Council employees who may incur hospitality and/or entertainment expenses in performance of their work.

2 Purpose

The purpose of this policy is to ensure ~~consistency~~:

(a) Compliance with accepting section 196 of the Local Government Regulation 2012; and claiming hospitality and

(a)(b) Council's spending on entertainment benefits at Rockhampton Regional Council, and hospitality is reasonable and appropriate.

3 Related Documents

3.1 Primary

~~Local Government Act 2009~~

Local Government Regulation 2012

3.2 Secondary

A New Tax System (Goods and Services Tax) Act 1999 (Cwth)

Fringe Benefits Tax Assessment Act 1986 (Cwth)

Local Government Act 2009

Code of Conduct

Code of Conduct for Councillors in Queensland

Conflict of Interest Policy and Procedure

Corporate Purchase Card Procedure

Councillor Gifts, Benefits and Hospitality Policy

Delegation and Authorisation Policy

Delegations Corporate Register

Employee Gifts, Benefits and Hospitality Procedure

Entertainment and Hospitality General Ledger Expense Allocation Guidelines Whole of Council Work Instruction

Events Register

Expenses, Reimbursement and Provision of Facilities for Mayor and Councillors Policy

Lost Time Injury Free Milestone Whole of Council Work Instruction

LEGAL AND GOVERNANCE USE ONLY

Adopted/Approved:	Draft	Department:	Office of the CEO
Version:	3	Section:	Workforce and Governance
Reviewed Date:		Page No:	Page 1 of 10

[Memorandum of Understanding between Rockhampton Regional Council and Friends of the Theatre Rockhampton Inc.](#)

[Payment Exception Authority Procedure](#)

Purchasing Policy – Acquisition of Goods and Services

Service Recognition Policy [and Procedure](#)

Travel and [Event Conference](#) Attendance Policy and Procedure

4 Definitions

To assist in interpretation, the following definitions apply:

Approved Positions	Delegated officers and other positions as approved by the CEO from time to time.
CEO	Chief Executive Officer A person who holds an appointment under section 194 of the <i>Local Government Act 2009</i> . This includes a person acting in this position.
Council	Rockhampton Regional Council
Councillor/s	The Mayor and Councillors of Council, within the meaning of the <i>Local Government Act 2009</i>.
Delegated Officer	An employee appointed to a position with a corporate band 1, 2 or 3 delegated in accordance with the Delegation and Authorisation Policy and detailed in the Delegations Corporate Register.
Employees	Local government employee: (a) The CEO; or (b) A person holding an appointment under section 196 of the <i>Local Government Act 2009</i> .
GM	General Manager
Manager C&C	Manager Communities and Culture
Mayor	An elected member of Council, also referred to as a Councillor, with additional responsibilities as outlined in section 12(4) of the <i>Local Government Act 2009</i>.
MOU	Memorandum of Understanding between Council and Friends of the Theatre Rockhampton Inc.
Official Council Business	Official business conducted on behalf of Council that should result in a benefit being achieved for the local government and/or local government Region (for example opening a school fete) and where a Councillor, employee or volunteer is required to undertake certain tasks to satisfy legislative requirements or achieve business continuity for the Council including, but not limited to: (a) Official Council meetings, Councillor forums and workshops; (b) Meetings and engagements associated with Councillors or employees who have been formally appointed to an external organisation; (c) Attendance at prescribed Local Government training/workshops and conferences; (d) Attendance at civic ceremonies and community events where a formal invitation has been received inviting Councillors, employees or volunteers in their capacity to undertake official duties;

LEGAL AND GOVERNANCE USE ONLY

Adopted/Approved:	Adopted, 12 April 2016 Draft	Department:	Office of the CEO
Version:	3	Section:	Workforce and Governance Support
Reviewed Date:		Page No:	Page 2 of 10

	<p>(e) Attending public meetings, annual meetings, community meetings, organised/official events or presentation dinners where invited as an Councillor, employee or volunteer;</p> <p>(f) Attending meetings of community groups where invited to speak about Council programs or initiatives;</p> <p>(g) Attending private meetings with constituents about Council strategies, programs or initiatives;</p> <p>(h) Attending organised meetings, inspections and community consultations pertaining to Council responsibilities.</p> <p>Participating in a community group event or being a representative on a board not associated with Council is not regarded as official Council business.</p>
PSA	Partner, spouse or associate.
Volunteer	Any person, who of their own free will, offers to undertake un-paid work for Council and is accepted as a volunteer by the CEO and/or their authorised delegates.

5 Policy Statement

Council recognises that there are circumstances where expenses on entertainment and hospitality are appropriate in the conduct of [local-government-official Council](#) business. As Council is a publicly funded body, it must ensure funds are spent for the purpose of Council operations, and a high standard of accountability for funds are maintained.

Any expenditure incurred must:

- (a) Be for official [Council business](#) purposes;
- (b) Be properly documented with the purpose identified;
- (c) Be available for scrutiny by both internal and external audit;
- (d) Appear appropriate and responsible and withstand the public defensibility test; and
- (e) Be in accordance with the adopted budget.

5.1 Approval of Expenditure

Entertainment and hospitality ~~will~~[may](#) be allowed where it is considered important for the conduct of ~~public-official Council~~ business and/or facilitating corporate and professional relationships. [Paragraph 5.2 lists the appropriate entertainment and hospitality expenditure. Requests for expenditure must be submitted for approval via email.](#)

All expenditure, ~~excluding the purchase of tickets,~~ must be approved ~~prior~~ by the ~~CEO or~~ relevant ~~GM~~ ~~prior to spending funds, delegated officer with the exception of the following:~~

- [\(a\) Service recognition in accordance with the Service Recognition Policy and Procedure; and](#)
- [\(b\) Lost time injury free milestones in accordance with the Lost Time Injury Free Milestone Whole of Council Work Instruction.](#)

5.1.1 Employees and Volunteers

If ~~it is~~ not practicable ~~to gain prior approval~~, expenditure incurred on behalf of Council should be paid for by the most senior employee in attendance and then approved by the ~~CEO or~~ relevant ~~GM~~ ~~delegated officer~~.

[Expenditure to cover an employee's PSA attendance must be approved by the CEO prior to spending funds. If attendance by a PSA has been approved the PSA is expected to comply with the Code of Conduct.](#)

LEGAL AND GOVERNANCE USE ONLY			
Adopted/Approved:	Adopted, 12 April 2016 Draft	Department:	Office of the CEO
Version:	3	Section:	Workforce and Governance Support
Reviewed Date:		Page No:	Page 3 of 10

On approval of the CEO, Council may acquire tickets to certain events that are then paid for by the employee or volunteer.

Expenditure incurred by an employee which is not reasonable and appropriate must be repaid to Council.

5.1.2 Councillors

Where practicable, entertainment and hospitality expenses incurred by Councillors, excluding the Mayor, must be approved by the CEO prior to spending funds and be within the expenditure limits set for the Councillors and Mayor in the Expenses Reimbursement and Provision of Facilities for Mayor and Councillors.

Expenditure to cover a Councillor's PSA attendance must be approved by the Mayor or the CEO prior to spending funds. If attendance by a PSA has been approved the PSA is expected to comply with the Code of Conduct for Councillors in Queensland.

On approval of the CEO, Council may acquire tickets to certain events that are then paid for by the Councillor.

Expenditure incurred by a Councillor which is not reasonable and appropriate must be repaid to Council.

5.2 Approved Activities Appropriate Entertainment and Hospitality

Examples of Expenditure considered to be appropriate entertainment and hospitality include the following.

5.2.1 Visiting Delegates

Council may host visiting delegates (including interstate and overseas dignitaries or representatives of other levels of government) for a number of purposes. Expenditure incurred for this type of visit could include morning tea/lunch or hosting an official dinner.

5.1.15.2.1 Meeting Refreshments

Entertainment and hospitality for employee meetings held within ordinary working hours should be avoided where possible where there is an expectation of Council providing refreshments.

Light refreshments/lunches may be available for internal meetings or conferences, or for Council volunteers at the conclusion of their shift, where employees are required to work during a meal time and an alternative meal break is not available.

Meals and buffet snacks, including refreshments, may be provided during official Council and/or committee meetings, workshops and other events and functions.

5.1.25.2.2 Civic Receptions Events

RefreshmentsIn accordance with the Civic Events Policy refreshments and catering may be provided during civic receptions or functions:

- (a) To recognise significant contributions from groups or individuals to the community;
- (b) To host official dignitaries;
- (c) For citizenship ceremonies; and
- (d) For community celebrations.

5.1.35.2.3 Official Dining Functions with External Parties

EmployeesCouncillors and approved positions may be required to participate in business meetings with representatives of business, industry, professional associations or community groups in a less formal environment. In these instances there is an obligation to ensure the function is official Council business and expenditure is not excessive.

LEGAL AND GOVERNANCE USE ONLY			
Adopted/Approved:	<u>Adopted, 12 April 2016Draft</u>	Department:	Office of the CEO
Version:	3	Section:	<u>Workforce and Governance Support</u>
Reviewed Date:		Page No:	Page 4 of 10

5.1.45.2.4 Employee Functions

Functions may be held ~~to celebrate employee achievements, for Council~~ rewards and ~~service~~ recognition ~~presentations~~ and other minor in-house social events including farewells, ~~for long standing employees, whole of Council~~ annual Christmas functions or employee achievement awards.

5.2.5 Significant Events

~~For significant events it is acceptable that under certain circumstances (for example the time of day or duration of shift) employees and volunteers may be provided refreshments and meals.~~

5.2.6 Council Community Programs and Events

~~Refreshments and catering may be provided to members of the public in order to promote a Council community program, project, service or event.~~

5.2.7 Tickets to Events**5.2.7.1 Purchase of Tickets**

~~There may be occasions where tickets may be purchased for the Mayor, Councillors, employees or volunteers to attend events. The decision must be based solely on optimising the advocacy and/or networking benefit with other stakeholders, to meet corporate objectives, support community initiatives and/or raise the profile of the Region. The CEO approves all tickets purchased. This process also ensures tickets allocated to Councillors do not exceed the expenditure limits specified in the Expenses Reimbursement and Provision of Facilities for Mayor and Councillors Policy. If tickets for Councillors are limited, the Mayor allocates to Councillors. The CEO allocates all tickets to employees or volunteers.~~

5.2.7.2 Pilbeam Theatre Complimentary Tickets Where Council is Presenting or has a Direct Involvement in the Production

~~In circumstances where Council is presenting or has a direct involvement in a production at the Pilbeam Theatre and is maintaining the ticketing inventory and has control over the issuing of complimentary tickets, complimentary tickets may be provided in accordance with the following table.~~

~~The specific rationale for the offering of these tickets and composition of the categories is detailed in the table below. Complimentary tickets are issued by the Pilbeam Theatre Box Office.~~

No.	Category	Members of Category	Rationale	Number of Tickets/Approval
1.	Councillors	Mayor and Councillors	<ul style="list-style-type: none"> Awareness and understanding of Council services provided to the community For advocacy 	Councillor + Guest (not transferable)
2.	CEO	<ul style="list-style-type: none"> CEO Leadership Team Employees 	<ul style="list-style-type: none"> Awareness and understanding of Council services provided to the community For recognition and reward 	5 double passes distributed at the CEO's discretion
3.	Pilbeam Theatre Employees	Employees based at the Pilbeam Theatre	Professional Development Opportunity	Employee + Guest (not transferable) generally for preview shows only (when scheduled). Number at Manager C&C's discretion

LEGAL AND GOVERNANCE USE ONLY

Adopted/Approved:	Adopted, 12 April 2016 <u>Draft</u>	Department:	Office of the CEO
Version:	3	Section:	Workforce and Governance Support
Reviewed Date:		Page No:	Page 5 of 10

4.	Friends	Friends of the Theatre Rockhampton Inc	In accordance with the MOU between Council and Friends of the Theatre Rockhampton Inc, a number of tickets per performance may be made available for use by the volunteering members of the organisation.	Purchase with voucher at discounted rate
5.	Queensland and Federal Elected Members	<ul style="list-style-type: none"> ▪ Queensland members for Rockhampton, Keppel and Mirani ▪ Queensland Minister for the Arts ▪ Queensland Shadow Minister for the Arts ▪ Federal Member for Capricornia ▪ Federal Minister for the Arts ▪ Federal Shadow Minister for the Arts 	<ul style="list-style-type: none"> ▪ For building relationships For awareness ▪ For advocacy 	Member + Guest
6.	Queensland and Federal Public Services	<ul style="list-style-type: none"> ▪ Program Managers for the Playing Australia Program ▪ Queensland Director General and senior staff of Arts Queensland ▪ Regional Arts Sector 	<ul style="list-style-type: none"> ▪ For demonstrating use of Queensland and federal funding ▪ For building relationships ▪ For awareness and advocacy 	Only invited if members are in Rockhampton at the time of the performance.
7.	Marketing and Media	<ul style="list-style-type: none"> ▪ Marketing contacts – industry and show specific ▪ Media representatives ▪ Market influencers 	<ul style="list-style-type: none"> ▪ For media awareness, coverage and promotion of the production ▪ For facilitating reviews of the production ▪ For encouraging social media coverage of the production 	Number at Manager C&C's discretion and only to preview shows (when scheduled) where tickets are not selling and additional media exposure is required.
8.	Existing and Potential Sponsors, Supporters and Suppliers	<ul style="list-style-type: none"> ▪ Venue sponsors ▪ Event specific sponsors ▪ Sponsors of visiting companies ▪ Potential sponsors 	For meeting contractual arrangements under sponsorship agreements	In accordance with agreements
9.	Local Indigenous Community	<ul style="list-style-type: none"> ▪ Elders and other key members of local indigenous communities ▪ Other indigenous contacts 	<ul style="list-style-type: none"> ▪ For maintaining and enhancing relations with indigenous communities ▪ For ensuring visiting indigenous companies, for example Bangarra Dance Theatre, feel welcome at the venue 	Number of tickets at Manager C&C's discretion
10.	Trustees of Central Qld Performing Arts Foundation and Central Qld Regional Performing Arts Foundation	Trustees	<ul style="list-style-type: none"> ▪ For acknowledging commitment ▪ For providing trustees with a better understanding of activities and programs ▪ For attracting future philanthropy 	4 tickets + Guest

LEGAL AND GOVERNANCE USE ONLY

Adopted/Approved:	Adopted, 12 April 2016 Draft	Department:	Office of the CEO
Version:	3	Section:	Workforce and Governance Support
Reviewed Date:		Page No:	Page 6 of 10

11.	Socially Disadvantaged Community Organisations	Community organisations identified as having a link to the production, which then distribute complimentary tickets to their members/clients	For allowing people to access live theatre who might otherwise not have the opportunity to do so	Number of tickets at Manager C&C's discretion, generally for preview shows only (when scheduled)
12	Other	<ul style="list-style-type: none"> Others invited to attend by Mayor Others identified by the CEO 		CEO approval required

5.2.7.3 Pilbeam Theatre Complimentary Tickets Where Council is Not Presenting the Production or has No Direct Involvement

[In circumstances where Council is not presenting or has no direct involvement in a production at the Pilbeam Theatre complimentary tickets may be issued as house seats in accordance with the following table.](#)

No.	Category	Members of Category	Rationale	Number of Tickets/Approval
1.	House Seats	<ul style="list-style-type: none"> Mayor and Councillors General Public (where there are issues with allocated seating or last minute purchases where no other tickets are available) 	In accordance with the venue hire agreement 2 x 6 seat blocks are provided in the theatre. Tickets issued as house seats to the Mayor and/or Communities Portfolio Councillor for use under this provision are recorded and reported in accordance with Expenses Reimbursement and Provision of Facilities for Mayor and Councillors Policy with the value of the tickets recorded as the face value of the appropriate ticket buyer type.	Max 12 tickets, number of tickets at Manager C&C's discretion
2.	Friends	Friends of the Theatre Rockhampton Inc	In accordance with the MOU between Council and Friends of the Theatre Rockhampton Inc., up to six tickets per performance may be made available for use by the volunteering members of the organisation.	Six tickets
3.	Pilbeam Theatre Employees	Employees based at the Pilbeam Theatre	Professional Development Opportunity	Employee + Guest (not transferable) only for preview show (when scheduled)

[Tickets not issued as detailed above, prior to 48 hours before the performance or event, are returned to the ticketing inventory and may be sold with all ticket proceeds payable to the venue hirer in accordance with the venue hire agreement.](#)

5.2.7.4 Tickets Allocated via Sponsorship

[Excluding events under paragraph 5.2.7.3, there are many sponsorship arrangements Council undertakes for the benefit of the community. Whilst Council's position is not to seek tickets as part of these arrangements, they may be offered from time to time. In these circumstances the CEO approves the distribution of tickets prior to the event:](#)

- (a) [The Mayor or CEO allocates to Councillors and PSA's, \(on approval these must be entered in the Gift and Hospitality Register – Councillors in accordance with the Councillor Gifts, Benefits and Hospitality Policy\); and](#)
- (a)(b) [The CEO allocates to employees, volunteers and PSA's \(on approval these must be declared in accordance with the Employee Gifts, Benefits and Hospitality Procedure\).](#)

LEGAL AND GOVERNANCE USE ONLY

Adopted/Approved:	Adopted, 12 April 2016 Draft	Department:	Office of the CEO
Version:	3	Section:	Workforce and Governance Support
Reviewed Date:		Page No:	Page 7 of 10

5.2.7.5 All Other Tickets Offered or Donated

It is recognised that Mayor and Councillors, as part of their role as elected representatives of Council and in recognition of the role they play in advocating for the Region, are offered invitations/tickets to events. These instances must be entered in the Gift and Hospitality Register – Councillors in accordance with the Councillor Gifts, Benefits and Hospitality Policy.

When the invitation or ticket is not specifically addressed to a Councillor the Mayor or CEO allocates to Councillors and PSA's.

In relation to employees, as part of their role at times may be offered invitations/tickets to events. Consequently the CEO decides the most appropriate use of such tickets, including PSA's prior to the date of the event. When approved these are deemed gifts and as such employees must ensure they are declared in accordance with the Employee Gifts Benefits and Hospitality Procedure.

5.3—Accepting Hospitality

If employees accept hospitality from other organisations, officials or individuals, care should be taken to avoid any possible conflict of interest. It is important that situations are not be perceived or construed as providing an incentive for any commercial transactions.

An employee may accept a hospitality or benefit if it complies with all of the following principles:

- (a) Refusal would offend the organisation;
- (a) It conforms to normal business practice or other cultural practices of the giver;
- (b) It does not influence an employee in such a way as to compromise impartiality or create a conflict of interest;
- (c) It is received in the course of duty in respect of work area responsibilities, or prior approval has been received; and
- (d) It meets the requirements of Council's Code of Conduct for employees.

5.3 Not Reasonable or Appropriate Expenditure

Unless approved in accordance with this policy the following expenditure is considered not to be reasonable or appropriate:

- (a) Any events not deemed official Council business;
- (b) Dinners/functions at the private residence of a Councillor or employee;
- (c) Drinks only costs - including hot and cold beverages;
- (d) Morning/afternoon tea and refreshments outside Council premises, where only Councillors and/or employees are attending;
- (e) Christmas and other notable date celebrations/lunches outside of authorised whole of Council events;
- (f) Stocking of bar fridges (except in the instance of the Mayor or CEO for small scale entertainment); and
- (e)(g) Expenditure should not be incurred for attendance of a Councillor's or employee's PSA except where prior approval has been obtained.

5.25.4 Claiming Reimbursement of Personal Expenditure

There may be times when a Councillor or employee is able to be reimbursed for personally spending funds on entertainment or hospitality. In order to claim for reimbursement, the Councillor or employee should be comfortable in disclosing the expense (the public defensibility test).

Councillors must seek approval from the CEO.

LEGAL AND GOVERNANCE USE ONLY			
Adopted/Approved:	<u>Adopted, 12 April 2016</u> <u>Draft</u>	Department:	Office of the CEO
Version:	3	Section:	<u>Workforce and Governance Support</u>
Reviewed Date:		Page No:	Page 8 of 10

Employees must seek approval from ~~the CEO or relevant GM prior to seeking reimbursement a delegated officer.~~

When approving the claim, the CEO or relevant GM will consider the following:

When ~~approving the claim, considering claims for reimbursement~~ the ~~CEO or relevant GM will approving officer must~~ consider the following:

(a) ~~Prior approval for the spending has been received;~~

(b) ~~The activity is deemed official Council business;~~

(a)(c) ~~The frequency of claims;~~

(b)(d) ~~Factors such as accepted community practice or standard;~~

(e)(e) ~~Be satisfied it is reasonable;~~

(d)(f) ~~Includes appropriate documentary evidence; and~~

(e)(g) ~~Whether the claim withstands the public defensibility test;~~

(h) ~~For employees, is in accordance with the allowable and non-allowable expenditure detailed in the Travel and Event Attendance Procedure (if applicable); and~~

(i) ~~For Councillors, is in accordance with the Expenses Reimbursement and Provision of Facilities for Mayor and Councillors Policy.~~

~~All reimbursements must be in accordance with Council's Payment Exception Authority Procedure.~~

5.35.5 Use of Corporate Purchase Card

~~A Councillor or~~ an employee issued with a corporate purchase card ~~in the name of Council~~ may use this card to pay for entertainment and hospitality expenditure subject to the terms and conditions of the card ~~and in accordance with this policy and the Corporate Purchase Card Procedure.~~

5.45.6 Allocation of Funding

This policy is subject to the allocation of funding in the annual budget.

Hospitality expenses related to ~~official receptions~~ civic events and other approved functions organised by employees must be met from relevant approved budgets.

5.55.7 Reporting

Entertainment and hospitality expenditure are charged to specified accounts as per the Entertainment and Hospitality General Ledger Expense Allocation Guideline to ensure compliance with tax obligations relating to goods and services tax and fringe benefits tax.

Entertainment and hospitality expenditure relating to official overseas travel must be included in the Annual Report, as required under the *Local Government Regulation 2012*.

Tickets to events purchased by Council, including approved purchase of tickets by a Councillor or employee who is reimbursed by Council, must be recorded on an Events Register maintained by the Office of the CEO.

6 Review Timelines

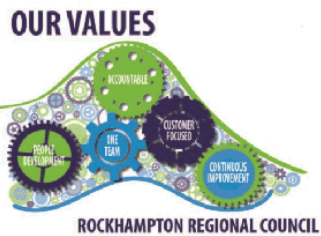
This policy is reviewed when any of the following occur:

- (a) As required by legislation;
- (b) The related information is amended or replaced; or
- (c) Other circumstances as determined from time to time by the Council.

LEGAL AND GOVERNANCE USE ONLY			
Adopted/Approved:	<u>Adopted, 12 April 2016</u> Draft	Department:	Office of the CEO
Version:	3	Section:	<u>Workforce and Governance Support</u>
Reviewed Date:		Page No:	Page 9 of 10

7 Document Management

Sponsor	Chief Executive Officer
Business Owner	Chief Executive Officer
Policy Owner	Executive Manager Workforce and Governance Support
Policy Quality Control	Legal and Governance



LEGAL AND GOVERNANCE USE ONLY			
Adopted/Approved:	Adopted, 12 April 2016 Draft	Department:	Office of the CEO
Version:	3	Section:	Workforce and Governance Support
Reviewed Date:		Page No:	Page 10 of 10

**REVISED POLICIES - ENTERTAINMENT
AND HOSPITALITY, EXPENSES
REIMBURSEMENT AND PROVISION OF
FACILITIES FOR MAYOR AND
COUNCILLORS AND COUNCILLOR
GIFTS, BENEFITS AND HOSPITALITY**

**Expenses Reimbursement and
Provision of Facilities for Mayor and
Councillors Policy (Clean)**

Meeting Date: 9 November 2021

Attachment No: 3

EXPENSES REIMBURSEMENT AND PROVISION OF FACILITIES FOR MAYOR AND COUNCILLORS

STATUTORY POLICY



1 Scope

This policy applies to Councillors of Rockhampton Regional Council. This policy does not provide for salaries or other form of Councillor remuneration. Councillor remuneration is in accordance with the determination of the Local Government Remuneration and Discipline Tribunal.

2 Purpose

The purpose of this policy is to ensure accountability and transparency in the reimbursement of expenses and the provision of facilities provided or incurred by the Councillors.

3 Related Documents

3.1 Primary

Local Government Regulation 2012

3.2 Secondary

Income Tax Assessment Act 1997 (Cwth)

Local Government Act 2009

Civic Events Policy

Council Vehicle Incident Procedure

Declaration of Travel Expenses Form

Entertainment and Hospitality General Ledger Expense Allocation Whole of Council Work Instruction

Entertainment and Hospitality Policy

Fleet Vehicle Greenhouse Gas Emissions Reduction Policy

Insurance Claim Request Form

Insurance Form – Motor Vehicle

Notice of Incident – Insurance Purposes (Internal)

Purchasing Policy – Acquisition of Goods and Services

Taxation Rulings issued by the Australian Taxation Office

Travel Request Form

4 Definitions

To assist in interpretation, the following definitions apply:

CEO	Chief Executive Officer A person who holds an appointment under section 194 of the <i>Local Government Act 2009</i> . This includes a person acting in this position.
-----	--

LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	DRAFT	Department:	Office of the CEO
Version:		Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 1 of 13

Civic Event	An event or ceremony which involves a guest/s of honour and invites guests approved by the Mayor. Civic events are initiated by the Mayor.
Committee	A group of Councillors created by a resolution of the Council to undertake functions as determined under the <i>Local Government Act 2009</i> or <i>Local Government Regulation 2012</i> .
Council	Rockhampton Regional Council
Council Table	The body of elected Councillors of Council.
Councillors	The Mayor and Councillors of Council, within the meaning of the <i>Local Government Act 2009</i> .
CQROC Local Government Areas	The boundaries of the local government areas of Banana Shire Council, Central Highlands Regional Council, Gladstone Regional Council, Livingstone Shire Council, Woorabinda Aboriginal Shire Council and Rockhampton Regional Council.
CQROC	Central Queensland Regional Organisation of Councils
Discretionary Training	Training a Councillor wishes to attend, outside the provisions of mandatory training.
Expenses	Costs reasonably incurred, or to be incurred, by a Councillor whilst fulfilling their obligations under the <i>Local Government Act 2009</i> . The expenses may be either reimbursed to Councillors or paid direct by Council.
Facilities	Facilities deemed necessary to assist Councillors in their role.
GVG	Green Vehicle Guide
Official Council Business	<p>Official business conducted on behalf of Council that should result in a benefit being achieved for the local government and/or local government Region (for example opening a school fete) and where a Councillor is required to undertake certain tasks to satisfy legislative requirements or achieve business continuity for the Council including, but not limited to:</p> <ul style="list-style-type: none"> (a) Official Council meetings, Councillor forums and workshops, (b) Meetings and engagements associated with Councillors who have been formally appointed to an external organisation; (c) Attendance at prescribed Local Government training/workshops and conferences; (d) Attendance at civic ceremonies and community events where a formal invitation has been received inviting Councillors in their capacity to undertake official duties; (e) Attending public meetings, annual meetings, community meetings, organised/official events or presentation dinners where invited as a Councillor; (f) Attending meetings of community groups where invited to speak about Council programs or initiatives; (g) Attending private meetings with constituents about Council strategies, programs or initiatives; (h) Attending organised meetings, inspections and community consultations pertaining to Council responsibilities. <p>Participating in a community group event or being a representative on a board not associated with Council is not regarded as official Council business.</p>
Mandatory Training	Training the CEO deems mandatory for a Councillor to attend for skill development directly related to the Councillor's role.

LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	DRAFT	Department:	Office of the CEO
Version:	11	Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 2 of 13

Mayor	An elected member of Council, also referred to as a Councillor, with additional responsibilities as outlined in section 12(4) of the <i>Local Government Act 2009</i> .
Reasonable	Council must make sound judgements and consider what is prudent, responsible and acceptable to the community when determining reasonable levels of facilities and expenditure.
Region	Rockhampton Regional Area defined by the Local Government Areas of Queensland.
Resolution	A motion passed by a majority of Councillors at the meeting. While in practice it means the "Council decision", the word "resolution" also indicates the process by which the decision was made.

5 Policy Statement

Council is committed to ensuring Councillors are provided with facilities and that reasonable expenses incurred while undertaking official Council business are paid or reimbursed to enable them to perform their duties.

Payment or reimbursement of expenses and provision of facilities for Councillors is:

- (a) In accordance with statutory requirements;
- (b) To be open and transparent, prudent, responsible;
- (c) Acceptable to the community;
- (d) Based on ensuring economy and efficiency; and
- (e) Subject to allocated and approved budget.

Family members, including partners, of Councillors are not entitled to reimbursement of expenses or to have access to facilities allocated to Councillors.

This policy is deemed to be a "procedure" for the purposes of section 150K(1) of the *Local Government Act 2009*.

A leave of absence is automatically granted where a Councillor is appointed as a Council representative on a committee or association by Council resolution. If there may be a lack of quorum at a committee or ordinary meeting due to the Councillor attending an activity, the CEO will refer the approval for a leave of absence to the Council table.

5.1 Expense Categories

5.1.1 Official Council Business

Council pays or reimburses expenses incurred in undertaking official Council business.

5.1.2 Professional Development

Council pays or reimburses expenses incurred by a Councillor attending the following professional development:

- (a) Mandatory training; and
- (b) Discretionary training provided the expenses do not exceed the following limits:
 - (i) Mayor No limit
 - (ii) Deputy Mayor \$10,000 per year
 - (iii) Portfolio Spokesperson/
Committee Chairs \$7,500 per year
 - (iv) Councillors \$5,000 per year

LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	DRAFT	Department:	Office of the CEO
Version:	11	Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 3 of 13

If a Councillor exceeds the above limits and wishes to attend discretionary training, a Council resolution is required.

5.1.3 Travel Expenses

If in line with budget allocation, Council pays or reimburses local, interstate and overseas travel expenses incurred by a Councillor (for example, flights, car, accommodation, meals) as set out in this policy provided the expenses are deemed necessary for undertaking official Council business or approved professional development.

Councillors must take the following into consideration prior to requesting attendance:

- (a) The value and benefit to Council; and
- (b) Alternate methods of engagement or attendance, for example virtual participation.

The following expenses for Councillors, excluding the Mayor, must be approved in advance by Council resolution:

- (a) All travel outside of the CQROC Local Government Areas and associated costs; and
- (b) Expenses incurred outside of current budget allocation,

however, the CEO may give pre-approval at any time.

Requests for approval must include supporting documentation and justification demonstrating the value to Council and the Region.

Details of all proposed flights, accommodation, hire car and other known travel expenses must be completed on a Travel Request Form and submitted prior to travel. All travel arrangements and bookings must be coordinated with Committee Support.

5.1.3.1 Flights

Airline bookings are made with respect to convenience of scheduling, and where practical, to take advantage of discounted air fares.

Standard of air travel is economy class however when Councillors are required to travel on long range flights the CEO may approve travel other than economy class.

5.1.3.2 Accommodation

All Councillor accommodation should be selected having regard to:

- (a) The best price value; and
- (b) Convenience to the conference/meeting.

In determining accommodation locations and standards for all Councillors, every effort is made to minimise the total cost associated with attendance at the event. Travel time to the event, taxi (or like service) costs, convenience and hotel services is considered when booking accommodation. When practical and available, accommodation is arranged within close proximity to the event venue.

When attending conferences, Councillors should utilise the costs savings from any package provided by conference organisers. Alternative accommodation arrangements may be chosen taking into account the total costs, location, value for money, convenience and safety.

One night's accommodation prior to the event is only approved where travel to the event on the day of commencement is not practical.

All expenses incurred at the accommodation venue other than accommodation and meals must be settled at the time of departure.

LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	DRAFT	Department:	Office of the CEO
Version:	11	Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 4 of 13

5.1.3.3 Private Vehicle Use

Use of private motor vehicles is not encouraged and should only be utilised where no other means of transport is available, practical or economical. The use of private vehicles for official Council business is only acceptable where every effort to use Council vehicles has been explored in advance of its required need.

Council insurance does not cover private vehicles used for official Council business.

Any use of private motor vehicles must be approved by the CEO prior to the commencement of travel.

Where a Councillor utilises their own vehicle in the undertaking of official Council business, the Councillor is entitled to a travel allowance in accordance with the Australian Taxation Office vehicle mileage rates per kilometre schedule.

5.1.3.4 Parking and Associated Fees

Council reimburses parking costs where a vehicle has incurred fees and fees and charges incurred from travel on Queensland toll roads (excluding infringement notices, or administration fees/overdue fees from non-payment of toll charges within prescribed timeframes) whilst undertaking official Council business.

5.1.3.5 Public Transport/Taxi Fares

Council reimburses the cost of travel associated with official Council business. Where possible, cabcharge vouchers and airtrain tickets should be obtained from Committee Support prior to travel.

5.1.3.6 Conference Proceedings

Council reimburses the cost of conference proceedings where the information is deemed valuable to convey information about the conference content that could not be conveyed as well by other means.

5.1.3.7 Laundry/Dry Cleaning

Council reimburses the cost of laundry/dry cleaning charges when the Councillor's travel exceeds four consecutive days.

5.1.3.8 Business Telephone Calls, Facsimiles and Postage

Council reimburses the cost of official Council business telephone calls, modem and internet connections, facsimiles and correspondence, photocopying and postage.

5.1.3.9 Personal Telephone Calls and Calls from Mobile Phones

Council recognises the personal sacrifice of travelling for official Council business and the impact it has on family life. In recognition of this, personal calls are allowed to a maximum of \$15.00 per day.

5.1.3.10 Meals

If breakfast is able to be purchased at the place of accommodation and can be charged to the room account, the standard hotel breakfast rate is covered.

If not included as part of official Council business or accommodation package, the cost of meals allowable is up to:

- (a) Breakfast \$50.00
- (b) Lunch \$50.00
- (c) Dinner \$100.00

Meal allowances must be utilised independently for each meal type per day and not to be added together for one meal.

LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	DRAFT	Department:	Office of the CEO
Version:	11	Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 5 of 13

Should the Councillor choose not to attend a provided meal, then the full cost of the alternative meal is to be met by the Councillor.

5.1.3.11 Non Allowable Expenditure

As a guide, expenses not normally reimbursed at home, are not reimbursed when travelling. The following expenses are not reimbursed by Council:

- (a) Beverages not included within a meal allowance;
- (b) Tips and gratuities other than where travel is to a place where tips and gratuities are the custom;
- (c) Applying for or renewing passports;
- (d) Airline club fees (that is, Qantas Frequent Flyer or Virgin Australia Velocity Club), other than approved by the CEO;
- (e) Excess baggage claims, unless items are directly related to the approved event;
- (f) Toiletries;
- (g) Barber or hair stylist;
- (h) Babysitting fees;
- (i) Kennel fees;
- (j) Tourism related costs;
- (k) Traffic parking fines;
- (l) Fees and charges associated with personal travel on Queensland tolls charges;
- (m) Travel costs not applicable to the official Council business;
- (n) In-flight and in-house movies;
- (o) In-house or external entertainment not directly related to the official Council business;
- (p) Personal gifts, goods or services purchased;
- (q) Costs incurred for family members (partners and children):
 - (i) Meals;
 - (ii) Travel;
 - (iii) Incidentals, for example, laundry, in-house video hire;
 - (iv) Partner's programme; and
- (r) Public transport or taxi fares for personal matters, for example, shopping, visiting friends/relatives etc.

5.1.3.12 Other Travel Matters

5.1.3.12.1 Travel Insurance

Councillors are covered by Council insurance while travelling on official Council business. Details of cover may be obtained from the Manager Corporate and Technology Services.

If the level of cover is considered by the Councillor to be inadequate for their personal requirements, additional insurance can be obtained at the Councillor's expense.

LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	DRAFT	Department:	Office of the CEO
Version:	11	Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 6 of 13

5.1.3.12.2 Local Government WorkCare

Councillors engaged in travel on official Council business, including intrastate, interstate or overseas travel are entitled to the statutory protection of WorkCare, as in the normal course of employment.

Cover is extended to Councillors for the full duration of the Councillor's absence from the normal place of work, but excludes personal/recreational activities of a high-risk nature outside the normal course of employment.

5.1.3.12.3 Extended Personal Travel

Should travel time be extended by the Councillor for personal reasons beyond what is necessary for the purposes of the authorised travel, all additional costs and arrangements is the responsibility of the Councillor.

5.1.3.12.4 Travel by Family Members

A Councillor may choose to have a companion travel with them on official Council business. The Councillor is responsible for charges over and above the standard Council rate for one adult travelling, for example, standard room as opposed to larger room to accommodate a family or car hire to accommodate a family.

5.1.3.12.5 Rewards Programs

Councillors may accumulate reward points for travel for business and/or personal use as a result of travel in the course of their duties. Councillors are to use their best endeavours to allocate rewards points accumulated in the course of their duties for future official Council business travel.

5.1.3.12.6 Non-Attendance

It is the Councillor's responsibility to ensure they undertake the approved confirmed attendance, travel and/or accommodation booked.

Council reserves the right to recoup costs incurred for the failure of such attendance.

5.1.3.12.7 Purchase Cards

Councillors must not use corporate purchase cards to book travel arrangements, including flights, accommodation or registrations. The only exception is for emergency flight or accommodation changes outside the Councillor's control.

5.1.3.12.8 Additional Expenses

Any additional costs not covered by this policy may be approved by the CEO provided the costs are fully substantiated and receipts or declarations of all expenditure incurred are provided on the Declaration of Travel Expenses Form.

5.1.3.12.9 Claiming and Declaration of Travel Expenses

It is the Councillor's responsibility to seek reimbursement of legitimate expenses upon return.

Expenses incurred during travel on official Council business must be declared on the Declaration of Travel Expenses Form. This includes both expenses to be reimbursed and expenses incurred on corporate purchase cards. The original itemised tax invoice/receipt must be submitted with the Declaration of Travel Expenses Form. If the original tax invoice cannot be produced, a statutory declaration must be completed.

LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	DRAFT	Department:	Office of the CEO
Version:	11	Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 7 of 13

All travel supporting documentation including unused cab charge vouchers and airtrain tickets must be returned with the Declaration of Travel Expenses Form within 14 days of completion of travel for processing and payment. Council approval is required for any claim for travel expenses not returned with the Declaration of Travel Expenses Form within 14 days of completion of travel. Committee Support arranges reimbursement in accordance with this policy.

5.2 Entertainment and Hospitality Expenditure

Provided entertainment and hospitality expenses are incurred in accordance with the Entertainment and Hospitality Policy, Council pays or reimburses entertainment and hospitality expenses incurred by Councillors provided the expenses do not exceed:

- (a) \$6,000 per annum for the Mayor; and
- (b) \$1,200 per annum for each Councillor.

Hospitality expenses related to official receptions and other functions organised by Council are excluded from the expenditure limits mentioned above and are met from relevant approved budgets.

5.3 Facilities

Facilities provided for Councillors must be deemed necessary and required to assist Councillors in their official duties.

Council determines the reasonable standard for facilities for Councillors. If a Councillor chooses a higher standard of facility than prescribed by Council, any difference in cost must be met by the Councillor.

Facilities provided to Councillors remain Council's property and must be accounted for during annual equipment audits. The facilities must be returned to Council when the Councillor's term expires, unless Council agrees to dispose of the facility in some other manner.

5.3.1 Administrative Tools and Office Amenities

Council provides Councillors with the facilities listed below:

5.3.1.1 Office Space and Access to Meeting Rooms

The Mayor is provided with a dedicated office in the Rockhampton City Hall.

Council provides access to occasional office accommodation and meeting rooms for Councillors to meet with constituents and the public.

5.3.1.2 Support

The Mayor is provided with an administration officer.

The Deputy Mayor and Councillors are provided with two shared administrative support officers as determined by the CEO.

5.3.1.3 Computer

Councillors are provided with a laptop computer for official Council business use.

An iPad or similar tablet type mobile device is made available on request to the CEO.

5.3.1.4 Photocopier and Paper Shredder

Councillors are entitled to access photocopiers and paper shredders for business use at City Hall.

Access to domestic photocopiers/scanners may be provided for the home based offices, on request to the CEO.

LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	DRAFT	Department:	Office of the CEO
Version:	11	Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 8 of 13

5.3.1.5 Stationery

Councillors are provided stationery for official purposes only.

Council stationery is not to be converted or modified in any way and may only be used for carrying out the functions of the role of Councillor.

Stationery does not include any form of advertising by Council.

5.3.1.6 Telecommunication Needs

Councillors are provided with a smartphone as designated by the CEO.

It is recognised that community obligations and demands on the Mayor, Deputy Mayor and Councillors are such that generally all calls are deemed to be official Council business. Therefore, the Mayor, Deputy Mayor and Councillors are entitled to have the full cost of Council business related mobile devices charges paid by Council.

5.3.1.7 Publications

Councillors are provided access to copies of relevant legislation, books and journals considered necessary for undertaking their duties.

5.3.1.8 Advertising

Council does not reimburse or provide funds, services or facilities for the purposes of advertising for Councillors.

5.3.1.9 Community Consultation

Councillors may use Council provided facilities to correspond with community representatives for the purpose of clarifying issues relevant to their division or the Region in general. If a Councillor chooses to undertake community consultation exceeding the consultation approved by Council, the Councillor must pay the costs of the further consultation.

5.3.1.10 Other Equipment

Councillors may be provided with home office equipment (in addition to a laptop computer as identified in paragraph 5.3.1.3) comprising of a:

- (a) Laptop docking station;
- (b) Printer;
- (a) Computer screen;
- (c) Lockable filing cabinet;
- (d) Desk and chair; and
- (e) Internet access for official Council business use only.

5.3.1.11 Personal Protective Equipment, Uniforms, Blazer and Name Badge

Councillors are provided with any personal protective equipment such as overalls, safety shoes, safety helmets or glasses, as required.

Councillors may be provided with corporate uniforms comprising five items, with or without Council's corporate logo, a blazer with Council's Crest or corporate logo and a name badge if required.

5.3.1.12 Maintenance

Council covers ongoing maintenance costs associated with fair wear and tear of Council owned equipment to ensure it is operating for optimal professional use.

LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	DRAFT	Department:	Office of the CEO
Version:	11	Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 9 of 13

5.3.2 Vehicles

5.3.2.1 Vehicle Allowance

Councillors, with the exception of the Mayor, are provided with a Council vehicle for official Council business use, up to Council's fleet purchase price of \$37,500 (exclusive of GST but inclusive of any extras or accessories fitted to the vehicle).

As a result of the community expectations and demands on the Mayor, all vehicle use by the Mayor is deemed to be official Council business. The Mayor is provided with a Council vehicle for Council business use, up to Council's fleet purchase price of \$69,500 (exclusive of GST but inclusive of any extras or accessories fitted to the vehicle).

During the term of Council, a Councillor or Mayor may make a request to the CEO to change vehicle arrangements providing it is cost neutral for Council. Should there be excessive costs to Council, the CEO may refuse the request or require the Councillor to reimburse such costs.

5.3.2.2 Greenhouse Gas Emissions

Council provided vehicles must meet the requirements of the Fleet Vehicle Greenhouse Gas Emissions Reduction Policy.

5.3.2.3 Private Use

Councillors may elect to have limited private use of a Council vehicle, however are required to contribute to private use operating and FBT costs. This can be contributed post-tax or salary sacrificed pre-tax pending any changes to applicable taxation laws.

Private use of Council vehicles is limited to within the State of Queensland. Any private use outside of this boundary will require a record to be kept and advice provided to the CEO within 30 days of the use. The CEO invoices the Councillor based on the mileage allowances recommended by the Australian Taxation Office.

Councillors who choose to elect to have limited private use are required to reimburse Council an annual amount of \$4232.54 plus yearly Council plant hire increases.

Reimbursement is not required for any travel associated with official Council business.

It is considered that all vehicle use by the Mayor is deemed to be official Council business use, therefore this requirement to calculate private use is not applicable.

5.3.2.4 Conditions of Use

5.3.2.4.1 Roadworthiness and Appearance

It is the Councillor's responsibility to ensure the vehicle is maintained in a roadworthy condition. No vehicle is to be driven if there is doubt as to its roadworthiness.

It is a Councillor's responsibility to ensure:

- (a) Servicing is carried out in accordance with manufacturer's guidelines and contractual obligations;
- (b) The vehicle is clean and maintained at a high standard to promote a positive image of Council;
- (c) Regular maintenance including fluid and tyre pressure checks are carried out; and
- (d) Obvious tyre, windscreen or other wear or abnormal noises are reported to Fleet Services.

LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	DRAFT	Department:	Office of the CEO
Version:	11	Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 10 of 13

5.3.2.4.2 Authorised Drivers

Unless an emergency exists, the following are authorised drivers of a Council vehicle:

- (a) The Councillor allocated to that vehicle;
- (b) The Councillor's spouse or partner;
- (c) Any other licensed driver, provided the Councillor is in the vehicle at the time; or
- (d) Another licensed Council employee or Councillor for travel related to official Council business.

5.3.2.4.3 Refuelling of Vehicles

Vehicles are to be refuelled at Council's preferred supplier's service station using the supplied fuel card.

5.3.2.4.4 Infringements

Council is not liable to pay any fine or costs incurred by the driver of a Councillor allocated vehicle if that person infringes against Road Traffic Regulations, the local laws of a local government or any other regulation that relates to the use of vehicles.

The onus for payment of a fine or other costs resides with the offender. If the actual driver cannot be determined, the Councillor may be held liable for the penalties involved.

5.3.2.4.5 Insurance

Council vehicles are insured under a comprehensive policy. This insurance policy becomes null and void if the driver is:

- (a) Not in possession of a current driver's licence;
- (b) Convicted of being under the influence of alcohol or prohibited substances; or
- (c) Not authorised to drive the relevant Council vehicle.

In such cases the driver could become personally liable for damages.

Personal property left in motor vehicles is not insured under any circumstances.

5.3.2.4.6 Theft of a Council Vehicle

In the event of the theft of a Council vehicle, Councillors are required to notify the police and CEO immediately.

5.3.2.4.7 Loss of Drivers Licence

Any Councillor disqualified or suspended from driving automatically forfeits rights for usage of a Council vehicle for at least the period of disqualification or suspension.

Councillors must report any loss of drivers licence to the CEO immediately.

5.3.2.4.8 Accidents

In the event of an accident, Councillors must comply with the Council Vehicle Incident Procedure.

LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	DRAFT	Department:	Office of the CEO
Version:	11	Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 11 of 13

5.4 Legal Costs and Insurance Cover

Councillors are covered under Council insurance policies in the course of official Council business. Insurance cover is provided for:

- (a) Public liability;
- (b) Professional indemnity;
- (c) Personal accident and/or workers compensation; and
- (d) International and domestic travel insurance.

Any claim over and above the stated requires the approval of a Council resolution.

Council will cover costs incurred through injury, investigation, hearings or legal proceedings into the conduct of a Councillor, or arising out of, or in connection with the Councillors performance of their legislative obligations. If it has been found that the Councillor breached the provisions of the governing legislation, the Councillor will reimburse Council with all associated costs incurred by Council.

Should a Councillor obtain their own legal advice the CEO must be informed. Council may consider at its discretion making a contribution in full or in part towards the legal costs incurred subject to the Councillor not being found to be in breach of the provisions of the governing legislation.

5.5 Vacation of Office

In cases resulting in the vacation of office, any facilities and vehicles allocated to the Councillor (including keys, fleet cards, log books and any other documentation) must be returned to Council on cessation date.

5.6 Payment of Expenses

Councillors who require reimbursement of personal expenses incurred whilst undertaking official Council business, must submit original receipts to their Executive Support Officer to be approved by the CEO. Receipts must be submitted no later than 30 June of that year. Reimbursements must be made in the financial year they were incurred.

5.7 Reporting

Council's Annual Report must contain information on Councillor expenses reimbursement and provision of facilities as stipulated in the *Local Government Regulation 2012*.

6 Review Timelines

This policy is reviewed when any of the following occur:

- (a) As required by legislation;
- (b) The related information is amended or replaced; or
- (c) Other circumstances as determined from time to time by the Council.

LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	DRAFT	Department:	Office of the CEO
Version:	11	Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 12 of 13

7 Document Management

Sponsor	Chief Executive Officer
Business Owner	Chief Executive Officer
Policy Owner	Manager Office of the Mayor
Policy Quality Control	Legal and Governance



LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	DRAFT	Department:	Office of the CEO
Version:	11	Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 13 of 13

**REVISED POLICIES - ENTERTAINMENT
AND HOSPITALITY, EXPENSES
REIMBURSEMENT AND PROVISION OF
FACILITIES FOR MAYOR AND
COUNCILLORS AND COUNCILLOR
GIFTS, BENEFITS AND HOSPITALITY**

**Expenses Reimbursement and
Provision of Facilities for Mayor and
Councillors Policy (Tracked)**

Meeting Date: 9 November 2021

Attachment No: 4

EXPENSES REIMBURSEMENT AND PROVISION OF FACILITIES FOR MAYOR AND COUNCILLORS

STATUTORY POLICY



1 Scope

This policy applies to Councillors of Rockhampton Regional Council. This policy does not provide for salaries or other form of Councillor remuneration. Councillor remuneration is in accordance with the determination of the Local Government Remuneration and Discipline Tribunal.

2 Purpose

The purpose of this policy is to ensure accountability and transparency in the reimbursement of expenses and the provision of facilities provided or incurred by the Councillors.

3 Related Documents

3.1 Primary

Local Government Regulation 2012

3.2 Secondary

Income Tax Assessment Act 1997 (Cwth)

Local Government Act 2009

Civic Events Policy

Council Vehicle Incident Procedure

Declaration of Travel Expenses Form

Entertainment and Hospitality General Ledger Expense Allocation Whole of Council Work Instruction

[Entertainment and Hospitality Policy](#)

Fleet Vehicle Greenhouse Gas Emissions Reduction Policy

Insurance Claim Request Form

Insurance Form – Motor Vehicle

Notice of Incident – Insurance Purposes (Internal)

Purchasing Policy – Acquisition of Goods and Services

Taxation Rulings issued by the Australian Taxation Office

Travel Request Form

4 Definitions

To assist in interpretation, the following definitions apply:

Activity	Meeting, event, function, conference, training, course or other activity a Councillor may be required to attend as part of their role in attending to Council business.
----------	---

LEGAL & GOVERNANCE USE ONLY

Adopted/Approved:	Adopted, 28 April 2020 DRAFT	Department:	Office of the CEO
Version:	11	Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 1 of 14

CEO	Chief Executive Officer A person who holds an appointment under section 194 of the <i>Local Government Act 2009</i> . This includes a person acting in this position.
Civic Event	An event or ceremony which involves a guest/s of honour and invites guests approved by the Mayor. Civic events are initiated by the Mayor.
Committee	A group of Councillors created by a resolution of the Council to undertake functions as determined under the <i>Local Government Act 2009</i> or <i>Local Government Regulation 2012</i> .
Council	Rockhampton Regional Council
Council Table	The body of elected Councillors of Council.
Councillors	The Mayor and Councillors of Council, within the meaning of the <i>Local Government Act 2009</i> .
CQROC	Central Queensland Regional Organisation of Councils
CQROC Local Government Areas	The boundaries of the local government areas of Banana Shire Council, Central Highlands Regional Council, Gladstone Regional Council, Livingstone Shire Council, Woorabinda Aboriginal Shire Council and Rockhampton Regional Council.
Discretionary Training	Training a Councillor wishes to attend, outside the provisions of mandatory training.
Entertainment or Hospitality Expense	The expense to Council of providing an entertainment or hospitality service.
Entertainment or Hospitality Service	Includes the following: (a) Entertaining members of the public in order to promote a local government initiative or project; and (b) Providing food or beverages: (i) To a person visiting council in an official capacity; or (ii)(i) For a conference, meeting, training course, seminar, workshop or another forum that is held by Council for its Councillors, employees or other persons.
Expenses	Costs reasonably incurred, or to be incurred, by a Councillor whilst fulfilling their obligations under the <i>Local Government Act 2009</i> . The expenses may be either reimbursed to Councillors or paid direct by Council.
Facilities	Facilities deemed necessary to assist Councillors in their role.
GVG	Green Vehicle Guide

LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	Adopted, 28 April 2020 DRAFT	Department:	Office of the CEO
Version:		Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 2 of 14

Official Council Business	<p>Official business conducted on behalf of Council that should result in a benefit being achieved for the local government and/or local government Region (for example opening a school fete) <u>and where a Councillor is required to undertake certain tasks to satisfy legislative requirements or achieve business continuity for the Council including, but not limited to:-</u></p> <p>(a) <u>Council business also includes where a Councillor is required to undertake certain tasks to satisfy legislative requirements or achieve business continuity for the Council (for example Official Council meetings, Councillor forums and workshops,</u></p> <p>(b) <u>committees/boards as Council's official representative</u></p> <p>(c) <u>Meetings and engagements associated with Councillors who have been formally appointed to an external organisation;</u></p> <p>(d) <u>Attendance at prescribed Local Government training/workshops and conferences;</u></p> <p>(e) <u>Attendance at civic ceremonies and community events where a formal invitation has been received inviting Councillors in their capacity to undertake official duties;</u></p> <p>(f) <u>Attending public meetings, annual meetings, community meetings, organised/official events or presentation dinners where invited as a Councillor;</u></p> <p>(g) <u>Attending meetings of community groups where invited to speak about Council programs or initiatives;</u></p> <p>(h) <u>Attending private meetings with constituents about Council strategies, programs or initiatives;</u></p> <p>(i) <u>Attending organised meetings, inspections and community consultations pertaining to Council responsibilities.</u></p> <p>(e)(j) <u>scheduled meetings relating to portfolios or Council appointments).</u></p> <p>Participating in a community group event or being a representative on a board not associated with Council is not regarded as <u>official</u> Council business.</p>
Mandatory Training	Training the CEO deems mandatory for a Councillor to attend for skill development directly related to the Councillor's role.
Mayor	An elected member of Council, also referred to as a Councillor, with additional responsibilities as outlined in section 12(4) of the <i>Local Government Act 2009</i> .
Reasonable	Council must make sound judgements and consider what is prudent, responsible and acceptable to the community when determining reasonable levels of facilities and expenditure.
Region	Rockhampton Regional Area defined by the Local Government Areas of Queensland.
Resolution	A motion passed by a majority of Councillors at the meeting. While in practice it means the "Council decision", the word "resolution" also indicates the process by which the decision was made.

5 Policy Statement

Council is committed to ensuring Councillors are provided with facilities and have that reasonable expenses incurred while undertaking official Council business expenses are paid or reimbursed to enable them to perform their duties.

LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	<u>Adopted, 28 April 2020 DRAFT</u>	Department:	Office of the CEO
Version:		Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 3 of 14

Payment or reimbursement of expenses and provision of facilities for Councillors is:

- (a) In accordance with statutory requirements;
- (b) To be open and transparent, prudent, responsible;
- (c) Acceptable to the community;
- (d) Based on ensuring economy and efficiency; and
- (e) Subject to [allocated and approved budget provisions](#).

Family members, including partners, of Councillors are not entitled to reimbursement of expenses or to have access to facilities allocated to Councillors.

This policy is deemed to be a "procedure" for the purposes of section 150K(1) of the *Local Government Act 2009*.

A leave of absence is automatically granted where a Councillor is appointed as a Council representative on a committee or association by Council resolution. If there may be a lack of quorum at a committee or ordinary meeting due to the Councillor attending an activity, the CEO will refer the approval for a leave of absence to the Council table.

5.1 Expense Categories

5.1.1 [General-Official](#) Council Business

Council pays or reimburses expenses incurred in undertaking [official](#) Council business, ~~which includes:~~

- ~~(a) Preparing, attending and participating in Council meetings, committee meetings, workshops, strategic briefings, deputations and inspections;~~
- ~~(b) Attending civic functions or civic events to perform official duties or as an official council representative;~~
- ~~(c) Attending public/community meetings, presentation dinners and annual general meetings where invited as a Councillor; or~~
- ~~(d)(a) Attending a community event where a formal invitation has been received.~~

5.1.2 Professional Development

Council pays or reimburses expenses incurred by a Councillor attending the following professional development:

- (a) Mandatory training; and
- (b) Discretionary training provided the expenses do not exceed the following limits:
 - (i) Mayor No limit
 - (ii) Deputy Mayor \$10,000 per year
 - (iii) Portfolio Spokesperson/
Committee Chairs \$7,500 per year
 - (iv) Councillors \$5,000 per year

If a Councillor exceeds the above limits and wishes to attend discretionary training, a Council resolution is required.

5.1.3 Travel Expenses

If in line with budget allocation, Council pays or reimburses local, interstate and overseas travel expenses incurred by a Councillor (for example, flights, car, accommodation, meals) as set out in this policy provided the expenses are deemed necessary for undertaking [official](#) Council business or [training approved professional development](#).

LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	Adopted, 28 April 2020 DRAFT	Department:	Office of the CEO
Version:		Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 4 of 14

Councillors must take the following into consideration prior to requesting attendance:

(a) The value and benefit to Council; and

(b) Alternate methods of engagement or attendance, for example virtual participation.

The following expenses for Councillors, excluding the Mayor, must be approved in advance by Council resolution:

(a)(c) All international travel (excluding New Zealand) outside of the CQROC Local Government Areas and associated costs; and

(b)(d) Expenses incurred outside of current budget allocation,

however, the CEO may give pre-approval at any time.

Councillors must take into consideration the value and benefit to Council of an activity before deciding whether or not to attend an activity.

Requests for approval must include supporting documentation and justification demonstrating the value to Council and the Region.

Details of all proposed flights, accommodation, hire car and other known travel expenses must be completed on a Travel Request Form and submitted prior to travel. All travel arrangements and bookings must be coordinated with Committee Support.

5.1.3.1 Flights

Airline bookings are made with respect to convenience of scheduling, and where practical, to take advantage of discounted air fares.

Standard of air travel is economy class however when Councillors are required to travel on long range flights the CEO may approve travel other than economy class.

5.1.3.2 Accommodation

All Councillor accommodation should be selected having regard to:

(a) The best price value; and

(b) Convenience to the conference/meeting.

In determining accommodation locations and standards for all Councillors, every effort is made to minimise the total cost associated with attendance at the event. Travel time to the event, taxi (or like service) costs, convenience and hotel services is considered when booking accommodation. When practical and available, accommodation is arranged within close proximity to the event venue.

When attending conferences, Councillors should utilise the costs savings from any package provided by conference organisers. Alternative accommodation arrangements may be chosen taking into account the total costs, location, value for money, convenience and safety.

One night's accommodation prior to the event is only approved where travel to the event on the day of commencement is not practical.

All expenses incurred at the accommodation venue other than accommodation and meals must be settled at the time of departure.

5.1.3.3 Private Vehicle Use

Use of private motor vehicles is not encouraged and should only be utilised where no other means of transport is available, practical or economical. The use of private vehicles for official Council business is only acceptable where every effort to use Council vehicles has been explored in advance of its required need.

Council insurance does not cover private vehicles used for official Council business.

LEGAL & GOVERNANCE USE ONLY

Adopted/Approved:	<u>Adopted, 28 April 2020 DRAFT</u>	Department:	Office of the CEO
Version:		Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 5 of 14

Any use of private motor vehicles must be approved by the CEO prior to the commencement of travel.

Where a Councillor utilises their own vehicle ~~to attend an activity in the undertaking of official Council business~~, the Councillor is entitled to a travel allowance in accordance with the Australian Taxation Office vehicle mileage rates per kilometre schedule.

5.1.3.4 Parking and Associated Fees

Council reimburses parking costs where a vehicle has incurred fees ~~and fees and charges incurred from travel on Queensland toll roads~~ (excluding infringement notices ~~or administration fees/overdue fees from non-payment of toll charges within prescribed timeframes~~) whilst ~~attending an activity~~ undertaking official Council business.

5.1.3.5 Public Transport/Taxi Fares

Council reimburses the cost of travel ~~associated with official Council business~~ ~~to and from activities~~. Where possible, cabcharge vouchers and airtrain tickets should be obtained from Committee Support prior to travel.

5.1.3.6 Conference Proceedings

Council reimburses the cost of conference proceedings where the information is deemed valuable to convey information about the conference content that could not be conveyed as well by other means.

5.1.3.7 Laundry/Dry Cleaning

Council reimburses the cost of laundry/dry cleaning charges when the Councillor's travel exceeds four consecutive days.

5.1.3.8 Business Telephone Calls, Facsimiles and Postage

Council reimburses the cost of official Council business telephone calls, modem and internet connections, facsimiles and correspondence, photocopying and postage.

5.1.3.9 Personal Telephone Calls and Calls from Mobile Phones

Council recognises the personal sacrifice of travelling for official Council business and the impact it has on family life. In recognition of this, personal calls are allowed to a maximum of \$15.00 per day.

5.1.3.10 Meals

If breakfast is able to be purchased at the place of accommodation and can be charged to the room account, the standard hotel breakfast rate is covered.

If not included as part of ~~the activity~~ official Council business or accommodation package, the cost of meals allowable is up to:

- (a) Breakfast \$50.00
- (b) Lunch \$50.00
- (c) Dinner \$100.00

Meal allowances must be utilised independently for each meal type per day and not to be added together for one meal.

Should the Councillor choose not to attend a provided meal, then the full cost of the alternative meal is to be met by the Councillor.

LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	<u>Adopted, 28 April 2020</u> DRAFT	Department:	Office of the CEO
Version:		Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 6 of 14

5.1.3.11 Non Allowable Expenditure

As a guide, expenses not normally reimbursed at home, are not reimbursed when travelling. The following expenses are not reimbursed by Council:

- (a) Beverages not included within a meal allowance;
- (b) Tips and gratuities other than where travel is to a place where tips and gratuities are the custom;
- (c) Applying for or renewing passports;
- (d) Airline club fees (that is, Qantas Frequent Flyer or Virgin Australia Velocity Club), other than approved by the CEO;
- (e) Excess baggage claims, unless items are directly related to the approved event;
- (f) Toiletries;
- (g) Barber or hair stylist;
- (h) Babysitting fees;
- (i) Kennel fees;
- (j) Tourism related costs;
- (k) Traffic parking fines;
- (k)(l) Fees and charges associated with personal travel on Queensland tolls charges;
- (h)(m) Travel costs not applicable to the ~~approved activity~~ official Council business;
- (m)(n) In-flight and in-house movies;
- (n)(o) In-house or external entertainment not directly related to the ~~approved activity~~ official Council business;
- (o)(p) Personal gifts, goods or services purchased;
- (p)(q) Costs incurred for family members (partners and children):
 - (i) Meals;
 - (ii) Travel;
 - (iii) Incidentals, for example, laundry, in-house video hire;
 - (iv) Partner's programme; and
- (q)(r) Public transport or taxi fares for personal matters, for example, shopping, visiting friends/relatives etc.

5.1.3.12 Other Travel Matters**5.1.3.12.1 Travel Insurance**

Councillors are covered by Council insurance while travelling on ~~authorised-official~~ Council business. Details of cover may be obtained from the Manager Corporate and Technology Services.

If the level of cover is considered by the Councillor to be inadequate for their personal requirements, additional insurance can be obtained at the Councillor's expense.

LEGAL & GOVERNANCE USE ONLY

Adopted/Approved:	Adopted, 28 April 2020 DRAFT	Department:	Office of the CEO
Version:		Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 7 of 14

5.1.3.12.2 Local Government WorkCare

Councillors engaged in travel on ~~authorised~~[official](#) Council business, including intrastate, interstate or overseas travel are entitled to the statutory protection of WorkCare, as in the normal course of employment.

Cover is extended to Councillors for the full duration of the Councillor's absence from the normal place of work, but excludes personal/recreational activities of a high-risk nature outside the normal course of employment.

5.1.3.12.3 Extended Personal Travel

Should travel time be extended by the Councillor for personal reasons beyond what is necessary for the purposes of the authorised travel, all additional costs and arrangements is the responsibility of the Councillor.

5.1.3.12.4 Travel by Family Members

A Councillor may choose to have a companion travel with them ~~to an~~[activity on official Council business](#). The Councillor is responsible for charges over and above the standard Council rate for one adult travelling, for example, standard room as opposed to larger room to accommodate a family or car hire to accommodate a family.

5.1.3.12.5 Rewards Programs

Councillors may accumulate reward points for travel for business and/or personal use as a result of travel in the course of their duties. Councillors are to use their best endeavours to allocate rewards points accumulated in the course of their duties for future [official](#) Council business travel.

5.1.3.12.6 Non-Attendance

It is the Councillor's responsibility to ensure they undertake the approved confirmed attendance, travel and/or accommodation booked.

Council reserves the right to recoup costs incurred for the failure of such attendance.

5.1.3.12.7 Purchase Cards

Councillors must not use corporate purchase cards to book travel arrangements, including flights, accommodation or registrations. The only exception is for emergency flight or accommodation changes outside the Councillor's control.

5.1.3.12.8 Additional Expenses

Any additional costs not covered by this policy may be approved by the CEO provided the costs are fully substantiated and receipts or declarations of all expenditure incurred are provided on the Declaration of Travel Expenses Form.

5.1.3.12.9 Claiming and Declaration of Travel Expenses

It is the Councillor's responsibility to seek reimbursement of legitimate expenses upon return.

Expenses incurred during travel on [official](#) Council business must be declared on the Declaration of Travel Expenses Form. This includes both expenses to be reimbursed and expenses incurred on corporate purchase cards. The original itemised tax invoice/receipt must be submitted with the Declaration of Travel Expenses Form. If the original tax invoice cannot be produced, a statutory declaration must be completed.

LEGAL & GOVERNANCE USE ONLY

Adopted/Approved:	Adopted, 28 April 2020 DRAFT	Department:	Office of the CEO
Version:		Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 8 of 14

All travel supporting documentation including unused cab charge vouchers and airtrain tickets must be returned with the Declaration of Travel Expenses Form within 14 days of completion of travel for processing and payment. Council approval is required for any claim for travel expenses not returned with the Declaration of Travel Expenses Form within 14 days of completion of travel. Committee Support arranges reimbursement in accordance with this policy.

5.2 Entertainment and Hospitality ~~Expenses~~

~~Council recognises that there are circumstances where incurring entertainment and hospitality expenses are appropriate in the conduct of local government business. As Council is a publicly funded body, Council must ensure entertainment and hospitality expenses are incurred for the purpose of Council operations, and a high standard of accountability for funds are maintained.~~

~~Entertainment or hospitality expenses incurred by Councillors must be:~~

- ~~(a) For official purposes;~~
- ~~(b) Properly documented with the purpose identified;~~
- ~~(c) Available for scrutiny by both internal and external audit;~~
- ~~(d) Be appropriate and responsible and withstand the public defensibility test; and~~
- ~~(e) In accordance with the adopted budget.~~

~~Entertainment or hospitality expenses incurred by Councillors must be within the allocation of funding in the annual budget.~~

5.2.1 ~~Approved Entertainment and Hospitality Expenditure~~

~~Entertainment and hospitality expenditure is allowed where it is considered important for the conduct of public business and/or facilitating corporate and professional relationships.~~

5.2.1.1 ~~CEO Approval~~

~~Where practicable, entertainment and hospitality expenses must be approved by the CEO prior to spending funds.~~

~~When approving the claim, the CEO considers the following:~~

- ~~(a) The frequency of claims;~~
- ~~(b) Factors such as accepted community practice or standard;~~
- ~~(c) Be satisfied it is reasonable;~~
- ~~(d) Includes appropriate documentary evidence; and~~
- ~~(e) Whether the claim withstands the public defensibility test.~~

5.2.1.2 ~~Expenditure Limit~~

~~Provided entertainment and hospitality expenses are incurred in accordance with the requirements of this Entertainment and Hospitality Policy, Council pays or reimburses entertainment and hospitality expenses incurred by Councillors provided the expenses do not exceed:~~

- ~~(a) \$6,000 per annum for the Mayor; and~~
- ~~(b) \$1,200 per annum for each Councillor.~~

~~Hospitality expenses related to official receptions and other functions organised by Council are excluded from the expenditure limits mentioned above and are met from relevant approved budgets.~~

5.2.1.3 ~~Use of Corporate Purchase Card~~

~~A Councillor issued with a corporate purchase card in the name of Council may use~~

LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	<u>Adopted, 28 April 2020 DRAFT</u>	Department:	Office of the CEO
Version:		Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 9 of 14

~~this card to pay for entertainment and hospitality expenses subject to the terms and conditions of the card.~~

5.2.1.4 Reporting

~~Entertainment and hospitality expenses are charged to specified accounts as per the Entertainment and Hospitality General Ledger Expense Allocation Whole of Council Work Instruction to ensure compliance with tax obligations relating to goods and services tax and fringe benefits tax.~~

5.3 Facilities

Facilities provided for Councillors must be deemed necessary and required to assist Councillors in their official duties.

Council determines the reasonable standard for facilities for Councillors. If a Councillor chooses a higher standard of facility than prescribed by Council, any difference in cost must be met by the Councillor.

Facilities provided to Councillors remain Council's property and must be accounted for during annual equipment audits. The facilities must be returned to Council when the Councillor's term expires, unless Council agrees to dispose of the facility in some other manner.

5.3.1 Administrative Tools and Office Amenities

Council provides Councillors with the facilities listed below:

5.3.1.1 Office Space and Access to Meeting Rooms

The Mayor is provided with a dedicated office in the Rockhampton City Hall.

Council provides access to occasional office accommodation and meeting rooms for Councillors to meet with constituents and the public.

5.3.1.2 Support

The Mayor is provided with ~~a coordinator, an administration officer and a communications officer.~~

The Deputy Mayor and Councillors are provided with two shared administrative support officers as determined by the CEO.

5.3.1.3 Computer

Councillors are provided with a laptop computer for [official](#) Council business use.

An iPad or similar tablet type mobile device is made available on request to the CEO.

5.3.1.4 Photocopier and Paper Shredder

Councillors are entitled to access photocopiers and paper shredders for business use at City Hall.

Access to domestic photocopiers/scanners may be provided for the home based offices, on request to the CEO.

5.3.1.5 Stationery

Councillors are provided stationery for official purposes only.

Council stationery is not to be converted or modified in any way and may only be used for carrying out the functions of the role of Councillor.

Stationery does not include any form of advertising by Council.

LEGAL & GOVERNANCE USE ONLY

Adopted/Approved:	Adopted, 28 April 2020 DRAFT	Department:	Office of the CEO
Version:		Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 10 of 14

5.3.1.6 Telecommunication Needs

Councillors are provided with a smartphone as designated by the CEO.

It is recognised that community obligations and demands on the Mayor, Deputy Mayor and Councillors are such that generally all calls are deemed to be [official](#) Council business. Therefore, the Mayor, Deputy Mayor and Councillors are entitled to have the full cost of Council business related mobile devices charges paid by Council.

5.3.1.7 Publications

Councillors are provided access to copies of relevant legislation, books and journals considered necessary for undertaking their duties.

5.3.1.8 Advertising

Council does not reimburse or provide funds, services or facilities for the purposes of advertising for Councillors.

5.3.1.9 Community Consultation

Councillors may use Council provided facilities to correspond with community representatives for the purpose of clarifying issues relevant to their division or the Region in general. If a Councillor chooses to undertake ~~more~~ community consultation ~~exceeding than~~ the consultation approved by Council, the Councillor must pay the costs of the further consultation.

5.3.1.10 Other Equipment

Councillors may be provided with home office equipment (in addition to a laptop computer as identified in paragraph 5.3.1.3) comprising of a:

- (a) Laptop docking station;
- (b) Printer;
- (a) Computer screen;
- (c) Lockable filing cabinet;
- (d) Desk and chair; and
- (e) Internet access for [official Council](#) business use only.

5.3.1.11 Personal Protective Equipment, Uniforms, Blazer and Name Badge

Councillors are provided with any personal protective equipment such as overalls, safety shoes, safety helmets or glasses, as required.

Councillors may be provided with corporate uniforms comprising five items, with or without Council's corporate logo, a blazer with Council's Crest [or corporate logo](#) and a name badge if required.

5.3.1.12 Maintenance

Council covers ongoing maintenance costs associated with fair wear and tear of Council owned equipment to ensure it is operating for optimal professional use.

5.3.2 Vehicles**5.3.2.1 Vehicle Allowance**

Councillors, with the exception of the Mayor, are provided with a Council vehicle for official [Council](#) business use, up to Council's fleet purchase price of \$37,500 (exclusive of GST but inclusive of any extras or accessories fitted to the vehicle).

LEGAL & GOVERNANCE USE ONLY

Adopted/Approved:	Adopted, 28 April 2020 DRAFT	Department:	Office of the CEO
Version:		Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 11 of 14

As a result of the community expectations and demands on the Mayor, all vehicle use by the Mayor is deemed to be [official](#) Council business. The Mayor is provided with a Council vehicle for Council business use, up to Council's fleet purchase price of \$69,500 (exclusive of GST but inclusive of any extras or accessories fitted to the vehicle).

During the term of Council, a Councillor or Mayor may make a request to the CEO to change vehicle arrangements providing it is cost neutral for Council. Should there be excessive costs to Council, the CEO may refuse the request or require the Councillor to reimburse such costs.

5.3.2.2 Greenhouse Gas Emissions

Council provided vehicles must meet the requirements of the Fleet Vehicle Greenhouse Gas Emissions Reduction Policy.

5.3.2.3 Private Use

Councillors may elect to have limited private use of a Council vehicle, however are required to contribute to private use operating and FBT costs. This can be contributed post-tax or salary sacrificed pre-tax pending any changes to applicable taxation laws.

Private use of Council vehicles is limited to within the State of Queensland. Any private use outside of this boundary will require a record to be kept and advice provided to the CEO within 30 days of the use. The CEO invoices the Councillor based on the mileage allowances recommended by the Australian Taxation Office.

Councillors who choose to elect to have limited private use are required to reimburse Council an annual amount of \$4232.54 plus yearly Council plant hire increases.

Reimbursement is not required for any [travel associated with official Council business](#)~~business-travel~~.

It is considered that all vehicle use by the Mayor is deemed to be [official](#) Council business use, therefore this requirement to calculate private use is not applicable.

5.3.2.4 Conditions of Use

5.3.2.4.1 Roadworthiness and Appearance

It is the Councillor's responsibility to ensure the vehicle is maintained in a roadworthy condition. No vehicle is to be driven if there is doubt as to its roadworthiness.

It is a Councillor's responsibility to ensure:

- (a) Servicing is carried out in accordance with manufacturer's guidelines and contractual obligations;
- (b) The vehicle is clean and maintained at a high standard to promote a positive image of Council;
- (c) Regular maintenance including fluid and tyre pressure checks are carried out; and
- (d) Obvious tyre, windscreen or other wear or abnormal noises are reported to Fleet Services.

5.3.2.4.2 Authorised Drivers

Unless an emergency exists, the following are authorised drivers of a Council vehicle:

- (a) The Councillor allocated to that vehicle;
- (b) The Councillor's spouse or partner;

LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	Adopted, 28 April 2020 DRAFT	Department:	Office of the CEO
Version:		Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 12 of 14

- (c) Any other licensed driver, provided the Councillor is in the vehicle at the time; or
- (d) Another licensed Council employee or Councillor for [work-related travel related to official Council business](#).

5.3.2.4.3 Refuelling of Vehicles

Vehicles are to be refuelled at Council's preferred supplier's service station using the supplied fuel card.

5.3.2.4.4 Infringements

Council is not liable to pay any fine or costs incurred by the driver of a Councillor allocated vehicle if that person infringes against Road Traffic Regulations, the local laws of a local government or any other regulation that relates to the use of vehicles.

The onus for payment of a fine or other costs resides with the offender. If the actual driver cannot be determined, the Councillor may be held liable for the penalties involved.

5.3.2.4.5 Insurance

Council vehicles are insured under a comprehensive policy. This insurance policy becomes null and void if the driver is:

- (a) Not in possession of a current driver's licence;
- (b) Convicted of being under the influence of alcohol or prohibited substances; or
- (c) Not authorised to drive the relevant Council vehicle.

In such cases the driver could become personally liable for damages.

Personal property left in motor vehicles is not insured under any circumstances.

5.3.2.4.6 Theft of a Council Vehicle

In the event of the theft of a Council vehicle, Councillors are required to notify the police and CEO immediately.

5.3.2.4.7 Loss of Drivers Licence

Any Councillor disqualified or suspended from driving automatically forfeits rights for usage of a Council vehicle for at least the period of disqualification or suspension.

Councillors must report any loss of drivers licence to the CEO immediately.

5.3.2.4.8 Accidents

In the event of an accident, Councillors must comply with the Council Vehicle Incident Procedure.

5.4 Legal Costs and Insurance Cover

Councillors are covered under Council insurance policies [when discharging civic duties in the course of official Council business](#). Insurance cover is provided for:

- (a) Public liability;
- (b) Professional indemnity;
- (c) Personal accident and/or workers compensation; and
- (d) International and domestic travel insurance.

LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	Adopted, 28 April 2020 DRAFT	Department:	Office of the CEO
Version:		Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 13 of 14

Any claim over and above the stated requires the approval of a Council resolution.

Council will cover costs incurred through injury, investigation, hearings or legal proceedings into the conduct of a Councillor, or arising out of, or in connection with the Councillors performance of their [civic functions/legislative obligations](#). If it has been found that the Councillor breached the provisions of the governing legislation, the Councillor will reimburse Council with all associated costs incurred by Council.

Should a Councillor obtain their own legal advice [the CEO must be informed](#), Council may consider at its discretion making a contribution in full or in part towards the legal costs incurred subject to the Councillor not being found to be in breach of the provisions of the governing legislation.

5.5 Vacation of Office

In cases resulting in the vacation of office, any facilities and vehicles allocated to the Councillor (including keys, fleet cards, log books and any other documentation) must be returned to Council on cessation date.

5.6 Payment of Expenses

Councillors who require reimbursement of personal expenses incurred whilst undertaking [official Council duties/business](#), must submit original receipts to their Executive Support Officer to be approved by the CEO. Receipts must be submitted no later than 30 June of that year. Reimbursements must be made in the financial year they were incurred.

5.7 Reporting

Council's Annual Report must contain information on Councillor expenses reimbursement and provision of facilities as stipulated in the *Local Government Regulation 2012*.

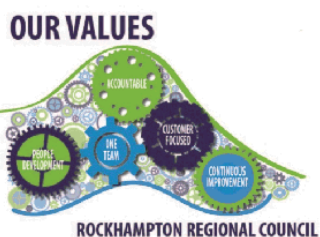
6 Review Timelines

This policy is reviewed when any of the following occur:

- (a) As required by legislation;
- (b) The related information is amended or replaced; or
- (c) Other circumstances as determined from time to time by the Council.

7 Document Management

Sponsor	Chief Executive Officer
Business Owner	Chief Executive Officer
Policy Owner	Executive Coordinator to Manager Office of the Mayor
Policy Quality Control	Legal and Governance



LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	Adopted, 28 April 2020 DRAFT	Department:	Office of the CEO
Version:		Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 14 of 14

**REVISED POLICIES - ENTERTAINMENT
AND HOSPITALITY, EXPENSES
REIMBURSEMENT AND PROVISION OF
FACILITIES FOR MAYOR AND
COUNCILLORS AND COUNCILLOR
GIFTS, BENEFITS AND HOSPITALITY**

**Councillor Gifts, Benefits and
Hospitality Policy (Clean)**

Meeting Date: 9 November 2021

Attachment No: 5

COUNCILLOR GIFTS, BENEFITS AND HOSPITALITY POLICY

COUNCILLOR POLICY



1 Scope

This policy applies to Rockhampton Regional Council Councillors who may be offered or may receive gifts and/or benefits whilst undertaking their duties and/or while representing Council.

This policy does not apply to:

- (a) Political donations by prohibited donors as defined by the *Electoral Act 1992*;
- (b) Gifts as defined in the *Electoral Act 1992* or *Local Government Electoral Act 2011*; and
- (c) Gifts and/or benefits received from family members or personal friends in a purely personal capacity.

2 Purpose

The purpose of this policy is to:

- (a) Provide Councillors with guidance on appropriate actions to offers of a gift and/or benefit in connection with their duties while representing Council or otherwise related to their association with Council;
- (b) Provide Councillors with principles to consider when determining the appropriateness of accepting a gift and/or benefit;
- (c) Provide Councillors with a process to be followed where a gift and/or benefit is accepted;
- (d) Support Council's commitment to open and transparent governance; and
- (e) Minimise the risk of Councillors being exposed to an actual or perceived conflict of interest.

3 Related Documents

3.1 Primary

Nil

3.2 Secondary

Electoral Act 1992

Local Government Act 2009

Local Government Electoral Act 2011

Local Government Regulation 2012

Public Sector Ethics Act 1994

Asset Disposal Policy

Code of Conduct for Councillors in Queensland

Community Grants and Minor Sponsorship Policy

Entertainment and Hospitality Policy

Expenses Reimbursement and Provision of Facilities for Mayor and Councillors Policy

LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	DRAFT	Department:	Office of the CEO
Version:		Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 1 of 8

Gift and Hospitality Register – Councillors
 Gift and Hospitality Declaration Form – Councillors
 Major Sponsorship Policy
 Register of Interests

4 Definitions

To assist in interpretation, the following definitions apply:

CEO	Chief Executive Officer A person who holds an appointment under section 194 of the <i>Local Government Act 2009</i> . This includes a person acting in this position.
Conflict of Interest	Involves a conflict between your official duties and responsibilities in serving the public interest and your personal interests. A conflict of interest can arise from gaining personal advantage or avoiding personal losses. This includes advantages to relatives and friends.
Council	Rockhampton Regional Council
Councillor/s	The Mayor and Councillors of Council, within the meaning of the <i>Local Government Act 2009</i> .
Electoral Gifts	Gifts offered to candidates relating to an election and separately governed by the <i>Electoral Act 1992</i> .
Employee	Local government employee: (a) The CEO; or (b) A person holding an appointment under section 196 of the <i>Local Government Act 2009</i> .
Gifts and/or Benefits	Something given voluntarily to show favour toward someone, honour an occasion, or make a gesture of assistance or goodwill, which is offered outside of normal open contractual arrangements. This could include, but is not limited to the following examples: (a) Cash or the transfer of money (including items that may be converted to cash for example, vouchers, lottery tickets, scratch-it tickets); (b) Transfer of property of presentational or charitable nature or otherwise; (c) The provision or use of property, equipment or services free of charge, at a reduced rate, for a period of time or unspecified period; (d) Loans of money, or equipment including provision of overdraft facilities (for example, credit card) or guarantor for a loan; (e) Intangible items that have no enduring value (for example, hospitality benefit/s and/or entertainment or perishable foodstuffs); (f) A prize, for example a lucky door prize; (g) The sale of property with a sale price below proper valuations; (h) Hospitality benefit/s includes entertainment and are generally received in the form of meals and beverages directly related to official Council business and/or fulfilling official duties in relation to the function and activities of Council. These benefits can also include (but are not limited to): travel, accommodation, tickets to school performances or local cultural events which are in support of local community organisations and Council business; (i) Artworks; and (a) Souvenirs.

LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	DRAFT	Department:	Office of the CEO
Version:		Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 2 of 8

Nominal Value	A face or estimated value that is equal to or less than \$500.
Official Council Business	<p>Official business conducted on behalf of Council that should result in a benefit being achieved for the local government and/or local government Region (for example opening a school fete) and where a Councillor is required to undertake certain tasks to satisfy legislative requirements or achieve business continuity for the Council including, but not limited to:</p> <ul style="list-style-type: none"> (a) Official Council meetings, Councillor forums and workshops, (b) Meetings and engagements associated with Councillors who have been formally appointed to an external organisation; (c) Attendance at prescribed Local Government training/workshops and conferences; (d) Attendance at civic ceremonies and community events where a formal invitation has been received inviting Councillors in their capacity to undertake official duties; (e) Attending public meetings, annual meetings, community meetings, organised/official events or presentation dinners where invited as a Councillor; (f) Attending meetings of community groups where invited to speak about Council programs or initiatives; (g) Attending private meetings with constituents about Council strategies, programs or initiatives; (h) Attending organised meetings, inspections and community consultations pertaining to Council responsibilities. <p>Participating in a community group event or being a representative on a board not associated with Council is not regarded as official Council business.</p>
PSA	Partner, spouse or associate.
Supplier	Any supplier/contractor/consultant supplying goods and/or services to Council.

5 Policy Statement

The requirements of this policy are in addition to the legislative obligations of Councillors with respect to individual register of interests as prescribed in the *Local Government Regulation 2012* and the legislative obligations of Councillors prescribed by the *Local Government Electoral Act 2011*.

The community expects Councillors to discharge their responsibilities impartially and with integrity. The acceptance of gifts and/or benefits outside of a controlled and transparent process risks creating negative perceptions.

In determining whether acceptance of a gift and/or benefit is appropriate, the two major considerations are the:

- (a) Intent in which the gift and/or benefit is given; and
- (b) Public perception of acceptance of the gift and/or benefit.

Consequently, it is not appropriate for Councillors to accept gifts and/or benefits that affect, or may be seen to affect, the performance of their official duties and responsibilities, or be seen to influence their decision-making.

Councillors must be mindful at all times of their obligation to maintain public confidence in the integrity of Council's administration and must be aware that acceptance of any gifts and/or benefits from an external party may, or may be seen to affect the performance of their official duties, or influence, or be seen to influence their decision-making or behaviour.

LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	DRAFT	Department:	Office of the CEO
Version:		Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 3 of 8

Councillors must not ask for, or encourage the giving of any form of gift and/or benefit in connection with the performance of their official duties or their association with Council.

Any gift and/or benefit accepted, regardless of monetary value, implies, or may imply, a relationship which may interfere with objectivity and independence.

This policy sets out the principles that apply to the offer and acceptance of gifts and/or benefits.

5.1 Prohibited Gifts and/or Benefits

5.1.1 Soliciting Gifts and/or Benefits

Soliciting gifts and/or benefits is strictly prohibited under all circumstances.

If a Councillor becomes aware of a situation of soliciting gifts and/or benefits, they must report it to the CEO immediately.

The CEO is required to notify the Crime and Corruption Commission of any soliciting of gifts and/or benefits.

5.1.2 Bribery

Acceptance of money or any other gifts and/or benefits perceived as bribery is strictly prohibited in all cases and the offer must be reported immediately to the CEO.

The CEO is required to notify the Crime and Corruption Commission of any offer of money or other inducement as soon as practicable after the offer has been made.

5.1.3 Prizes

Promotional schemes offered in conjunction with official activities, such as instant scratch-it tickets or lucky door prizes won at official functions should not be accepted.

5.1.4 Gifts and/or Benefits from Suppliers or Tenderers

Any offers of gifts and/or benefits from a supplier or tenderer for Council business or services must be immediately reported to the CEO.

5.1.5 Cash

Cash or gifts and/or benefits that could be considered substitutes for cash, such as gift cards, betting accounts and vouchers should not be accepted under any circumstances.

5.2 Principles for Acceptance of Gifts and/or Benefits

Each type of gift and/or benefit carries a level of risk that should be considered when deciding whether it should be accepted or declined.

In determining whether acceptance of a gift and/or benefit is appropriate, the two major considerations are the:

- (a) Intent in which the gift and/or benefit is given; and
- (b) Public perception of acceptance of the gift and/or benefit.

As gifts and/or benefits can create obligations and expectations, if it can be considered in any way that the gift and/or benefit, irrespective of its value, is given with the intention of influencing or be seen as influencing a decision or action of the recipient, it must be declined.

Acceptance of a gift and/or benefit may be considered only if it complies with the following principles:

- (a) It does not influence, or have the potential or perceived potential to influence, in any way the integrity and impartiality of the recipient;
- (b) It does not, create a conflict of interest, or a perception of a conflict of interest;

LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	DRAFT	Department:	Office of the CEO
Version:		Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 4 of 8

- (c) It does not affect the performance of the recipient's official duties, or be seen to influence the decision-making or behaviour of the recipient, such as but not limited to:
 - (i) Granting licences;
 - (ii) Inspecting and regulating businesses;
 - (iii) Giving approvals;
 - (iv) The provision of Council services;
 - (v) The provision of a Council grant; and
 - (vi) Awarding of contracts;
- (d) Council does not incur any costs;
- (e) It is offered openly; and
- (f) It must not involve money or anything easily converted to money such as shares.

5.2.1 Gifts and/or Benefits of Nominal Value

Provided it does not breach any part of this policy or any legislative requirement, where a Councillor is offered a gift and/or benefit of nominal value Council deems it reasonable for the recipient to accept and keep the gift and/or benefit.

This gift and/or benefit is not required to be recorded in the Gift and Hospitality Register – Councillors.

Any gift and/or benefit received by a Councillor as appreciation of a task or service carried out by a group of employees or Councillors should be shared with the members of that respective team.

The following gifts are considered low risk and may (subject to the principles outlined in paragraph 5.2) generally be accepted:

- (a) Gifts of nominal value made in gratitude for specific tasks or performance for example a small personal gift to a Councillor for speaking at an official function;
- (b) Low value corporate gifts made as a marketing/sponsor initiative for example mass produced mementoes at a professional development conference; and
- (c) Ceremonial/symbolic gifts from visiting organisations provided to Council as an organisation (as opposed to an individual Councillor) to be retained by Council for example plaque of appreciation or memento from place of origin.

If unsure, Councillors should decline offers of gifts and/or benefits courteously by explaining that acceptance would be against Council policy.

5.2.2 Gifts and/or Benefits with a Value Greater than \$500

Any gift and/or benefit received with a value greater than \$500 must be reported to the CEO. The gift and/or benefit will become the property of Council in first instance and will be dealt with by the CEO in an appropriate and transparent manner. For example:

- (a) Return the gift and/or benefit to the giver;
- (b) Dispose of the gift and/or benefit in accordance with the Asset Disposal Policy;
- (c) Donate the gift and/or benefit to a charitable or community facility; or
- (d) Ownership passed to Council allowing the gift and/or benefit to go on public display where appropriate.

Gifts and/or benefits with a value greater than \$500 must be entered in the Gift and Hospitality Register – Councillors.

LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	DRAFT	Department:	Office of the CEO
Version:		Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 5 of 8

5.2.3 Cumulative Gifts and/or Benefits

Cumulative gifts and/or benefits received from the same giver which when combined exceeds the nominal value in a 12 month period must be entered individually in the Gift and Hospitality Register – Councillors.

Any gift and/or benefit received from the same giver which when combined exceeds \$500 in a 12 month period will become the property of Council in first instance and dealt with by the CEO in accordance with this policy.

5.2.4 Ceremonial, Historical or Cultural Significance Gifts

All ceremonial historical or cultural significant gifts, regardless of value, presented to a Councillor on behalf of Council or subject to a gift exchange will be the property of Council and must be passed to the CEO.

5.2.5 Complimentary Tickets to Performances and Events

It is recognised that Mayor and Councillors, as part of their role as elected representatives of Council and in recognition of the role they play in advocating for the Region, may be offered invitations/tickets to events.

Council contributes significant sponsorship (financial and in-kind) towards events held in the Region, on the basis of the benefits to the Region. Whilst Council's position is not to seek tickets as part of these arrangements, they may be offered from time to time. Complimentary tickets may also be offered without a sponsorship agreement.

Where the ticket optimises advocacy and/or networking benefit with other stakeholders, meets corporate objectives, supports community initiatives and/or raises the profile of the Region, it may be appropriate to accept such invitations.

Any acceptance of tickets, regardless of the value, must be entered in the Gift and Hospitality Register – Councillors in accordance with this policy.

If tickets are received that are not specifically addressed to a Councillor the Mayor or CEO allocates to Councillors.

5.2.5.1 Attendance of Partners, Spouses and Associates

In instances where there is no cost to Council, PSA's of Mayor and Councillors may attend upon approval by the Mayor or the CEO.

In all instances of attendance, a PSA of an official representative of Council are expected to act in a manner consistent with the Code of Conduct for Councillors in Queensland.

5.3 Gift and Hospitality Register

When gifts and/or benefits are received, it is important they are dealt with in a consistent and appropriate manner. Any Councillor who receives:

- (a) A gift and/or benefit over \$500; or
- (b) An invitation or offer of tickets,

is required to complete a Gift and Hospitality Declaration Form – Councillors and forward to the CEO within 21 days of receipt of the gift and/or benefit (or 21 days from the date of return to Australia if the gift and/or benefit was received overseas) for recording in the Gift and Hospitality Register – Councillors.

The Gift and Hospitality Register – Councillors is maintained by the Office of the CEO and includes the following information:

- (c) The name of the recipient;
- (d) Date of the offer or date received;
- (e) Description of the gift and/or benefit;

LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	DRAFT	Department:	Office of the CEO
Version:		Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 6 of 8

- (f) Estimated value of the gift and/or benefit;
- (g) Details of the person and/or organisation offering the gift and/or benefit;
- (h) Details of any relationship between the Councillor or Council to the person and/or organisation offering the gift and/or benefit;
- (i) Details of any other gift and/or benefit received from the same person and/or organisation in the previous 12 month period;
- (j) Information on how the gift and/or benefit was dealt with; and
- (k) For gifts and/or benefits with a value greater than \$500, the decision by the CEO regarding the manner in which the gift is to be dealt with.

Whilst not required under this policy, a Councillor may record the acceptance of a gift and/or benefit estimated below the nominal value thresholds on the Gift and Hospitality Register – Councillors should they wish to do so.

Offers of gifts and/or benefits that are not accepted may also be entered on the Gift and Hospitality Register – Councillors for transparency and recording keeping purposes.

5.4 Gifts that are Unable to be Refused or Returned

5.4.1 Authorisation to CEO

Where a gift and/or benefit is considered inappropriate to accept but is unable to be refused or returned becomes the property of Council in accordance with this policy, the CEO is authorised to deal with it in one of the following ways:

- (a) Displayed in Council offices (for example, plaques, artwork, craftwork, flowers etc);
- (b) In accordance with a resolution of Council;
- (c) Used in Council operations (for example, technical resources, plant and machinery);
- (d) Shared amongst employees (for example, perishable food items);
- (e) Donated to a suitable charity; or
- (f) Conduct a raffle/auction with the proceeds donated to charity.

5.4.2 Factors to be Taken into Account

In deciding how a gift and/or benefit may be dealt with, the CEO will take into account factors including but not limited to the following:

- (a) The public value of the gift and/or benefit;
- (b) The perishable nature (if any) of the gift and/or benefit;
- (c) The estimated market value of the gift and/or benefit as reasonably determined by the CEO. If there is difficulty in assessing the value, a valuation must be obtained by Council from an appropriately experienced person or body.

5.4.3 Reporting and Recording of Dealings

The method of any dealings of gifts and/or benefits in accordance with paragraph 5.4 and the reasons for the decision are recorded by the CEO and a report provided to Council on an annual basis.

6 Review Timelines

This policy is reviewed when any of the following occur:

- (a) The related information is amended or replaced; or
- (b) Other circumstances as determined from time to time by the Council.

LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	DRAFT	Department:	Office of the CEO
Version:		Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 7 of 8

7 Document Management

Sponsor	Chief Executive Officer
Business Owner	Manager Office of the Mayor
Policy Owner	Manager Office of the Mayor
Policy Quality Control	Legal and Governance



LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	DRAFT	Department:	Office of the CEO
Version:		Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 8 of 8

**REVISED POLICIES - ENTERTAINMENT
AND HOSPITALITY, EXPENSES
REIMBURSEMENT AND PROVISION OF
FACILITIES FOR MAYOR AND
COUNCILLORS AND COUNCILLOR
GIFTS, BENEFITS AND HOSPITALITY**

**Councillor Gifts, Benefits and
Hospitality Policy (Tracked)**

Meeting Date: 9 November 2021

Attachment No: 6

COUNCILLOR GIFTS, BENEFITS AND HOSPITALITY POLICY

COUNCILLOR POLICY



1 Scope

This policy applies to Rockhampton Regional Council Councillors who may be offered or may receive gifts and/or benefits whilst undertaking their duties and/or while representing Council.

This policy does not apply to:

- (a) Political donations by prohibited donors as defined by the *Electoral Act 1992*;
- (b) Gifts as defined in the *Electoral Act 1992* or *Local Government Electoral Act 2011*; and
- (c) Gifts and/or benefits received from family members or personal friends in a purely personal capacity.

2 Purpose

The purpose of this policy is to:

- (a) Provide Councillors with guidance on appropriate actions to offers of a gift and/or benefit in connection with their duties while representing Council or otherwise related to their association with Council;
- (b) Provide Councillors with principles to consider when determining the appropriateness of accepting a gift and/or benefit;
- (c) Provide Councillors with a process to be followed where a gift and/or benefit is accepted;
- (d) Support Council's commitment to open and transparent governance; and
- (e) Minimise the risk of Councillors being exposed to an actual or perceived conflict of interest.

3 Related Documents

3.1 Primary

Nil

3.2 Secondary

Electoral Act 1992

Local Government Act 2009

Local Government Electoral Act 2011

Local Government Regulation 2012

Public Sector Ethics Act 1994

Asset Disposal Policy

[Councillor Code of Conduct for Councillors in Queensland](#)

[Community Grants and Minor Sponsorship Policy](#)

[Entertainment and Hospitality Policy](#)

Expenses Reimbursement and Provision of Facilities for Mayor and Councillors Policy

LEGAL & GOVERNANCE USE ONLY

Adopted/Approved:	Adopted, 14 December 2018 DRAFT	Department:	Office of the CEO
Version:		Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 1 of 8

Gift and Hospitality Register – Councillors

Gift and Hospitality Declaration Form – Councillors

[Major Sponsorship Policy](#)

Register of Interests

4 Definitions

To assist in interpretation, the following definitions apply:

CEO	Chief Executive Officer A person who holds an appointment under section 194 of the <i>Local Government Act 2009</i> . This includes a person acting in this position.
Conflict of Interest	Involves a conflict between your official duties and responsibilities in serving the public interest and your private-personal interests. A conflict of interest can arise from gaining personal advantage or avoiding personal losses as well as gaining personal advantage – whether financial or otherwise . This includes advantages to relatives and friends.
Council	Rockhampton Regional Council
Councillor/s	The Mayor and Councillors of Council, within the meaning of the <i>Local Government Act 2009</i> .
Electoral Gifts	Gifts offered to candidates relating to an election and separately governed by the <i>Electoral Act 1992</i> .
Gifts and/or Benefits	Something given voluntarily to show favour toward someone, honour an occasion, or make a gesture of assistance or goodwill, which is offered outside of normal open contractual arrangements. This could include, but is not limited to the following examples: (a) Cash or the transfer of money (including items that may be converted to cash for example, vouchers, lottery tickets, scratch-it tickets); (b) Transfer of property of presentational or charitable nature or otherwise; (c) The provision or use of property, equipment or services free of charge, at a reduced rate, for a period of time or unspecified period; (d) Loans of money, or equipment including provision of overdraft facilities (for example, credit card) or guarantor for a loan; (e) Intangible items that have no enduring value (for example, hospitality benefit/s and/or entertainment or perishable foodstuffs); (f) A prize, for example a lucky door prize ; (g) The sale of property with a sale price below proper valuations; (h) Hospitality benefit/s includes entertainment and are generally received in the form of meals and beverages directly related to official Council business and/or fulfilling official duties in relation to the function and activities of Council. These benefits can also include (but are not limited to): travel, accommodation, tickets to school performances or local cultural events which are in support of local community organisations and Council business; (i) Artworks; and (a) Souvenirs.
Nominal Value	A face or estimated value that is equal to or less than \$4500 .

LEGAL & GOVERNANCE USE ONLY

Adopted/Approved:	Adopted, 14 December 2018 DRAFT	Department:	Office of the CEO
Version:		Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 2 of 8

<u>Official Council Business</u>	<p><u>Official business conducted on behalf of Council that should result in a benefit being achieved for the local government and/or local government Region (for example opening a school fete) and where a Councillor is required to undertake certain tasks to satisfy legislative requirements or achieve business continuity for the Council including, but not limited to:</u></p> <p><u>(a) Official Council meetings, Councillor forums and workshops,</u></p> <p><u>(b) Meetings and engagements associated with Councillors who have been formally appointed to an external organisation;</u></p> <p><u>(c) Attendance at prescribed Local Government training/workshops and conferences;</u></p> <p><u>(d) Attendance at civic ceremonies and community events where a formal invitation has been received inviting Councillors in their capacity to undertake official duties;</u></p> <p><u>(e) Attending public meetings, annual meetings, community meetings, organised/official events or presentation dinners where invited as a Councillor;</u></p> <p><u>(f) Attending meetings of community groups where invited to speak about Council programs or initiatives;</u></p> <p><u>(g) Attending private meetings with constituents about Council strategies, programs or initiatives;</u></p> <p><u>(h) Attending organised meetings, inspections and community consultations pertaining to Council responsibilities.</u></p> <p><u>Participating in a community group event or being a representative on a board not associated with Council is not regarded as official Council business.</u></p>
<u>PSA</u>	<u>Partner, spouse or associate.</u>
Supplier	Any supplier/contractor/consultant supplying goods and/or services to Council.

5 Policy Statement

The requirements of this policy are in addition to the legislative obligations of Councillors with respect to individual register of interests as prescribed in the *Local Government Regulation 2012* and the legislative obligations of Councillors prescribed by the *Local Government Electoral Act 2011*.

The community expects Councillors to discharge their responsibilities impartially and with integrity. The acceptance of gifts and/or benefits outside of a controlled and transparent process risks creating negative perceptions.

In determining whether acceptance of a gift and/or benefit is appropriate, the two major considerations are the:

- (a) Intent in which the gift and/or benefit is given; and
- (b) Public perception of acceptance of the gift and/or benefit.

Consequently, it is not appropriate for Councillors to accept gifts and/or benefits that affect, or may be seen to affect, the performance of their official duties and responsibilities, or be seen to influence their decision-making.

Councillors must be mindful at all times of their obligation to maintain public confidence in the integrity of Council's administration and must be aware that acceptance of any gifts and/or benefits from an external party may, or may be seen to affect the performance of their official duties, or influence, or be seen to influence their decision-making or behaviour.

Councillors must not ask for, or encourage the giving of any form of gift and/or benefit in connection with the performance of their official duties or their association with Council.

LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	<u>Adopted, 14 December 2018 DRAFT</u>	Department:	Office of the CEO
Version:		Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 3 of 8

Any gift and/or benefit accepted, regardless of monetary value, implies, or may imply, a relationship which may interfere with objectivity and independence.

This policy sets out the principles that apply to the offer and acceptance of gifts and/or benefits.

5.1 Prohibited Gifts and/or Benefits

5.1.1 Soliciting Gifts and/or Benefits

Soliciting gifts and/or benefits is strictly prohibited under all circumstances.

If a Councillor becomes aware of a situation of soliciting gifts and/or benefits, they must report it to the CEO immediately.

The CEO is required to notify the Crime and Corruption Commission of any soliciting of gifts and/or benefits.

5.1.2 Bribery

Acceptance of money or any other gifts and/or benefits perceived as bribery is strictly prohibited in all cases and the offer must be reported immediately to the CEO.

The CEO is required to notify the Crime and Corruption Commission of any offer of money or other inducement as soon as practicable after the offer has been made.

5.1.3 Prizes

Promotional schemes offered in conjunction with official activities, such as instant scratch-it tickets or lucky door prizes won at official functions should not be accepted.

5.1.4 Gifts and/or Benefits from Suppliers or Tenderers

Any offers of gifts and/or benefits from a supplier or tenderer for Council business or services must be immediately reported to the CEO.

5.1.5 Cash

Cash or gifts and/or benefits that could be considered substitutes for cash, such as gift cards, betting accounts and vouchers should not be accepted under any circumstances.

5.2 Principles for Acceptance of Gifts and/or Benefits

Each type of gift and/or benefit carries a level of risk that should be considered when deciding whether it should be accepted or declined.

In determining whether acceptance of a gift and/or benefit is appropriate, the two major considerations are the:

- (a) Intent in which the gift and/or benefit is given; and
- (b) Public perception of acceptance of the gift and/or benefit.

As gifts and/or benefits can create obligations and expectations, if it can be considered in any way that the gift and/or benefit, irrespective of its value, is given with the intention of influencing or be seen as influencing a decision or action of the recipient, it must be declined.

Acceptance of a gift and/or benefit may be considered only if it complies with the following principles:

- (a) It does not influence, or have the potential or perceived potential to influence, in any way the integrity and impartiality of the recipient;
- (b) It does not, create a conflict of interest, or a perception of a conflict of interest;
- (c) It does not affect the performance of the recipient's official duties, or be seen to influence the decision-making or behaviour of the recipient, such as but not limited to:
 - (i) Granting licences;
 - (ii) Inspecting and regulating businesses;
 - (iii) Giving approvals;

LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	Adopted, 14 December 2018 DRAFT	Department:	Office of the CEO
Version:		Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 4 of 8

- (iv) The provision of Council services;
- (v) The provision of a Council grant; and
- (vi) Awarding of contracts;
- (d) Council does not incur any costs;
- (e) It is offered openly; and
- (f) It must not involve money or anything easily converted to money such as shares.

5.2.1 Gifts and/or Benefits of Nominal Value

Provided it does not breach any part of this policy or any legislative requirement, where a Councillor is offered a gift and/or benefit of nominal value Council deems it reasonable for the recipient to accept and keep the gift and/or benefit.

This gift and/or benefit is not required to be recorded in the Gift and Hospitality Register – Councillors.

Any gift and/or benefit received by a Councillor as appreciation of a task or service carried out by a group of employees or Councillors should be shared with the members of that respective team.

The following gifts are considered low risk and may (subject to the principles outlined in paragraph 5.2) generally be accepted:

- (a) Gifts of nominal value made in gratitude for specific tasks or performance for example a small personal gift to a Councillor for speaking at an official function;
- (b) Low value corporate gifts made as a marketing/sponsor initiative for example mass produced mementoes at a professional development conference; and
- (c) Ceremonial/symbolic gifts from visiting organisations provided to Council as an organisation (as opposed to an individual Councillor) to be retained by Council for example plaque of appreciation or memento from place of origin.

If unsure, Councillors should decline offers of gifts and/or benefits courteously by explaining that acceptance would be against Council policy.

5.2.2 Gifts and/or Benefits with a Value between \$150 and \$350

~~Provided it does not breach any part of this policy or any legislative requirement, any gift and/or benefit received with a value between \$150 and \$350 may remain the property of the receiving Councillor. The gift and/or benefit must be entered in the Gift and Hospitality Register – Councillors.~~

5.2.3.2.2 Gifts and/or Benefits with a Value Greater than \$350

Any gift and/or benefit received with a value greater than \$350 must be reported to the CEO. The gift and/or benefit will become the property of Council in first instance and will be dealt with by the CEO in an appropriate and transparent manner. For example:

- (a) Return the gift and/or benefit to the giver;
- (b) Dispose of the gift and/or benefit in accordance with the Asset Disposal Policy;
- (c) Donate the gift and/or benefit to a charitable or community facility; or
- (d) Ownership passed to Council allowing the gift and/or benefit to go on public display where appropriate.

Gifts and/or benefits with a value greater than \$350 must be entered in the Gift and Hospitality Register – Councillors.

LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	Adopted, 14 December 2018 DRAFT	Department:	Office of the CEO
Version:		Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 5 of 8

5.2.45.2.3 Cumulative Gifts and/or Benefits

Cumulative gifts and/or benefits received from the same giver which when combined exceeds the nominal value in a 12 month period must be entered individually in the Gift and Hospitality Register – Councillors.

Any gift and/or benefit received from the same giver which when combined exceeds \$3500 in a 12 month period will become the property of Council in first instance and dealt with by the CEO in accordance with this policy.

5.2.55.2.4 Ceremonial, Historical or Cultural Significance Gifts

All ceremonial historical or cultural significant gifts, regardless of value, presented to a Councillor on behalf of Council or subject to a gift exchange will be the property of Council and must be passed to the CEO.

5.2.5 Complimentary Tickets to Performances and Events

It is recognised that Mayor and Councillors, as part of their role as elected representatives of Council and in recognition of the role they play in advocating for the Region, may be offered invitations/tickets to events.

Council contributes significant sponsorship (financial and in-kind) towards events held in the Region, on the basis of the benefits to the Region. Whilst Council's position is not to seek tickets as part of these arrangements, they may be offered from time to time. Complimentary tickets may also be offered without a sponsorship agreement.

Where the ticket optimises advocacy and/or networking benefit with other stakeholders, meets corporate objectives, supports community initiatives and/or raises the profile of the Region, it may be appropriate to accept such invitations.

Any acceptance of tickets, regardless of the value, must be entered in the Gift and Hospitality Register – Councillors in accordance with this policy.

If tickets are received that are not specifically addressed to a Councillor the Mayor or CEO allocates to Councillors.

5.2.5.1 Attendance of Partners, Spouses and Associates

In instances where there is no cost to Council, PSA's of Mayor and Councillors may attend upon approval by the Mayor or the CEO.

In all instances of attendance, a PSA of an official representative of Council are expected to act in a manner consistent with the Code of Conduct for Councillors in Queensland.

5.3 Gift and Hospitality Register

When gifts and/or benefits are received, it is important they are dealt with in a consistent and appropriate manner.

Any Councillor who receives-a:

(a) -A gift and/or benefit over \$1500; or

(b) An invitation or offer of tickets.

is required to complete a Gift and Hospitality Declaration Form – Councillors and forward to the CEO within 21 days of receipt of the gift and/or benefit (or 21 days from the date of return to Australia if the gift and/or benefit was received overseas) for recording in the Gift and Hospitality Register – Councillors.

The Gift and Hospitality Register – Councillors is maintained by the Office of the CEO and includes the following information:

- (a) The name of the recipient;
- (b) Date of the offer or date received;

LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	<u>Adopted, 14 December 2018 DRAFT</u>	Department:	Office of the CEO
Version:		Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 6 of 8

- (c) Description of the gift and/or benefit;
- (d) Estimated value of the gift and/or benefit;
- (e) Details of the person and/or organisation offering the gift and/or benefit;
- (f) Details of any relationship between the Councillor or Council to the person and/or organisation offering the gift and/or benefit;
- (g) Details of any other gift and/or benefit received from the same person and/or organisation in the previous 12 month period;
- (h) Information on how the gift and/or benefit was dealt with; and
- (i) For gifts and/or benefits with a value greater than \$350, the decision by the CEO regarding the manner in which the gift is to be dealt with.

Whilst not required under this policy, a Councillor may record the acceptance of a gift and/or benefit estimated below the nominal value thresholds on the Gift and Hospitality Register – Councillors should they wish to do so.

Offers of gifts and/or benefits that are not accepted may also be entered on the Gift and Hospitality Register – Councillors for transparency and recording keeping purposes.

5.4 Gifts that are Unable to be Refused or Returned

5.4.1 Authorisation to CEO

Where a gift and/or benefit is considered inappropriate to accept but is unable to be refused or returned becomes the property of Council in accordance with this policy, the CEO is authorised to deal with it in one of the following ways:

- (a) Displayed in Council offices (for example, plaques, artwork, craftwork, flowers etc);
- (b) In accordance with a resolution of Council;
- (c) Used in Council operations (for example, technical resources, plant and machinery);
- (d) Shared amongst employees (for example, perishable food items);
- (e) Donated to a suitable charity; or
- (f) Conduct a raffle/auction with the proceeds donated to charity.

5.4.2 Factors to be Taken into Account

In deciding how a gift and/or benefit may be dealt with, the CEO takes into account factors including but not limited to the following:

- (a) The public value of the gift and/or benefit;
- (b) The perishable nature (if any) of the gift and/or benefit; and
- (c) The estimated market value of the gift and/or benefit as reasonably determined by the CEO. If there is difficulty in assessing the value, a valuation must be obtained by Council from an appropriately experienced person or body.

5.4.3 Reporting and Recording of Dealings

The method of any dealings of gifts and/or benefits in accordance with paragraph 5.4 and the reasons for the decision are recorded by the CEO and a report provided to Council on an annual basis.

6 Review Timelines

This policy is reviewed when any of the following occur:

- (a) The related information is amended or replaced; or
- (b) Other circumstances as determined from time to time by the Council.

LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	<u>Adopted, 14 December 2018 DRAFT</u>	Department:	Office of the CEO
Version:		Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 7 of 8

7 Document Management

Sponsor	Chief Executive Officer
Business Owner	Executive Coordinator to the Manager Office of the Mayor
Policy Owner	Executive Coordinator to Manager Office of the Mayor
Policy Quality Control	Legal and Governance

OUR VALUES



LEGAL & GOVERNANCE USE ONLY

Adopted/Approved:	Adopted, 14 December 2018 DRAFT	Department:	Office of the CEO
Version:		Section:	Office of the Mayor
Reviewed Date:		Page No:	Page 8 of 8

**REVISED POLICIES - ENTERTAINMENT
AND HOSPITALITY, EXPENSES
REIMBURSEMENT AND PROVISION OF
FACILITIES FOR MAYOR AND
COUNCILLORS AND COUNCILLOR
GIFTS, BENEFITS AND HOSPITALITY**

**Employee Gifts, Benefits and
Hospitality Procedure (Clean)**

Meeting Date: 9 November 2021

Attachment No: 7

EMPLOYEE GIFTS, BENEFITS AND HOSPITALITY PROCEDURE



1 Scope

This procedure applies to gifts, benefits and hospitality offered to, or received by workers whilst undertaking their duties or representing Rockhampton Regional Council.

2 Purpose

The purpose of this procedure is to:

- (a) Provide principles to consider when determining whether to accept a gift/benefit;
- (b) Provide a process should a worker accept a gift/benefit as part of their role;
- (c) Support Council's commitment to open and transparent governance; and
- (d) Minimise the risk of workers being exposed to actual or perceived conflict of interest.

3 Related Documents

3.1 Primary

Code of Conduct

3.2 Secondary

Crime and Corruption Act 2001

Local Government Act 2009

Local Government Regulation 2012

Public Sector Ethics Act 1994

Community Grants and Minor Sponsorship Policy

Conflicts of Interest Policy and Procedure

Entertainment and Hospitality Policy

Gift Register

Major Sponsorship Policy

Receipt of Gift Form

4 Definitions

To assist in interpretation, the following definitions apply:

CEO	Chief Executive Officer A person who holds an appointment under section 194 of the <i>Local Government Act 2009</i> . This includes a person acting in this position.
-----	--

LEGAL AND GOVERNANCE USE ONLY			
Adopted/Approved:	DRAFT	Department:	Office of the CEO
Version:	1	Section:	Workforce and Governance
Reviewed Date:		Page No:	Page 1 of 6

Conflict of Interest	A conflict of interest involves a conflict between your official duties and responsibilities in serving the public interest and your personal interests. A conflict of interest can arise from gaining personal advantage or avoiding personal losses. This includes advantages to relatives and friends.
Contractor	A person, organisation or entity that performs a specific act or acts including the provision of services and/or materials to another person, organisation or entity under an agreement enforceable by law.
Council	Rockhampton Regional Council
Employee	Local government employee: (a) The CEO; or (b) A person holding an appointment under section 196 of the <i>Local Government Act 2009</i> .
Gift/Benefit	Something given voluntarily to show favour toward someone, honour an occasion, or make a gesture of assistance or goodwill, which is offered outside normal contractual arrangements. This could include, but is not limited to the following examples: (a) Cash or the transfer of money (including items that may be converted to cash for example, vouchers, lottery tickets, scratch-it tickets); (b) Transfer of property of presentational or charitable nature or otherwise; (c) The provision or use of property, equipment or services free of charge, at a reduced rate, for a period of time or unspecified periods; (d) Loans of money, or equipment including provision of overdraft facilities (for example, credit card) or guarantor for a loan; (e) A prize, for example a lucky door prize; (f) Intangible items that have no enduring value (for example, hospitality and/or entertainment or perishable foodstuffs); (g) The sale of property with a sale price below proper valuations; or (h) Hospitality benefit/s, includes entertainment and are generally received in the form of meals and beverages directly related to official Council business and/or fulfilling official duties in relation to the function and activities of Council. These benefits can also include (but are not limited to): travel, accommodation, tickets to school performances or local cultural events which are in support of local community organisations and Council business; (i) Artworks; and (j) Souvenirs.
GM	General manager, an employee appointed to a position with a corporate band 2 delegated in accordance with the Delegation and Authorisation Policy and detailed in the Delegations Corporate Register.
Official Council Business	Official business conducted on behalf of Council that should result in a benefit being achieved for the local government and/or local government Region (for example opening a school fete) and where a worker is required to undertake certain tasks to satisfy legislative requirements or achieve business continuity for the Council including, but not limited to: (a) Official Council meetings, Councillor forums and workshops; (b) Meetings and engagements associated with employees who have been formally appointed to an external organisation; (c) Attendance at prescribed Local Government training/workshops and conferences; (d) Attendance at civic ceremonies and community events where a formal invitation

LEGAL AND GOVERNANCE USE ONLY			
Adopted/Approved:	DRAFT	Department:	Office of the CEO
Version:	1	Section:	Workforce and Governance
Reviewed Date:		Page No:	Page 2 of 6

	<p>has been received inviting workers in their capacity to undertake official duties;</p> <p>(e) Attending public meetings, annual meetings, community meetings, organised/official events or presentation dinners where invited as a worker;</p> <p>(f) Attending meetings of community groups where invited to speak about Council programs or initiatives;</p> <p>(g) Attending private meetings with constituents about Council strategies, programs or initiatives;</p> <p>(h) Attending organised meetings, inspections and community consultations pertaining to Council responsibilities.</p> <p>Participating in a community group event or being a representative on a board not associated with Council is not regarded as official Council business.</p>
PSA	Partner, spouse or associate.
Value	The estimated reasonable retail value of a gift/benefit.
Volunteer	Any person, who of their own free will, offers to undertake un-paid work for Council and is accepted as a volunteer by the CEO and/or their authorised delegates.
Worker	Employee, contractor or subcontractor, an employee of a contractor or subcontractor, an employee of a labour hire company assigned to work for Council, work experience participant or a volunteer.

5 Procedure

The community has an expectation that workers discharge their responsibilities impartially and with integrity. The acceptance of gifts/benefits risks creating negative perceptions of a conflict of interest or a bribe.

The Code of Conduct states that workers must not ask for, or accept a fee or other gift/benefit for doing something as a worker. If unsure whether or not it is appropriate to accept an offer of a gift/benefit, in the first instance, workers should decline offers courteously by explaining that acceptance would be against Council policy.

5.1 Determining Acceptance of Gifts/Benefits

5.1.1 Workers

Each type of gift/benefit carries with it different risks that should be considered when deciding whether or not acceptance is appropriate. It is important to consider the following:

- (a) Why the offer of a gift or benefit was made;
- (b) The value and type of the gift/benefit (with higher value gifts/benefits warranting increased scrutiny);
- (c) The likely public perception of acceptance; and
- (d) Relevant legislation.

If pressed to accept or the non-acceptance of a gift/benefit may be seen as being not conducive to ongoing business relationships, workers must follow the steps outlined in paragraph 5.4.

5.1.2 CEO

In determining whether acceptance of a gift/benefit is appropriate, the major factors the CEO considers are the:

- (a) Intent in which the gift/benefit is given; and
- (b) Public perception of acceptance of the gift/benefit,

and if it complies with the following principles:

LEGAL AND GOVERNANCE USE ONLY			
Adopted/Approved:	DRAFT	Department:	Office of the CEO
Version:	1	Section:	Workforce and Governance
Reviewed Date:		Page No:	Page 3 of 6

- (a) It does not influence, or have the potential or perceived potential to influence, in any way so as to compromise, or appear to compromise, the integrity and impartiality of the recipient, or to create a conflict of interest, or perception of a conflict of interest.
- (b) It is not related to advice or decisions about (but not limited to):
 - (i) Granting licences;
 - (ii) Inspecting and regulating businesses;
 - (iii) Granting of approvals;
 - (iv) Awarding of contracts;
 - (v) The provision of Council services; or
 - (vi) The provision of a Council grant.

5.1.3 Official Council Business

Workers, in an official capacity, may receive invitations of hospitality to attend various functions and events. Where hospitality provides an opportunity to network, or undertake business of a common purpose, it may be appropriate to accept such invitations.

Reasonable hospitality received at an event, function, training course or conference attended in an official capacity is acceptable as this is not considered as a conflict of interest.

5.1.4 Exceptions

Low value corporate gifts offered as a marketing/sponsor initiative, for example, mass produced mementos at a professional development conference or as give-aways are considered low risk and can generally be accepted and kept by the recipient provided the acceptance does not influence or compromise the integrity and impartiality of the recipient, create a conflict of interest or compromises Council's position in any way.

5.2 Complimentary Tickets to Performances and Events

Council contributes significant sponsorship (financial and in-kind) towards events held in the Region, on the basis of the benefits to the Region. Whilst Council's position is not to seek tickets as part of these arrangements, they may be offered from time to time. Complimentary tickets may also be offered without a sponsorship agreement.

Where the ticket optimises advocacy and/or networking benefit with other stakeholders, meets corporate objectives, supports community initiatives and/or raises the profile of the Region, it may be appropriate to accept such invitations.

These are deemed as a gift and workers must declare the gift in accordance with paragraph 5.4. The CEO determines the most appropriate use of such tickets prior to the date of the event.

5.2.1 Attendance of Partners, Spouses and Associates

In instances where there is no cost to Council, PSA's of workers may attend following submission of a Receipt of Gift Form and approval by the CEO.

In all instances of attendance, a PSA of an official representative of Council are expected to act in a manner consistent with the Council's Code of Conduct.

5.3 CEO Actions

In most cases, it is automatically approved that gifts up to and including the value of \$50, excluding tickets to performances and events, may be kept by the recipient provided the gift does not create a real or perceived conflict of interest or be seen as receiving a bribe. Particularly, in situations where there is ambiguity relating to real or perceived conflict of interest or bribes, the CEO has the right to decide on the following actions to be taken:

- (a) Kept by the original recipient of the gift/benefit;
- (b) Kept for Council use;

LEGAL AND GOVERNANCE USE ONLY			
Adopted/Approved:	DRAFT	Department:	Office of the CEO
Version:	1	Section:	Workforce and Governance
Reviewed Date:		Page No:	Page 4 of 6

- (c) Displayed at an appropriate venue;
- (d) Donated to a community group;
- (e) Sold or exchanged;
- (f) Returned; or
- (g) Destroyed (in the case of perishable items).

5.4 Process and Recording Gifts/Benefits

If not an exception detailed in paragraph 5.1.4, workers should initially decline the offer of a gift/benefit given the public and worker perception of receiving the gift/benefit in the first instance.

If a worker is pressed to accept or the non-acceptance may be seen to be not conducive to ongoing business relationships, the worker may accept, thank the "giver" and advise that they will accept the gift/benefit but the CEO will determine the ownership of the gift/benefit.

The worker will advise their supervisor and complete the Receipt of Gift Form for the CEO's consideration.

The CEO will consider all factors in connection with the giving of the gift/benefit and determine the future of the gift/benefit in accordance with paragraph 5.3, however if a gift is of value up to and including \$50 and not a ticket to an event or performance, the recipient may keep the gift if it does not create a real or perceived conflict of interest or be seen as taking a bribe. However, the worker must still complete the Receipt of Gift Form. If there is any doubt the worker should seek advice from the Office of the CEO.

The Executive Personal Assistant to the CEO will:

- (a) Advise the worker and the supervisor of the decision; and
- (b) Ensure the gift/benefit and subsequent action is recorded on the Gift Register.

5.5 Scenario Examples

The following scenario examples are provided to demonstrate considerations and if the gift should be accepted. In practice, each scenario needs to be assessed according to the particular facts as the addition of further information could change the outcome.

Scenario	Consideration	Acceptance
A supplier, at end of year drops in caps, pens and calendars to a workshop or work facility.	Paragraph 5.1.2 low value corporate gift.	√
A worker while attending a conference on behalf of Council receives a conference package containing numerous small items that may be considered as token gifts, for example, hat, pens etc.	The acceptance of these gifts and benefits would be considered appropriate as it would be unlikely to be perceived as an attempt at bribery and/or a breach of policy.	√
A worker is offered a gift card from a supplier.	The worker must refuse. Any offer of items that could be considered substitutes for cash such as gift cards or vouchers, credit cards, debit cards with credit on them, prepayments such as phone or internal credit, memberships or entitlements to discounts. Accepting money in any form will breach a number of Council policies and legislative requirements and may be seen as an attempt at bribery.	×

LEGAL AND GOVERNANCE USE ONLY			
Adopted/Approved:	DRAFT	Department:	Office of the CEO
Version:	1	Section:	Workforce and Governance
Reviewed Date:		Page No:	Page 5 of 6

Scenario	Consideration	Acceptance
A worker is offered free tickets to a cultural or sporting event because of their involvement, from a Council perspective with that organisation.	The worker should follow process in paragraph 5.4.	x
At a time when Council is considering alternative IT products a vendor arranges a meeting with a Council IT manager at a coffee shop and buys coffees.	Perceived conflict of interest or bribe.	x
A worker who speaks at a conference on behalf of Council is given a bottle of wine as a token of appreciation by the MC.	The worker should follow process in paragraph 5.4.	√
A senior manager receives an offer to go on a fishing trip with the manager of an engineering company who tender for work in Council.	Perceived conflict of interest or bribe.	x

6 Review Timelines

This procedure is reviewed when any of the following occur:

- (a) The related information is amended or replaced; or
- (b) Other circumstances as determined from time to time by the Executive Manager Workforce and Governance.

7 Document Management

Sponsor	Chief Executive Officer
Business Owner	Executive Manager Workforce and Governance
Policy Owner	Executive Manager Workforce and Governance
Policy Quality Control	Legal and Governance



LEGAL AND GOVERNANCE USE ONLY			
Adopted/Approved:	DRAFT	Department:	Office of the CEO
Version:	1	Section:	Workforce and Governance
Reviewed Date:		Page No:	Page 6 of 6

**REVISED POLICIES - ENTERTAINMENT
AND HOSPITALITY, EXPENSES
REIMBURSEMENT AND PROVISION OF
FACILITIES FOR MAYOR AND
COUNCILLORS AND COUNCILLOR
GIFTS, BENEFITS AND HOSPITALITY**

**Employee Gifts, Benefits and
Hospitality Procedure (Tracked)**

Meeting Date: 9 November 2021

Attachment No: 8

RECEIPT OF EMPLOYEE GIFTS, OR BENEFITS AND HOSPITALITY GUIDELINE PROCEDURE



1 Scope

This guidelineprocedure applies to gifts, benefits and hospitality offered to, or received by workers whilst undertaking their duties or representing Rockhampton Regional Council.

2 Purpose

The purpose of this guidelineprocedure is to:

- (a) Provide principles to consider when determining whether to accept a gift/benefit;
- (b) Provide a process should a worker accept a gift/benefit as part of their role;
- (c) Support Council's commitment to open and transparent governance; and
- (d) Minimise the risk of workers being exposed to actual or perceived conflict of interest.

3 Related Documents

3.1 Primary

Code of Conduct

3.2 Secondary

Crime and Corruption Act 2001

Local Government Act 2009

Local Government Regulation 2012

Public Sector Ethics Act 1994

Community Grants and Minor Sponsorship Policy

Conflicts of Interest Policy and Procedure

Entertainment and Hospitality Policy

Gift Register

Major Sponsorship Policy

Receipt of Gift Form

4 Definitions

To assist in interpretation, the following definitions apply:

CEO	Chief Executive Officer A person who holds an appointment under section 194 of the <i>Local Government Act 2009</i> . This includes a person acting in this position.
-----	--

LEGAL AND GOVERNANCE USE ONLY

Adopted/Approved:	<u>Approved, 17 January 2020 DRAFT</u>	Department:	Office of the CEO
Version:	1	Section:	Workforce and Governance
Reviewed Date:		Page No:	Page 1 of 7

Conflict of Interest	A conflict of interest involves a conflict between your official duties and responsibilities in serving the public interest and your private <u>personal</u> interests. A conflict of interest can arise from avoiding personal losses as well as gaining personal advantage —whether financial— or <u>otherwise avoiding personal losses</u> . This includes advantages to relatives and friends.
Contractor	A person, organisation or entity that performs a specific act or acts including the provision of services and/or materials to another person, organisation or entity under an agreement enforceable by law.
Council	Rockhampton Regional Council
Employee	Local government employee: (a) The CEO; or (b) A person holding an appointment under section 196 of the <i>Local Government Act 2009</i> .
Gift/Benefit	Something given voluntarily to show favour toward someone, honour an occasion, or make a gesture of assistance or goodwill, which is offered outside normal contractual arrangements, including . <u>This could include</u> , but <u>is</u> not limited to <u>the following examples</u> : (a) Cash or the transfer of money (including items that may be converted to cash for example, vouchers, lottery tickets, scratch-it tickets); <u>(b) Transfer of property of presentational or charitable nature or otherwise;</u> (b)(c) <u>The provision or use of property, equipment or services free of charge, at a reduced rate, for a period of time or unspecified periods;</u> <u>(d) Loans of money, or equipment including provision of overdraft facilities (for example, credit card) or guarantor for a loan;</u> (c)(e) <u>A prize, for example a lucky door prize;</u> (d)(f) <u>Intangible items that have no enduring value (for example, hospitality and/or entertainment); or or perishable foodstuffs;</u> <u>(g) The sale of property with a sale price below proper valuations; or</u> <u>(h) Hospitality, including meals, entertainment or accommodation benefit/s, includes entertainment and are generally received in the form of meals and beverages directly related to official Council business and/or fulfilling official duties in relation to the function and activities of Council. These benefits can also include (but are not limited to): travel, accommodation, tickets to school performances or local cultural events which are in support of local community organisations and Council business;</u> <u>(i) Artworks; and</u> (e)(i) <u>Souvenirs.</u>
GM	<u>General manager, an employee appointed to a position with a corporate band 2 delegated in accordance with the Delegation and Authorisation Policy and detailed in the Delegations Corporate Register.</u>
Official Council Business	<u>Official business conducted on behalf of Council that should result in a benefit being achieved for the local government and/or local government Region (for example opening a school fete) and where a worker is required to undertake certain tasks to satisfy legislative requirements or achieve business continuity for the Council including, but not limited to:</u> <u>(a) Official Council meetings, Councillor forums and workshops;</u> <u>(b) Meetings and engagements associated with employees who have been formally appointed to an external organisation;</u>

LEGAL AND GOVERNANCE USE ONLY

Adopted/Approved:	<u>Approved, 17 January 2020 DRAFT</u>	Department:	Office of the CEO
Version:	1	Section:	Workforce and Governance
Reviewed Date:		Page No:	Page 2 of 7

	<p><u>(c) Attendance at prescribed Local Government training/workshops and conferences;</u></p> <p><u>(d) Attendance at civic ceremonies and community events where a formal invitation has been received inviting workers in their capacity to undertake official duties;</u></p> <p><u>(e) Attending public meetings, annual meetings, community meetings, organised/official events or presentation dinners where invited as a worker;</u></p> <p><u>(f) Attending meetings of community groups where invited to speak about Council programs or initiatives;</u></p> <p><u>(g) Attending private meetings with constituents about Council strategies, programs or initiatives;</u></p> <p><u>(h) Attending organised meetings, inspections and community consultations pertaining to Council responsibilities.</u></p> <p><u>Participating in a community group event or being a representative on a board not associated with Council is not regarded as official Council business.</u></p>
PSA	<u>Partner, spouse or associate.</u>
Value	The estimated reasonable retail value of a gift/benefit.
Volunteer	Any person, who of their own free will, offers to undertake un-paid work for Council and is accepted as a volunteer by the CEO and/or their authorised delegates.
Worker	Employee, contractor or subcontractor, an employee of a contractor or subcontractor, an employee of a labour hire company assigned to work for Council, work experience participant or a volunteer.

5 **Guideline Procedure**

The community has an expectation that workers discharge their responsibilities impartially and with integrity. The acceptance of gifts/benefits risks creating negative perceptions of a conflict of interest or a bribe.

The Code of Conduct states that workers must not ask for, or accept a fee or other gift/benefit for doing something as a worker. If unsure whether or not it is appropriate to accept an offer of a gift/benefit, in the first instance, workers should decline offers courteously by explaining that acceptance would be against Council policy.

5.1 **Determining Acceptance of Gifts/Benefits**

5.1.1 **Workers**

Each type of gift/benefit carries with it different risks that should be considered when deciding whether or not acceptance is appropriate. It is important to consider the following:

- (a) Why the offer of a gift or benefit was made;
- (b) The value and type of the gift/benefit (with higher value gifts/benefits warranting increased scrutiny);
- (c) The likely public perception of acceptance; and
- (d) Relevant legislation.

If pressed to accept or the non-acceptance of a gift/benefit may be seen as being not conducive to ongoing business relationships, workers must follow the steps outlined in paragraph 5.34.

LEGAL AND GOVERNANCE USE ONLY			
Adopted/Approved:	<u>Approved, 17 January 2020 DRAFT</u>	Department:	Office of the CEO
Version:	1	Section:	Workforce and Governance
Reviewed Date:		Page No:	Page 3 of 7

5.1.2 CEO

In determining whether acceptance of a gift/benefit is appropriate, the major factors the CEO considers are the:

- (a) Intent in which the gift/benefit is given; and
- (b) Public perception of acceptance of the gift/benefit,

and if it complies with the following principles:

- (a) It does not influence, or have the potential or perceived potential to influence, in any way so as to compromise, or appear to compromise, the integrity and impartiality of the recipient, or to create a conflict of interest, or perception of a conflict of interest.
- (b) It is not related to advice or decisions about (but not limited to):
 - (i) Granting licences;
 - (ii) Inspecting and regulating businesses;
 - (iii) Granting of approvals;
 - (iv) Awarding of contracts;
 - (v) The provision of Council services; or
 - (vi) The provision of a Council grant.

5.1.3 Official Council Business

Workers, in an official capacity, may receive invitations of hospitality to attend various functions and events. Where hospitality provides an opportunity to network, or undertake business of a common purpose, it may be appropriate to accept such invitations.

Reasonable hospitality received at an event, function, training course or conference attended in an official capacity is acceptable as this is not considered as a conflict of interest.

5.1.4 Exceptions

Low value corporate gifts offered as a marketing/sponsor initiative, for example, mass produced mementos at a professional development conference or as give-aways are considered low risk and can generally be accepted and kept by the recipient provided the acceptance does not influence or compromise the integrity and impartiality of the recipient, create a conflict of interest or compromises Council's position in any way.

5.2 Complimentary Tickets to Performances and Events

Council contributes significant sponsorship (financial and in-kind) towards events held in the Region, on the basis of the benefits to the Region. Whilst Council's position is not to seek tickets as part of these arrangements, they may be offered from time to time. Complimentary tickets may also be offered without a sponsorship agreement.

Where the ticket optimises advocacy and/or networking benefit with other stakeholders, meets corporate objectives, supports community initiatives and/or raises the profile of the Region, it may be appropriate to accept such invitations.

These are deemed as a gift and workers must declare the gift in accordance with paragraph 5.4. The CEO determines the most appropriate use of such tickets prior to the date of the event.

5.2.1 Attendance of Partners, Spouses and Associates

In instances where there is no cost to Council, PSA's of workers may attend following submission of a Receipt of Gift Form and approval by the CEO.

In all instances of attendance, a PSA of an official representative of Council are expected to act in a manner consistent with the Council's Code of Conduct.

LEGAL AND GOVERNANCE USE ONLY			
Adopted/Approved:	Approved, 17 January 2020 DRAFT	Department:	Office of the CEO
Version:	1	Section:	Workforce and Governance
Reviewed Date:		Page No:	Page 4 of 7

5.25.3 CEO Actions

In most cases, it is automatically approved that gifts up to and including the value of \$50, excluding tickets to performances and events, may be kept by the recipient provided the gift does not create a real or perceived conflict of interest or be seen as receiving a bribe. Particularly, in situations where there is ambiguity relating to real or perceived conflict of interest or bribes, the CEO has the right to decide on the following actions to be taken:

- (a) Kept by the original recipient of the gift/benefit;
- (b) Kept for Council use;
- (c) Displayed at an appropriate venue;
- (d) Donated to a community group;
- (e) Sold or exchanged;
- (f) Returned; or
- (g) Destroyed (in the case of perishable items).

5.35.4 Process and Recording Gifts/Benefits

If not an exception detailed in paragraph 5.1.24, workers should initially decline the offer of a gift/benefit given the public and worker perception of receiving the gift/benefit in the first instance.

If a worker is pressed to accept or the non-acceptance may be seen to be not conducive to ongoing business relationships, the worker may accept, thank the "giver" and advise that they will accept the gift/benefit but the CEO will determine the ownership of the gift/benefit.

The worker will advise their supervisor and complete the Receipt of Gift Form for the CEO's consideration.

The CEO will consider all factors in connection with the giving of the gift/benefit and determine the future of the gift/benefit in accordance with paragraph 5.23, however if a gift is of value up to and including \$50 and not a ticket to an event or performance, the recipient may keep the gift if it does not create a real or perceived conflict of interest or be seen as taking a bribe. However, the worker must still complete the Receipt of Gift Form. If there is any doubt the worker should seek advice from the Office of the CEO.

The Executive Personal Assistant to the CEO will:

- (a) Advise the worker and the supervisor of the decision; and
- (b) Ensure the gift/benefit and subsequent action is recorded on the Gift Register.

5.45.5 Scenario Examples

The following scenario examples are provided to demonstrate considerations and if the gift should be accepted. In practice, each scenario needs to be assessed according to the particular facts as the addition of further information could change the outcome.

Scenario	Consideration	Acceptance
A supplier, at end of year drops in caps, pens and calendars to a workshop or work facility.	Paragraph 5.1.2 low value corporate gift.	√
A worker while attending a conference on behalf of Council receives a conference package containing numerous small items that may be considered as token gifts, for example, hat, pens etc.	The acceptance of these gifts and benefits would be considered appropriate as it would be unlikely to be perceived as an attempt at bribery and/or a breach of policy.	√

LEGAL AND GOVERNANCE USE ONLY

Adopted/Approved:	<u>Approved, 17 January 2020 DRAFT</u>	Department:	Office of the CEO
Version:	1	Section:	Workforce and Governance
Reviewed Date:		Page No:	Page 5 of 7

Scenario	Consideration	Acceptance
A worker is offered a gift card from a supplier.	The worker must refuse. Any offer of items that could be considered substitutes for cash such as gift cards or vouchers, credit cards, debit cards with credit on them, prepayments such as phone or internal credit, memberships or entitlements to discounts. Accepting money in any form will breach a number of Council policies and legislative requirements and may be seen as an attempt at bribery.	x
A worker is offered free tickets to a cultural or sporting event because of their involvement, from a Council perspective with that organisation.	The worker should follow process in paragraph 5.34.	x
At a time when Council is considering alternative IT products a vendor arranges a meeting with a Council IT manager at a coffee shop and buys coffees.	Perceived conflict of interest or bribe.	x
A worker who speaks at a conference on behalf of Council is given a bottle of wine as a token of appreciation by the MC.	The worker should follow process in paragraph 5.34.	√
A senior manager receives an offer to go on a fishing trip with the manager of an engineering company who tender for work in Council.	Perceived conflict of interest or bribe.	x

6 Review Timelines

This [guideline procedure](#) is reviewed when any of the following occur:

- (a) The related information is amended or replaced; or
- (b) Other circumstances as determined from time to time by the [Executive](#) Manager Workforce and Governance.

LEGAL AND GOVERNANCE USE ONLY			
Adopted/Approved:	Approved, 17 January 2020 DRAFT	Department:	Office of the CEO
Version:	1	Section:	Workforce and Governance
Reviewed Date:		Page No:	Page 6 of 7

7 Document Management

Sponsor	Chief Executive Officer
Business Owner	<u>Executive</u> Manager Workforce and Governance
Policy Owner	<u>Executive</u> Manager Workforce and Governance
Policy Quality Control	Legal and Governance



LEGAL AND GOVERNANCE USE ONLY			
Adopted/Approved:	<u>Approved, 17 January 2020 DRAFT</u>	Department:	Office of the CEO
Version:	1	Section:	Workforce and Governance
Reviewed Date:		Page No:	Page 7 of 7

**REVISED POLICIES - ENTERTAINMENT
AND HOSPITALITY, EXPENSES
REIMBURSEMENT AND PROVISION OF
FACILITIES FOR MAYOR AND
COUNCILLORS AND COUNCILLOR
GIFTS, BENEFITS AND HOSPITALITY**

**Entertainment and Hospitality General
Ledger Expense Allocation Whole of
Council Work Instruction (Clean)**

Meeting Date: 9 November 2021

Attachment No: 9

ENTERTAINMENT AND HOSPITALITY GENERAL LEDGER EXPENSE ALLOCATION WHOLE OF COUNCIL WORK INSTRUCTION



1 Scope

This whole of Council work instruction applies to all Rockhampton Regional Council Councillors and employees.

2 Purpose

The purpose of this whole of Council work instruction is to ensure financial records for entertainment and hospitality expenses are recorded appropriately to ensure Council's compliance with its tax obligations relating to GST and FBT.

3 Related Documents

3.1 Primary

Entertainment and Hospitality Policy

3.2 Secondary

A New Tax System (Goods and Services Tax) Act 1999 (Cwth)

Fringe Benefits Tax Assessment Act 1986 (Cwth)

Local Government Act 2009

Local Government Regulation 2012

Code of Conduct

Expenses Reimbursement and Provision of Facilities for Mayor and Councillors Policy

Purchasing Policy – Acquisition of Goods and Services

Service Recognition Policy

Travel and Event Attendance Policy

4 Definitions

To assist in interpretation, the following definitions apply:

CEO	Chief Executive Officer A person who holds an appointment under section 194 of the <i>Local Government Act 2009</i> . This includes a person acting in this position.
Council	Rockhampton Regional Council
Councillor/s	The Mayor and Councillors of Council, within the meaning of the <i>Local Government Act 2009</i> .
Delegated Officer	An employee appointed to a position with a corporate band 3 delegated in accordance with the Delegation and Authorisation Policy and detailed in the Delegations Corporate Register.

LEGAL AND GOVERNANCE USE ONLY			
Adopted/Approved:	DRAFT	Department:	Corporate Services
Version:		Section:	Finance
Reviewed Date:		Page No:	Page 1 of 3

Employees	Local government employee: (a) The CEO; or (b) A person holding an appointment under section 196 of the <i>Local Government Act 2009</i> .
FBT	Fringe Benefits Tax
GL	General Ledger
GST	Goods and Services Tax

5 Work Instruction

Although Council is income tax exempt and is not required to consider non-deductible entertainment expenses, the organisation is still able to claim GST input tax credits for some entertainment expenses considered as tax deductible.

Under the GST system entertainment expenses incur GST. No input tax credit (refund of GST) can be claimed where entertainment expenses are not deductible for tax purposes. As a result of this, GL account codes and tax codes have been implemented to correctly record these items to ensure Council claims legitimate tax credits it is entitled to.

A tax deduction will be allowed where FBT is paid on the entertainment expense. The entitlement of a tax deduction will also entitle Council to claim the GST paid on the purchase. As a result of this the following natural accounts and descriptions are to be used:

GL Natural Account	GL Natural Account Description	GST Tax Code
2032	Employee/Councillor Entertainment – Subject to FBT	Claim GST
2025	Employee/Councillor Entertainment – No FBT (Meetings/Seminars/Catering)	Claim GST
2504	Client Entertainment – No FBT	Do not claim GST
2218	Supplies/Food purchased for resale	Claim GST

5.3 Natural Account 2032 – Employee/Councillor Entertainment – Subject to FBT

Employee/Councillor entertainment at a social function is subject to FBT. Any GST paid on such entertainment entitles Council to claim a GST input tax credit. The natural account used for Council employee/Councillor entertainment, which is subject to FBT is 2032.

Example:

A lunch at a cafe to congratulate a team for an above and beyond effort. If paid for by Council, Council will be subject to FBT (meaning GST can be claimed). It is important to note that meal or coffee expenses for employees meeting offsite are deemed as personal expenses and should be paid for by the employees.

5.4 Natural Account 2025 – Employee/Councillor Entertainment (Meetings/Seminars/Catering) – Not Subject to FBT

Food and drink provided at:

- (a) An in house dining facility not at a social function (for example meeting);
- (b) Consumed while travelling on business; or
- (c) While attending a seminar (provided it is incidental to a seminar).

LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	DRAFT	Department:	Corporate Services
Version:		Section:	Finance
Reviewed Date:		Page No:	Page 2 of 3

These expenses are not generally subject to FBT. They are consumed at meetings/conferences and seminars such as tea, coffee or finger food. This type of food is classified as sustenance, meaning it is not associated with any recreational or leisure pursuits. Meals classified as sustenance are fully deductible and free from FBT and entitles Council to claim a GST input credit. The natural account 2025 is used for such transactions.

5.5 Natural Account 2504 – Client Entertainment Expenses – Not Subject to FBT

Client entertainment is not subject to FBT as clients are not employees or Councillors of Council. Any expenses incurred under client entertainment attracts GST. However, as client entertainment is not an 'allowable deduction' for income tax purposes, Council is unable to claim any input tax credits for the GST paid in respect of this expense.

Any client entertainment expenditure should be expensed under natural account 2504. It is vital that employees authorising payments under this natural account ensure they convey this to the Accounts Payable unit when submitting an account to be paid.

Approval to incur client entertainment expenses needs to be given by a delegated officer.

If both the employee/Councillor and the client entertainment are on one bill, the bill will need to be split between the two appropriate natural accounts 2032 and 2504. Example:

Councillor X takes Mr Y and Mr Z from State Government to lunch for business purposes. The cost of lunch was \$90 plus \$9 GST. As Council adopts the "actual method" for FBT purposes, \$30 plus \$3 GST (being Councillor X's share of the lunch) will be subject to FBT (because they are a Councillor of Council) and costed to natural account 2032. The other \$60 plus \$6 GST (being for Mr Y and Mr Z's share of the lunch) will be classified as non-deductible client entertainment and costed to natural account 2504 where no GST can be claimed.

5.6 Natural Account 2218 – Supplies/Food Purchased for Resale

Food and other supplies purchased for resale as part of the operation of various Council venues, such as the Pilbeam Theatre. There is no FBT applicable and Council is entitled to claim a GST input credit for all purchases which are subject to GST.

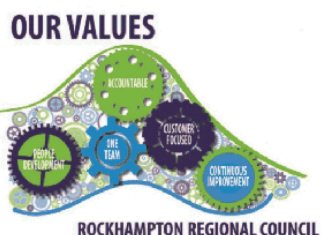
6 Review Timelines

This work instruction is reviewed when any of the following occur:

- (a) The related information is amended or replaced; or
- (b) Other circumstances as determined from time to time by the Deputy Chief Executive Officer.

7 Document Management

Sponsor	Chief Executive Officer
Business Owner	Deputy Chief Executive Officer
Policy Owner	Chief Financial Officer
Policy Quality Control	Legal and Governance



LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	DRAFT	Department:	Corporate Services
Version:		Section:	Finance
Reviewed Date:		Page No:	Page 3 of 3

**REVISED POLICIES - ENTERTAINMENT
AND HOSPITALITY, EXPENSES
REIMBURSEMENT AND PROVISION OF
FACILITIES FOR MAYOR AND
COUNCILLORS AND COUNCILLOR
GIFTS, BENEFITS AND HOSPITALITY**

**Entertainment and Hospitality General
Ledger Expense Allocation Whole of
Council Work Instruction (Tracked)**

Meeting Date: 9 November 2021

Attachment No: 10

ENTERTAINMENT AND HOSPITALITY GENERAL LEDGER EXPENSE ALLOCATION WHOLE OF COUNCIL WORK INSTRUCTION



1 Scope

This whole of Council work instruction applies to all Rockhampton Regional Council Councillors and employees.

2 Purpose

The purpose of this whole of Council work instruction is to ensure financial records for entertainment and hospitality expenses are recorded appropriately to ensure Council's compliance with its tax obligations relating to GST and FBT.

3 Related Documents

3.1 Primary

Entertainment and Hospitality Policy

3.2 Secondary

A New Tax System (Goods and Services Tax-Administration) Act 1999 (Cwth)

Fringe Benefits Tax Assessment Act 1986 (Cwth)

Local Government Act 2009

Local Government Regulation 2012

Code of Conduct

Expenses Reimbursement and Provision of Facilities for Mayor and Councillors Policy

Purchasing Policy – Acquisition of Goods and Services

Service Recognition Policy

Travel and [Conference-Event](#) Attendance Policy

4 Definitions

To assist in interpretation, the following definitions apply:

CEO	Chief Executive Officer A person who holds an appointment under section 194 of the <i>Local Government Act 2009</i> . This includes a person acting in this position.
Council	Rockhampton Regional Council
Councillor/s	The Mayor and Councillors of Council, within the meaning of the <i>Local Government Act 2009</i> .
Delegated Officer	An employee appointed to a position with a corporate band 3 delegated in accordance with the Delegation and Authorisation Policy and detailed in the Delegations Corporate Register.

LEGAL AND GOVERNANCE USE ONLY

Adopted/Approved:	DRAFT	Department:	Corporate Services
Version:		Section:	Finance
Reviewed Date:		Page No:	Page 1 of 3

Employees	Local government employee: (a) The CEO; or (b) A person holding an appointment under section 196 of the <i>Local Government Act 2009</i> .
FBT	Fringe Benefits Tax
GL	General Ledger
GST	Goods and Services Tax

5 Work Instruction

Although Council is income tax exempt and is not required to consider non-deductible entertainment expenses, the organisation is still able to claim GST input tax credits for some entertainment expenses considered as tax deductible.

Under the GST system entertainment expenses incur GST. No input tax credit (refund of GST) can be claimed where entertainment expenses are not deductible for tax purposes. As a result of this, GL account codes and tax codes have been implemented to correctly record these items to ensure Council claims legitimate tax credits it is entitled to.

A tax deduction will be allowed where FBT is paid on the entertainment expense. The entitlement of a tax deduction will also entitle Council to claim the GST paid on the purchase.

As a result of this the following natural accounts and descriptions are to be used:

GL Natural Account	GL Natural Account Description	GST Tax Code
2032	Employee/Councillor Entertainment – Subject to FBT	Claim GST
2025	Employee/Councillor Entertainment – No FBT (Meetings/Seminars/Catering)	Claim GST
2504	Client Entertainment – No FBT	Do not claim GST
2218	Supplies/Food purchased for resale	Claim GST

5.3 Natural Account 2032 – Employee/Councillor Entertainment – Subject to FBT

Employee/Councillor entertainment at a social function is subject to FBT. Any GST paid on such entertainment entitles Council to claim a GST input tax credit. The natural account used for Council employee/Councillor entertainment, which is subject to FBT is 2032.

Example:

A lunch at a cafe to congratulate a team for an above and beyond effort. An employee taking another employee to lunch to discuss the next year's department budget. The lunch, if paid using a Council corporate card (i.e. paid by Council) for by will render Council, Council will be to be subject to FBT (meaning GST can be claimed). It is important to note that meal or coffee expenses for employees meeting offsite are deemed as personal expenses and should be paid for by the employees.

5.4 Natural Account 2025 – Employee/Councillor Entertainment (Meetings/Seminars/Catering) – Not Subject to FBT

Food and drink provided at:

- (a) An in house dining facility not at a social function (for example meeting);
- (b) Consumed while travelling on business; or
- (c) While attending a seminar (provided it is incidental to a seminar).

LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	DRAFT	Department:	Corporate Services
Version:		Section:	Finance
Reviewed Date:		Page No:	Page 2 of 3

These expenses are not generally subject to FBT. They are consumed at meetings/conferences and seminars such as tea, coffee or finger food. This type of food is classified as sustenance, meaning it is not associated with any recreational or leisure pursuits. Meals classified as sustenance are fully deductible and free from FBT and entitles Council to claim a GST input credit. The natural account 2025 is used for such transactions.

5.5 Natural Account 2504 – Client Entertainment Expenses – Not Subject to FBT

Client entertainment is not subject to FBT as clients are not employees or Councillors of Council. Any expenses incurred under client entertainment attracts GST. However, as client entertainment is not an 'allowable deduction' for income tax purposes, Council is unable to claim any input tax credits for the GST paid in respect of this expense.

Any client entertainment expenditure should be expensed under natural account 2504. It is vital that employees authorising payments under this natural account ensure they convey this to the Accounts Payable unit when submitting an account to be paid.

[Approval to incur client entertainment expenses needs to be given by a delegated officer.](#)

If both the employee/Councillor and the client entertainment are on one bill, the bill will need to be split between the two appropriate natural accounts 2032 and 2504. Example:

Councillor X takes Mr Y and Mr Z from State Government to lunch for business purposes. The cost of lunch was \$90 plus \$9 GST. As Council adopts the "actual method" for FBT purposes, \$30 plus \$3 GST (being Councillor X's share of the lunch) will be subject to FBT (because they are a Councillor of Council) and costed to natural account 2032. The other \$60 plus \$6 GST (being for Mr Y and Mr Z's share of the lunch) will be classified as non-deductible client entertainment and costed to natural account 2504 where no GST can be claimed.

5.6 Natural Account 2218 – Supplies/Food Purchased for Resale

[Food and other supplies purchased for resale as part of the operation of various Council venues, such as the Pilbeam Theatre. There is no FBT applicable and Council is entitled to claim a GST input credit for all purchases which are subject to GST.](#)

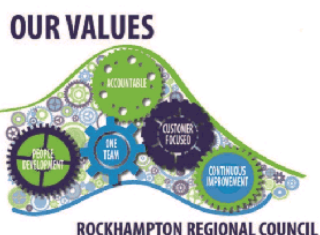
6 Review Timelines

This work instruction is reviewed when any of the following occur:

- (a) The related information is amended or replaced; or
- (b) Other circumstances as determined from time to time by the Deputy Chief Executive Officer.

7 Document Management

Sponsor	Chief Executive Officer
Business Owner	Deputy Chief Executive Officer
Policy Owner	Chief Financial Officer
Policy Quality Control	Legal and Governance



LEGAL & GOVERNANCE USE ONLY			
Adopted/Approved:	DRAFT	Department:	Corporate Services
Version:		Section:	Finance
Reviewed Date:		Page No:	Page 3 of 3

**REVISED POLICIES - ENTERTAINMENT
AND HOSPITALITY, EXPENSES
REIMBURSEMENT AND PROVISION OF
FACILITIES FOR MAYOR AND
COUNCILLORS AND COUNCILLOR
GIFTS, BENEFITS AND HOSPITALITY**

**Provision of Complimentary Tickets for
Events and Performances Policy**

Meeting Date: 9 November 2021

Attachment No: 11



PROVISION OF COMPLIMENTARY TICKETS FOR EVENTS AND PERFORMANCES POLICY (ADMINISTRATIVE POLICY)

1 Scope:

This policy applies to the provision of complimentary tickets on behalf of Rockhampton Regional Council for events and performances held at Council's major performing arts and events venues.

The policy does not apply to the provision of complimentary tickets under the direction of a hirer or third party.

2 Purpose:

To provide clarification of the circumstances in which complimentary tickets may be issued, providing a transparent and consistent approach.

3 Related Documents:

Primary

Nil

Secondary

Expenses Reimbursement and Provision of Facilities for Mayor and Councillors Policy
Live Performance Australia – Ticketing Code of Practice
Memorandum of Understanding between Rockhampton Regional Council and Friends of the Theatre Rockhampton Inc.
Rockhampton Regional Council Venue Hire Agreement

4 Definitions:

To assist in interpretation, the following definitions apply:

CEO	<i>Chief Executive Officer</i> A person who holds an appointment under section 194 of the <i>Local Government Act 2009</i> . This includes a person acting in this position.
Committee	A group of Councillors created by a resolution of the Council to undertake functions as determined under the <i>Local Government Act 2009</i> or <i>Local Government Regulation 2012</i> decided by a Council resolution.
Community Organisation	As per schedule 8 of the <i>Local Government Regulation 2012</i> : a) An entity that carries on activities for a public purpose; or b) An entity whose primary objective is not directed at making a profit.

Corporate Improvement and Strategy use only

Adopted/Approved: Adopted, 28 June 2016
Version: 1
Reviewed Date:

Department: Community Services
Section: Arts and Heritage
Page No.: Page 1 of 5

Complimentary Tickets	Admission tickets to an event or performance that are issued at no financial costs to the person attending.
Council	Rockhampton Regional Council
Councillors	The Mayor and Councillors of Rockhampton Regional Council, within the meaning of the <i>Local Government Act 2009</i> .
Employee	<i>Local government employee:</i> (a) the chief executive officer; or (b) a person holding an appointment under section 196 of the <i>Local Government Act 2009</i> .
House Seats	Seats at an event or performance made available by the hirer at no cost to the venue owner under the terms of the venue hire agreement
Mayor	The Mayor is an elected member of Rockhampton Regional Council, also referred to as a Councillor, with additional responsibilities as outline in section 12(4) of the <i>Local Government Act 2009</i> .
Volunteer	Any person, who of their own free will, offers to undertake un-paid work for Council and is accepted as a volunteer by the Chief Executive Officer and/or his authorised delegates.

5 Policy Statement:

Complimentary tickets to a performance or event provided under this policy may relate to one of the following circumstances:

- Council is presenting or has a direct involvement; or
- Council is not presenting and has no direct involvement, but where:
 - House seats are allocated by the hirer of the venue, in accordance with normal industry practice and the terms of the venue hire agreement; or
 - Tickets are made available to Council by presenting organisations or venue hirer.

5.1 Complimentary Tickets Where Council is Presenting or has a Direct Involvement

In circumstances where Council maintains the ticketing inventory and has control over the issuing of complimentary tickets, complimentary tickets may be provided, at the discretion of the CEO or delegate, to members listed in the categories of the following table.

The specific rationale for the offering of these tickets and composition of the categories is detailed in the table below.

No.	Category	Members of Category	Rationale
1.	Councillors	<ul style="list-style-type: none"> ▪ Mayor and Councillors of Rockhampton Regional Council 	<ul style="list-style-type: none"> ▪ Awareness and understanding of Council services provided to the community ▪ For advocacy
2.	CEO and general managers (GM)	<ul style="list-style-type: none"> ▪ CEO ▪ GM Community Services, GM Regional Services, GM Corporate Services 	<ul style="list-style-type: none"> ▪ Awareness and understanding of Council services provided to the community ▪ For advocacy
3.	Council employees and volunteers	<ul style="list-style-type: none"> ▪ Council employees and volunteers 	<ul style="list-style-type: none"> ▪ Professional development opportunities ▪ For recognition and reward

Corporate Improvement and Strategy use only

Adopted/Approved: Adopted, 28 June 2016
Version: 1
Reviewed Date:

Department: Community Services
Section: Arts and Heritage
Page No.: Page 2 of 5

4.	Queensland and federal elected members	<ul style="list-style-type: none"> Queensland members for Rockhampton, Keppel and Mirani Queensland Minister for the Arts Queensland Shadow Minister for the Arts Federal Member for Capricornia Federal Minister for the Arts Federal Shadow Minister for the Arts 	<ul style="list-style-type: none"> For building relationships For awareness For advocacy
5.	Queensland and Federal Public Services	<ul style="list-style-type: none"> Program Managers for the Playing Australia Program Queensland Director General and senior staff of Arts Queensland 	<ul style="list-style-type: none"> For demonstrating use of Queensland and federal funding For building relationships For awareness and advocacy
6.	Marketing and Media	<ul style="list-style-type: none"> Marketing contacts – industry and show specific Media representatives Market influencers 	<ul style="list-style-type: none"> For media awareness, coverage and promotion of the production For facilitating reviews of the production For encouraging social media coverage of the production
7.	Existing and potential sponsors, supporters and suppliers	<ul style="list-style-type: none"> Venue sponsors Event specific sponsors Sponsors of visiting companies Potential sponsors 	<ul style="list-style-type: none"> For meeting contractual arrangements under sponsorship agreements etc. For attracting future sponsorship or philanthropy
8.	Local Indigenous community	<ul style="list-style-type: none"> Elders and other key members of local aboriginal communities Other indigenous contacts 	<ul style="list-style-type: none"> For maintaining and enhancing relations with indigenous communities For ensuring visiting indigenous companies, for example Bangarra Dance Theatre feel welcome at the venue
9.	Trustees of Central Qld Performing Arts Foundation (CQPAF) and Central Qld Regional Performing Arts Foundation (CQRPAF)	<ul style="list-style-type: none"> Trustees 	<ul style="list-style-type: none"> For acknowledging commitment For providing trustees with a better understanding of activities and programs For attracting future philanthropy
10.	Existing, significant past and potential donors to CQPAF and CQRPAF	<ul style="list-style-type: none"> Existing donors Significant donors Potential donors 	<ul style="list-style-type: none"> For attracting future philanthropy to the sector
11.	Regional Arts Sector	<ul style="list-style-type: none"> Representatives of local theatre groups and small arts bodies Representatives of other performing arts venues 	<ul style="list-style-type: none"> For professional development For raising awareness of trends/benchmarks in national arts practices For relationship building for local artists and arts organisations that use the venue and connecting them with state and national organisations

Corporate Improvement and Strategy use only

Adopted/Approved: Adopted, 28 June 2016
Version: 1
Reviewed Date:

Department: Community Services
Section: Arts and Heritage
Page No.: Page 3 of 5

12.	Local education sector	<ul style="list-style-type: none"> Members of the group of educational practitioners that may advise the section on education programming Local education manager/officer contacts 	<ul style="list-style-type: none"> For facilitating the provision of education programming For maintaining professional links to the sector For professional relationship building
13.	Socially disadvantaged community organisations	<ul style="list-style-type: none"> Community organisations identified by the unit as having a link to the production, which then distribute complimentary tickets to their members/clients 	<ul style="list-style-type: none"> For allowing people to access live theatre who might otherwise not have the opportunity to do so
14.	Others invited at the discretion of the Mayor, CEO or delegate	<ul style="list-style-type: none"> Others invited to attend by Mayor Others identified by the CEO or delegate 	<ul style="list-style-type: none"> For achieving other strategic objectives for example stakeholder engagement, profile raising etc.

Tickets are issued on the basis of an invitation, on behalf of Council, being extended for a person falling into one of the above categories and their guest to attend the performance, as is customary.

In accordance with the Memorandum of Understanding (MOU) between Council and Friends of the Theatre Inc Rockhampton, a number of tickets per performance will be made available for use by the volunteering members of the organisation in accordance of the terms of the MOU.

Complimentary tickets will be issued by the Pilbeam Theatre Box Office.

5.2 Complimentary Tickets Where Council is Not Presenting or Has No Direct Involvement

5.2.1 Complimentary Tickets Issued as House Seats

For performances held at the Pilbeam Theatre the venue hire agreement provides for the provision of up to 12 tickets for use by Council at no cost.

In accordance with the MOU between Council and Friends of the Theatre Rockhampton Inc., up to six tickets per performance will be made available for use by the volunteering members of the organisation in accordance with the terms of the MOU.

The remaining tickets may be issued for the direct or indirect use (offered as a gift to a third party) by the Mayor, Chairperson of the Community Services Committee and the CEO or delegate.

Tickets not issued as detailed above, prior to 48 hours before the performance or event, will be returned to the ticketing inventory and may be sold with all ticket proceeds payable to the venue hirer in accordance with the venue hire agreement.

Tickets issued as house seats to the Mayor and/or Community Services Committee Chairperson for use under this clause will be recorded and reported in accordance with Expenses Reimbursement and Provision of Facilities for Mayor and Councillors Policy with the value of the tickets issued to be recorded as the face value of the appropriate ticket buyer type.

5.2.2 Complimentary Tickets Otherwise Made Available by Presenting Organisations or Venue Hirer

Tickets to a performance or event otherwise made available to Council by the presenting organisations or venue hirer, shall be distributed as directed by the presenting organisation or venue hirer. In such circumstances where no explicit instruction on ticket distribution has been provided, the

Corporate Improvement and Strategy use only

Adopted/Approved: Adopted, 28 June 2016
Version: 1
Reviewed Date:

Department: Community Services
Section: Arts and Heritage
Page No.: Page 4 of 5

complimentary tickets will be made available as determined by the CEO or delegate.

6 Review Timelines:

This policy will be reviewed when any of the following occur:

- 6.1. The related information is amended or replaced; or
- 6.2. Other circumstances as determined from time to time by Council.

7 Responsibilities:

Sponsor	Chief Executive Officer
Business Owner	General Manager Community Services
Policy Owner	Manager Arts and Heritage
Policy Quality Control	Corporate Improvement and Strategy

EVAN PARDON
CHIEF EXECUTIVE OFFICER

Corporate Improvement and Strategy use only

Adopted/Approved: Adopted, 28 June 2016
Version: 1
Reviewed Date:

Department: Community Services
Section: Arts and Heritage
Page No.: Page 5 of 5

9.11 2021-22 OPERATIONAL PLAN QUARTERLY REPORT - QUARTER 1 AND PROPOSED AMENDMENTS TO THE 2021-22 OPERATIONAL PLAN**File No:** 8320**Attachments:**

1. 2021-22 Operational Plan Quarterly Report - Quarter 1 [↓](#)
2. Proposed Changes 2021-22 Operational Plan Actions and Targets (Marked Up) [↓](#)
3. Amended 2021-22 Operational Plan (Clean) [↓](#)

Authorising Officer: Tracy Sweeney - Executive Manager Workforce and Governance**Author:** Allysa Brennan - Coordinator Legal and Governance

SUMMARY

The 2021-22 Operational Plan Quarterly Report for quarter one as at 30 September 2021, pursuant to section 174(3) Local Government Regulation 2012 is presented for Council endorsement together with proposed amendments to the 2021-22 Operational Plan for Council's adoption.

OFFICER'S RECOMMENDATION

THAT Council:

- (a) Receive the 2021-22 Operational Plan Quarterly Report for quarter one as at 30 September 2021; and
- (b) Adopt the proposed amendments to the 2021-22 Operational Plan detailed within this report and contained in Attachment 3.

COMMENTARY**2021-22 Operational Plan Quarterly Report – Quarter One**

The 2021-22 Operational Plan Quarterly Report – Quarter One (1 July 2021 to 30 September 2021) is presented for Council's consideration (**Attachment 1**).

The attached report displays key statistics and performance summaries against each Councillor Portfolio including commentary on the relevant Key Focus Areas and Significant Capital Projects. In addition, the report records the status of each Operational Plan target using a 'completed', 'on track', 'not on track' and 'watching' mechanism and includes progress comments from responsible managers.

The attached report includes a Quarterly Performance Plan Report for each commercial business unit of Council. Details of how each commercial business unit has performed against its financial and non-financial performance targets are included as detailed in each business unit's adopted Annual Performance Plan for 2021-22.

Overall the majority of Operational Plan targets are on track this quarter. Approximately 2% of Council's Operational Plan targets are not on track. Comments have been provided in the report against those items.

Amendments to 2021-22 Operational Plan

Council's Operational Plan for financial year 2021-22 was adopted by Council on 24 June 2021.

The 2021-22 Operational Plan outlines the actions Council will undertake throughout 2021-22 financial year to address the outcomes contained in the 2017-22 Corporate Plan.

A number of proposed amendments to the 2021-22 Operational Plan actions and targets are marked up in **Attachment 2** of this report.

The proposed amendments to the plan reflect changes to Council's actions and targets due to unforeseen impacts that have arisen since the Operational Plan was adopted.

A copy of 2021/22 Operational Plan publication incorporating the proposed amendments identified in Attachment 2 is contained in **Attachment 3** of this report.

PREVIOUS DECISIONS

The 2021-22 Operational Plan was adopted by Council on 24 June 2021.

BUDGET IMPLICATIONS

In accordance with section 175 of the *Local Government Regulation 2012*, the Operational Plan must be consistent with the budget.

LEGISLATIVE CONTEXT

Section 174(4) of the *Local Government Regulation 2012* states:

A local government may, by resolution, amend its annual operational plan at any time before the end of the financial year.

Section 174(3) of the *Local Government Regulation 2012* states:

The Chief Executive Officer must present a written assessment of the local government's progress towards implementing the annual operational plan at meetings of the local government held at regular intervals of not more than 3 months.

LEGAL IMPLICATIONS

Failure to report on Council's progress towards implementing the Operational Plan every quarter will result in legislative non-compliance.

STAFFING IMPLICATIONS

There were no implications to Council permanent staffing levels during the reporting period.

RISK ASSESSMENT

In accordance with section 175 of the *Local Government Regulation 2012*, the Operational Plan must manage operational risks. The 2021-22 Operational Plan Quarterly Report has identified any risks and how the risks are being managed.

CORPORATE/OPERATIONAL PLAN

The purpose of the annual Operational Plan is to advise how Council intends to address the 2017-22 Corporate Plan outcomes over the coming financial year by outlining the actions and targets Council will undertake in accordance with the adopted budget.

The 2021-22 Operational Plan Quarterly Report details the status of the Operational Plan actions against the targets set by Council.

CONCLUSION

The 2021-22 Operational Plan Quarterly Report details the status of the Operational Plan actions against the targets set by Council.

CONCLUSION

The 2021-22 Operational Plan Quarterly Report for quarter one as at 30 September 2021 has been prepared and presented to Council for endorsement and amendments to the 2021-22 Operational Plan have been presented to Council for adoption.

**2021-22 OPERATIONAL PLAN
QUARTERLY REPORT - QUARTER 1
AND PROPOSED AMENDMENTS TO
THE 2021-22 OPERATIONAL PLAN**

**2021-22 Operational Plan Quarterly
Report - Quarter 1**

Meeting Date: 9 November 2021

Attachment No: 1



Operational Plan

Quarterly Report
Q1 July - September

2021-2022



Contents

Introduction	3
About the Operational Plan	3
Reporting on the progress of the Operational Plan	3
Community	
Key Focus Areas for 2021-22	4
Key Statistics – Year to Date Figures	4
Portfolio Summary	4
Economy	
Key Focus Areas for 2021-22	7
Key Statistics – Year to Date Figures	7
Portfolio Summary	7
Environment	
Key Focus Areas for 2021-22	10
Key Statistics – Year to Date Figures	10
Portfolio Summary	10
Service Excellence	
Key Focus Areas for 2021-22	12
Key Statistics – Year to Date Figures	12
Portfolio Summary	12
Local Government Leader	
Key Focus Areas for 2021-22	12
Key Statistics – Year to Date Figures	14
Portfolio Summary	14
Operational Plan Targets Progress Report.....	16
FRW Quarterly Performance Plan Report	27
RRWR Quarterly Performance Plan Report	38
Airport Quarterly Performance Plan Report	42

Introduction

About the Operational Plan

The Operational Plan is an annual document which outlines activities and actions Council will undertake for the financial year in accordance with the adopted budget. These activities and actions directly align to Council's five year Corporate Plan strategies and overall themes:



Reporting on the progress of the Operational Plan

The Operational Plan provides the basis for reporting to Council on the quarterly progress towards achieving the Corporate Plan outcomes through the implementation of the Operational Plan.

Targets have been set for each action within the Operational Plan. Reporting on these targets is based on progress against time, budget-based and other applicable milestones as outlined in reports to Council that are linked to these various initiatives, and may be developed through the course of the operational planning process from time to time.

Each of Council's lead accountability areas will provide performance data and highlights by section in relation to:

- Service delivery;
- Operational activities; and
- Significant projects.

This report for Quarter 1 is presented to Council in accordance with section 174(3) of the *Local Government Regulation 2012* that requires the Chief Executive Officer to present a written assessment of the local government's progress towards implementing the annual operational plan at meetings of the local government held at regular intervals of not more than 3 months.

1 Community

A connected community that values a sense of belonging; where residents celebrate their diversity and have modern services available to support a safe, healthy and engaged lifestyle now and into the future.

Key Focus Areas for 2021-22

Open Space and Precinct Planning

Key Statistics – Year to Date Figures



Portfolio Summaries

Advance Rockhampton

The liveability of the Region was enhanced by supporting and promoting inclusive and local community events such as the Mount Morgan Hill Climb Sprint in July 2021, Cultural Festival in August 2021, Challenge the Mountain and the Capricorn Food and Wine Festival in September 2021.

The visibility of the Region was enhanced with exposure from strategic ambassadors including Flow Mountain Bike magazine (reach 4.8 million people), Ryan Moody Fishing (reach 9,394 people), Life Begins At magazine feature (reach 200,000 people) and multiple billboards and social/digital campaigns.

Council's major sponsorship made viable the hosting of three National Rugby League Premiership matches in Rockhampton which delivered an

economic impact of \$1.9 million and was viewed by over 1.2 million viewers.

Airport

Airport revenue for Quarter 1 is sitting below budget due to the state borders being closed and many travel restrictions in place during Quarter 1. Airlines continue supporting the community with solid schedules throughout the week. Passenger numbers have increased throughout Quarter 1. SKYTRANS started flights from Rockhampton to Proserpine and Cairns.

The airport redevelopment project is in its final stages with only low interruptions to passengers. Capital works are in the planning stages with works on several projects starting in Quarter 2. Safety has been a continued focus with no injuries reported.

1 Community

A connected community that values a sense of belonging; where residents celebrate their diversity and have modern services available to support a safe, healthy and engaged lifestyle now and into the future.

Communities and Heritage

Council have progressed some key community projects during Quarter 1. Facilities Solar Photovoltaic System installation works commenced on nine buildings with an expected completion during November 2021. The Gracemere Cemetery Extension contract has been awarded and works are commencing in October 2021. The 2nd World War Memorial Aquatic Centre Softfall Replacement project was completed in September 2021.

Council continues to deliver many services in a COVID safe and impacted environment. Libraries returned to standard hours which visitor numbers show is supported by the public. The Heritage Village reopened with a strong response notably in school holiday programs and group attendances. The Pilbeam Theatre presented Charlotte's Web, Women In Voice, Carmen, Pete the Sheep and Midsummer Night's Dream as well as commercial hires including Ten Tenors and Paul Kelly. The Rockhampton Show Grounds hosted events ranging from Rocky Home Show to Speedway and the Gem Expo.

Infrastructure

Gravel re-sheeting continued during Quarter 1 with 35.4 kilometres completed on unsealed rural roads which totals 37% of the 95km target. The upgrading of Boongary Road between Kabra Road and Halfpenny Road was completed. Maintenance grading in some areas has been hampered by a lack of water for construction.

Works are continuing on the Department of Transport and Main Roads cycle paths.

Reconstruction of Victoria Parade between North and Albert Streets has commenced.

Parks, Sport and Public Spaces

The major focus during Quarter 1 has been the Botanic Garden and Zoo Redevelopment.

Open Space and Precinct Planning

Key Focus Area

Council's planning aims to deliver an improved standard of social and sporting infrastructure required to attract and facilitate large scale sporting and entertainment events to the Region, as well as enhancing the Region's current community and sports facilities, fields and ovals with the aim of encouraging greater participation in sport and use of the Region's open spaces for recreation.

Master planning of The Common and Ski Gardens is progressing with targeted stakeholder consultation.

Council will explore opportunities associated with the 2032 Olympic Games and seek to partner with other levels of government and sports stakeholders.

Botanic Gardens and Zoo Redevelopment

Significant Capital Project

The Project Implementation Plan detailing the strategic redevelopment of the Botanic Gardens and Zoo has been endorsed by Council. Work is now underway with the commencement of the Design Development Tender process for the Zoo Visitor Hub.

1 Community

A connected community that values a sense of belonging; where residents celebrate their diversity and have modern services available to support a safe, healthy and engaged lifestyle now and into the future.

Waste and Recycling

Rockhampton Regional Waste and Recycling has operated in accordance with its objectives and parameters during Quarter 1. Financial targets were achieved against budget expectations. The operational aspects of waste and recycling facilities and collections have operated without issue.

Council's strategy for the collection of source separated organics is set to kick off on Tuesday 5 October 2021 with a 12 month trial for a kerbside organics service with 750 households.

Waste and recycling education continued during Quarter 1 including events and programs such as; School's Recycling Hero's Programme, Plastic Free Places and Council's Litter and Illegal Dumping project.

Water and Environmental Sustainability

Fitzroy River Water's operational performance is more thoroughly described in the Performance Plan report presented further in this document. Overall, Fitzroy River Water has performed well to meet expectation in its delivery of water and sewerage services. The ongoing water scarcity event in Mount Morgan remained a concern during Quarter 1 with respect to the continuity of water supply and the environmental values for the No. 7 Dam ecosystem. Transportation of water to Mount Morgan has cost \$330,000 per month. Council is developing a business case for Mount Morgan water security.

Glenmore Water Treatment Plant Upgrade

Significant Capital Project

The Glenmore Water Treatment Plant Upgrade project is proceeding as planned under a Design and Construction contract. Design is now 60% complete.

North Rockhampton Sewage Treatment Plant Augmentation

Significant Capital Project

The delivery of the North Rockhampton Sewage Treatment Plant Augmentation project is underway with design development completed, construction documentation issued and contract procurement now in progress.

Gracemere Sewage Treatment Plant Augmentation

Significant Capital Project

The Gracemere Sewage Treatment Plant Upgrade project is being evaluated as part of a Sewage Treatment Strategic Plan review.

Whole of Council

Council continues to deliver essential services and invest in improvements for our community, including Rockhampton Airport redevelopment, final stages of construction of the Rockhampton Museum of Art, \$30 million spend on roads and drainage capital works and \$3.2 million spend on waste management.

Council continues to support local businesses, community groups and individuals through a range of grants and initiatives.

2 Economy

A thriving regional capital that creates and nurtures diverse opportunities to balance work, play and growth.

Key Focus Areas for 2021-22

Water Security

Development Infrastructure

Key Statistics – Year to Date Figures



72.3% Region's accommodation occupancy average



90,351 Airport passengers
YTD Target: 480,000



38 New lots created



52 Development applications lodged



1,331 Building applications lodged

Portfolio Summaries

Advance Rockhampton

Key focus areas for Advance Rockhampton during Quarter 1 were Economic Development, Innovation, Tourism, Marketing and Events.

Economic Development

Key Focus Area

Defence Industry

Council have compiled and delivered an Australian Defence Force advocacy document, highlighting the opportunities for a larger and more permanent presence for storage and maintenance of defence equipment in Rockhampton. The document has been sent to the Chief of Army and the Department of Defence and it showcases the reasons why Central Queensland is a suitable alternative.

Resources and Construction

A number of business engagement events have been successfully delivered, encouraging further collaboration between local industry. These events have been tailored to suit different sectors including professionals, resources and finance sectors. Council have facilitated industry briefings around the major projects currently in construction and soon to commence in and around the Region. In conjunction with other levels of government, Council have assisted in the delivery of roadshows and industry briefings – including the Department of Transport and Main Roads Ring Road event and the Buy Queensland Roadshow.

2 Economy

A thriving regional capital that creates and nurtures diverse opportunities to balance work, play and growth.

Renewable Energy

The transition towards a focus on renewable energy is providing a unique economic growth opportunity for the Region that brings with it a host of positive impacts.

Council has been working with multiple renewable energy organisations within the Rockhampton and Central Queensland Region to capitalise on emerging opportunities.

Agriculture and Water

The focus during Quarter 1 has been around securing the contract for the Rookwood Weir Landholder Support and Grants Program which will see consultation with landholders across the Region and support to secure future water allocations.

Tourism, Marketing and Events

The following tourism and marketing activities were delivered during Quarter 1:

- Invest in Rockhampton video
- Skytrans Flight promotions
- Mountain Bike videos
- Spice Magazine 'Expect the unexpected' article
- 'Life Begins at' Magazine article
- Mumpack travel blog
- Collaborating with the National Rugby League to deliver Regional marketing across Australia

Council has also been preparing for the River Festival, Christmas celebrations, New Year's Eve and Rockynats 2022.

Airport

Rockhampton Airport continues to work with the Airlines to recover from the effects of COVID-19 and maintain schedules to support the community.

Rockhampton Airport Aircraft Maintenance Repair and Overhaul Facility

Significant Capital Project

The project continues to progress with the development of lease documents between Alliance and Council. Alliance has been successful in gaining a Northern Australia Infrastructure Facility (NAIF) loan to support the project.

Infrastructure

A significant amount of work has been completed in identifying trunk infrastructure requirements to cater for accelerating growth. Design and the necessary land acquisitions are underway to facilitate the construction of River Rose Drive.

Development Infrastructure

Key Focus Area

Work continues on the planning, design and delivery of infrastructure for development at Parkhurst.

Whole of Council

Council is investigating a number of measures to support accelerated growth and development. These measures include reviewing land use and infrastructure planning, advocating for key regional projects and updating Council's Economic Development Strategy and Action Plan.

2 Economy

A thriving regional capital that creates and nurtures diverse opportunities to balance work, play and growth.

Water Security

Key Focus Area

Tenders for the Mount Morgan Water Security business case and concept design have been issued.

Council's Making Water Work program which focuses on maximising agricultural water received \$300,000 from the State Government during Quarter 1. These funds allow the continued delivery of the program in the Region.

Council's urban water supply planning for Gracemere and Rockhampton is currently under review with a WaterGems model update in progress.

SmartHub

The 2021 CQ METS Accelerator Program, hosted by the SmartHub and aimed to give program participants the skills to build their

business capability and confidently use modern business techniques and frameworks to accelerate commercial outcomes, commenced in Quarter 1. The 11 successful participants needed to:

- Be registered companies that operate and employ in the Rockhampton/ Central Queensland Region;
- Supply into the mining, energy and resources sector; and
- Have an innovative cost-saving or production efficient service or product to introduce to the mining sector.

The program is being delivered via Zoom with the final pitch night scheduled for mid-October 2021, where participants will have the opportunity to present their business applications to key stakeholders and industry representatives.

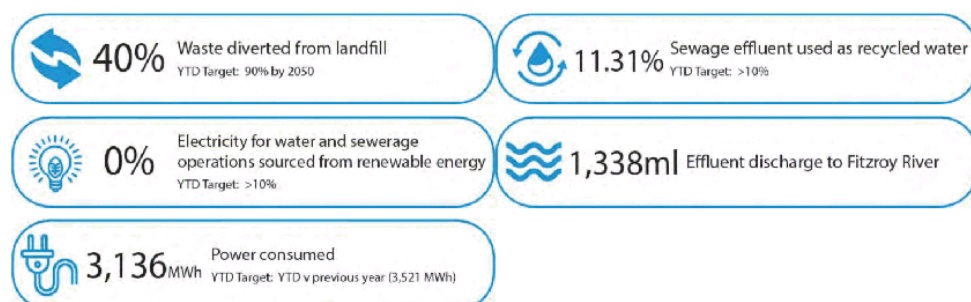
3 Environment

An environmentally balanced and aware community, which preserves and maintains our natural environment and incorporates contemporary and proven sustainability principles, as part of all activities for current and future generations.

Key Focus Areas for 2021-22

Adaptation and Resilience

Key Statistics – Year to Date Figures



Portfolio Summaries

Parks, Sport and Public Spaces

Preparations are underway for a Tree Planting Strategy Council workshop proposed for Quarter 2. Preliminary scoping of 2021-22 planting sites is underway with works program proposed for Quarter 3 and Quarter 4.

Water and Environmental Sustainability

Council endorsed and published the Environmental Sustainability Strategy FY2020-21 Year in Review report, highlighting a range of sustainability achievements across Council. The Rockhampton Region was announced a National Winner in the 2021 Australian Sustainable Communities – Tidy Town Awards (Environmental Sustainability – Water category and Environmental Sustainability – Natural Environment category). As part of National Tree Day celebrations, Council provided local

residents and schools with nearly 4,000 native plants.

Work progressed during Quarter 1 towards completing the construction of the South Rockhampton Recycled Water Scheme.

Adaptation and Resilience

Key Focus Area

Council finalised preparations for the Food Organics and Garden Organics 12 month trial. Council selected 750 residential properties across Gracemere, North and South Rockhampton to participate commencing from October 2021.

The Queensland single-use plastic ban came into effect on 1 September 2021. The Plastic Free Central Queensland program now has 49 local business members – together they have eliminated more than 54,000 pieces of single-use plastic. The Program has also recognised the Region's very first Plastic Free Champion, with the

3 Environment

An environmentally balanced and aware community, which preserves and maintains our natural environment and incorporates contemporary and proven sustainability principles, as part of all activities for current and future generations.

local business eliminating all of the nominated types of single-use plastic items from their operations.

Consultation has been completed for the draft Walking and Cycling Strategy which will be presented to Council in the near future.

E-Scooters are on track for commencement by December 2021.

Specimen trees including Brown Box, Queensland Bottle and Leichardt species were planted during Quarter 1 as part of landscaping for the Moores Creek Road Cycleway section.

Council now has around 2.5 MW of solar photovoltaic systems installed or under construction. Solar installations are now complete at the Memorial Gardens, the Animal Management Centre, Bauhinia House and the Mount Morgan Administration Building. Solar sites have been connected to a real time web based monitoring system.

Council delivered a number of Local Resilience Planning Workshops in conjunction with the Queensland Reconstruction Authority with both internal and external stakeholders. Council made a number of applications to the Australian Government Black Summer Bushfire Recovery Grants, including requests for project officers to help progress bushfire resilience planning and climate resilience planning. Grant outcomes should be known by Christmas.

Council launched a Mountain Bike video promoting the trails at First Turkey and Mount Morgan. Self-guided tours have been promoted including a tour of the 100 year old trees at the Botanic Gardens and natural lookouts at Mount Morgan.

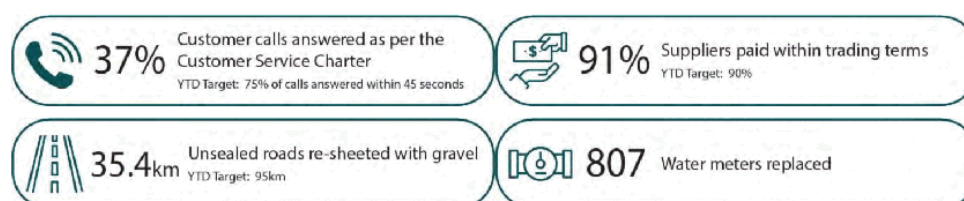
Over 1,000 new payers registered for eNotices in Quarter 1. The Petty Cash process has been streamlined with electronic records rather than paper copies used in the reconciliation process.



Key Focus Areas for 2021-22

Asset Management Planning

Key Statistics – Year to Date Figures



Portfolio Summaries

Water and Environmental Sustainability

The review of the urban water supply plan for Gracemere is underway and is planned to be completed in early 2022.

Whole of Council

Customer Service

Council's Customer Service centres reassessed the way success is measured and implemented an improvement plan to focus on the delivery of customer centric service excellence to the community. As a result, in September 2021, Council have already doubled the service levels, halved abandoned call rates and reduced the average speed of answer from three and a half minutes to just over one minute all whilst exceeding first contact resolution targets for enquiries by phone.

Corporate and Technology Services

The majority of performance targets for priority services were met during Quarter 1. However, an average Information and

Communication Technology service level of 87% was recorded (target: 90%).

Safety Performance

The primary focus for Quarter 1 was the finalisation of the Workplace Health and Safety Management Review 2020-21 Annual Review Report. This report represents the results of the annual review of Council's Health and Safety management system and performance measures including key performance indicators (KPIs). Performance against the Lead Indicators is tracking well with Council currently exceeding the target for four of the six KPIs. Health and Safety Representative positions filled has dropped to 84% (target: 95%) and Beakon Take 5 completion is currently recorded at 68% (target: 85%).

Of the seven lag indicators, Council is only on target for two being Days Lost Due to Injury and Lost Time Injury Severity Rate. All other indicators: Total Injury Count, Total Injury Frequency Rate, Lost Time Injury Count, Lost Time Injury Frequency Rate and



Asset Damage Count are currently exceeding the threshold.

The draft Health and Safety Strategy 2021-2024 is out for consultation and expected to be finalised in Quarter 2.

The Safety First Awareness Program which raises the profile of safety with the aim of improving the safety culture across the organisation continued during Quarter 1.

Asset Management Planning

Key Focus Area

Recent changes in Asset Management across Council could see delays in delivery

of asset management plans for various asset classes. Draft Asset Management Plans for Water and Sewerage assets are nearing completion. The Bridges and Major Culverts Asset Management Plan is in the final stages of review and will be completed in the near future. Draft Asset Management Plans for Facilities and Open Spaces require further work and review prior to presentation to Council.



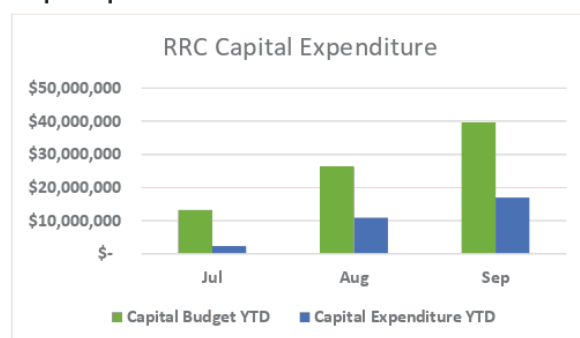
Key Focus Areas for 2021-22

Project Planning and Advocacy

Key Statistics – Year to Date Figures



Capital Spend Chart



Portfolio Summaries

Whole of Council

Office of the CEO

The development of Council's 2022-27 Corporate Plan has commenced in Quarter 1 with work underway on the planning and structure of the plan. Community engagement for this important document will be undertaken during Quarter 2.

Council has participated in the Central Queensland Regional Organisation of

Council's (CQROC) Strategic Planning process which should see this finalised during Quarter 2.

The Northern Boundary review process has commenced and early in 2022, every resident in the Rockhampton Region and Livingstone Shire will be asked to vote on whether the suburbs of Glenlee, Glendale and Rockyview should return to the Rockhampton Region's local government area.



Finance

The operational budget is on track, with operational revenue ahead of budget due to the levying of rates and charges. During Quarter 1 however, capital expenditure is not at the level required to deliver the capital program and there will need to be an increase in capital spend to deliver the projects in this year's budget.

Project Delivery

Council is focusing on the safe and efficient delivery of a number of key

Sewerage and Water Infrastructure Projects. Most of these are in early stages of construction or construction procurement. Current budgets for awarded works appear satisfactory.

Project Planning and Advocacy

Key Focus Area

Council has determined its projects to advocate to higher levels of Government and has met with State and Federal members of Parliament during Quarter 1 to progress this advocacy.
















Operational Plan Targets Progress Report

Q1 July - September
2021-2022

1 Community

Legend:  Not On Track  Watching  On Track  Completed

1. Safe, accessible, reliable and sustainable infrastructure and facilities





Code	Action	Target	Portfolio	On Track	Comments	Responsible Section
1.1.1	Create community connectivity through the construction of walking circuits and missing links in footpaths.	Complete the construction of a minimum of 1,000 metres of new footpaths.	Infrastructure		Construction of footpath works are scheduled to commence in February 2022.	Civil Operations
1.1.2	Prepare a three year forward maintenance program for roads, pathways and stormwater drainage.	Prepare program by 30 June 2022.	Infrastructure		A review of the forward maintenance program is currently underway.	Civil Operations
1.1.3	Review Transport Strategies to include: <ul style="list-style-type: none"> • Ring Road; • The Bruce Highway; and • Parkhurst. 	Complete review by 30 June 2022.	Infrastructure		Discussions with the Department of Transport and Main Roads continue in relation to the Ring Road Project. Work has commenced on the review of the Parkhurst Road Network Strategy.	Infrastructure Planning
1.1.4	Review and update Council's Flood Management Strategy.	Complete by 30 June 2022.	Infrastructure		It is proposed this Operational Plan action is reconsidered and postponed for completion in 2022-23.	Infrastructure Planning
1.1.5	Prepare a Floodplain Risk Management Study and Plan for Frenchmans and Thozets Creek.	Complete by 30 June 2022.	Infrastructure		A tender brief is currently being prepared for this project with a view to call and close tenders prior to the end of December 2021.	Infrastructure Planning
1.1.6	Undertake a study into the feasibility of a flood levee to protect the Rockhampton Airport.	Complete the feasibility study by 31 March 2022.	Infrastructure		Phases 1 and 2 of this project are complete. Phase 3 involving the Preliminary Design of the Levees and Phase 4 involving the writing of a preliminary business case are still on schedule to be completed by the end of March 2022.	Infrastructure Planning
1.1.7	Prepare a concept design and business case for Mount Morgan Water Security.	Complete by 30 June 2022.	Water and Environmental Sustainability		The procurement process for the business case has commenced with tender documentation being released in Quarter 1.	Fitzroy River Water
1.1.8	Deliver water supply and sewerage services in accordance with the Fitzroy River Water 2021-2022 Performance Plan.	Achieve all financial and non-financial performance targets.	Water and Environmental Sustainability		Financial and non-financial performance targets have been achieved.	Fitzroy River Water
1.1.9	Undertake Glenmore Water Treatment Plant Electrical and Control Renewal.	Complete design and commence construction.	Water and Environmental Sustainability		Design and Construction Contract awarded. Design development well underway with 60% completed to date. Milestone for 70% expected end of October 2021.	Project Delivery
1.1.10	Undertake North Rockhampton Sewage Treatment Plant Augmentation.	Complete procurement and commence construction.	Water and Environmental Sustainability		Issued for Construction documentation completed, procurement process in progress with tenders closing early November 2021.	Project Delivery
1.1.11	Undertake Gracemere Sewage Treatment Plant Augmentation.	Complete design and commence procurement of contractor for construction.	Water and Environmental Sustainability		This project is being evaluated as part of a Sewage Treatment Strategic Plan review.	Project Delivery
1.1.12	Deliver waste and recycling services in accordance with Rockhampton Regional Waste and Recycling 2021-2022 Performance Plan.	Achieve all financial and non-financial performance targets.	Waste and Recycling		Financial and non-financial performance targets have been achieved.	Rockhampton Regional Waste and Recycling
1.1.13	Undertake Gracemere Waste Transfer Station redevelopment.	Complete procurement and commence construction.	Waste and Recycling		Detailed design and other preparatory works are near completion.	Rockhampton Regional Waste and Recycling

1 Community

Legend:  Not On Track  Watching  On Track  Completed

Code	Action	Target	Portfolio	On Track	Comments	Responsible Section
1.1.14	Undertake a trial for kerbside organics collection to inform Council on the most appropriate service for the Region.	Trial commenced and evaluation report completed by 30 June 2022.	Waste and Recycling		Kerbside organic collection trial is due to commence on Tuesday 5 October 2021 as planned.	Rockhampton Regional Waste and Recycling
1.1.15	Secure a long-term solution for the processing of the Region's Kerbside Recycling stream.	Progress procurement for a long-term solution.	Waste and Recycling		Work is ongoing with the relevant stakeholders to re-build Rockhampton based Materials Recycling Facility. Discussions are also ongoing with the Australian Competition and Consumer Commission (ACCC) to allow joint procurement with Central Queensland Councils in 2022 for a long-term facility.	Rockhampton Regional Waste and Recycling
1.1.16	Manage the Airport in accordance with the Rockhampton Airport 2021-2022 Performance Plan.	Achieve all financial and non-financial performance targets.	Airport		Due to the effects of COVID-19, financial targets are behind at this point in time, operation targets are on track.	Rockhampton Airport
1.1.17	Ensure the Asset Management System (Stage 2) is implemented per the Project Plan.	Plan and implement Stage 2 Asset Lifecycle Management system.	Whole of Council		The Asset Management Steering Committee is working to consolidate system operation during the first half of the year and consulting with stakeholders on a Stage 2 plan.	Infrastructure Planning
1.1.18	Develop and implement three year forward community assets and facilities works program (renewals).	Develop strategy by 30 December 2021.	Communities and Heritage		Due to current resourcing issues, this action has been delayed and the new estimate target date is now 30 June 2022.	Community Assets and Facilities
1.1.19	Investigate and update open space planning principles, policies and practices.	Play Space strategy developed by 30 December 2021.	Parks, Sport and Public Spaces		Development of the strategy is underway but requires further development around the methodology for the future play space standards, requirements and asset utilisation.	Strategy and Planning

2. Regional public places that meet our community's needs

Code	Action	Target	Portfolio	On Track	Comments	Responsible Section
1.2.1	Develop Concept Design for whole showgrounds and Victoria Park site redevelopment and prioritise future investment.	Planning prioritisation by 31 March 2022.	Parks, Sport and Public Spaces		The draft scope is currently being prepared and is anticipated to be presented to Council in Quarter 2. The project will require consultation with stakeholders to understand current and future requirements, potential asset utilisation and layout/functional requirements.	Strategy and Planning
1.2.2	Undertake precinct planning for major sports and events precincts.	Present reports on options and estimated costs by 30 June 2022.	Parks, Sport and Public Spaces		Discussions are progressing with key stakeholders for The Common Masterplan and Ski Gardens Master Plan. Investigation for site for future sporting precincts in North Rockhampton and Gracemere are ongoing.	Strategy and Planning
1.2.3	Commence operations of the Rockhampton Museum of Art including the activation of the gallery space and surrounds.	Commence operations by 31 March 2022.	Communities and Heritage		Preparations for the official opening and public operations of the Rockhampton Museum of Art have progressed in line with allocated budget and established timeframes including commencement of staged relocation from existing Art Gallery to new facility. Arrangements for construction milestone event with funding partners scheduled to take place in Quarter 2.	Communities and Culture
1.2.4	Review and update the Botanic Gardens and Zoo implementation plan based upon outcomes from the concept design and complete initial works.	Deliver actions in accordance with approved timeframes.	Parks, Sport and Public Spaces		Implementation plan adopted by Council on 24 August 2021. Package 2 Rockhampton Botanic Gardens and Zoo Visitor Hub detail design tender released to market. Internal planning underway for Package 3 Botanic Gardens Playground Renewal.	Project Delivery

1 Community

Legend:  Not On Track  Watching  On Track  Completed

3. Safe places for our community

Code	Action	Target	Portfolio	On Track	Comments	Responsible Section
1.3.1	Expansion of closed-circuit television program into identified problem areas to act as a deterrent.	Installation of new cameras including portable trailer cameras.	Communities and Heritage		This action is progressing with site investigations and assessment of portable closed-circuit television (CCTV) unit operations. Expecting to commence the design and procurement actions during Quarter 2.	Community Assets and Facilities

4. Healthy living and active lifestyles

Code	Action	Target	Portfolio	On Track	Comments	Responsible Section
1.4.1	Develop a Rockhampton Botanic Gardens and Zoo integrated marketing and activation strategy aligned to Botanic Gardens and Zoo masterplan.	Complete marketing and activation strategy by 31 May 2022.	Advance Rockhampton		The integrated marketing and activation strategy is yet to commence. This will follow the approval and launch of the new Zoo and Gardens brand which is pending final Council approval.	Tourism, Marketing and Events

5. Inclusive, connected and informed community

Code	Action	Target	Portfolio	On Track	Comments	Responsible Section
1.5.1	Develop a Community Engagement Framework.	Develop and have framework endorsed by 31 December 2021.	Whole of Council		Works continue towards establishing a Community Engagement Framework however this will need to be further workshopped with Councillors. The priority for the moment has been to look at media and communications with an Engagement Framework to follow on from this body of work.	Office of the CEO Directorate

6. Our sense of place, diverse culture, history and creativity are valued and embraced

Code	Action	Target	Portfolio	On Track	Comments	Responsible Section
1.6.1	Scope and develop relationships with local Aboriginal and Torres Strait Islander stakeholders to prepare for reconciliation initiatives across Council.	Present Council's Reflect Reconciliation Action Plan for adoption by 30 September 2021 and deliver agreed actions within approved timelines.	Whole of Council		<p>Council's Reconciliation Action Plan (RAP) was due to be completed by 30 September 2021 however a number of issues have come up since the adoption of the Operational Plan which will not see this timeline met.</p> <p>Reconciliation Australia (RA) have recently adopted a new process for organisations wishing to implement a Reconciliation Action Plan. This includes a higher level of involvement from RA with a dedicated officer assigned to RAP proponents and more guidelines around the content of the RAPs themselves. Council is currently waiting on feedback from RA on how this will affect the body of work being done to date.</p> <p>The chosen artist was endorsed by all three traditional owner groups to make an artwork which represents all groups in the Region and has been engaged to paint a design for Council which represents our RAP journey.</p>	Workforce and Governance


2 Economy

Legend:  Not On Track  Watching  On Track  Completed

1. A destination sought for lifestyle, community events and tourism

Code	Action	Target	Portfolio	On Track	Comments	Responsible Section
2.1.1	Develop and deliver the Tourism Destination Marketing Plan for the Region that provides stakeholders with a strong platform and drives growth in our visitor economy.	Deliver updated Tourism Marketing Plan and actions in accordance with adopted timeframes.	Advance Rockhampton		Creating the framework and actions has commenced for a strategic tourism destination marketing plan. This includes Council's approach to promoting the Region's hero experiences to key target markets, operator engagement, improving online trade/visibility and focusing on improving the consumer experience whilst in the Region.	Tourism, Marketing and Events
2.1.2	Develop and deliver a marketing plan to support the Economic Development Strategy across tourism, events, business and nominated projects.	Update branding and positioning across all platforms including websites, traditional media and social media (both consumer and business facing) by 30 April 2022.	Advance Rockhampton		An Activity Calendar has been developed to support and promote key tourism projects including the Advancing Mount Morgan Strategy, Rockhampton Recreational Fishing Development Strategy, Mountain Biking in Flow Magazine and launch of new Winter Destination Hero Video, Zoo/Gardens, SkyTrans, National Rugby League and Drive Inland Membership across traditional media and social/digital channels. Council continue to utilise key ambassadors/influencers like Sean Scott Photography and Flow Mountain Bike magazine. Business Events were also promoted with a publication in Spice Magazine.	Tourism, Marketing and Events
2.1.3	Develop, deliver and support a calendar of events for the Region.	Deliver an annual calendar of events for 2022 built around Council managed events and third party managed events by 31 October 2021.	Advance Rockhampton		This Events Calendar was presented and noted to Council Workshop on 31 August 2021.	Tourism, Marketing and Events

2. Value add to the strengths of industry to deepen regional economic activity



Code	Action	Target	Portfolio	On Track	Comments	Responsible Section
2.2.1	Continue to review and update Council's Economic Development Strategy and Economic Action Plan in alignment with the Queensland Treasury Corporation Business Review.	Implementation of actions contained in the Rockhampton Region Economic Action Plan.	Advance Rockhampton		The Rockhampton Region Economic Development Strategy and Action Plan is currently under assessment. It is anticipated the successful consultant will be chosen in October 2021.	Economic Development
2.2.2	Deliver economic development and industry engagement initiatives that create economic growth and lifestyle improvements in the Region and continue to strengthen resources, construction, agriculture and defence industry services and create new opportunities in the renewable energy sector.	Develop and implement economic resilience activities in-line with the Rockhampton Region Economic Development Strategy and Rockhampton Region Economic Action Plan.	Advance Rockhampton		<p>Council was successful in securing work to develop the Rookwood Weir Landholder Support and Grants Program methodology for Sunwater. This important industry development program will be undertaken over Quarter 2 and Quarter 3.</p> <p>Council is working closely with the Beef sector to improve the local supply chain. This includes liaison work with RLX (operators of the Gracemere Saleyards/CQLX) to upscale and improve the facility, working closely with larger stakeholders in the Region such as Teys Australia to promote the sector and opportunities.</p> <p>Council is working closely with Heritage Minerals (Mount Morgan) to secure employment opportunities for locals to work on the construction and the operation of the mine site (pending approvals). Local content supply (services, materials etc.) has also been a key focus.</p> <p>Council has submitted a document to the Chief of Army outlining the Storage and Maintenance opportunities for the Australian Defence Force to locate machinery, equipment and personnel into Rockhampton.</p> <p>Two Renewable Energy Forums were held with proponents Central Queensland Power and Neoen. Work continues with all proponents of Renewable Energy projects across the Region.</p>	Advance Rockhampton

2 Economy


Legend:  Not On Track  Watching  On Track  Completed

Code	Action	Target	Portfolio	On Track	Comments	Responsible Section
2.2.3	Identify and assess further opportunities for water planning, management and infrastructure that support urban water security, industry development and economic development for the Region.	Develop discussion paper by 31 December 2021.	Whole of Council		Making Water Work program (focused on maximising agricultural water) has received \$300,000 from the State Government to continue the work in the Rockhampton Region. Agreement is being finalised.	Strategy and Planning

3. The redevelopment and activation of major urban places to attract investment and improved lifestyles

Code	Action	Target	Portfolio	On Track	Comments	Responsible Section
2.3.1	Develop strategies and initiatives that promote redevelopment, investment attraction and growth aiming to create activation across regional precincts.	Projects that assist in activating regional precincts in accordance with the Rockhampton Region Economic Action Plan, Central Business District Framework and commercial centres strategy.	Advance Rockhampton		Council continues to facilitate industry opportunities for engagement and collaboration with local businesses and major project proponents. Events vary from small strategic groups to larger industry briefings facilitated by Council and presented by major contractors. Extensive industry engagement is being undertaken through the Precinct Activation Survey and the Community Economic Development Survey. Saturday Sounds has been a great initiative creating activity and enthusiasm throughout the East Street precinct on Saturday mornings. Council continues to work with the Capricornia Chamber of Commerce during Quarter 1 and have entered into a new arrangement with the Small Business Commissioner as part of the Small Business Friendly Councils initiative.	Economic Development
2.3.2	Analyse and implement recommendations of the Rockhampton Region Precinct Activation Survey.	Complete analysis by 15 October 2021 and implement recommendations by 30 June 2022.	Advance Rockhampton		The Rockhampton Region Precinct Activation Survey report was finalised (435 participants) and the Advance Rockhampton Economic Development Survey was undertaken with 1,120 responding to the survey. Data analysis currently being tabulated for these surveys.	Economic Development

4. Infrastructure services are driven to deliver future economic growth

Code	Action	Target	Portfolio	On Track	Comments	Responsible Section
2.4.1	Complete construction of the Aircraft Maintenance Repair and Overhaul Facility, apron and associated infrastructure in accordance with agreement with Alliance Airlines.	Complete construction in accordance with agreed timeframes.	Airport		Council continues to work with Alliance to reach an agreement on the final terms of the project. Federal funding will dictate if this project continues to run on time.	Rockhampton Airport

5. Promote, foster and embrace growth opportunities, strategic investment and international exports

Code	Action	Target	Portfolio	On Track	Comments	Responsible Section
2.5.1	Implement actions as per the SmartHub Operational Plan.	Progress and report on the actions of the SmartHub Operational Plan 2021-2023.	Advance Rockhampton		SmartHub Club was launched in August 2021 and the first event held in September 2021. The 2021 CQ METS accelerator program also commenced in Quarter 1 with the final pitch night is scheduled for early October 2021. Application to facilitate the Techstars Startup Weekend in Quarter 2 was successful. Solid progress has been made on SmartHub website development. Preliminary planning has commenced on the Innovation Awards and the mentoring program has been expanded to eight mentors. The Youth Entrepreneurship Program outline and planning has been finalised with the program due to commence in Quarter 2. The SmartHub Digital Engagement Strategy that will outline the SmartHub marketing initiatives is nearing completion.	Corporate and Technology Services

2 Economy

Legend:  Not On Track  Watching  On Track  Completed

Code	Action	Target	Portfolio	On Track	Comments	Responsible Section
2.5.2	Facilitate and commission an Investment Attraction and Jobs Pipeline Study.	Complete study by 31 January 2022 and implement actions by 30 June 2022.	Advance Rockhampton		This study will be investigated as part of the Economic Development Strategy.	Economic Development



6. Promote industry diversification to enhance regional economic resilience

Code	Action	Target	Portfolio	On Track	Comments	Responsible Section
2.6.1	Investigate economic benefits of building a circular economy across the Region.	Develop a Circular Economy discussion paper by 1 March 2022.	Advance Rockhampton		Initial discussions and investigations are underway.	Advance Rockhampton

3 Environment

Legend:  Not On Track  Watching  On Track  Completed

1. Contribute to healthy natural ecosystems

Code	Action	Target	Portfolio	On Track	Comments	Responsible Section
3.1.1	Implement the Environmental Sustainability Strategy.	Deliver actions in the Environmental Sustainability Strategy in accordance with the annual action plan and report progress in the annual highlights report.	Water and Environmental Sustainability		Council published the Environmental Sustainability Strategy FY2020-21 Year in Review report on 14 September 2021. Council's Sustainability Strategy Executive Group has begun implementation of 49 actions identified in the FY2021-22 Annual Action Plan and will provide a Quarter 1 progress report to Council in November 2021.	Environmental Sustainability
3.1.2	Develop a tree planting strategy.	Develop strategy by 30 June 2022.	Parks, Sport and Public Spaces		Benchmarking of other Councils and review of existing Council strategies, plans and documentation is underway with a Council workshop scheduled in Quarter 2.	Parks

2. Sustainable and innovative environmental practices

Code	Action	Target	Portfolio	On Track	Comments	Responsible Section
3.2.1	Install solar power at the Glenmore Water Treatment Plant.	Project on track for completion in 2022-23.	Water and Environmental Sustainability		Site works for the Glenmore Water Treatment Plant Solar Facility have commenced. Detailed design for the solar facility is approximately 80% complete.	Fitzroy River Water




3. Understand Council's and the community's environmental impacts

Code	Action	Target	Portfolio	On Track	Comments	Responsible Section
3.3.1	Develop a strategy on opportunities for climate adaptation and resilience.	Develop the Climate Resilience Strategy by 30 June 2022.	Water and Environmental Sustainability		Council has begun considering climate risks within relevant policies, strategies and plans and has applied for grant funding to progress climate resilience planning and implementation.	Environmental Sustainability

4 Service Excellence

Legend:  Not On Track  Watching  On Track  Completed



1. Customer focused services

Code	Action	Target	Portfolio	On Track	Comments	Responsible Section
4.1.1	Establish defined service levels for operational sections of Council.	Adopt Service Delivery Statements that include defined service levels for: <ul style="list-style-type: none"> Parks; Civil Operations; and Fitzroy River Water. 	Whole of Council		Council has clarified this action will be for Parks Section only. Works are progressing.	Office of the CEO Directorate
4.1.2	Further promote electronic billing options for rates and water charges to increase take up.	Increase take up of eNotices to 10% of ratepayers.	Whole of Council		At the end of Quarter 1, 8.2% of notices issued by Council are now registered as eNotices, which equates to 7,018 registrations. Council also offers BPAY view, which currently has 3,498 registrations for rates and water notices as an alternative.	Finance
4.1.3	Develop a Water Meter Replacement Program.	Develop by 30 June 2022.	Water and Environmental Sustainability		Work has commenced on the development of the replacement program focusing on high consumption areas. Reactive replacement of water meters are satisfying replacement criteria and is ongoing.	Fitzroy River Water

2. Practical and values based compliance frameworks

Code	Action	Target	Portfolio	On Track	Comments	Responsible Section
4.2.1	Ensure employees are appropriately trained, skilled and certified to safely undertake the requirements of their position.	Deliver actions in the Health and Safety Strategy in accordance with agreed timeframes.	Whole of Council		The theory component of two Verification of Competency (VOC) training packages are now being delivered online through the Beakon system. 54% of identified employees who require a VOC have now been trained.	Workforce and Governance

3. Accountable and motivated organisation



Code	Action	Target	Portfolio	On Track	Comments	Responsible Section
4.3.1	Implement the Information and Communication Technology Strategic Plan 2021-2025.	Deliver the Information and Communication Technology Strategic Plan actions for 2021-22.	Whole of Council		Current projects include: <ul style="list-style-type: none"> Microsoft 365 implementation; Cyber Security improvements; and TechnologyOne – R1 (Council's corporate enterprise application) upgrade. 	Corporate and Technology Services
4.3.2	Maintain a safe work environment for all employees, volunteers and contractors of Council.	Review and implement Health and Safety Strategy.	Whole of Council		The draft Health and Safety Strategy 2021-24 and accompanying Detailed Action Plan 2021-22 was presented to the Peak Safety Committee on 31 August 2021 and is currently out for consultation.	Workforce and Governance

4. Plan for future population and economic growth giving consideration to a diverse range of industries and services

Code	Action	Target	Portfolio	On Track	Comments	Responsible Section
4.4.1	Amend the Rockhampton Region Planning Scheme as required to achieve Council's policy objectives and outcomes.	Commence priority planning scheme amendments.	Whole of Council		Work continues on updating the Rockhampton Region Planning Scheme with the development of version 3 (zone and administrative) amendments and version 4 amendments (local flood catchment overlays). It is expected that these amendments will be lodged with State Government in Quarter 2. This will include State Interest Reports, draft Community Engagement Plans, register of changes and the identified changes including the document and mapping changes.	Strategy and Planning

4 Service Excellence



Legend:  Not On Track  Watching  On Track  Completed

Code	Action	Target	Portfolio	On Track	Comments	Responsible Section
4.4.2	Review and update Urban Water Supply Planning for: <ul style="list-style-type: none"> Gracemere; and Rockhampton. 	Report completed by 30 June 2022.	Water and Environmental Sustainability		Council's WaterGems model is currently being peer reviewed by external consultants. Once completed, previous planning investigations will be revisited and updated as required.	Infrastructure Planning
4.4.3	Support the Northern Boundary Review.	Respond to the Boundary Commissioner's requirements within the prescribed timeframes.	Whole of Council		Timeframes for the submission of data to the Queensland Treasury Corporation were met. No other timeframes have been set by the Boundary Commissioner during Quarter 1.	Corporate Service Directorate

5 Local Government Leader

Legend:  Not On Track  Watching  On Track  Completed



1. Productive partnerships with all levels of government and relevant stakeholders

Code	Action	Target	Portfolio	On Track	Comments	Responsible Section
5.1.1	Identify and pursue opportunities for advocacy for regional policy and associated outcomes that benefit the Region.	Develop and implement agreed Advocacy Action Plan measures established in the annual Advocacy Strategy within the prescribed timelines.	Whole of Council		Council has previously adopted both its advocacy priorities and the Advocacy Framework which guides Council's priorities and how they are advocated. The next step is to establish a strategy which sets out when Council advocates for its different priorities and this will form the Advocacy Action Plan. This work is on track to be completed in 2022.	Office of the CEO Directorate
5.1.2	Advocate to secure funding for the preparation of a Business Case for the redevelopment of the Pilbeam Theatre Precinct.	Secure funding for the Business Case preparation.	Whole of Council		Project advocacy documentation has been developed. A Council Workshop is scheduled for early October 2021 to confirm project direction.	Project Delivery

2. Strong leadership that provides quality governance to support and service the community

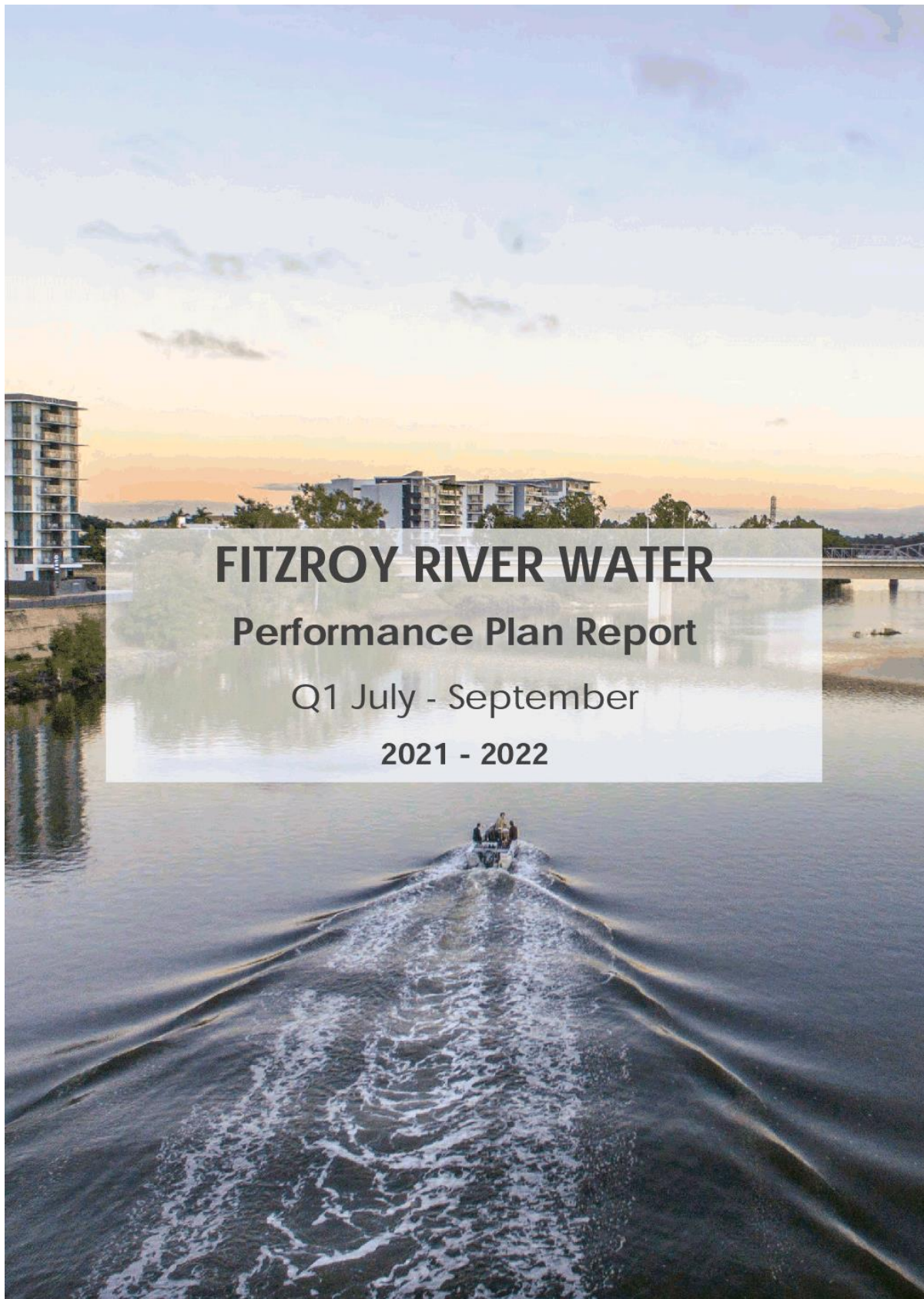
Code	Action	Target	Portfolio	On Track	Comments	Responsible Section
5.2.1	Develop a five-year Corporate Plan.	Adopt Corporate Plan for 2022-2027 by 30 June 2022.	Whole of Council		A Councillor Workshop was held on 28 September 2021 to discuss the draft 2022-2027 Corporate Plan goals, efforts and a proposed community engagement plan. The draft Corporate Plan goals and efforts are on track for being released for community engagement in October 2021.	Workforce and Governance

3. Financially sustainable organisation

Code	Action	Target	Portfolio	On Track	Comments	Responsible Section
5.3.1	Efficient and effective management of Council's finances.	Long Term Financial Forecast updated at each budget and budget revision.	Whole of Council		The Long Term Financial Forecast as adopted for the 2021-22 budget has been updated for the carry over budget from 2020-21 during Quarter 1. The 2020-21 audited actuals will be updated in the forecast in Quarter 2. The forecast will be updated following the next Monthly Budget Review by Council.	Finance
5.3.2	Update asset management plans for: • Roads; and • Airport.	Complete by 30 June 2022.	Whole of Council		It is recommended this Operational Plan action is reviewed and asset management plans are undertaken for sewerage, water and bridges as higher priority to Council.	Infrastructure Planning

4. Leading public sector employer

Code	Action	Target	Portfolio	On Track	Comments	Responsible Section
5.4.1	Undertake certified agreement negotiations that consider the application of industrial instruments and financial objectives.	Negotiations completed and certified agreement conditions implemented by 30 June 2022.	Whole of Council		Preliminary preparations and planning have been instigated for certified agreement negotiations, with a view to commence mid financial year.	Workforce and Governance



Fitzroy River Water (FRW) is required to provide a quarterly report on its performance against financial and non-financial performance targets as adopted in the Annual Performance Plan for 2021-22.

Manager's Overview

FRW has performed well during Quarter 1 in accordance with the Performance Plan and delivered water and sewerage services to a very high standard. Nine of the 22 Customer Service Standards were not met for Quarter 1, with most of these due to relatively minor deviations from expected performance. Performance for drinking water quality remains very strong with all relevant legislation and guidelines met.

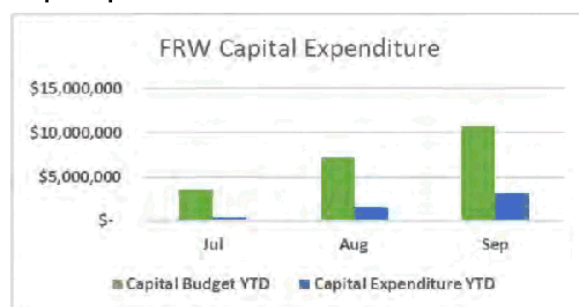
Specific highlights or events during Quarter 1 are as follows:

- **Drinking Water Quality** – 100% compliance with Australian Drinking Water Guidelines and Queensland legislation.
- **Mount Morgan Emergency Water Supply** – The Mount Morgan Water Treatment Plant ceased operating due to the ongoing low levels of raw water in No. 7 Dam and an emergency tanker supply delivering water from Gracemere to Mount Morgan remains ongoing.
- **Glenmore Water Treatment Plant Solar Facility** – Work has commenced at the Glenmore Water Treatment Plant for the construction of a solar facility of what will eventually become a 2 MW solar facility. Detailed design is nearing completion.

Financial Performance



Capital Spend Chart



Comments











FRW's operational revenue is at 39% due to the issue of half-yearly water and sewerage utility charges. Gross water consumption revenue is at 20.7% of budget. All sectors have had bills issued for the Quarter 1 and consumption is slightly lower in comparison to the same period last year. Most other revenue sources are on target with the exception of completed private works yet to













be realised. Operational expenditure is slightly above target, influenced by the timing of payments for tax equivalents, contractors, materials and plant.












Capital revenue is at 39% due to receipt of grant funding. Capital expenditure is at 7% influenced by large contractor projects yet to ramp up. The areas of prominent activity are the North Rockhampton Sewerage Treatment Plant and Glenmore Water Treatment Plant electrical and control renewal.

Non-Financial Performance







Potable Water Supply Schemes														
Rockhampton and Gracemere (number of access charges as at July 2021: 38,485)							Mount Morgan (number of access charges as at July 2021: 1,519)							Comments
Annual Target	Q1	Q2	Q3	Q4	YTD Actual	On Track	Annual Target	Q1	Q2	Q3	Q4	YTD Actual	On Track	
Day to Day Continuity														
CSS1 Extent of unplanned interruptions – connections based (no. per 1,000 connections per year)														
<80	5				5		<80	0				0		
CSS2 Extent of unplanned interruptions – incidents based (no. per 100 km of main per year)														
Rockhampton and Gracemere total kms of main: 790km							Mount Morgan total kms of main: 72km							
<30	16				16		<30	0				0		
CSS3 Time for restoration of service – unplanned interruptions (% restored within 5 hours)														
>90%	100%				100%		>90%	N/A				N/A		
CSS4 Customer interruption frequency – 1 interruption per year														
12%	0.79%				0.79%		12%	N/A				N/A		
CSS4 Customer interruption frequency – 2 interruptions per year														
2%	0.00%				0.00%		2%	N/A				N/A		



Potable Water Supply Schemes														
Rockhampton and Gracemere (number of access charges as at July 2021: 38,485)							Mount Morgan (number of access charges as at July 2021: 1,519)							Comments
Annual Target	Q1	Q2	Q3	Q4	YTD Actual	On Track	Annual Target	Q1	Q2	Q3	Q4	YTD Actual	On Track	
CSS4 Customer interruption frequency – 3 interruptions per year														
1%	N/A				N/A		1%	N/A				N/A		
CSS4 Customer interruption frequency – 4 interruptions per year														
0.50%	N/A				N/A		0.50%	N/A				N/A		
CSS4 Customer interruption frequency – 5 or more interruptions per year														
0.25%	N/A				N/A		0.25%	N/A				N/A		
CSS5 Relative incidence of planned and unplanned interruption incidents (% of planned versus total number of interruptions)														
>30%	4%				4%		30%	N/A				N/A		A reduction in the number of planned interruptions has contributed to this result.
CSS6 Average interruption duration – planned and unplanned														
3 hours	4.03				4.03		3 hours	N/A				N/A		Average interruption duration has exceeded the annual target, duration is dependant on the nature of reactive maintenance activities being completed.












Potable Water Supply Schemes														
Rockhampton and Gracemere (number of access charges as at July 2021: 38,485)							Mount Morgan (number of access charges as at July 2021: 1,519)							Comments
Annual Target	Q1	Q2	Q3	Q4	YTD Actual	On Track	Annual Target	Q1	Q2	Q3	Q4	YTD Actual	On Track	
CSS7 Response time – Priority 1 – 1 hour response														
95%	87%				87%		95%	N/A				N/A		Total of 53 requests with 467 (87%) being responded to within one hour for Quarter 1.
CSS7 Response time – Priority 2 – 2 hours response														
95%	81%				81%		95%	100%				100%		Total of 80 requests with 65 (81%) being responded to within two hours for Quarter 1.
CSS7 Response time – Priority 3 – 24 hours response														
95%	98%				98%		95%	100%				100%		
CSS7 Restoration time – Priority 1 – 5 hours restoration														
95%	87%				87%		95%	N/A				N/A		Total of 53 requests with 46 (87%) being restored within five hours for Quarter 1.
CSS7 Restoration time – Priority 2 – 24 hours restoration														
95%	96%				96%		95%	100%				100%		
CSS7 Restoration time – Priority 3 – 5 days restoration														
95%	98%				98%		95%	100%				100%		









Potable Water Supply Schemes														
Rockhampton and Gracemere (number of access charges as at July 2021: 38,485)							Mount Morgan (number of access charges as at July 2021: 1,519)							Comments
Annual Target	Q1	Q2	Q3	Q4	YTD Actual	On Track	Annual Target	Q1	Q2	Q3	Q4	YTD Actual	On Track	
Adequacy and Quality of Normal Supply of Water Supply														
CSS8 Minimum pressure standard at the water meter														
220kPa	220kPa				220kPa		220kPa	220kPa				220kPa		
CSS9 Minimum flow standard at the water meter														
9L/min	9L/min				9L/min		9L/min	9L/min				9L/min		
CSS10 Connections with deficient pressure and/or flow (% of total connections)														
<2.5%	0.3%				0.3%		<2.5%	2.0%				2.0%		
CSS11 Drinking water quality (compliance with industry standard) ¹														
>98%	100%				100%		>98%	100%				100%		
CSS12 Drinking water quality complaints (number per 1,000 connections)														
<5	0.22				0.22		These figures are combined with the Rockhampton and Gracemere figures to give a total across all water supply schemes.							
CSS13 Drinking water quality incidents (number per 1,000 connections)														
<5	0				0		<5	0				0		

Long Term Continuity of Water Services

Potable Water Supply Schemes														
Rockhampton and Gracemere (number of access charges as at July 2021: 38,485)							Mount Morgan (number of access charges as at July 2021: 1,519)							Comments
Annual Target	Q1	Q2	Q3	Q4	YTD Actual	On Track	Annual Target	Q1	Q2	Q3	Q4	YTD Actual	On Track	
CSS14 Water main breaks (number per 100 km main)														
Rockhampton and Gracemere total kms of main: 790km							Mount Morgan total kms of main: 72km							
<40	2						<40	N/A				N/A		
CSS15 Water services breaks (number per 1,000 connections)														
<40	4				4		<40	1				1		
CSS16 System water loss (litres per connection per day)														
<200L	201L				201L		<200L	13L				13L		System water loss per connection has slightly exceeded 200L for Quarter 1.

Sewerage Schemes															
Rockhampton and Gracemere (number of access connections as at July 2021: 52,361)							Mount Morgan (number of access connections as at July 2021: 561)							Comments	
Annual Target	Q1	Q2	Q3	Q4	YTD Actual	On Track	Annual Target	Q1	Q2	Q3	Q4	YTD Actual	On Track		
Effective Transportation of Sewage															
CSS17 Sewage overflows – total (number per 100km main)															
Rockhampton and Gracemere total kms of main: 729km							Mount Morgan total kms of main: 15km								
<30	13.44				13.44		<10	N/A					N/A		

Sewerage Schemes														
Rockhampton and Gracemere (number of access connections as at July 2021: 52,361)							Mount Morgan (number of access connections as at July 2021: 561)							Comments
Annual Target	Q1	Q2	Q3	Q4	YTD Actual	On Track	Annual Target	Q1	Q2	Q3	Q4	YTD Actual	On Track	
CSS18 Sewage overflows to customer property (number per 1,000 connections)														
<10	1.87				1.87		<5	N/A				N/A		
CSS19 Odour complaints (number per 1,000 connections)														
<1	0.45				0.45		These figures are combined with the Rockhampton and Gracemere figures above to give a total across all sewage supply schemes.							
CSS20 Response time – Priority 1 – 1 hour response														
>95%	76%				76%		>95%	N/A				N/A		Total of 127 requests with 97 (76%) being responded to within one hour for Quarter 1.
CSS20 Response time – Priority 2 – 2 hours response														
>95%	78%				78%		>95%	N/A				N/A		Total of 80 requests with 62 (78%) being responded to within two hours for Quarter 1.
CSS20 Response time – Priority 3 – 24 hours response														
>95%	100%				100%		>95%	N/A				N/A		
CSS20 Restoration time – Priority 1 – 5 hours restoration														
>95%	83%				83%		>95%	N/A				N/A		Total of 127 requests with 106 (83%) being restored within five hours for Quarter 1.

Sewerage Schemes														
Rockhampton and Gracemere (number of access connections as at July 2021: 52,361)							Mount Morgan (number of access connections as at July 2021: 561)							Comments
Annual Target	Q1	Q2	Q3	Q4	YTD Actual	On Track	Annual Target	Q1	Q2	Q3	Q4	YTD Actual	On Track	
CSS20 Restoration time – Priority 2 – 24 hours restoration														
>95%	99%				99%		>95%	N/A				N/A		
CSS20 Restoration time – Priority 3 – 5 days restoration														
>95%	100%				100%		>95%	N/A				N/A		
Long Term Continuity of Sewerage Services														
CSS21 Sewer main breaks and chokes (number per 100km main)														
Rockhampton and Gracemere total kms of main: 729km							Mount Morgan total kms of main: 15km							
<50	4.53				4.53		<20	N/A				N/A		
CSS22 Sewer inflow and infiltration (ratio of Peak Day Flow to Average Day Flow)														
<5	1.9				1.9		<5	1.36				1.36		

¹ FRW's Drinking Water Quality Management Plan identifies the following key water quality parameters as reference indicators for customer service purposes: physical and chemical water quality parameters – Target: >99% of all samples tested compliant with Australian Drinking Water Guidelines; E. coli – Target: None detected in > 98% of all samples tested.

Reference Codes – A blank field should contain one of the following:

- (a) 0 (zero)
- (b) ND (no data is available, although the indicator is relevant)
- (c) NR (not relevant, the indicator is not relevant to that scheme)

Customer Service Standards

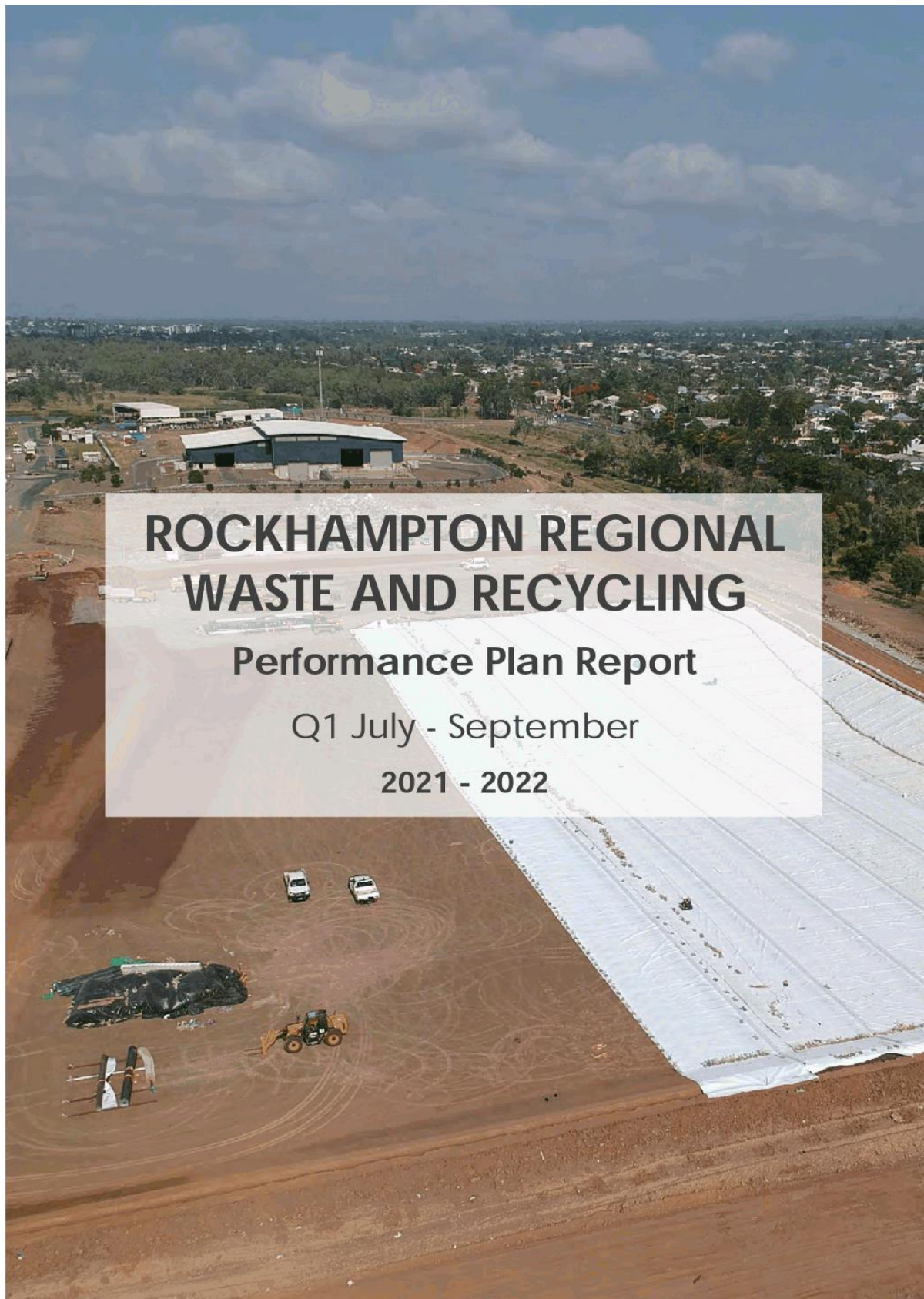
Performance Indicator	2021-22 Target	Q1	Q2	Q3	Q4	YTD Actual	On Track
Installation of new water connections (within the water service area)	15 working days	100%				100%	
Installation of sewerage connections (within the sewerage area)	15 working days	100%				100%	
Complaints (excluding maintenance of water and sewerage services) – advise outcome	20 working days	100%				100%	
Legend:  Not On Track  Watching  On Track  Completed							

Comments

The above customer service standard performance indicators have been achieved.

Conclusion

FRW has performed well during Quarter 1. Water and sewerage services have been delivered to a very high standard with the majority of Customer Service Standards met. The ongoing water scarcity event in Mount Morgan is ongoing and continues to represent a significant concern. FRW and Council have commenced an action to pursue a long term plan to address this concern.



ROCKHAMPTON REGIONAL WASTE AND RECYCLING

Performance Plan Report

Q1 July - September

2021 - 2022

Rockhampton Regional Waste and Recycling (RRWR) is required to provide a quarterly report on its performance against financial and non-financial performance targets as adopted in the Annual Performance Plan for 2021-22.

Manager's Overview

RRWR's performance for Quarter 1 has been in accordance with the parameters outlined within the performance plan and those identified within Council's 2021-22 Operational Plan.

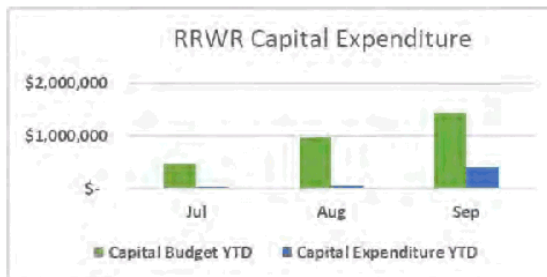
Some highlights for RRWR are presented below:

- **Waste Facilities** – All waste and recycling facilities have operated without issue.
- **Waste Collections** – All waste and recycling collections have been completed without issue.
- **Materials Recycling Facility (MRF)** – All kerbside comingled recyclables are still being transported and recycling out of Region since a fire destroyed the Rockhampton based MRF in November 2020. Work is ongoing with the relevant stakeholders of the Rockhampton based MRF to re-build the facility. Discussions are also ongoing with ACCC to allow joint procurement with Central Queensland Councils in 2022 for a long-term MRF.
- **Waste Strategy** – Final preparation is set to kick off on Tuesday 5 October 2021 with a 12 month trial for a kerbside organics service with 750 households. This is following a Business Case presentation to Council regarding the kerbside collection options for Garden Organics or Food Organics and Garden Organics. Funding was secured from the Queensland Government to undertake the trial.
- **Waste Education** – External facing education has continued, including such events and programs such as; the School's Recycling Hero's Programme, Plastic Free Places and Councils Litter and Illegal Dumping project. Efforts have been sustained on addressing contamination within the recycling bin.
- **Landfill Development** – The filling of waste ceased within the first 'piggyback cell' (Cell A) and commenced in the second 'piggy back cell' (Cell A1). Preparation works are underway to commence the construction of Cell B in Quarter 2.
- **Expanded Polystyrene (EPS) Recycling Facility** – Equipment was delivered ready for commissioning to establish a recycling facility for EPS at the Lakes Creek Road Waste Management Facility. This is an exciting new project to divert EPS from landfill.
- **Gracemere Landfill Closure** – Construction of the Gracemere Landfill capping system is progressing as planned.
- **Gracemere Waste Transfer Station Redevelopment** – The detailed design and other preparatory works are near completion. It is expected that a tender will be released in Quarter 2 for the construction to be undertaken over the financial years of 2021-22 and 2022-23.

Financial Performance



Capital Spend Chart



Comments

RRWR operational revenue is at 42% due to the issue of half-yearly waste and recycling utility charges. Additionally, this result is influenced by the receipt of unbudgeted grant revenue for Food Organics and Garden Organics and Regional Recycling Transport Assistance Package. Operational expenditure is on target at 24%.

RRWR does not currently have any capital revenue budgeted for the 2021-22 financial year. Capital expenditure is at 7% with large contractor projects yet to ramp up.

Non-Financial Performance

Performance Indicator	2021-22 Target	Q1	Q2	Q3	Q4	YTD Actual	On Track
Weekly collection of domestic waste on the same day every week	98%	99.96%				99.96%	
Weekly collection of commercial waste	95%	99.96%				99.96%	
Fortnightly collection of domestic recyclable waste	98%	99.97%				99.97%	
Fortnightly collection of commercial recyclable waste	98%	99.97%				99.97%	
Missed service collection provided within two working days from notification when notification is within one working day of scheduled collection	95%	98.92%				98.92%	
Collection services will be made available within five working days upon application by the owner	95%	100%				100%	
Provision of assisted services within ten working days from application by the resident/s	98%	100%				100%	
Repair or replacement of stolen, removed, damaged, vandalised mobile bins within five working days from notification	95%	95.17%				95.17%	
Legend: Not On Track Watching On Track Completed							

Comments

All non-financial performance targets have been achieved.

Conclusion

Performance throughout Quarter 1 has been of a high standard with continued vigilance to ensure performance is not only maintained but with an ongoing focus of continuous improvement. RRWR's performance in safety has unfortunately seen one lost time injuries recorded. RRWR has delivered well against operational and capital budget targets.



Rockhampton Airport is required to provide a quarterly report on its performance against financial and non-financial performance targets as adopted in the Annual Performance Plan for 2021-22.

Manager's Overview

Although COVID-19 continues to restrict travel movements and is affecting passengers numbers, the airport overall is performing well with the amount of business received. There are new charter movements and commercial flights starting up with travel to new intrastate locals available to the community. The terminal is functioning well with the redevelopment coming to a close and safety is a continued focus.

Financial Performance



Capital Spend Chart













Comments

Rockhampton Airport's operational revenue is at 21%. This result is influenced by the impact of COVID-19 travel restrictions on passenger numbers which are down by 31% compared to budget. Operational expenditure is at 22% due to reduced contractor costs year to date.

Capital revenue is at 9%, following receipt of Regional Airports Screening Infrastructure (RASI) grant for the Airport Terminal in August 2021. Capital expenditure is at 8% with most projects not being significantly progressed, the exception being the Airport Terminal Refurbishment project.

Non-Financial Performance

Performance Indicator	2021-22 Target	Q1	Q2	Q3	Q4	YTD Actual	On Track
Passenger Numbers	480,000	90,351				90,351	
Bird Strikes	≤10 per quarter	6				6	

Performance Indicator	2021-22 Target	Q1	Q2	Q3	Q4	YTD Actual	On Track
Lost Time Days – workplace injuries	0	0				0	
Reported Public Injuries on Airport Precinct	0	0				0	
Hazard inspections completed on time	100%	100%				100%	
Rectification Action completed	100%	100%				100%	
Customer Requests Actioned within set timeframes	100%	100%				100%	
Third party reporting in Civil Aviation Safety Authority and Australasian Mail Services to be completed within the required timeframes	100%	100%				100%	
New non-aero business opportunities reported to Council quarterly	Yes	Yes				Yes	
Progress on new routes reported to Council quarterly	Yes	Yes				Yes	
Legend:  Not On Track  Watching  On Track  Completed							

Comments

All non-financial performance targets have been met.

Conclusion

Operationally, the Airport is performing well with no issues raised and all safety reporting for internal and external completed.

**2021-22 OPERATIONAL PLAN
QUARTERLY REPORT - QUARTER 1
AND PROPOSED AMENDMENTS TO
THE 2021-22 OPERATIONAL PLAN**

**Proposed Changes 2021-22
Operational Plan Actions and Targets
(Marked Up)**

Meeting Date: 9 November 2021

Attachment No: 2

Responsible Section		Code	Corporate Plan Theme	Corporate Plan Outcome	Proposed 2021/22 Operational Action	Proposed 2021/22 Operational Target	Councillor Portfolio	Comments
Department	Section							
Regional Services	Infrastructure Planning	1.1.4	1. Community	1.1. Safe, accessible, reliable and sustainable infrastructure and facilities	Review and update Council's Flood Management Strategy.	Complete by 30 June 2022.	Infrastructure	
Community Services	Community Assets and Facilities	1.1.18	1. Community	1.1. Safe, accessible, reliable and sustainable infrastructure and facilities	Develop and implement three year forward community assets and facilities works program (renewals).	Develop strategy by 30 December 2021 <u>30 June 2022</u> .	Communities and Heritage	Key Focus Area: Asset Management Planning
Corporate Services	Strategy and Planning	1.1.19	1. Community	1.1. Safe, accessible, reliable and sustainable infrastructure and facilities	Investigate and update open space planning principles, policies and practices.	Play Space strategy developed by 31 March 2022 <u>30 December 2021</u> .	Parks, Sport and Public Spaces	Key Focus Area: Open Space and Precinct Planning
Office of the CEO	Office of the CEO Directorate	1.5.1	1. Community	1.5. Inclusive, connected and informed community	Develop a Community Engagement Framework.	Develop and have framework endorsed by 31 December 2021 <u>30 June 2022</u> .	Whole of Council	
Corporate Services	Strategy and Planning	2.2.3	2. Economy	2.2. Value add to the strengths of industry to deepen regional economic activity	Identify and assess further opportunities for water planning, management and infrastructure that support urban water security, industry development and economic development for the Region.	Develop discussion paper by 31 December 2021 <u>March 2022</u> .	Whole of Council	Key Focus Area: Water Security
Community Services	Environmental Sustainability	3.3.1	3. Environment	3.3. Understand Council's and the community's environmental impacts	Strengthen the Region's capability. Develop a strategy on opportunities for climate adaptation and resilience.	Review and embed considerations within Council's Sustainability Governance Framework and associated policies, strategies and plans. Develop the Climate Resilience Strategy by 30 June 2022.	Water and Environmental Sustainability	Key Focus Area: Adaptation and Resilience
Office of the CEO	Office of the CEO Directorate	4.1.1	4. Service Excellence	4.1. Customer focused services	Establish defined service levels for operational sections of Council.	Adopt Service Delivery Statements that include defined service levels for: Parks; Civil Operations; and Fitzroy River Water.	Whole of Council	
Regional Services	Infrastructure Planning	5.3.2	5. Local Government Leader	5.3. Financially sustainable organisation	Update asset management plans for: Roads; and Airport Bridges; and Sewer and Water.	Complete by 30 June 2022.	Whole of Council	Key Focus Area: Asset Management Planning

**2021-22 OPERATIONAL PLAN
QUARTERLY REPORT - QUARTER 1
AND PROPOSED AMENDMENTS TO
THE 2021-22 OPERATIONAL PLAN**

**Amended 2021-22 Operational Plan
(Clean)**

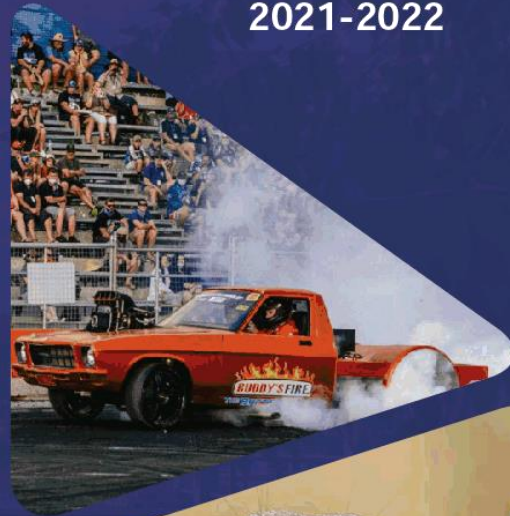
Meeting Date: 9 November 2021

Attachment No: 3

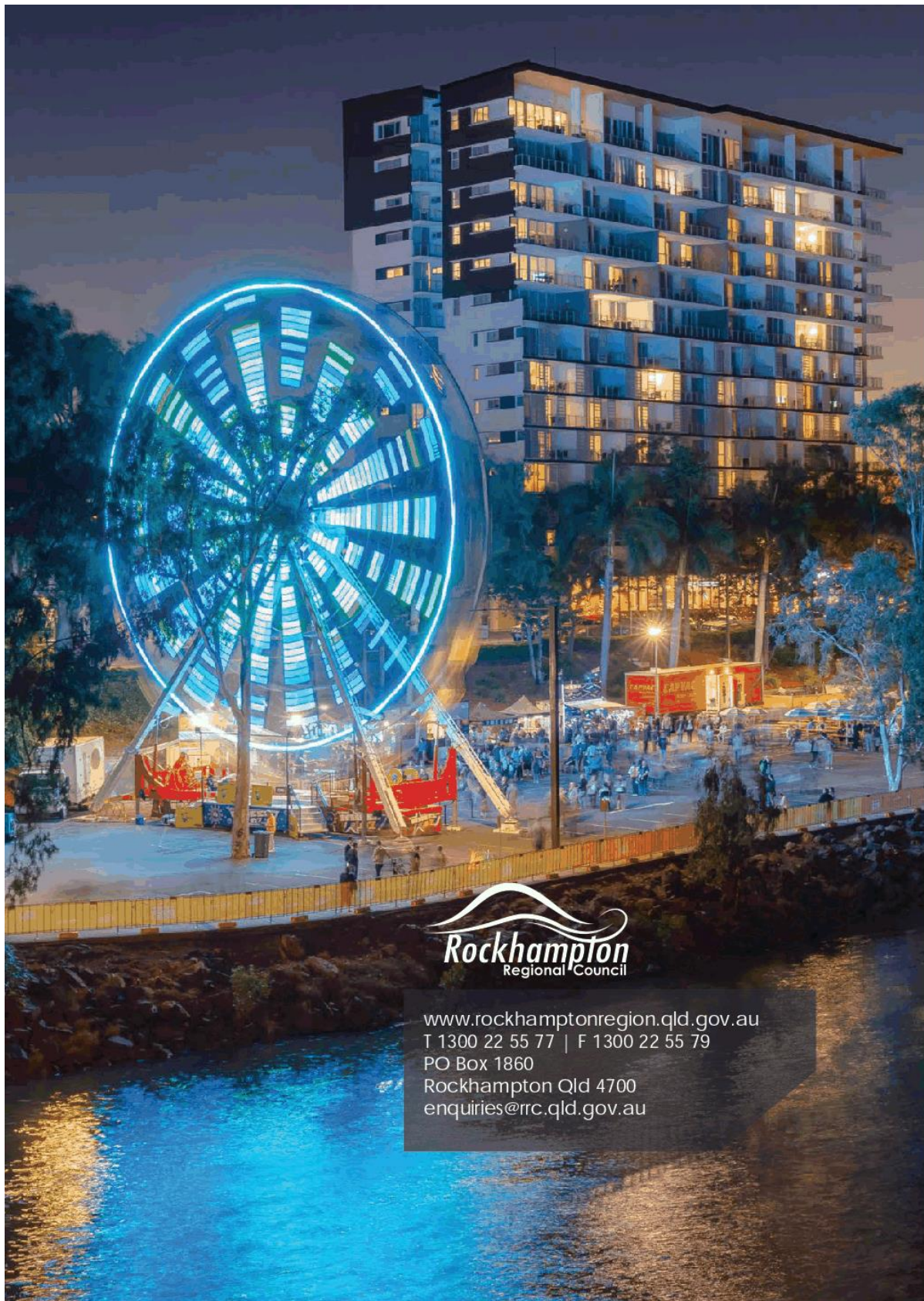


Operational Plan

2021-2022



Updated on 9 November 2021



www.rockhamptonregion.qld.gov.au
T 1300 22 55 77 | F 1300 22 55 79
PO Box 1860
Rockhampton Qld 4700
enquiries@rrc.qld.gov.au

Contents

Acknowledgement of Country	4
Our Council	
Our Vision.....	5
Our Mission.....	5
Our Values and Behaviours.....	5
Introduction	
About the Operational Plan.....	6
Measuring Performance.....	6
Managing Risk.....	6
Councillor Portfolios	7
Portfolio Appointments.....	7
Key Focus Areas	8
Significant Capital Projects	12
Community	
Key Focus Areas for 2021-22.....	16
Corporate Plan Outcomes.....	16
Operational Plan Actions and Targets.....	16
Economy	
Key Focus Areas for 2021-22.....	20
Corporate Plan Outcomes.....	20
Operational Plan Actions and Targets.....	20
Environment	
Key Focus Areas for 2021-22.....	24
Corporate Plan Outcomes.....	24
Operational Plan Actions and Targets.....	24
Service Excellence	
Key Focus Areas for 2021-22.....	26
Corporate Plan Outcomes.....	26
Operational Plan Actions and Targets.....	26
Local Government Leader	
Key Focus Areas for 2021-22.....	28
Corporate Plan Outcomes.....	28
Operational Plan Actions and Targets.....	28
Informing Strategies and Plans	30
2021-2022 Performance Plans	
Fitzroy River Water.....	32
Rockhampton Regional Waste and Recycling.....	46
Rockhampton Airport.....	58



Acknowledgement of Country

Rockhampton Regional Council acknowledges the Traditional Custodians of the Rockhampton Region; the Darumbal People, Gaangalu Nation People and Barada Kabalbara Yetimarala People, and pays its respect to their Elders past, present and emerging. Council also acknowledges the Torres Strait Islander people whose land is in the Torres Strait but who live and work on Aboriginal land.

Our Council

Our Vision

One Great Region.

Our Mission

To create a Region that our community values and others admire.

Our Values and Behaviours

ACCOUNTABLE



We are proactive and take personal responsibility.
We are clear on our expectations, if in doubt we seek clarification.
We do what we say we will do and deliver our promises on time.
We hold ourselves and others accountable.
We take personal accountability for our own and others safety.
We trust individuals to do their job.

CUSTOMER FOCUSED



We are timely and responsive to our customers and community.
Our decisions and actions have the customer and community at the front of mind.
We engage with and listen to the customer.
We support each other to achieve the best outcome for the customer.

PEOPLE DEVELOPMENT



Leaders coach, support and listen to their people.
We support and develop our people to ensure they can reach their full potential.
We will seek and provide feedback with the constructive intent.
Development is focused on technical and behavioural capability.
People are valued and treated with respect regardless of position.

ONE TEAM



We work together to find solutions and opportunities.
We openly share knowledge, information and resources in order to deliver the best outcome for the Council.
We talk with each other and seek ways to collaborate.
We understand our shared goals and how each area fits together.
We develop solutions with the big picture in mind ensuring we encourage collaboration and consider the impact on others. Communication and engagement are priorities at all levels.

CONTINUOUS IMPROVEMENT



We take the time to explore better ways to do things.
We listen to and genuinely value ideas from all staff.
We accept mistakes will happen and we ensure we share the learnings.
Continuous improvement is valued as an opportunity not an expense.
We will be open to change, have an open mind and maintain a positive attitude.

Introduction

About the Operational Plan

The Operational Plan is an annual document which outlines activities and actions Council will undertake for the financial year in accordance with the adopted budget. These activities and actions directly align to Council's five year Corporate Plan strategies and overall themes:



Council's 2017-2022 Corporate Plan sets the direction and priorities for our organisation, identifying expectations that the community desires within the Region and what Council will do to achieve these. Services, operations and projects conducted by the Council are established based on the goals and outcomes identified in the Corporate Plan.

The Operational Plan is a legislative requirement of the *Local Government Act 2009* and *Local Government Regulation 2012* and must include an annual performance plan for each commercial business unit of the local government.

The 2021-2022 Operational Plan is a one-year plan that summarises the planned actions for achieving the Corporate Plan goals and outcomes by delivering services to the community. Council's Total Expenditure Budget of \$252M will help maintain and upgrade existing services and facilities within our Region as well as provide a **pathway for recovery, reinvigoration and growth for the Region's economy**.

Measuring Performance

Quarterly reports will be presented to Council that measure and document the progress towards the achievement of the adopted actions.

Targets have been set for each action within the Operational Plan. Reporting on these targets will be based on progress against time, budget-based and other applicable milestones as outlined in reports to Council that are linked to these various initiatives, and may be developed through the course of the operational planning process from time to time.

Managing Risk

The operational planning process includes the management of Council's strategic and operational risks. Council's commitment to risk management is outlined in the Enterprise Risk Management Framework and the Enterprise Risk Management Policy. Implementation of the Operational Plan will be undertaken in accordance with the Enterprise Risk Management Process Procedure.

Councillor Portfolios

Councillor portfolios, part of Council's governance arrangements, provide Councillors with specific responsibilities in addition to their responsibilities under the *Local Government Act 2009*.

The portfolio system provides Councillors with an opportunity to develop a heightened level of knowledge, leadership and representation across the Region in a specified area of responsibility.

The Councillor Portfolio System has a strong alignment with the strategic priorities of Council as outlined in its Corporate Plan and the organisation's core responsibilities.

Portfolio Appointments

The Portfolio appointments of Portfolio Councillors are as follows:

Portfolio	Portfolio Councillor	Assistant Portfolio Councillor
Advance Rockhampton	Mayor Tony Williams	
Waste and Recycling	Councillor Shane Latcham	Councillor Neil Fisher
Airport	Councillor Neil Fisher	Councillor Shane Latcham
Infrastructure	Councillor Ellen Smith	Councillor Shane Latcham
Planning and Regulation	Councillor Grant Mathers	Councillor Ellen Smith
Parks, Sport and Public Spaces	Councillor Cherie Rutherford	Councillor Drew Wickerson
Communities and Heritage	Councillor Drew Wickerson	Councillor Cherie Rutherford
Water and Environmental Sustainability	Councillor Donna Kirkland	Councillor Drew Wickerson



From Left to Right: Cr Grant Mathers, Cr Neil Fisher, Cr Ellen Smith, Cr Donna Kirkland, Mayor Tony Williams, Cr Cherie Rutherford, Cr Drew Wickerson, Cr Shane Latcham

Key Focus Areas

Council have identified a number of key focus areas with an aim of improving our Region for our community and visitors alike.

| GROWTH AND DEVELOPMENT |

Open Space and Precinct Planning

Open Space and Precinct Planning aims to deliver improved open space, play spaces and provide new sporting facilities in the Region's growth areas. It also aims to develop a standard of social infrastructure that is required to attract and retain new residents and to attract and facilitate large scale sporting and entertainment events to the Region.

Operational Plan Reference: 1.1.19, 1.2.1, 1.2.2, 1.2.4

Alignment with Corporate Plan



Water Security

Securing current and future water supply for urban, industrial and agricultural purposes.

Operational Plan Reference: 1.1.7, 2.2.3, 4.4.2



Development Infrastructure

The Rockhampton Region is experiencing significant growth which is placing pressure on Council's existing trunk infrastructure networks, particularly in the growth corridors. Pressures in relation to infrastructure are to be investigated and existing plans are to be reviewed and updated to remove any constraints to development in these areas.

Operational Plan Reference: 1.1.3, 1.1.9, 1.1.10, 1.1.11





Adaptation and Resilience

Develop resilience to our changing climate and extreme weather events and increase our capability to take positive actions to mitigate and adapt to climate risks faced by our Region.

Operational Plan Reference: 3.1.1, 3.1.2, 3.2.1, 3.3.1

Alignment with Corporate Plan



Asset Management Planning

Asset management practices impact directly on the core business of Council and appropriate asset management is required to achieve Council's strategic service delivery objectives. Asset management plans are prepared for all major asset classes, asset sub-classes and operational areas and are reviewed on a regular basis to ensure that infrastructure and services are provided to the community in a sustainable manner.

Operational Plan Reference: 1.1.17, 1.1.18, 5.3.2



Project Planning and Advocacy

Deliver effective land planning, project planning and advocacy supporting economic, social and environmental outcomes.

Advocating for funding and associated support for a range of endorsed priorities will be undertaken in accordance with Council's Advocacy Framework, strategy and action plans. Opportunities to advocate for direct funding support from the Queensland and Australian Government's for various priorities will be ongoing and in line with timing of other levels of government budget announcements, funding grant applications and electoral cycles.

Operational Plan Reference: 4.4.3, 5.1.1, 5.1.2



Rockhampton Regional Council | Operational Plan 2021-2022

COMMUNITY | ECONOMY | ENVIRONMENT | SERVICE EXCELLENCE | LOCAL GOVERNMENT LEADER

9

Key Focus Areas Continued

Economic Development

The economic capital of Central Queensland is a Region rich with opportunity and becoming the destination of choice to live, visit and invest. Creating an industry environment of collaboration and communication with our industry stakeholders.

► **Tourism, Marketing and Events**

Enhancing the liveability and visitability of our Region and delivering economic growth through city building events.

► **Resources and Construction**

Building on our strengths working with the mining and construction sector to ensure future projects and local content are linked.

► **Agriculture and Water**

Developing new opportunities in our growing agricultural sector and working with stakeholders to deliver increased water supply for agribusinesses.

► **Defence Industry**

Promoting the value of our strategic defence assets and our regional reputation as a defence logistics hub.

► **Renewable Energy**

Capitalise on emerging opportunities in the renewable energy sector.

Operational Plan Reference: 2.2.1, 2.2.2, 2.3.1, 2.3.2, 2.4.1, 2.5.2, 2.6.1

Alignment with Corporate Plan





Significant Capital Projects

Several significant projects have been highlighted in the Operational Plan. These projects are at varying levels of planning, commencement of construction or final implementation, however they all form part of Council's priorities in the reporting year.

Glenmore Water Treatment Plant Upgrade

This important project will ensure the ongoing safe and reliable operation of the Glenmore Water Treatment Plant, through the complete renewal of all electrical and control systems, including the installation of a fire suppression system and improved treatment process monitoring and control. The project will also achieve improvements to site physical security, as well as cybersecurity to ensure that this important asset is protected appropriately. Total approved project budget is \$17.1M.

Operational Plan Reference: 1.1.9

Alignment with Corporate Plan

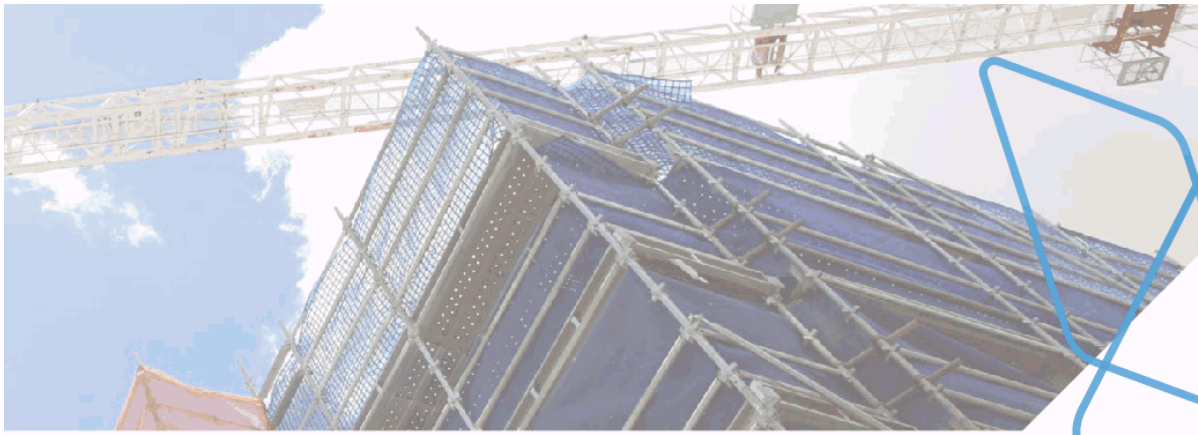


North Rockhampton Sewage Treatment Plant Augmentation

This augmentation of the North Rockhampton Sewage Treatment Plant is estimated to increase the treatment capacity by an additional 25,000 equivalent persons. This increased capacity will ensure that residential and other urban growth in North Rockhampton can be serviced for at least the next 30 years. The project will also further improve the removal of nutrients from the effluent and reduce our environmental footprint on the Fitzroy River estuary. Total approved project budget is \$47.3M.

Operational Plan Reference: 1.1.10





Gracemere Sewage Treatment Plant Augmentation

The augmentation of the Gracemere Sewage Treatment Plant from its existing capacity of just less than 10,000 equivalent persons, to a capacity of at least 25,000 equivalent persons, will ensure that this sewage treatment plant can continue to meet the needs of the growing community for at least the next 30 years.

Effluent produced by the Gracemere Sewage Treatment Plant continues to be a valuable source of recycled water used by local sporting facilities and commercial customers, and this upgrade project will improve the safety and reliability of this recycled water supply. Total approved project budget is \$14.8M.

Operational Plan Reference: 1.1.11

Alignment with Corporate Plan



Rockhampton Regional Council | Operational Plan 2021-2022

COMMUNITY | ECONOMY | ENVIRONMENT | SERVICE EXCELLENCE | LOCAL GOVERNMENT LEADER

13

Significant Capital Projects Continued

Rockhampton Airport Aircraft Maintenance Repair and Overhaul Facility

In partnership with Alliance Airlines, the Commonwealth Government has committed \$25M to Council's costs of \$26M for establishing the necessary earthworks and infrastructure to allow this project to progress. Once completed the maintenance, repair and overhaul facility will be able to house three A321 aircrafts. The facility will employ over 100 staff directly with other significant economic benefits to be received in the Region.

Operational Plan Reference: 2.4.1

Alignment with Corporate Plan



Botanic Gardens and Zoo Redevelopment

The 150 year old, heritage listed Rockhampton Botanic Gardens and Zoo is a favourite destination for both the community and visitors to Rockhampton with over 300,000 visitors each year (local and non-local) visiting the variety of native and exotic flora and fauna. The site is one of the major tourism contributors to the Region, providing an estimated economic impact of \$27.8 M for the Region.

Redevelopment seeks to deliver whole of site design, prioritisation, and investment to support the Gardens and Zoo to reach their full potential as a community asset, recognised area of significance and a major tourist attraction.

Operational Plan Reference: 1.2.4





1 Community

A connected community that values a sense of belonging; where residents celebrate their diversity and have modern services available to support a safe, healthy and engaged lifestyle now and into the future.

KEY FOCUS AREAS FOR 2021-22

Open Space and Precinct Planning

Corporate Plan Outcomes

1. Safe, accessible, reliable and sustainable infrastructure and facilities
2. Regional public places that meet our community's needs
3. Safe places for our community
4. Healthy living and active lifestyles
5. Inclusive, connected and informed community
6. Our sense of place, diverse culture, history and creativity are valued and embraced

Action	Target	Portfolio
1.1.1 Create community connectivity through the construction of walking circuits and missing links in footpaths.	Complete the construction of a minimum of 1,000 metres of new footpaths.	Infrastructure
1.1.2 Prepare a three year forward maintenance program for roads, pathways and stormwater drainage.	Prepare program by 30 June 2022.	Infrastructure
1.1.3 Review Transport Strategies to include: <ul style="list-style-type: none"> • Ring Road; • The Bruce Highway; and • Parkhurst. 	Complete review by 30 June 2022.	Infrastructure
1.1.5 Prepare a Floodplain Risk Management Study and Plan for Frenchmans and Thozets Creek.	Complete by 30 June 2022.	Infrastructure



Action	Target	Portfolio
1.1.6 Undertake a study into the feasibility of a flood levee to protect the Rockhampton Airport.	Complete the feasibility study by 31 March 2022.	Infrastructure
1.1.7 Prepare a concept design and business case for Mount Morgan Water Security.	Complete by 30 June 2022.	Water and Environmental Sustainability
1.1.8 Deliver water supply and sewerage services in accordance with the Fitzroy River Water 2021-2022 Performance Plan.	Achieve all financial and non-financial performance targets.	Water and Environmental Sustainability
1.1.9 Undertake Glenmore Water Treatment Plant Electrical and Control Renewal.	Complete design and commence construction.	Water and Environmental Sustainability
1.1.10 Undertake North Rockhampton Sewage Treatment Plant Augmentation.	Complete procurement and commence construction.	Water and Environmental Sustainability
1.1.11 Undertake Gracemere Sewage Treatment Plant Augmentation.	Complete design and commence procurement of contractor for construction.	Water and Environmental Sustainability
1.1.12 Deliver waste and recycling services in accordance with Rockhampton Regional Waste and Recycling 2021-2022 Performance Plan.	Achieve all financial and non-financial performance targets.	Waste and Recycling
1.1.13 Undertake Gracemere Waste Transfer Station redevelopment.	Complete procurement and commence construction.	Waste and Recycling
1.1.14 Undertake a trial for kerbside organics collection to inform Council on the most appropriate service for the Region.	Trial commenced and evaluation report completed by 30 June 2022.	Waste and Recycling
1.1.15 Secure a long-term solution for the processing of the Region's Kerbside Recycling stream.	Progress procurement for a long-term solution.	Waste and Recycling

Action	Target	Portfolio
1.1.16 Manage the Airport in accordance with the Rockhampton Airport 2021-2022 Performance Plan.	Achieve all financial and non-financial performance targets.	Airport
1.1.17 Ensure the Asset Management System (Stage 2) is implemented per the Project Plan.	Plan and implement Stage 2 Asset Lifecycle Management system.	Whole of Council
1.1.18 Develop and implement three year forward community assets and facilities works program (renewals).	Develop strategy by 30 June 2021.	Communities and Heritage
1.1.19 Investigate and update open space planning principles, policies and practices.	Play Space strategy developed by 31 March 2022.	Parks, Sport and Public Spaces
1.2.1 Develop Concept Design for whole showgrounds and Victoria Park site redevelopment and prioritise future investment.	Planning prioritisation by 31 March 2022.	Parks, Sport and Public Spaces
1.2.2 Undertake precinct planning for major sports and events precincts.	Present reports on options and estimated costs by 30 June 2022.	Parks, Sport and Public Spaces
1.2.3 Commence operations of the Rockhampton Museum of Art including the activation of the gallery space and surrounds.	Commence operations by 31 March 2022.	Communities and Heritage
1.2.4 Review and update the Botanic Gardens and Zoo implementation plan based upon outcomes from the concept design and complete initial works.	Deliver actions in accordance with approved timeframes.	Parks, Sport and Public Spaces
1.3.1 Expansion of closed-circuit television program into identified problem areas to act as a deterrent.	Installation of new cameras including portable trailer cameras.	Communities and Heritage
1.4.1 Develop a Rockhampton Botanic Gardens and Zoo integrated marketing and activation strategy aligned to Botanic Gardens and Zoo masterplan.	Complete marketing and activation strategy by 31 May 2022.	Advance Rockhampton
1.5.1 Develop a Community Engagement Framework.	Develop and have framework endorsed by 30 June 2022.	Whole of Council
1.6.1 Scope and develop relationships with local Aboriginal and Torres Strait Islander stakeholders to prepare for reconciliation initiatives across Council.	Present Council's Reflect Reconciliation Action Plan for adoption by 30 September 2021 and deliver agreed actions within approved timelines.	Whole of Council



2 Economy

A thriving regional capital that creates and nurtures diverse opportunities to balance work, play and growth.

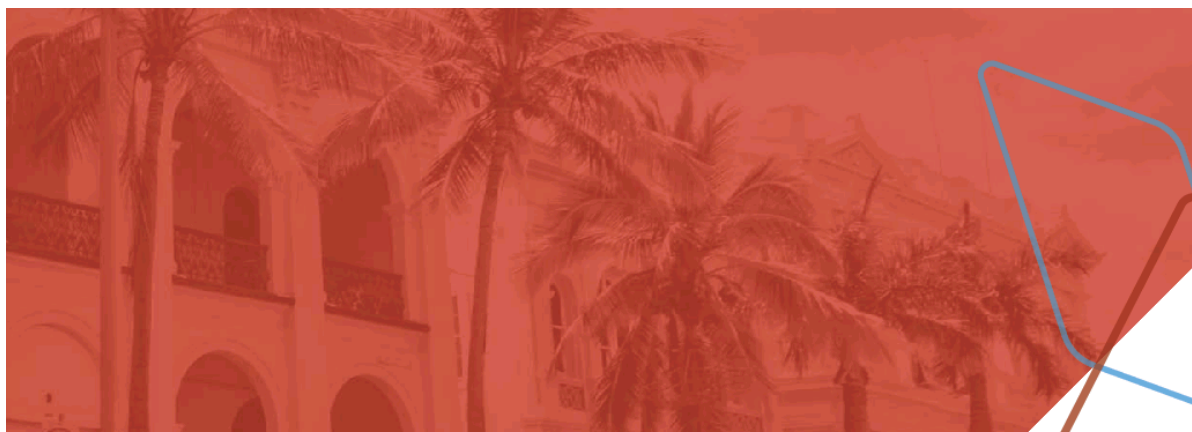
KEY FOCUS AREAS FOR 2021-22

Water Security
Development Infrastructure
Economic Development

Corporate Plan Outcomes

1. A destination sought for lifestyle, community events and tourism
2. Value add to the strengths of industry to deepen regional economic activity
3. The redevelopment and activation of major urban places to attract investment and improved lifestyles
4. Infrastructure services are driven to deliver future economic growth
5. Promote, foster and embrace growth opportunities, strategic investment and international exports
6. Promote industry diversification to enhance regional economic resilience

Action	Target	Portfolio
2.1.1 Develop and deliver the Tourism Destination Marketing Plan for the Region that provides stakeholders with a strong platform and drives growth in our visitor economy.	Deliver updated Tourism Marketing Plan and actions in accordance with adopted timeframes.	Advance Rockhampton
2.1.2 Develop and deliver a marketing plan to support the Economic Development Strategy across tourism, events, business and nominated projects.	Update branding and positioning across all platforms including websites, traditional media and social media (both consumer and business facing) by 30 April 2022.	Advance Rockhampton



Action		Target	Portfolio
2.1.3	Develop, deliver and support a calendar of events for the Region.	Deliver an annual calendar of events for 2022 built around Council managed events and third party managed events by 31 October 2021.	Advance Rockhampton
2.2.1	Continue to review and update Council's Economic Development Strategy and Economic Action Plan in alignment with the Queensland Treasury Corporation Business Review.	Implementation of actions contained in the Rockhampton Region Economic Action Plan.	Advance Rockhampton
2.2.2	Deliver economic development and industry engagement initiatives that create economic growth and lifestyle improvements in the Region and continue to strengthen resources, construction, agriculture and defence industry services and create new opportunities in the renewable energy sector.	Develop and implement economic resilience activities in-line with the Rockhampton Region Economic Development Strategy and Rockhampton Region Economic Action Plan.	Advance Rockhampton
2.2.3	Identify and assess further opportunities for water planning, management and infrastructure that support urban water security, industry development and economic development for the Region.	Develop discussion paper by 31 March 2022.	Whole of Council
2.3.1	Develop strategies and initiatives that promote redevelopment, investment attraction and growth aiming to create activation across regional precincts.	Projects that assist in activating regional precincts in accordance with the Rockhampton Region Economic Action Plan, Central Business District Framework and commercial centres strategy.	Advance Rockhampton

Action	Target	Portfolio
2.3.2 Analyse and implement recommendations of the Rockhampton Region Precinct Activation Survey.	Complete analysis by 15 October 2021 and implement recommendations by 30 June 2022.	Advance Rockhampton
2.4.1 Complete construction of the Aircraft Maintenance Repair and Overhaul Facility, apron and associated infrastructure in accordance with agreement with Alliance Airlines.	Complete construction in accordance with agreed timeframes.	Airport
2.5.1 Implement actions as per the SmartHub Operational Plan.	Progress and report on the actions of the SmartHub Operational Plan 2021-2023.	Advance Rockhampton
2.5.2 Facilitate and commission an Investment Attraction and Jobs Pipeline Study.	Complete study by 31 January 2022 and implement actions by 30 June 2022.	Advance Rockhampton
2.6.1 Investigate economic benefits of building a circular economy across the Region.	Develop a Circular Economy discussion paper by 1 March 2022.	Advance Rockhampton





3 Environment

An environmentally balanced and aware community, which preserves and maintains our natural environment and incorporates contemporary and proven sustainability principles, as part of all activities for current and future generations.

KEY FOCUS AREAS FOR 2021-22

Adaptation and Resilience

Corporate Plan Outcomes

1. Contribute to healthy natural ecosystems
2. Sustainable and innovative environmental practices
3. Understand Council's and the community's environmental impacts

Action	Target	Portfolio
3.1.1 Implement the Environmental Sustainability Strategy.	Deliver actions in the Environmental Sustainability Strategy in accordance with the annual action plan and report progress in the annual highlights report.	Water and Environmental Sustainability
3.1.2 Develop a tree planting strategy.	Develop strategy by 30 June 2022.	Parks, Sport and Public Spaces





Action	Target	Portfolio
3.2.1 Install solar power at the Glenmore Water Treatment Plant.	Project on track for completion in 2022-23.	Water and Environmental Sustainability
3.3.1 Strengthen the Region's capability for climate adaptation and resilience.	Review and embed considerations within Council's Sustainability Governance Framework and associated policies, strategies and plans by 30 June 2022.	Water and Environmental Sustainability



Rockhampton Regional Council | Operational Plan 2021-2022

COMMUNITY | ECONOMY | ENVIRONMENT | SERVICE EXCELLENCE | LOCAL GOVERNMENT LEADER

25

4 Service Excellence

A modern thinking, community outcome focused organisation that effectively balances the community's aspirations with the resources available now and in the future.

KEY FOCUS AREAS FOR 2021-22

Asset Management Planning

Corporate Plan Outcomes

1. Customer focused services
2. Practical and values based compliance frameworks
3. Accountable and motivated organisation
4. Plan for future population and economic growth giving consideration to a diverse range of industries and services

Action	Target	Portfolio
4.1.1 Establish defined service levels for operational sections of Council.	Adopt Service Delivery Statements that include defined service levels for Parks.	Whole of Council
4.1.2 Further promote electronic billing options for rates and water charges to increase take up.	Increase take up of eNotices to 10% of ratepayers.	Whole of Council
4.1.3 Develop a Water Meter Replacement Program.	Develop by 30 June 2022.	Water and Environmental Sustainability

Rockhampton Regional Council | Operational Plan 2021-2022





Action	Target	Portfolio
4.2.1 Ensure employees are appropriately trained, skilled and certified to safely undertake the requirements of their position.	Deliver actions in the Health and Safety Strategy in accordance with agreed timeframes.	Whole of Council
4.3.1 Implement the Information and Communication Technology Strategic Plan 2021-2025.	Deliver the Information and Communication Technology Strategic Plan actions for 2021-22.	Whole of Council
4.3.2 Maintain a safe work environment for all employees, volunteers and contractors of Council.	Review and implement Health and Safety Strategy.	Whole of Council
4.4.1 Amend the Rockhampton Region Planning Scheme as required to achieve Council's policy objectives and outcomes.	Commence priority planning scheme amendments.	Whole of Council
4.4.2 Review and update Urban Water Supply Planning for: <ul style="list-style-type: none"> • Gracemere; and • Rockhampton. 	Report completed by 30 June 2022.	Water and Environmental Sustainability
4.4.3 Support the Northern Boundary Review.	Respond to the Boundary Commissioner's requirements within the prescribed timeframes.	Whole of Council



5 Local Government Leader

Delivering a high performing and progressive organisation that leads by example.

KEY FOCUS AREAS FOR 2021-22

Project Planning and Advocacy

Corporate Plan Outcomes

1. *Productive partnerships with all levels of government and relevant stakeholders*
2. *Strong leadership that provides quality governance to support and service the community*
3. *Financially sustainable organisation*
4. *Leading public sector employer*

Action	Target	Portfolio
5.1.1 Identify and pursue opportunities for advocacy for regional policy and associated outcomes that benefit the Region.	Develop and implement agreed Advocacy Action Plan measures established in the annual Advocacy Strategy within the prescribed timelines.	Whole of Council
5.1.2 Advocate to secure funding for the preparation of a Business Case for the redevelopment of the Pilbeam Theatre Precinct.	Secure funding for the Business Case preparation.	Whole of Council





Action	Target	Portfolio
5.2.1 Develop a five-year Corporate Plan.	Adopt Corporate Plan for 2022-2027 by 30 June 2022.	Whole of Council
5.3.1 Efficient and effective management of Council's finances.	Long Term Financial Forecast updated at each budget and budget revision.	Whole of Council
5.3.2 Update asset management plans for: <ul style="list-style-type: none"> Bridges; and Sewer and Water. 	Complete by 30 June 2022.	Whole of Council
5.4.1 Undertake certified agreement negotiations that consider the application of industrial instruments and financial objectives.	Negotiations completed and certified agreement conditions implemented by 30 June 2022.	Whole of Council



Informing Strategies and Plans

There are a number of informing strategies and plans that allow Council to set its priorities within its resourcing capability and deliver short term, medium term and long term community priorities and aspirations.

Community

- ▶ Animal Management Strategy
- ▶ Child and Youth Risk Management Strategy
- ▶ Customer Service Standards
- ▶ Dengue Management Plan
- ▶ Drought Management Plan
- ▶ Flood Management Strategy
- ▶ Flood Studies for Regional Catchments
- ▶ Health and Safety Strategy
- ▶ Local Disaster Management Plan
- ▶ Mount Archer Activation Master Plan
- ▶ Natural Hazards Risk Assessment
- ▶ Reflect Reconciliation Action Plan
- ▶ Rockhampton Recreational Fishing Development Strategy
- ▶ Rockhampton Regional Planning Scheme
- ▶ Vector Management Plan
- ▶ Wayfinding and Signage Strategy
- ▶ Wild Dog Management Plan

Economy

- ▶ CBD Redevelopment Framework
- ▶ CBD Streetscape Design Manual
- ▶ Economic Development Strategy 2050
- ▶ Mount Morgan Strategy
- ▶ Rockhampton Airport Masterplan 2017-2037
- ▶ Rockhampton Regional Council Economic Action Plan
- ▶ Rockhampton Regional Planning Scheme
- ▶ Smart Hub Operational Plan 2021-2023
- ▶ Smart Way Forward Action Plan
- ▶ The Smart Regional Centre Strategy
- ▶ Tourism Action Plan

Environment

- ▶ Biosecurity Plan for Pest Management 2017-2021
- ▶ Environmental Sustainability Strategy 2018-2022 (and Annual Action Plans)
- ▶ Feral Pig Management Plan 2019-2023
- ▶ Rockhampton Regional Planning Scheme
- ▶ RRC Waste Strategy 2020-2030

Service Excellence

- ▶ Annual Performance Plan – Fitzroy River Water
- ▶ Annual Performance Plan – Rockhampton Airport
- ▶ Annual Performance Plan – Rockhampton Regional Waste and Recycling
- ▶ Corporate Systems Consolidation Strategy
- ▶ Customer Service Charter
- ▶ eServices Strategy
- ▶ Health and Safety Strategy
- ▶ Information and Communications Technology Strategic Plan 2021-2025
- ▶ IT Mobility Strategy

Local Government Leader

- ▶ Asset Management Plans
- ▶ Advocacy Framework and Strategy
- ▶ Enterprise Risk Framework
- ▶ Annual Audit Plan 2021-2022
- ▶ Strategic Audit Plan 2021-2024
- ▶ Fraud and Corruption Control Plan
- ▶ Long Term Financial Forecast





**FITZROY RIVER WATER
2021-2022 PERFORMANCE PLAN**

OVERVIEW

Fitzroy River Water (FRW) is a commercial business unit of Council providing water and sewerage services to the communities of Rockhampton, Gracemere and Mount Morgan. It is also a bulk drinking water supplier to Livingstone Shire Council.

This plan underpins FRW's performance objectives over the 2021-22 financial year in accordance with the *Local Government Regulation 2012* and commercialisation principles under the provisions of the *Local Government Act 2009*.

OBJECTIVES

FRW will deliver all services relating to water and sewerage on behalf of Council in accordance with the parameters outlined within this performance plan and those identified within Council's 2021-22 Operational Plan.

FRW will enhance the community's quality of life by providing sustainable water and sewerage services, through innovation, technical expertise, business efficiency, excellence in customer service and commitment to the environment.

The key objectives of FRW are to deliver commercially viable, safe and reliable water and sewerage services that satisfy adopted customer service standards.

FRW will, in conducting the activities on behalf of Council:

- ▶ Provide high-quality, safe, reliable and cost-effective water and sewerage services;
- ▶ Operate in an efficient and financially sustainable manner and provide Council with an appropriate rate of return;
- ▶ Responsibly manage, improve and augment infrastructure;
- ▶ Be responsive to customer needs;
- ▶ Meet performance targets;
- ▶ Optimise costs and business processes;
- ▶ Protect the environment, encourage water conservation and effluent re-use; and
- ▶ Undertake other commercial activities on a cost recovery basis with an appropriate rate of return.

VALUES

FRW will provide a service which embraces Council's Corporate Values of Safety, Accountable, Customer Focused, Continuous Improvement, One Team, and People Development.

Vision

Contribute to the Region's liveability, growth and development by being a leading water and sewerage business.

**Mission**

To efficiently and reliably provide sustainable, high quality water and sewerage services.

NATURE AND SCOPE OF ACTIVITIES

Broadly, the nature and extent of the water and sewerage services provided by FRW are as follows:

Water Operations

Water	30,357 ML
Barrage	1
Dams	1
Water Treatment Plants	2 (120ML/d and 2.6ML/d)
Water Reticulation	855 km
Potable Water Supply Reservoirs	20
Pumping Stations and Bores	40
Properties Served* – Water (as at 30 June 2020)	32,642

Sewerage Operations

Sewage Treated	6,116 ML
Sewage Treatment Plants	4 (10 ML/d, 5 ML/d, 2 ML/d, 0.2 ML/d)
Pumping Stations	56
Sewerage Collection Mains	724 km
Properties Served* – Sewerage (as at 30 June 2020)	30,213

* Not including vacant land.



Photograph by: Laura Anderson - The Pinks of the Fitzroy 2020

FINANCIAL AND NON-FINANCIAL PERFORMANCE TARGETS

Financial Performance

Performance Measure	2021-22 Target	Explanation	Calculation
Operating surplus ratio	48.1%	An indicator of the extent to which revenue raised covers operational expenses only or are available for capital funding purposes or other purposes.	Net result (excluding capital items) divided by total operating revenue (excluding capital items)
Interest coverage ratio	74.0 times	An indicator of the extent to which an entity can pay their interest expense on outstanding debt.	Earnings before interest, tax, depreciation and amortisation divided by interest expense
Asset sustainability ratio	Greater than 90%	An indicator of the extent to which the infrastructure assets are being replaced as they reach the end of their useful lives. The Department of Infrastructure, Local Government and Planning target is greater than 90% per annum (on average over the long-term).	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense
Competitive neutrality ratio (% of gross revenue)	31.2%	An indicator of the extent to which operating revenues are committed to competitive neutrality adjustments such as tax equivalents and return to Council.	Competitive neutrality adjustments divided by operating revenue
Depreciation ratio	19.4%	An indicator of the extent to which operating revenues are committed to funding depreciation.	Depreciation and amortisation expenditure divided by operating revenue
Return on assets	5.3%	An indicator of how profitable a business is relative to its total assets. Return on assets tells you what earnings were generated from invested capital (assets).	Net profit after tax divided by Written Down Value of assets (excluding contributed or rehabilitation assets)
RRC Operational Plan	By year end	Initiatives successfully completed.	N/A

Performance Measure	2021-22 Target	Explanation	Calculation
Operating Budget	Advise quarterly or when variances arise	Conduct all activities in accordance with required timelines and budget.	N/A
Annual Revenue	Advise quarterly or when variances arise	Timely reporting of any significant variations to budget revenue and collection timing.	N/A
Capital Works	Within 3%	Completion of capital program in accordance with adopted timeframe and budget.	Actual expenditure divided by budget

Non-Financial Performance

Water

		Potable Water Supply Schemes	
CSS Reference	Performance Indicator	Rockhampton and Gracemere	Mount Morgan
Day to Day Continuity			
CSS1	Extent of unplanned interruptions – connections based (no. per 1,000 connections per year)	<80	<80
CSS2	Extent of unplanned interruptions – incidents based (no. per 100 km of main per year)	<30	<30
CSS3	Time for restoration of service – unplanned interruptions (% restored within 5 hours)	>90%	>90%
CSS4	Customer interruption frequency:		
	1 interruption per year	12%	12%
	2 interruptions per year	2%	2%
	3 interruptions per year	1%	1%
	4 interruptions per year	0.50%	0.50%
	5 or more interruptions per year	0.25%	0.25%
CSS5	Relative incidence of planned and unplanned interruption incidents (% of planned versus total number of interruptions)	>30%	>30%
CSS6	Average interruption duration – planned and unplanned	3 hours	3 hours
CSS7	Response time:	95%	95%
	Priority 1 – 1 hour response		
	Priority 2 – 2 hours response		
	Priority 3 – 24 hours response		
	Restoration time:	95%	95%
	Priority 1 – 5 hours restoration		
	Priority 2 – 24 hours restoration		
	Priority 3 – 5 days restoration		

CSS Reference	Performance Indicator	Potable Water Supply Schemes	
		Rockhampton and Gracemere	Mount Morgan
Adequacy and Quality of Normal Supply of Water Supply			
CSS8	Minimum pressure standard at the water meter	220 kPa	220 kPa
CSS9	Minimum flow standard at the water meter	9 L/min	9 L/min
CSS10	Connections with deficient pressure and/or flow (% of total connections)	<2.5%	<2.5%
CSS11	Drinking water quality (compliance with industry standard) 1	>98%	>98%
CSS12	Drinking water quality complaints (number per 1,000 connections)	<5	
CSS13	Drinking water quality incidents (number per 1,000 connections)	<5	<5
Long Term Continuity of Water Services			
CSS14	Water main breaks (number per 100 km main)	<40	<40
CSS15	Water services breaks (number per 1,000 connections)	<40	<40
CSS16	System water loss (litres per connection per day)	<200 L	<200 L

1 FRW's Drinking Water Quality Management Plan identifies the following key water quality parameters as reference indicators for customer service purposes: physical and chemical water quality parameters – Target: >99% of all samples tested compliant with Australian Drinking Water Guidelines; E. coli – Target: None detected in >98% of all samples tested.

Sewerage

CSS Reference	Performance Indicator	Sewerage Schemes	
		Rockhampton and Gracemere	Mount Morgan
Effective Transportation of Sewage			
CSS17	Sewage overflows – total (number per 100km main)	<30	<10
CSS18	Sewage overflows to customer property (number per 1,000 connections)	<10	<5
CSS19	Odour complaints (number per 1,000 connections)	<1	
CSS20	Response time:	>95%	>95%
	Priority 1 – 1 hour response		
	Priority 2 – 2 hours response		
	Priority 3 – 24 hours response		
	Restoration time:	>95%	>95%
	Priority 1 – 5 hours restoration		
	Priority 2 – 24 hours restoration		
	Priority 3 – 5 days restoration		

CSS Reference	Performance Indicator	Sewerage Schemes	
		Rockhampton and Gracemere	Mount Morgan
Long Term Continuity of Sewerage Services			
CSS21	Sewer main breaks and chokes (number per 100km main)	<50	<20
CSS22	Sewer inflow and infiltration (ratio of Peak Day Flow to Average Day Flow)	<5	<5

Customer Service Standards

Performance Indicator	2021-22 Target
Installation of new water connections (within the water service area)	15 working days
Installation of sewerage connections (within the sewered area)	15 working days
Complaints (excluding maintenance of water and sewerage services) – advise outcome	20 working days



COMMUNITY SERVICE OBLIGATIONS

Community service obligations arise when a government specifically requires a public enterprise to carry out activities relating to outputs or inputs which it would not elect to do on a commercial basis or, alternatively, would only provide at higher prices or via some other form of compensation.

The following community service obligations have been identified for the 2021-22 financial year and are funded by Council:

Community Service Obligation	Estimated Cost	Objective
Water		
Sporting Bodies Water Access and Consumption	\$54,043	Council upon review of applications, at times, grants remissions for water charges. These amounts are then claimed as a community service obligation by FRW. Refer to Council's Rates Concession Policy.
Undetected Leak Rebates	\$110,000	A resolution dated 23 May 2017 states that the implementation of the Undetected Leak Rebate Policy for both residential and non-residential customers be identified as a community service obligation to the amount of \$110,000 per annum.
Water Total	\$164,043	
Sewerage		
Combined Line Charges (expenses)	\$60,291	A resolution dated 22 June 1999 states that Council continue its current policy of maintaining combined line house drains and fund all such work carried out by FRW as a community service obligation.
Combined Line Charges (capital)	\$107,600	Further to the above resolution regarding the maintenance of combined lines, FRW has begun a full replacement program of these assets. As a result, the cost of replacing these combined lines also constitutes a community service obligation and the full cost incurred is claimed.
Raising Access Chambers	\$107,600	A resolution dated 29 May 2000 states that FRW carries out the raising of sewerage manholes and claims this as a community service obligation.

Community Service Obligation	Estimated Cost	Objective
Sporting Bodies Sewerage Access	\$121,366	Council upon review of applications, at times, grants remissions for water charges. These amounts are then claimed as a community service obligation by FRW. Refer to Council's Rates Concession Policy.
Sewerage Total	\$396,857	
TOTAL	\$560,900	

FINANCIAL POLICIES

Capital Structure

FRW's notional capital structure is 60% debt/40% equity for pricing purposes. FRW will continue to improve long term financial planning models which upon adoption, will be incorporated into Council's overall financial strategy. All FRW's financial planning is subject to approval by Council.

Borrowings

Debt financing is provided by Council under the terms and conditions imposed by the Queensland Treasury Corporation having regard to Council's determination on FRW's capital structure. FRW will be responsible for managing this debt and use Council's services where necessary to assist in this regard. Loans will only be used for capital expenditure and long term borrowing strategies will be in line with Council's long term financial plan.

Depreciation

Asset depreciation for external reporting and tax purposes will be calculated in accordance with Australian Accounting Standards and the Local Government Tax Equivalent Manual, respectively.

Working Capital

Council provides working capital as required which does not replace long term fixed borrowings.

Dividends

Annual dividends returned to Council are determined as part of the budget process. A ten year forecast reviews the level of future capital expenditure and affordability prior to setting dividends.



Treatment of Surpluses/Losses

In accordance with Council resolution, after the required Return on Assets and Income Tax Equivalents have been forwarded to Council each year, any remaining surplus/loss will be held in FRW's Retained Earnings for revenue fluctuations unless Council endorses an alternate treatment of such revenue.

Taxation

FRW is required to pay taxes either in the form of tax equivalents (income tax, land tax and stamp duty) to Council or via Council to the relevant government agencies (payroll tax, GST and fringe benefits).

Contributed Assets

Assets donated by developers or other parties will be recognised as revenue and a non-current asset. Contributed assets will also be recognised in the asset management system as a contributed asset.

Grants and Subsidies

FRW, in conjunction with Council, will provide priority projects to optimise use of available grants and subsidies.

Pricing

When developing pricing structures, FRW applies the National Competition Policy methodologies in conjunction with Council policies. While it is Council's responsibility for price setting, applying competitive neutrality principles negates competitive advantage when acting as a monopoly business activity.

Water utility charges consist of a two-part tariff – an access charge and a consumption charge.

Sewerage utility charges are set on number of charges per residence or number of charges per pedestal and/or equivalent urinal.

PROPOSED MAJOR INVESTMENTS

FRW's proposed major investments for 2021-22 financial year are outlined below:

Water Investment	Cost \$
Barrage	\$0.7M
Water Treatment Plants	\$10.1M
Water Pump Stations	\$1.7M
Water Reservoirs	\$0.9M
Water Mains	\$3.8M
Water Meters	\$1.3M
Water Security (Mount Morgan)	\$1.0M
Solar Initiative	\$2.0M
Other	\$0.1M
TOTAL	\$21.6M

Sewerage Investment	Cost \$
Sewage Treatment Plants	\$23.5M
Sewerage Pump Stations	\$1.3M
Sewerage Mains	\$2.4M
TOTAL	\$27.2M

CUSTOMER SERVICE

Customers are entitled to be provided with a service that consistently meets all relevant state legislative compliance targets and national guideline requirements. Customer needs and satisfaction will be met in the achievement of our Customer Service Standard performance targets and through our values. FRW is responsible for the contact with, and commitment to, customers in accordance with customer service standards. Commercial customers will also have a formal contract with Council but the service will be provided by FRW on behalf of Council.

As a water service provider, FRW has prepared a Customer Service Standard in line with the requirements of the *Water Supply (Safety and Reliability) Act 2008* (the Act). The Customer Service Standard states a target for the level of service provided and the process for service connections, billing, metering, accounting, customer consultation, complaints and dispute resolution. The Act also requires a water or sewerage service provider supplying a reticulated water service or sewerage service to declare the relevant area to be a service area and keep a map showing the service area.

FRW undertakes quarterly reporting to Council on performance against the adopted Customer Service Standards and aims to achieve the Non-Financial Performance indicators in the 2021-22 Performance Plan.

Access to the Customer Service Standard: <https://www.rockhamptonregion.qld.gov.au/CouncilServices/Fitzroy-River-Water>

Access to the Service Area Maps: <https://www.rockhamptonregion.qld.gov.au/CouncilServices/Fitzroy-River-Water>

DELEGATED AUTHORITIES

Council will be responsible for providing an environment in which FRW can operate in a manner in which it has every opportunity to meet the objectives of commercialisation and that responsibility will include:

- ▶ Providing FRW with management autonomy to operate to achieve outcomes set by Council, within the context of the management framework of Council, in line with legislation, and in accordance with the adopted performance plan;
- ▶ Providing funding as agreed in budget;
- ▶ Not unnecessarily withholding approvals; and
- ▶ Not to expect non-commercial effort unless identified as a customer service obligation and appropriate funding provided.

To protect its assets and to ensure that it can meet its performance agreement with Council, FRW is responsible for managing and controlling the operations and development of water and sewerage infrastructure, where required, in accordance with Council's adopted policies.

FRW's overall delegated authorities are in accordance with section 259 of the *Local Government Act 2009*. A full list of delegations and authorisations is maintained in Council's Delegations and Authorisations Registers including delegated powers in various Legislative Acts.

REPORTING FRAMEWORK

FRW will report to Council through various forums to meet corporate reporting requirements to satisfy the requirements set out in the *Local Government Act 2009* and the *Local Government Regulation 2012* and provide reports to regulatory authorities as required by a water and sewerage service provider.

Corporate Requirements

Reporting Requirement

Annual Operations Report

Asset Management Plan

Council Officer Reports



Reporting Requirement

Operational Plan metric inputs

Quarterly Performance Report

Regulatory Requirements

Reporting Requirement

Resource Operations Licence Quarterly/Annual Report

Emergency Action Plan

Drinking Water Quality Management Plan Annual Report

Statewide Water Information Management Reporting

National Performance Report

Bureau of Meteorology Reports

The *Local Government Regulation 2012* (section 175(4)) allows a performance plan to be amended at any time before the end of the financial year for which it is prepared.

SERVICE DELIVERY STATEMENT

Overview

Within the Fitzroy River Water portfolio there are four main service areas:

Drinking Water Supply Schemes/Bulk Water Services (>100,000 total population):

- ▶ Rockhampton Water Supply Scheme – supplies to the Rockhampton and Gracemere localities
- ▶ Mount Morgan Water Supply Scheme – supplies to the Mount Morgan and Baree localities
- ▶ Bulk Water Supply to Livingstone Shire Council – supplies drinking water to The Caves, Nerimbera and Capricorn Coast localities within the Livingstone Shire Council area

Raw/Untreated Water Supply Schemes (>100 customers):

- ▶ Fitzroy Barrage Water Supply Scheme – supplies medium priority supplemented water to allocation holders located within the vicinity of the Fitzroy River Barrage pondage
- ▶ Fletcher Creek Water Supply Scheme – supplies medium priority supplemented water to a customer located near Fletcher Creek south of Mount Morgan

Sewerage Schemes (>80,000 total population):

- ▶ North Rockhampton Sewerage Scheme – servicing suburban North Rockhampton and Parkhurst
- ▶ South Rockhampton Sewerage Scheme – servicing suburban South Rockhampton and West Rockhampton and the Central Business District

- ▶ Gracemere Sewerage Scheme – servicing the Gracemere community
- ▶ Mount Morgan Sewerage Scheme – servicing the Mount Morgan township

Recycled Water Schemes (>10 customers):

- ▶ North Rockhampton Recycled Water Scheme
- ▶ South Rockhampton Recycled Water Scheme
- ▶ Gracemere Recycled Water Scheme
- ▶ Mount Morgan Recycled Water Scheme

Staff Resources

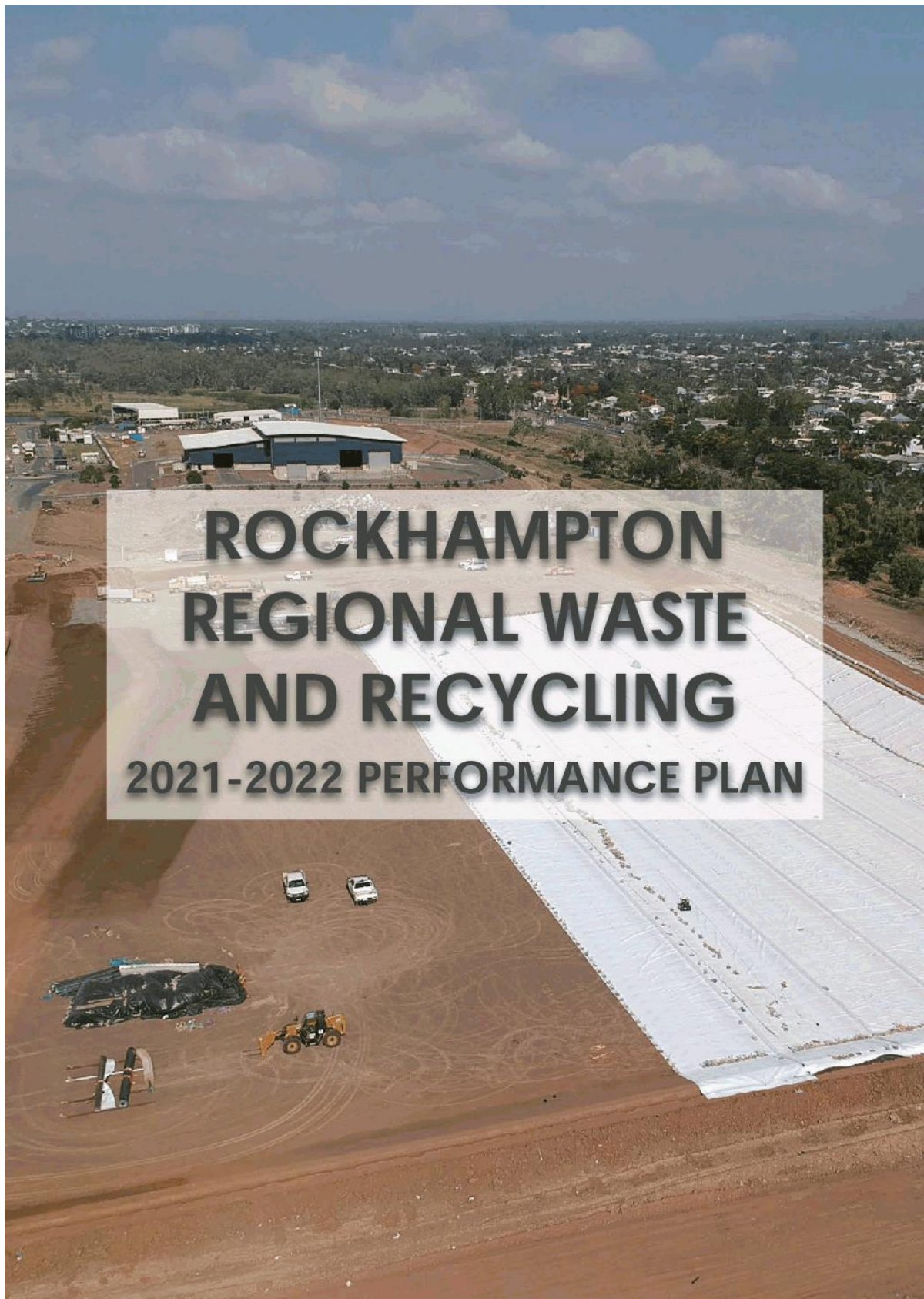
Tenure	Total FTEs
Fulltime	107
Casual	1



Rockhampton Regional Council | Operational Plan 2021-2022

COMMUNITY | ECONOMY | ENVIRONMENT | SERVICE EXCELLENCE | LOCAL GOVERNMENT LEADER

45



**ROCKHAMPTON
REGIONAL WASTE
AND RECYCLING
2021-2022 PERFORMANCE PLAN**

OVERVIEW

Rockhampton Regional Waste and Recycling (RRWR) is a commercial business unit of Council providing recycling and solid waste collection and management services to the communities of Rockhampton, Gracemere, Mount Morgan and surrounds. It also provides waste transfer station management services to the communities of Bajool, Bushley, Alton Downs and Bouldercombe.

This plan underpins RRWR's performance objectives over the 2021-22 financial year in accordance with the *Local Government Regulation 2012* and commercialisation principles under the provisions of the *Local Government Act 2009*.

OBJECTIVES

RRWR will deliver all services relating to waste management and collection on behalf of Council in accordance with the parameters outlined within this performance plan and those identified within Council's 2021-2022 Operational Plan.

RRWR will enhance the community by embracing the principles of Council's Waste Strategy 2020-2030, as we move towards a circular economy.

The key objectives of RRWR are to deliver commercially viable waste and recycling services that satisfy adopted customer service standards.

RRWR will, in conducting the activities on behalf of Council:

- ▶ Provide high-quality, safe, reliable and cost-effective waste services;
- ▶ Operate in a safe, efficient and financially sustainable manner and provide Council with an appropriate rate of return;
- ▶ Responsibly manage, improve and augment infrastructure;
- ▶ Be responsive to customer needs;
- ▶ Provide efficient and effective collection services;
- ▶ Meet performance targets;
- ▶ Optimise costs and business processes;
- ▶ Protect the environment, encourage waste conservation and waste re-use; and
- ▶ Undertake other commercial activities on a cost recovery basis with an appropriate rate of return.

VALUES

RRWR will provide a service which embraces Council's Corporate Values as well as a number of other values.

Vision

To live in a community without waste.

Mission

We will become a "zero-waste" community by 2050, diverting 90% of waste from landfill.

Values Statement

RRWR will provide a service which embraces Council's corporate values. We will protect the environment based upon legislative guidelines and best practice for the betterment of our community and future generations. We will value our earth commodities through implementing innovative and viable resource recovery practices.

NATURE AND SCOPE OF ACTIVITIES

Broadly, the nature and extent of the waste and recycling services provided by RRWR are as follows:

Number of services – General Waste (as at 1 January 2021)	37,907
Number of services – Recycling (as at 1 January 2021)	34,740
Total Waste to Landfill – including kerbside waste collection but not including cover material (tonnes) (as at 30 June 2020)	52,848t
Kerbside Waste Collection (tonnes) (as at 30 June 2020)	22,064t
Kerbside Recycling Collection (tonnes) (as at 30 June 2020)	4,580t
Landfills	1
Transfer Stations – Staffed	7



FINANCIAL AND NON-FINANCIAL PERFORMANCE TARGETS

Financial Performance

Performance Measure	2021-22 Target	Explanation	Calculation
Operating surplus ratio	20.6%	An indicator of the extent to which revenue raised covers operational expenses only or are available for capital funding purposes or other purposes.	Net result (excluding capital items) divided by total operating revenue (excluding capital items)
Interest coverage ratio	20.7 times	An indicator of the extent to which an entity can pay their interest expense on outstanding debt.	Earnings before interest, tax, depreciation and amortisation divided by interest expense
Asset sustainability ratio	Greater than 90%	An indicator of the extent to which the infrastructure assets are being replaced as they reach the end of their useful lives. The Department of Infrastructure, Local Government and Planning target is greater than 90% per annum (on average over the long-term).	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense
Competitive neutrality ratio (% of gross revenue)	4.5%	An indicator of the extent to which operating revenues are committed to competitive neutrality adjustments such as tax equivalents and return to Council.	Competitive neutrality adjustments divided by operating revenue
Depreciation ratio	6.7%	An indicator of the extent to which operating revenues are committed to funding depreciation.	Depreciation and amortisation expenditure divided by operating revenue
Return on assets	19.3%	An indicator of how profitable a business is relative to its total assets. Return on assets tells you what earnings were generated from invested capital (assets).	Net profit after tax divided by Written Down Value of assets (excluding contributed or rehabilitation assets)
RRC Operational Plan	By year end	Initiatives successfully completed.	N/A

Rockhampton Regional Council | Operational Plan 2021-2022



Performance Measure	2021-22 Target	Explanation	Calculation
Operating Budget	Advise quarterly or when variances arise	Conduct all activities in accordance with required timelines and budget.	N/A
Annual Revenue	Advise quarterly or when variances arise	Timely reporting of any significant variations to budget revenue and collection timing.	N/A
Capital Works	Within 3%	Completion of capital program in accordance with adopted timeframe and budget.	Actual expenditure divided by budget



Non-Financial Performance

Performance Measure	2021-22 Target
Weekly collection of domestic waste on the same day every week	98%
Weekly collection of commercial waste	95%
Fortnightly collection of domestic recyclable waste	98%
Fortnightly collection of commercial recyclable waste	98%
Missed service collection provided within two working days from notification when notification is within one working day of scheduled collection	95%
Collection services will be made available within five working days upon application by the owner	95%
Provision of assisted services within ten working days from application by the resident/s	98%
Repair or replacement of stolen, removed, damaged, vandalised mobile bins within five working days from notification	95%

COMMUNITY SERVICE OBLIGATIONS

Community service obligations arise when a government specifically requires a public enterprise to carry out activities relating to outputs or inputs which it would not elect to do on a commercial basis or, alternatively, would only provide at higher prices or via some other form of compensation.

The following community service obligations have been identified for the 2021-22 financial year and are funded by Council:

Community Service Obligation	Estimated Cost	Objective
Old Landfills Maintenance Works	\$124,000	To offset the costs associated with monitoring and maintaining many old closed landfill sites.
Regulated Waste Disposal	\$138,000	Regulated waste must all be disposed of in adherence to environmental laws and regulations and the method of disposal is quite expensive. To ensure disposal costs charged to the community is at an affordable rate, which in turn will prevent illegal dumping and more costs due to environmental damage.
Charity Waste Policy	\$51,000	To offset foregone fees due to the granting of remissions for registered charities.
Green Waste	\$165,000	Council has introduced fees and charges for the disposal of green waste which is expected to off-set the cost of managing green waste by the amount of \$500,000. The CSO amount has been reduced by the same amount.
Waste Education	\$55,000	To assist with the provision of education to the community in relation to the whole range of waste issues, in particular to develop community wide support for Council's strategic agenda of achieving zero waste by 2050, and to fostering desired behaviours in relation to recycling, waste generation, litter and illegal dumping.
Assisted Service	\$263,000	To offset the additional costs of providing Assisted Services for waste and recycling collections, being those services whereby operators are required to access the resident's property to collect and return bins.
TOTAL	\$796,000	



FINANCIAL POLICIES

Capital Structure

RRWR's notional capital structure is 60% debt/40% equity for pricing purposes. RRWR will continue to improve long term financial planning models which upon adoption, will be incorporated into Council's overall financial strategy. All RRWR's financial planning is subject to approval by Council.

Borrowings

Debt financing is provided by Council under the terms and conditions imposed by the Queensland Treasury Corporation having regard to Council's determination on RRWR's capital structure. RRWR will be responsible for managing this debt and use Council's services where necessary to assist in this regard. Loans will only be used for capital expenditure and long term borrowing strategies will be in line with Council's long term financial plan.

Depreciation

Asset depreciation for external reporting and tax purposes will be calculated in accordance with Australian Accounting Standards and the Local Government Tax Equivalent Manual, respectively.

Working Capital

Council provides working capital as required which does not replace long term fixed borrowings.

Dividends

Annual dividends returned to Council are determined as part of the budget process. A ten year forecast reviews the level of future capital expenditure and affordability prior to setting dividends.

Treatment of Surpluses/Losses

In accordance with Council resolution, after the required Return on Assets and Income Tax Equivalents have been forwarded to Council each year, any remaining surplus/loss will be held in RRWR's Retained Earnings for revenue fluctuations unless Council endorses an alternate treatment of such revenue.

Taxation

RRWR is required to pay taxes either in the form of tax equivalents (income tax, land tax, payroll tax and stamp duty) to Council or via Council to the relevant government agencies (GST and fringe benefits).



Grants and Subsidies

RRWR, in conjunction with Council, will provide priority projects to optimise use of available grants and subsidies.

Pricing

When developing pricing structures, Council applies the National Competition Policy methodologies in conjunction with Council policies. While it is Council's responsibility for price setting, applying competitive neutrality principles negates competitive advantage when acting as a monopoly business activity.

Waste utility charges consist of a general waste service and/or a recycling service for both domestic and commercial customers.

Landfill gate fees are set per tonne or transaction.

Waste Transfer Station gate fees are set per transaction.

PROPOSED MAJOR INVESTMENTS

RRWR's proposed major investments for 2021-22 financial year are outlined below:

Project	Cost \$
Gracemere Waste Transfer Station – Design and Construct	\$1.1M
Capping and Closure Gracemere Landfill	\$1.1M
Lakes Creek Road Landfill – Life Extension	\$2.6M
Other projects	\$0.8M
TOTAL	\$5.6M

CUSTOMER SERVICE

Customers are entitled to be provided with a service that consistently meets all relevant state legislative compliance targets and national guideline requirements. Customer needs and satisfaction will be met in the achievement of our Customer Service Standard performance targets and through our values. RRWR is responsible for the contact with, and commitment to, customers in accordance with customer service standards. Commercial customers will also have a formal contract with Council but the service will be provided by RRWR on behalf of Council.

RRWR is determined to meet customer needs and provide quality services. Customer needs shall be evaluated by a variety of measures including, but not limited to stakeholder analysis and engagement through customer feedback and analysis of services provided by other waste management agencies.

When delivering services such as household waste collection, commercial waste collection, recycling services, waste advisory services and landfill waste disposal services, RRWR recognises that customers are entitled to be guaranteed of a certain level of service.

RRWR undertakes quarterly reporting to Council on performance against the adopted Customer Service Standards and aims to achieve the Non-Financial Performance indicators in the 2021-22 Performance Plan.

DELEGATED AUTHORITIES

Council will be responsible for providing an environment in which RRWR can operate in a manner in which it has every opportunity to meet the objectives of commercialisation and that responsibility will include:

- ▶ Providing RRWR with management autonomy to operate to achieve outcomes set by Council, within the context of the management framework of Council, in line with legislation, and in accordance with the adopted performance plan;
- ▶ Providing funding as agreed in budget;

- ▶ Not unnecessarily withholding approvals; and
- ▶ Not to expect non-commercial effort unless identified as a customer service obligation and appropriate funding provided.

To protect its assets and to ensure that it can meet its performance agreement with Council, RRWR is responsible for managing and controlling the operations and development of waste infrastructure, where required, in accordance with Council's adopted policies.

RRWR's overall delegated authorities are in accordance with section 259 of the *Local Government Act 2009*. A full list of delegations and authorisations is maintained in Council's Delegations and Authorisations Registers including delegated powers in various Legislative Acts.

REPORTING FRAMEWORK

RRWR will report to Council through various forums to meet corporate reporting requirements to satisfy the requirements set out in the *Local Government Act 2009* and the *Local Government Regulation 2012* and provide reports to regulatory authorities as required by a licenced operator of an environmentally relevant activity.

Corporate Requirements

Reporting Requirement

Annual Operations Report

Asset Management Plan

Council Officer Reports

Operational Plan metric inputs

Quarterly Performance Report

Regional Collaboration (CQROC and LAWMAC) Quarterly Report to Council

Waste Strategy Implementation

Regulatory Requirements

Reporting Requirement

Environmental Authority – Annual Return

National Pollution Inventory (NPI) – Annual Reporting

Queensland Waste Data System (QWDS) – Monthly Reporting

The *Local Government Regulation 2012* (section 175(4)) allows a performance plan to be amended at any time before the end of the financial year for which it is prepared.

SERVICE DELIVERY STATEMENT

Overview

Within the Waste and Recycling portfolio there are three main service areas:

Waste and Recycling Collections:

- ▶ RRWR General Waste Kerbside Collections
- ▶ Contracted Recycling Kerbside Collection
- ▶ Procured Materials Recycling Facility
- ▶ Public Open Space and Events Collection Services

Waste and Recycling Facilities:

- ▶ Development of Engineered Landfill – Lakes Creek Road
- ▶ Direct management of one Engineered Landfill for domestic and commercial waste disposal
- ▶ Provision of recycling services, including: paper and cardboard, commingled recyclables, oils, batteries, scrap metals, white goods, mattresses, paints and e-waste
- ▶ Contract management of seven staffed regional waste transfer stations
- ▶ Management of historical and closed landfill sites

Waste and Recycling Management, Strategy and Education:

- ▶ Strategic management, including waste and recycling infrastructure development
- ▶ Development and management of Council's Waste Strategy in line with National, State and Local objectives
- ▶ Community engagement and education relating to waste and recycling

Additionally, RRWR enjoy collaborative partnerships with other departments delivering key services and projects with a One Team approach:

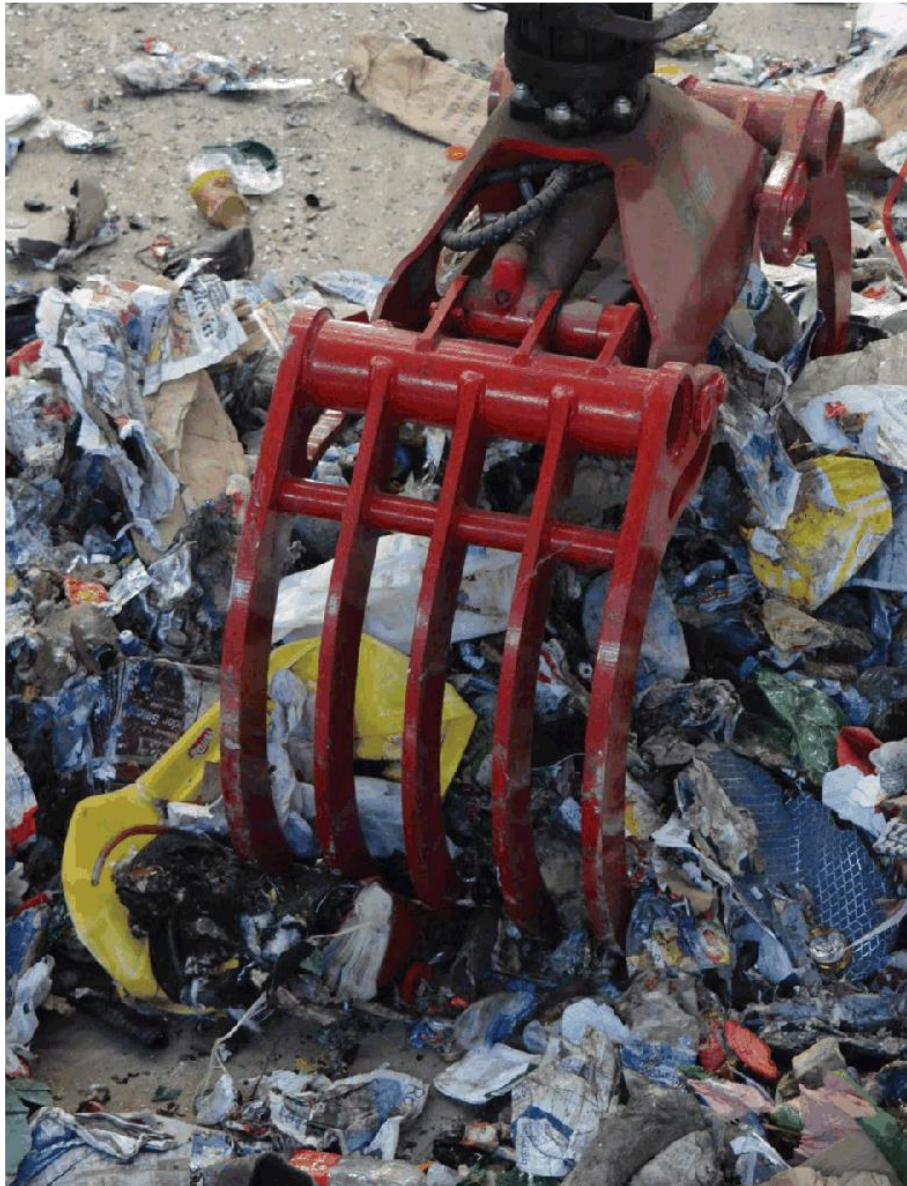
- ▶ Advance Rockhampton, Events: waste reduction education and waste management services.
- ▶ Community Services, Parks and Community Assets and Facilities: waste and recycling collection services.
- ▶ Regional Services, Civil Operations: operation of a construction and demolition recycling facility at Dale Park, Lakes Creek Road.

Staff Resources

Tenure	Total FTEs
Fulltime	37

Other Resources

RRWR utilises 11 waste collection vehicles, one landfill compactor, one front end loader (waste handler), one excavator and other smaller plant (for example, mowers, litter vacuum, pumps, generators). Due to the breadth and nature of RRWR's activities, there is an element of work that is undertaken by local contractors particularly during construction periods at the landfill or regional waste transfer stations and for areas which require specialised work.



Rockhampton Regional Council | Operational Plan 2021-2022



OVERVIEW

Rockhampton Airport is a commercial business unit of Council and is responsible for the management and operations of the Airport servicing the City of Rockhampton and Central Queensland.

This plan underpins Rockhampton Airport's performance objectives over the 2021-22 financial year in accordance with the *Local Government Regulation 2012* and commercialisation principles under the provisions of the *Local Government Act 2009*.

Rockhampton Airport, along with the whole airline industry, has been significantly impacted by the effects of the COVID-19 pandemic. Underpinning this plan is a premise of that passenger numbers for the year will be at 85.0% of the 2018-19 year. The 2021-22 year will be a year that will be rebuilding volume back into the flight schedules that support the needs of local travellers and minimising losses. Airport management will also continue to build on its strong relationships with the airlines for future years. Other opportunities around the resource sectors and east-west route development and others will also be pursued.

OBJECTIVES

Rockhampton Airport will deliver aeronautical and non-aeronautical services on behalf of Council in accordance with the parameters outlined within this performance plan and those identified within Council's 2021-22 Operational Plan.

Rockhampton Airport will enhance the community by providing an airport experience that stimulates industry, tourism and economic growth.

The key objective of Rockhampton Airport is to safely deliver aeronautical and non-aeronautical services that satisfy adopted customer service standards.

Rockhampton Airport will, in conducting the activities on behalf of Council:

- ▶ Provide high-quality, safe, reliable and cost-effective aviation services;
- ▶ Operate in an efficient and financially sustainable manner and provide Council with an appropriate rate of return;
- ▶ Responsibly manage, improve and augment infrastructure;
- ▶ Be responsive to customer needs;
- ▶ Meet performance targets;
- ▶ Optimise costs and business processes;
- ▶ Protect the environment by implementing best practice environmental management; and
- ▶ Undertake other commercial activities on a cost recovery basis with an appropriate rate of return.



VALUES

Rockhampton Airport will provide a service which embraces Council's Corporate Values.

Vision

To be recognised as the most innovative and professionally operated regional airport in Australia.

Mission

To generate a commercial rate of return on our infrastructure while remaining the preferred airport for high volume regular public transport operations within Central Queensland.

NATURE AND SCOPE OF ACTIVITIES

Broadly, the nature and extent of the aviation services provided by Rockhampton Airport is as follows:

- ▶ Provide air passenger services;
- ▶ Conduct an Airport business including affiliated services;
- ▶ Develop business for Rockhampton Regional Council;
- ▶ Support the General Aviation industry at the Rockhampton Airport; and
- ▶ Facilitate the use of the precinct during Military Exercises.

FINANCIAL AND NON-FINANCIAL PERFORMANCE TARGETS

Financial Performance

Performance Measure	2021-22 Target	Explanation	Calculation
Operating surplus ratio	14.3%	An indicator of the extent to which revenue raised covers operational expenses only or are available for capital funding purposes or other purposes.	Net result (excluding capital items) divided by total operating revenue (excluding capital items)



Performance Measure	2021-22 Target	Explanation	Calculation
Interest coverage ratio	17.6 times	An indicator of the extent to which an entity can pay their interest expense on outstanding debt.	Earnings before interest, tax, depreciation and amortisation divided by interest expense
Asset sustainability ratio	Greater than 90%	An indicator of the extent to which the infrastructure assets are being replaced as they reach the end of their useful lives. The Department of Infrastructure, Local Government and Planning target is greater than 90% per annum (on average over the long-term).	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense
Competitive neutrality ratio (% of gross revenue)	12.4%	An indicator of the extent to which operating revenues are committed to competitive neutrality adjustments such as tax equivalents and return to Council.	Competitive neutrality adjustments divided by operating revenue
Depreciation ratio	23.2%	An indicator of the extent to which operating revenues are committed to funding depreciation.	Depreciation and amortisation expenditure divided by operating revenue
Return on assets	1.8%	An indicator of how profitable a business is relative to its total assets. Return on assets tells you what earnings were generated from invested capital (assets).	Net profit after tax divided by Written Down Value of assets (excluding contributed or rehabilitation assets)
RRC Operational Plan	By year end	Initiatives successfully completed.	N/A
Operating Budget	Advise quarterly or when variances arise	Conduct all activities in accordance with required timelines and budget.	N/A
Annual Revenue	Advise quarterly or when variances arise	Timely reporting of any significant variations to budget revenue and collection timing.	N/A
Capital Works	Within 3%	Completion of capital program in accordance with adopted timeframe and budget.	Actual expenditure divided by budget

Non-Financial Performance

Performance Indicator	2021-22 Target
Passenger Numbers	450,000
Bird Strikes	≤10 per quarter
Lost Time Days – workplace injuries	0
Reported Public Injuries on Airport Precinct	0
Hazard inspections completed on time	100%
Rectification Action completed	100%
Customer Requests Actioned within set timeframes	100%
Third party reporting in Civil Aviation Safety Authority and Australasian Mail Services to be completed within the required timeframes	100%
New non-aero business opportunities reported to Council quarterly	Yes
Progress on new routes reported to Council quarterly	Yes

COMMUNITY SERVICE OBLIGATIONS

Community service obligations arise when a government specifically requires a public enterprise to carry out activities relating to outputs or inputs which it would not elect to do on a commercial basis or, alternatively, would only provide at higher prices or via some other form of compensation.

The following community service obligations have been identified for the 2021-22 financial year and are funded by Council:

Community Service Obligation	Estimated Cost	Objective
Royal Flying Doctors Service and Capricorn Rescue Helicopter Service	\$241,235	Donation of annual landing fees and lease costs in the form of waiving associated costs.
Patient car parking waiver	\$76,867	To waive car parking fees for eligible customers under the Patient Travelling Subsidy Scheme.
TOTAL	\$318,102	

FINANCIAL POLICIES

Capital Structure

Rockhampton Airport will continue to improve long term financial planning models which upon adoption, will be incorporated into Council's overall financial strategy. All Rockhampton Airport's financial planning is subject to approval by Council.

Borrowings

Debt financing is provided by Council under the terms and conditions imposed by the Queensland Treasury Corporation having regard to Council's determination on Rockhampton Airport's capital structure. Rockhampton Airport will be responsible for managing this debt and use Council's services where necessary to assist in this regard. Loans will only be used for capital expenditure and long term borrowing strategies will be in line with Council's long term financial plan.

Depreciation

Asset depreciation for external reporting and tax purposes will be calculated in accordance with Australian Accounting Standards and the Local Government Tax Equivalent Manual, respectively.

Working Capital

Council provides working capital as required which does not replace long term fixed borrowings.

Dividends

Annual dividends returned to Council are determined as part of the budget process. A ten year forecast reviews the level of future capital expenditure and affordability prior to setting dividends.



COMMUNITY | ECONOMY | ENVIRONMENT | SERVICE EXCELLENCE | LOCAL GOVERNMENT LEADER

Rockhampton Regional Council | Operational Plan 2021-2022

63

Treatment of Surpluses/Losses

In accordance with Council resolution, after the required Return on Assets and Income Tax Equivalents have been forwarded to Council each year, any remaining surplus/loss will be held in Rockhampton Airport's Retained Earnings for revenue fluctuations unless Council endorses an alternate treatment of such revenue.

Taxation

Rockhampton Airport is required to pay taxes either in the form of tax equivalents (income tax, land tax and stamp duty) to Council or via Council to the relevant government agencies (payroll tax, GST and fringe benefits).

Grants and Subsidies

Rockhampton Airport, in conjunction with Council will provide priority projects to optimise use of available grants and subsidies.

Pricing

When developing pricing structures, Rockhampton Airport applies the National Competition Policy methodologies in conjunction with Council policies. While it is Council's responsibility for price setting, applying competitive neutrality principles negates competitive advantage when acting as a monopoly business activity.

Passenger service charges are negotiated with Airlines.

Security infrastructure charges are set on a full cost recover basis from Airlines.



PROPOSED MAJOR INVESTMENTS

The Rockhampton Airport's proposed major investments for 2021-22 financial year are outlined below:

Aeronautical Investment	Cost \$
General Aviation Apron Rejuvenation	\$0.5M
Perimeter Road Extension	\$0.3M
Cross Runway	\$1.0M
Aviation Maintenance Facility	\$26.0M
Other	\$0.4M
TOTAL	\$28.2M

Non-Aeronautical Investment	Cost \$
Paid Car Parking Equipment	\$0.7M
Other	\$0.5M
TOTAL	\$1.2M

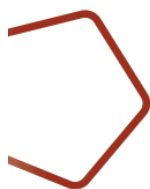
CUSTOMER SERVICE

Customers are entitled to be provided with a service that consistently meets all relevant state legislative compliance targets and national guidelines requirements. Customer needs and satisfaction will be met in the achievement of our Customer Service Standard performance targets and through our values. Rockhampton Airport is responsible for the contact with, and commitment to, customers in accordance with customer service standards. Commercial customers will also have a formal contract with Council but the service will be provided by Rockhampton Airport on behalf of Council.

Rockhampton Airport is determined to meet customer needs and provide quality services. Customer needs shall be evaluated by a variety of measures including, but not limited to stakeholder analysis and engagement through customer feedback and analysis of services provided by other airport operators.

Rockhampton Airport undertakes quarterly reporting to Council on performance against the adopted Customer Service Standards and aims to achieve the Non-Financial Performance indicators in the 2021-22 Performance Plan.

Access to the Customer Service Standard: <https://www.rockhamptonairport.com.au/Home>



DELEGATED AUTHORITIES

Council will be responsible for providing an environment in which Rockhampton Airport can operate in a manner in which it has every opportunity to meet the objectives of commercialisation and that responsibility will include:

- ▶ Providing Rockhampton Airport with management autonomy to operate to achieve outcomes set by Council, within the context of the management framework of Council, in line with legislation, and in accordance with the adopted performance plan;
- ▶ Providing funding as agreed in budget;
- ▶ Not unnecessarily withholding approvals; and
- ▶ Not to expect non-commercial effort unless identified as a customer service obligation and appropriate funding provided.

To protect its assets and to ensure that it can meet its performance agreement with Council, Rockhampton Airport is responsible for managing and controlling the operations and development of airport infrastructure, where required, in accordance with Council's adopted policies.

Rockhampton Airport's overall delegated authorities are in accordance with section 259 of the *Local Government Act 2009*. A full list of delegations and authorisations is maintained in Council's Delegations and Authorisations Registers including delegated powers in various Legislative Acts.

REPORTING FRAMEWORK

Rockhampton Airport will report to Council through various forums to meet corporate reporting requirements to satisfy the requirements set out in the *Local Government Act 2009* and the *Local Government Regulation 2012* and provide reports to regulatory authorities as required by a licenced operator of an airport.

Corporate Requirements

Reporting Requirement

Annual Operations Report
Asset Management Plan
Council Officer Reports
Operational Plan metric inputs
Quarterly Performance Report

Regulatory Requirements

Reporting Requirement

Australian Transport Safety Bureau
Civil Aviation Safety Authority
Department Home Affairs and Maritime Security

The *Local Government Regulation 2012* (section 175(4)) allows a performance plan to be amended at any time before the end of the financial year for which it is prepared.

SERVICE DELIVERY STATEMENT

Overview

Within the Rockhampton Airport portfolio there are two main service areas:

Aeronautical Services:

- ▶ Domestic and international airlines averaging 560,000 passengers per annum pre Covid
- ▶ Australian Defence Force military operations – Exercise Wallaby and Talisman Sabre
- ▶ Domestic charter services
- ▶ General aviation services – Royal Flying Doctors, Capricorn Helicopter Rescue, Rockhampton Aero Club, Peace Aviation and others

Non-Aeronautical Services:


- ▶ Four car park areas – drop off and pick up, short term, premium and long term, covered
- ▶ Terminal building operations and maintenance able to accommodate 1.2M passengers throughout per annum and three retail outlets
- ▶ Eight rental car agencies

Additionally, Rockhampton Airport enjoy collaborative partnerships with other departments delivering key services and projects with a One Team approach:

- ▶ Regional Services, Project Delivery: delivery of large capital projects such as runway and apron pavement renewals.

Staff Resources

Tenure	Total FTEs
Fulltime	25



Rockhampton Regional Council | Operational Plan 2021-2022

COMMUNITY | ECONOMY | ENVIRONMENT | SERVICE EXCELLENCE | LOCAL GOVERNMENT LEADER

67



www.rockhamptonregion.qld.gov.au
T 1300 22 55 77 | F 1300 22 55 79
PO Box 1860
Rockhampton Qld 4700
enquiries@rrc.qld.gov.au

9.12 ADOPTION OF 2020/21 ANNUAL REPORT

File No: 5042
Attachments: 1. 2020-2021 Annual Report [↓](#)
Authorising Officer: Evan Pardon - Chief Executive Officer
Author: Ross Cheesman - Deputy Chief Executive Officer

SUMMARY

Deputy CEO presenting the content for the 2020/21 Annual Report for Council's consideration and approval.

OFFICER'S RECOMMENDATION

THAT in accordance with the *Local Government Act 2009*, the *Local Government Regulation 2012* and the *Water Supply (Safety and Reliability) Act 2008*, the 2020/21 Annual Report as presented be adopted.

COMMENTARY

Attached for Council's consideration is the 2020/21 Annual Report, which incorporates the Annual Reports for Council's commercial business activities:

- Fitzroy River Water (FRW)
- Rockhampton Regional Waste and Recycling (RRWR)
- Rockhampton Airport

BACKGROUND

The *Local Government Act 2009* and *Local Government Regulation 2012* require Council to prepare an Annual Report and adopt the report within one month after the day the Auditor-General gives their report about the local government's financial statement for the financial year to Council. The Regulation goes on further to stipulate the content of the Annual Report. These requirements have been met in this document.

PREVIOUS DECISIONS

Nil

BUDGET IMPLICATIONS

Nil

LEGISLATIVE CONTEXT

2020/21 Annual Report has made reference to the *Local Government Act 2009*, the *Local Government Regulation 2012* and the *Water Supply (Safety and Reliability) Act 2008*.

LEGAL IMPLICATIONS

Nil

STAFFING IMPLICATIONS

Nil

RISK ASSESSMENT

Nil

CORPORATE/OPERATIONAL PLAN

Nil

CONCLUSION

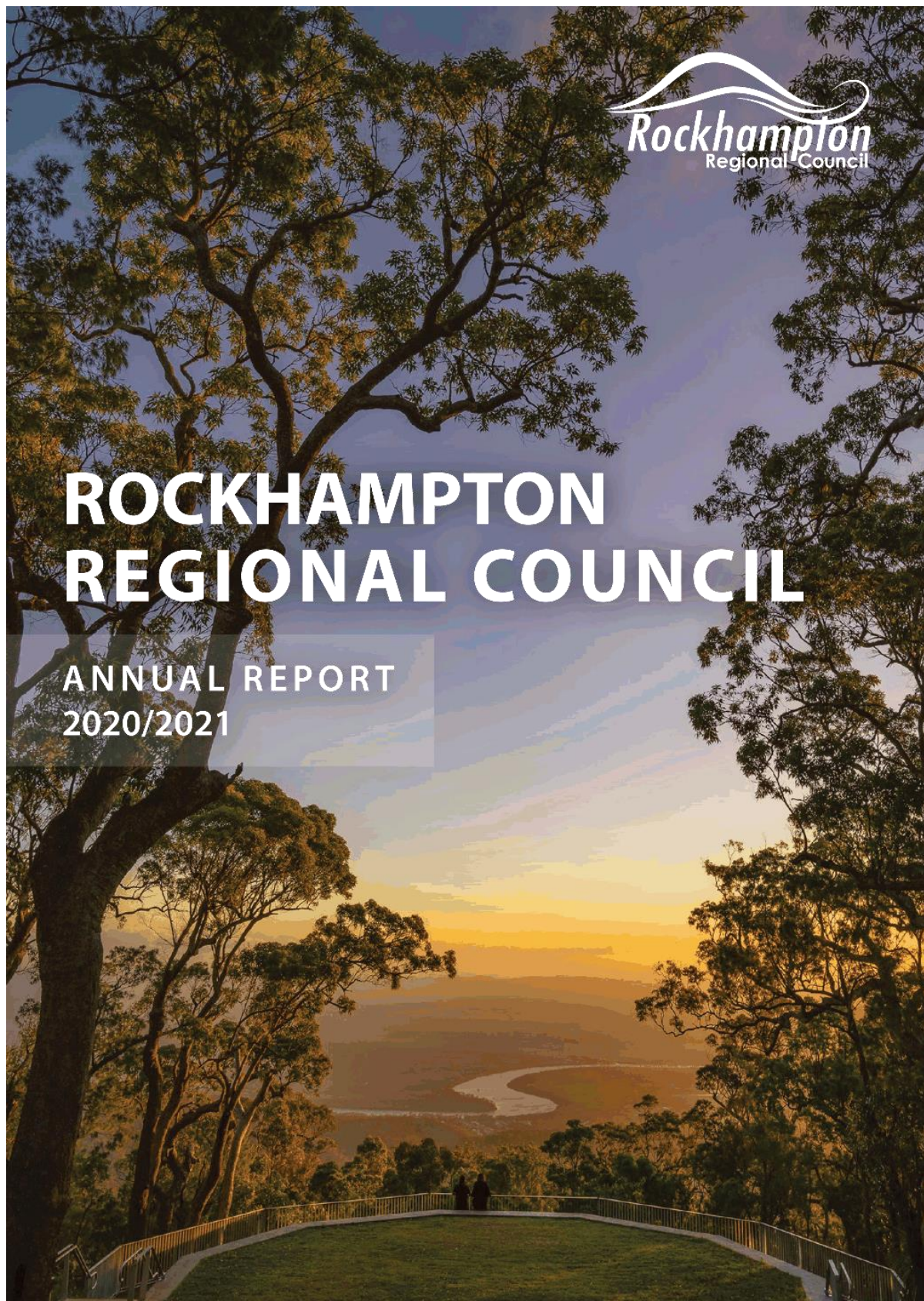
The 2020/21 Annual Report has been prepared in accordance with legislation and it is recommended that the attached annual report be adopted.

ADOPTION OF 2020/21 ANNUAL REPORT

2020-2021 Annual Report

Meeting Date: 9 November 2021

Attachment No: 1







Rockhampton Regional Council acknowledges the traditional custodians of the land which is now known as the Rockhampton Region - the Darumbal People, the Gaangalu Nation People and Barada Kabalbara Yetimarala People - and pay respects to their Elders past, present and emerging.

We also acknowledge the Torres Strait Islander people whose land is in the Torres Strait but who live and work on Aboriginal land.

Welcome to the 2020-21 Annual Report for Rockhampton Regional Council.

This report describes Council's progress and performance over the course of the 2020-21 financial year. It has been prepared to meet legislative obligations and provide a clear, transparent overview of the organisation's financial performance for our community.

HOW TO READ THE ANNUAL REPORT

This report is divided into sections beginning with an introduction containing information on the Rockhampton Region and our organisation as well as messages from Mayor Tony Williams and CEO Evan Pardon.

The report then provides an overview of Council and the organisation, our Community Financial Report, progress and performance for program and business areas, corporate governance, disclosures and audited financial statements. All care has been taken to ensure content is complete and accurate. However, Rockhampton Regional Council does not guarantee it is without error.

TABLE OF CONTENTS



INTRODUCTION

Regional snapshot	7
Regional profile	9
Mayor's message	10
CEO's message	11
Councillors	12
19/20 Highlights	13
	15



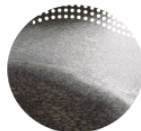
COMMUNITY FINANCIAL REPORT

17



FINANCIAL STATEMENTS

26

**COMMERCIAL
BUSINESS UNITS****81**

Fitzroy River Water

83

Rockhampton
Regional Waste
and Recycling

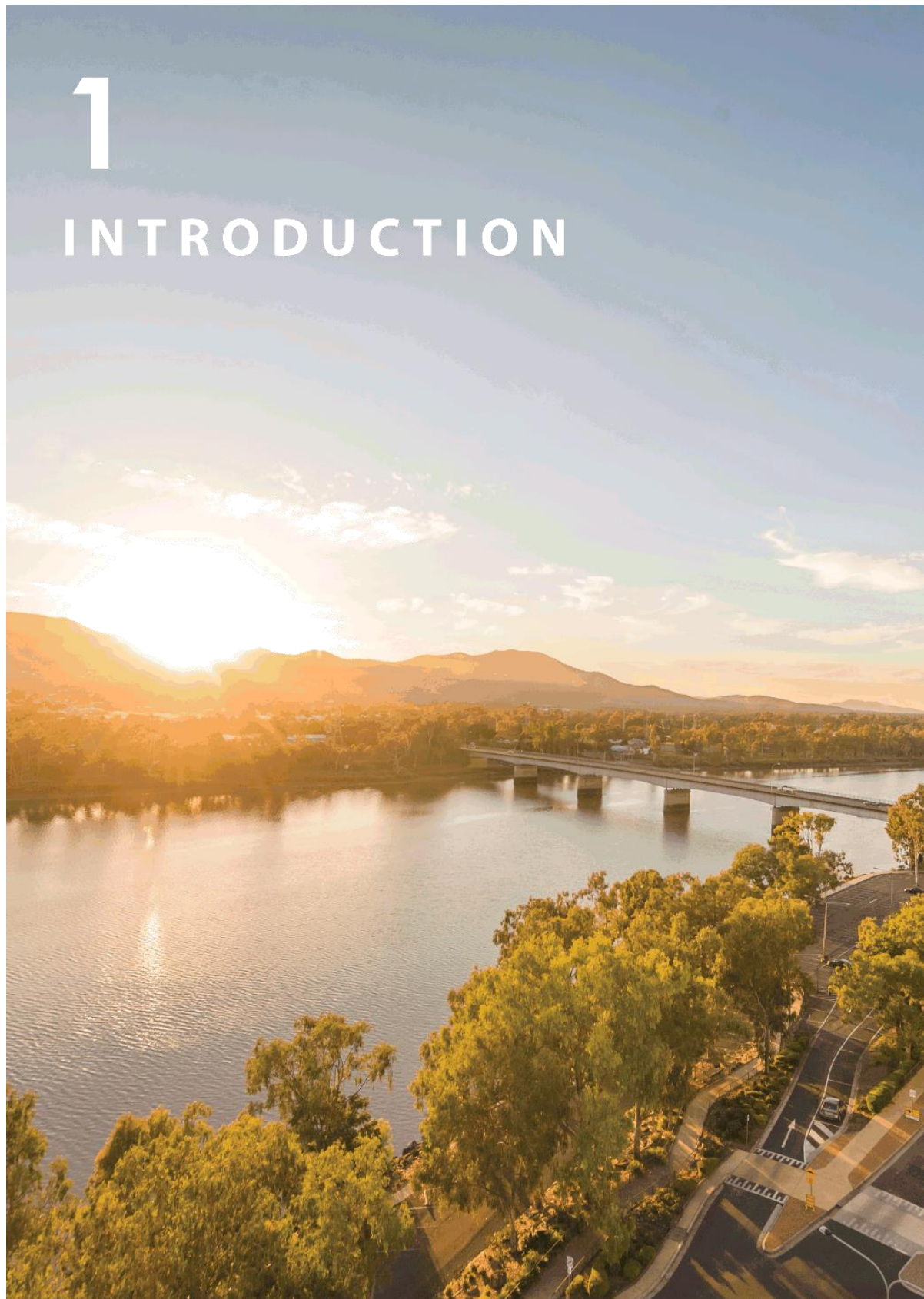
100



Rockhampton Airport

107

**STATUTORY
INFORMATION****112**



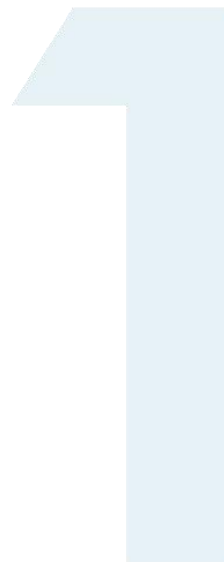
1

INTRODUCTION



IN THIS SECTION

Regional snapshot
Council profile
Mayor's message
CEO's message
Councillors
20/21 highlights



SECTION 1 Introduction

REGIONAL SNAPSHOT

THE ROCKHAMPTON REGION is the economic heart of Central Queensland. Our Region is host to a range of industries, features high quality services and facilities, and enjoys a dynamic economy as well as a stunning natural environment.

Population


Current: **82,790**

(ABS ERP 2019)
Average age: 36

By Population Centre

Rockhampton South side 16,886
Rockhampton North side 43,887
Gracemere 12,379
Mount Morgan 2,931
Rural Suburbs 6,707

Beef capital

2.6 million head of cattle
in the Fitzroy region 

Events

Annual events organised or supported by Council provides a significant boost to the local economy.

Industry

\$4.83 billion Gross Regional Product

Source: <https://economy.id.com.au/rockhampton>

Employment

- 13.8% Healthcare and social assistance
- 11.1% Retail
- 8.6% Education and training
- 8.2% Manufacturing
- 6.6% Public administration and safety
- 4.1% Mining

Source: ABS 2016 Census

One of two primary employment hubs for Bravus Carmichael Mine

Services

Hospitals 1 public | 2 private | 500+ beds
1300+ retail outlets

Primary schools 22 public | 11 private
Secondary schools 4 public | 7 private

Central Queensland University
Two campuses
300+ education and training options

RRC IN PROFILE

ROCKHAMPTON REGIONAL COUNCIL services Rockhampton, Mount Morgan, Gracemere and surrounding areas. We are one of the largest employers in the Region and pride ourselves on providing an exceptional level of customer service for our community as well as fostering the growth and vibrancy of our growth.

Rockhampton Regional Council provides a diverse range of services from rubbish collection, roads and water to hosting events, supporting community groups and promoting the development of industry.

COUNCIL SERVICES AND FACILITIES

- One of the largest Local Government owned and operated Airports in the country
- Council owned and operated Zoo provided as a free attraction for our community and visitors
- Council owned and operated public Art Gallery
- Four library branches
- 973 hectares of public land across our Region, including 167 parks
- 870km of sealed urban roads and 1109km of rural unsealed roads as well as 223km of footpaths

OUR CORPORATE VALUES

Accountable

Customer
Focused

People
Development

Continuous
Improvement

One Team



MAYOR'S MESSAGE

Tony Williams
Mayor

This past year has been extraordinary in so many ways to say the least.

While challenges and disruptions are normally part of daily life, we have never collectively experienced the pressures that the Covid-19 Pandemic has placed on our society. No matter the size of your business, or the size of your family, its impact has had a profound influence on our everyday life, and the simple things that we perhaps once took for granted – to be near and with our friends and families.

At the time that I write this, the pandemic has spared our Region, although not our economy, but we have been fortunate enough to stay the course and focus on our future.

At the February 2021 by-election, I was honored to be elected as your Mayor after having served our community as Councillor since 2004, and I still wake up passionate about delivering for our Region every single day.

At the time I was sworn in, we were bracing for two major events, the inaugural Rockynats car festival, followed by the iconic 2021 Beef Australia event. Both turned out to be an enormous success and extremely uplifting despite the constant uncertainty around whether they would go ahead. Coming together as a community was something we had dearly missed and I extend my gratitude to everyone involved.

At the same time, however, we were met with a major water crisis when the Mount Morgan Number 7 Dam, the only water source for the Mount Morgan Community, reached an all-time low. From April 2021, we have been carting up to 30 trucks of water per day to ensure the Mount Morgan community has access to safe water, but this is not a viable solution.

We are currently in the middle of working our way toward developing a business case to find a long term solution and calling for support from other levels of Government until we can deliver a permanent, safe, secure and reliable water source for the community.

For the wider region, the most important thing we have to invest in now is our water and sewage infrastructure. We're about to reach capacity in the next few years and we can't grow the region unless we invest in it as a priority.

Our northern suburbs are also key to our Region's future growth as this northern corridor is where our Region needs to expand into over the next 50 – 100 years. While the decision is in the hands of the Change Commission, Council will continue to advocate to bring these suburbs back to the Rockhampton Region where they belong.

While we focus on building a bright future for our children, grandchildren and beyond, we must celebrate the many wins along the way, including the redevelopment of our airport and the State and Federal Government's announcement to invest in the Rockhampton Aviation Maintenance Repair and Overhaul Facility, as well as upgrades to the Bruce Highway and the commencement of the Ring Road – all creating long term and highly skilled jobs over a number of years. Construction has also finished at the Rockhampton Museum of Art, and in early 2022, we will celebrate its grand opening.

For the challenges that we have successfully navigated in the past year, I extend my thanks to our leadership, including our CEO, Evan Pardon, my fellow Councillors, and Council's Leadership Team. With your support, we have been well positioned to continue focusing on our path forward and delivering for our community.



CHIEF EXECUTIVE OFFICER'S MESSAGE

Evan Pardon
CEO

The release of the annual report is always a good opportunity to pause and reflect on the year that was; our achievements, our challenges and everything in between. What stands out for me this year, is how agile and adaptable we have become.

Throughout this financial year we have continued to adapt and face the challenges of COVID. While we were fortunate enough not to have to go back into lockdown, the possibility was never far away, and a lot of background work went into ensuring we were always ready.

I want to commend staff for continuing to follow relevant guidelines and restrictions throughout their day to day work. We've all seen how quickly circumstances can change, and I'm proud to say we've continued to be diligent in protecting the health of our community and our colleagues.

In November last year, we once again had to adapt, but this time to a changing political landscape with the resignation of our long-serving former Mayor, Margaret Strelow. As we entered into a highly publicised Mayoral election, remaining agile and adaptable put us in good stead to navigate through the process. In February 2021, Mayor Tony Williams was sworn in, triggering a by-election in Division 3, to which Councillor Grant Mathers was elected.

The month of March marked the beginning of level 6 water restrictions for Mount Morgan, which saw us commence the trucking of water up to the community. Council is progressing with developing the business case to finally put us a step closer to resolving the issue of long term water security for the Mount Morgan community.

Over the past year, Council has continued to deliver essential services and invest in improvements for our community. We invested around \$25 million in our Airport redevelopment and a further \$20.4 million on the final stages of construction for the Rockhampton Museum of Art. \$30.9 million was spent on roads and drainage capital works, and we invested \$3.2 million on waste management.

We have also supported local businesses, community groups and individuals through a range of grants and initiatives.

As we look to the year ahead, the 2021-22 Budget focuses on growth in services, population and infrastructure, while maintaining the continued goal to return the budget to surplus following the COVID induced financial deficit. Some of the major projects to be completed over the next few years include; upgrades to our water and sewage treatment plants to accommodate our growing population, a solar farm at Glenmore Water Treatment Plant to reduce our power bill and improve sustainability outcomes, upgrades to the Heritage Village, Rockhampton Zoo and Botanic Gardens, and as always, maintaining and improving our parks, roads, footpaths and stormwater drains.

Early next year, every resident in the Rockhampton Region and Livingstone Shire will be asked to vote on whether the suburbs of Glenlee, Glendale and Rockyview should return home to Rockhampton. No matter where you live in our Region, this issue will affect all of us.

Voting for the northern suburbs to re-join us means a better outcome for everyone. Its more voices calling for a permanent water supply for Mount Morgan, or for a High School for Gracemere. It's more jobs, more services, and more growth.

The Northern Growth Corridor is decades of new residential growth and we have shown we are committed to investing in essential infrastructure for a bigger and better Rockhampton Region.

I have no doubt that we will face some challenges in the year ahead, but I am confident that through our commitment to our corporate values and our ability to remain agile and adaptable, we will again achieve great outcomes for our Region.

RRC COUNCILLORS



Mayor Tony Williams

Chair: Ordinary Council

Portfolio: Advance Rockhampton - Economic Development and Events



Councillor Shane Latcham

Division 1

Portfolio: Waste and Recycling



Councillor Neil Fisher Deputy Mayor

Division 2

Portfolio: Airport



Councillor Grant Mathers

Division 3

Portfolio: Planning and Regulation



Councillor Ellen Smith

Division 4

Portfolio: Infrastructure



Councillor Cherie Rutherford

Division 5

Portfolio: Parks, Sport and Public Spaces



Councillor Drew Wickerson

Division 6

Portfolio: Communities and Heritage



Councillor Donna Kirkland

Division 7

Portfolio: Water and Environmental Sustainability

20/21 HIGHLIGHTS

CAPITAL WORKS

\$30.9 million spent on roads and drainage capital works projects throughout the year, boosting our local economy and driving job creation.



AIRPORT REDEVELOPMENT

Rockhampton Airport redevelopment completed thanks to funding from both State, Federal and Rockhampton Regional Council. The airport now features a new mezzanine floor, passenger terminal, lounges, upgraded security machines and more, giving Rockhampton a world class airport.



ROCKYNATS

Inaugural Rare Spares Rockynats delivered an economic boost of more than **\$20 million with 40,000 people** attending the historic three day event.





SECTION 1 Introduction

SUSTAINABILITY AWARD

Recognised as the overall winner of the 2020 Queensland Sustainable Communities Tidy Town.

MUSEUM OF ART

Throughout the year a further \$20.4 million was invested on the final stages of construction for what will be the largest in regional Queensland.

LOCAL PREFERENCE POLICY

A continued strong local preference policy ensures money spent by Council benefits our whole community.





IN THIS SECTION

Simplified Statement of Financial Position

Simplified Statement of Comprehensive Income

Income by Category

Expenditure by Category

Infrastructure Assets

Operating Surplus Ratio

Net Financial Liabilities/Revenue Ratio

Looking to the Future

2

SECTION 2 Community Financial Report

COMMUNITY FINANCIAL REPORT (s184 LGR 2012)

For the year ended 30 June 2021

The Community Financial Report provides a simplified summary and analysis of Council's general purpose financial statements for the 2020-21 financial year.

Simplified Statement of Financial Position (Balance Sheet) as at 30 June 2021

	\$M
How much Council has in the bank	88.2
How much Council owns	2,610.5
How much Council is owed	15.0
Total Assets	2,713.7
How much Council owes suppliers and employees	50.9
How much Council has set aside for the rehabilitation of quarries and landfills	20.8
How much Council has borrowed	147.9
Total Liabilities	219.6
Net Community Assets (Wealth)	2,494.1

The simplified balance sheet shows the value of the community's assets as at 30 June 2021. It details the total of Council assets and how much Council owes to suppliers and to Queensland Treasury Corporation.

Simplified Statement of Comprehensive Income for the year ended 30 June 2021

Council recorded an operating surplus of \$2.0 million for 2020-21 which was close to the budgeted position despite some financial impacts being felt from Covid-19.

The bottom line on the Statement of Comprehensive Income was a net gain of \$63.5 million. This gain includes an increase of \$8.2 million in the revaluation of Council's non-current assets as well as capital grants, subsidies, and contributions received for the year.

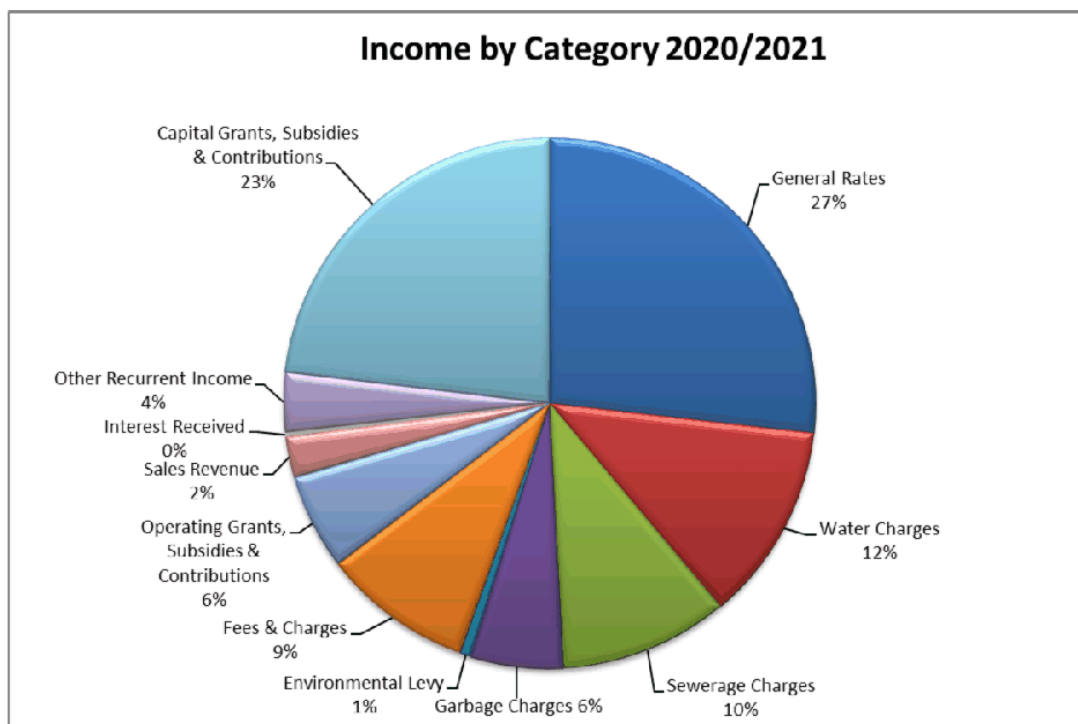
	\$M
Operational Results:	
Total operating revenue	206.1
Less operating expenses:	
Employee benefits	(82.9)
Materials and services	(58.9)
Finance costs	(5.5)
Depreciation and amortisation	(56.8)
Net Operational Result	2.0

Other Results:	
Capital grants, subsidies, contributed assets and other capital income	64.7
Less write-off of assets and other capital expenses	(11.4)
Plus increase in non-current asset values on revaluation	8.2
Net Other Results	61.5
Comprehensive Income for the Year – Increase in Community Equity (Wealth)	63.5

Income – Where our money comes from...

To provide services to the community, Council must collect income. Council's total income in 2020/21 was \$270.9 million. Rates, levies and utility charges are Council's principal source of revenue and represent approximately 54.9% of Council's revenue in 2020/21. Council also generates income from fees and charges, undertakes recoverable works and receives funding in the form of grants and subsidies from both the State and Federal Government, to help construct and maintain the extensive infrastructure assets and provide community development programs to the region.

For the 2020/2021 financial year, 22.9% of Council's total income was comprised of capital revenue (capital grants, subsidies and contributions).



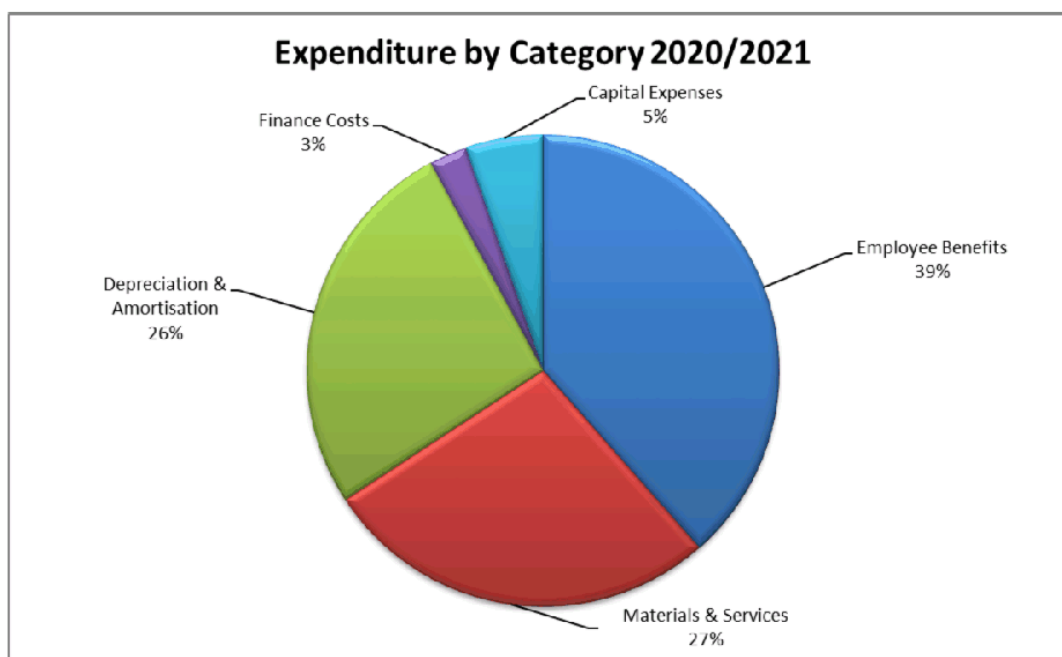
Expenses – Where our money is spent...

Council's operational and capital expenses as per the Statement of Comprehensive Income totalled \$215.6 million for the 2020/21 financial year. The three largest items of Council's expenditure are employee benefits (39%), materials and services (27%), and depreciation and amortisation (26%). Council's expenditure is constantly monitored via a rigorous budget process. Detailed estimates are prepared prior to the start of the financial year and reviewed throughout the year to ensure that funds are utilised efficiently.

Council is a key employer in the region with a large workforce (927 full time equivalent employees) to deliver a diverse range of services to our community. Council's workforce is crucial in planning and monitoring for the future of the Rockhampton Region in respect of developments, so that our lifestyle is maintained and improved.

Council spends considerable funds on materials and services to operate effectively. In accordance with Council's Purchasing Policy, we give preference to local businesses when work is tendered to external suppliers. As well as being a large employer in the community, it makes sound economic sense to keep our money circulating in the region for the benefit of all who live here.

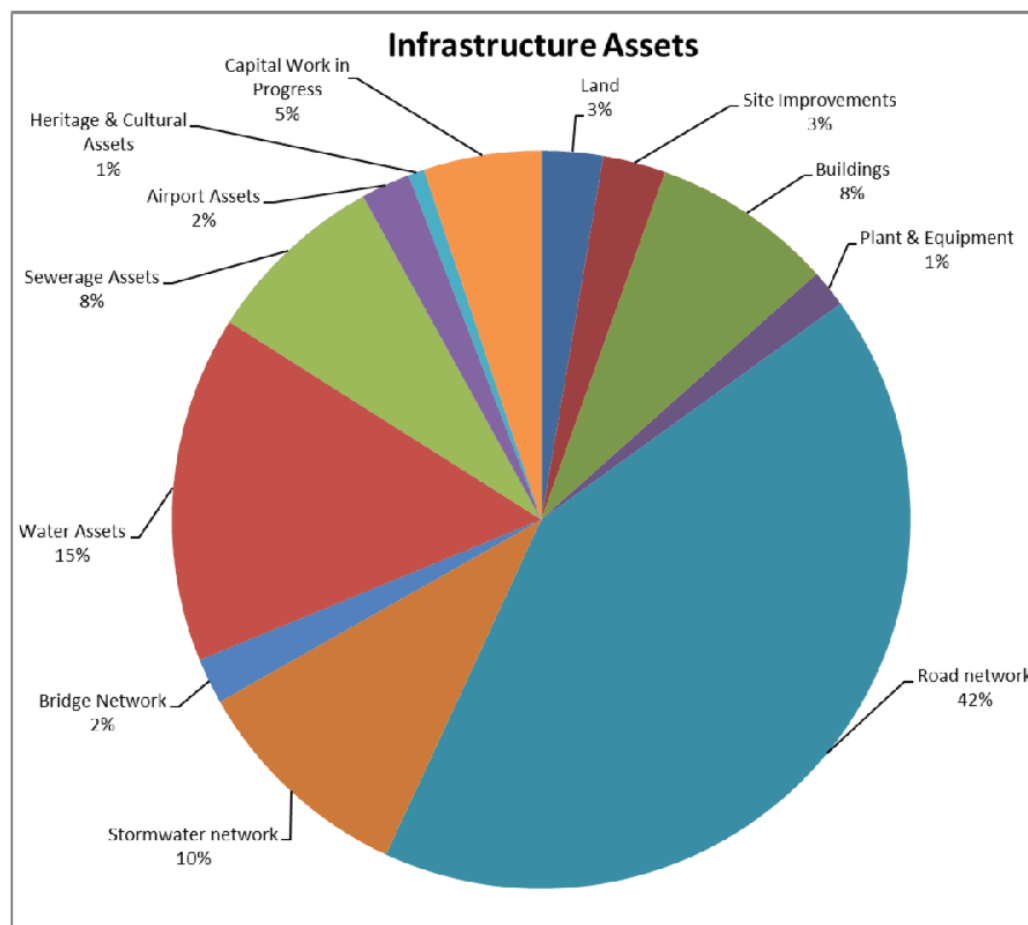
Depreciation and amortisation is the method of allocating the cost of an asset over the asset's estimated useful life. Through the accurate calculation and allocation of depreciation and amortisation, we are confident that we will have the necessary funds to renew our existing assets.

**What are our assets?**

The total value of Council's assets at the end of 2020/21 was \$2,714 million. Infrastructure assets such as roads and drainage, water and sewerage, buildings and land comprise 96% of total assets, with the remaining 4% being mainly comprised of cash held in bank accounts and money owed to Council from its customers. A

key goal of Council is solid long-term asset management planning to ensure that the community's assets are maintained now and for future generations.

The following graph details the \$2,606 million of community infrastructure owned and managed by Council.



Investment in Infrastructure Assets - Capital Works

Capital works expenditure for the 2020/21 year totalled \$115.6 million. Council spent \$25.2 million on Rockhampton Airport Terminal Refurbishment and \$20.4 million on Rockhampton Art Gallery during 2020/21. Quay Street Bridge Renewal totalled \$3.8 million and Lakes Creek Road Landfill expansion \$2.3 million.

The total investment in assets for the year is two times the level of depreciation expense which demonstrates Council's commitment to improving the region's facilities. The asset sustainability ratio of 98.9% for the 2020/21 year shows the level of investment in spending on the renewal of existing assets.

What do we owe?

Liabilities are amounts that Council owes to others. As at 30 June 2021, Council owed \$220.0 million made up of loan borrowings, amounts owing to suppliers for goods and services, amounts owing to employees for leave entitlements, and obligations to rehabilitate quarries and landfills.

Council's borrowings at the end of 2020/21 totalled \$147.9 million, an increase of \$7.3 million from the previous financial year. The level of Council's debt is regularly reviewed as a component of our Long Term Financial Forecast, which projects loan balances for 10 years into the future. Interest expense on loans totalled 2.3% of total operating income, which is within the sustainable range provided by the Department of Local Government.

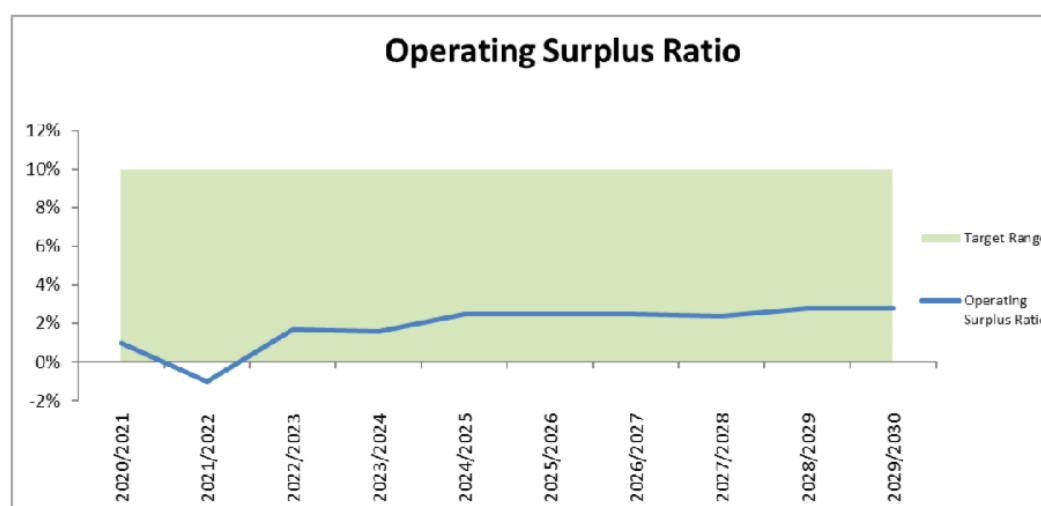
Financial Sustainability Ratios

The following ratios further assist in understanding the financial performance and position of Council, without reviewing all of the details contained within the Financial Statements.

There are three measures of financial sustainability specified in the *Local Government Regulation 2012*. These have been calculated for the 2020/21 year and are shown below together with projected ratios as per Council's adopted Long Term Financial Forecast.

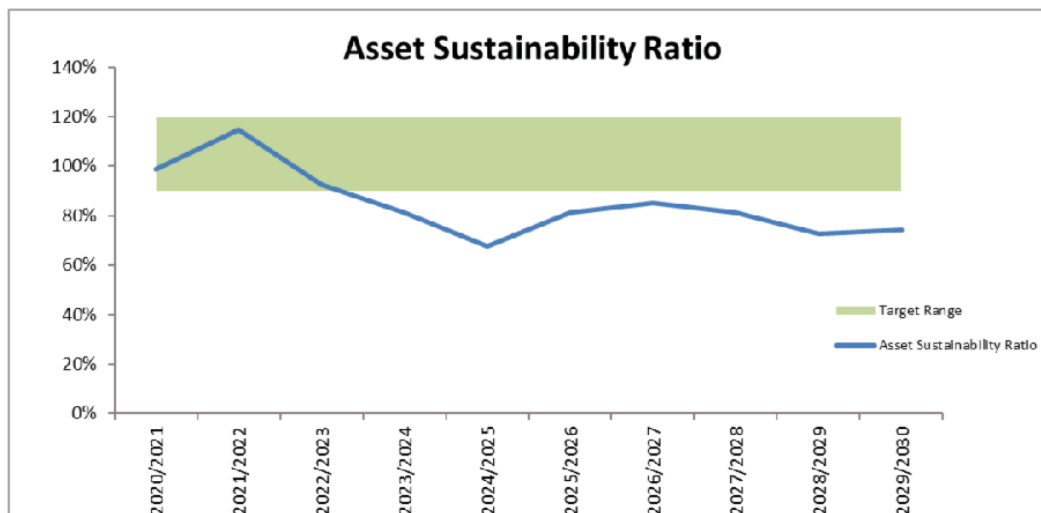
Operating Surplus Ratio – Target Benchmark between 0% and 10%

This ratio indicates the relationship between Council's net operational result and total operating income, expressed as a percentage. It is an indication of Council's ability to fund its day-to-day operations. A result of up to 10% means that surplus income is available after Council has paid for the cost of delivering all services to the community. Council's Operating Surplus Ratio for 2020/21 was 1.0%. Council's long-term financial forecast shows the operating surplus ratio falling below 0% in 2021/2022 and then continuing within the target range over the remainder of the forecast period.



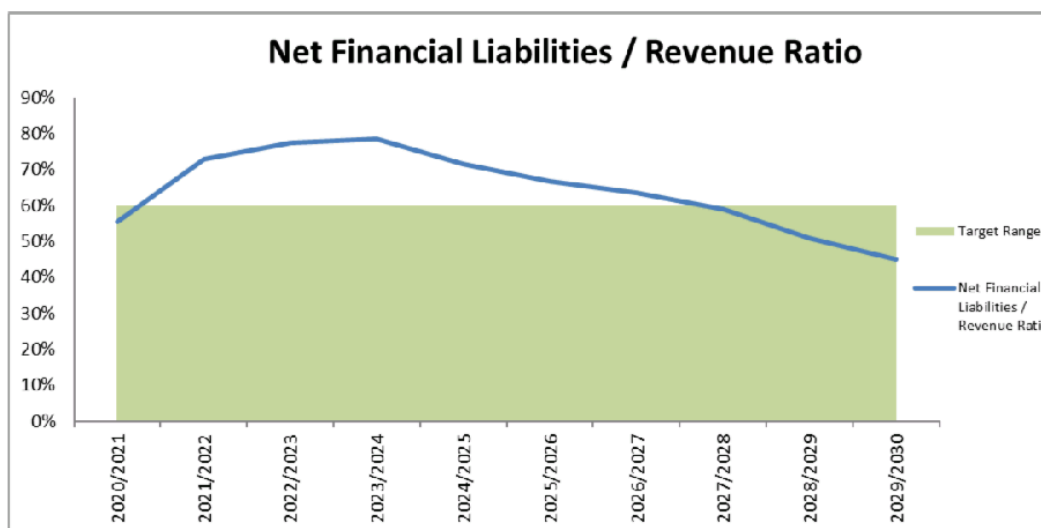
Asset Sustainability Ratio – Target Benchmark greater than 90%

This ratio indicates the rate at which Council is renewing or replacing its existing assets. Council's ratio is 98.9% for the 2020/21 year. The forward projections show the ratio mainly below the target range with an average ratio of 83.5% over the forecast period. The forward Capital program has conservative levels of external funding such as capital grants. Where additional funds can be found, renewal works will be increased. Importantly, Council is continually reviewing its asset condition information to ensure that service levels are maintained and renewals for assets are optimised.



Net Financial Liabilities/Revenue Ratio – Target Benchmark not greater than 60%

This ratio indicates the extent to which Council's debts can be met by its operating income, expressed as a percentage. A result of less than 60% indicates that Council has capacity to fund its liabilities and has the capacity to increase its loan borrowings if required. Council's ratio is currently within the target range at 55.5%. In the 10 year forecast period, Council sits outside of the Target Range, as debt levels are forecast to increase to fund significant forward capital expenditure. The Department of Local Government undertakes a regular Credit Review process to ensure that Council's financial position is sustainable.

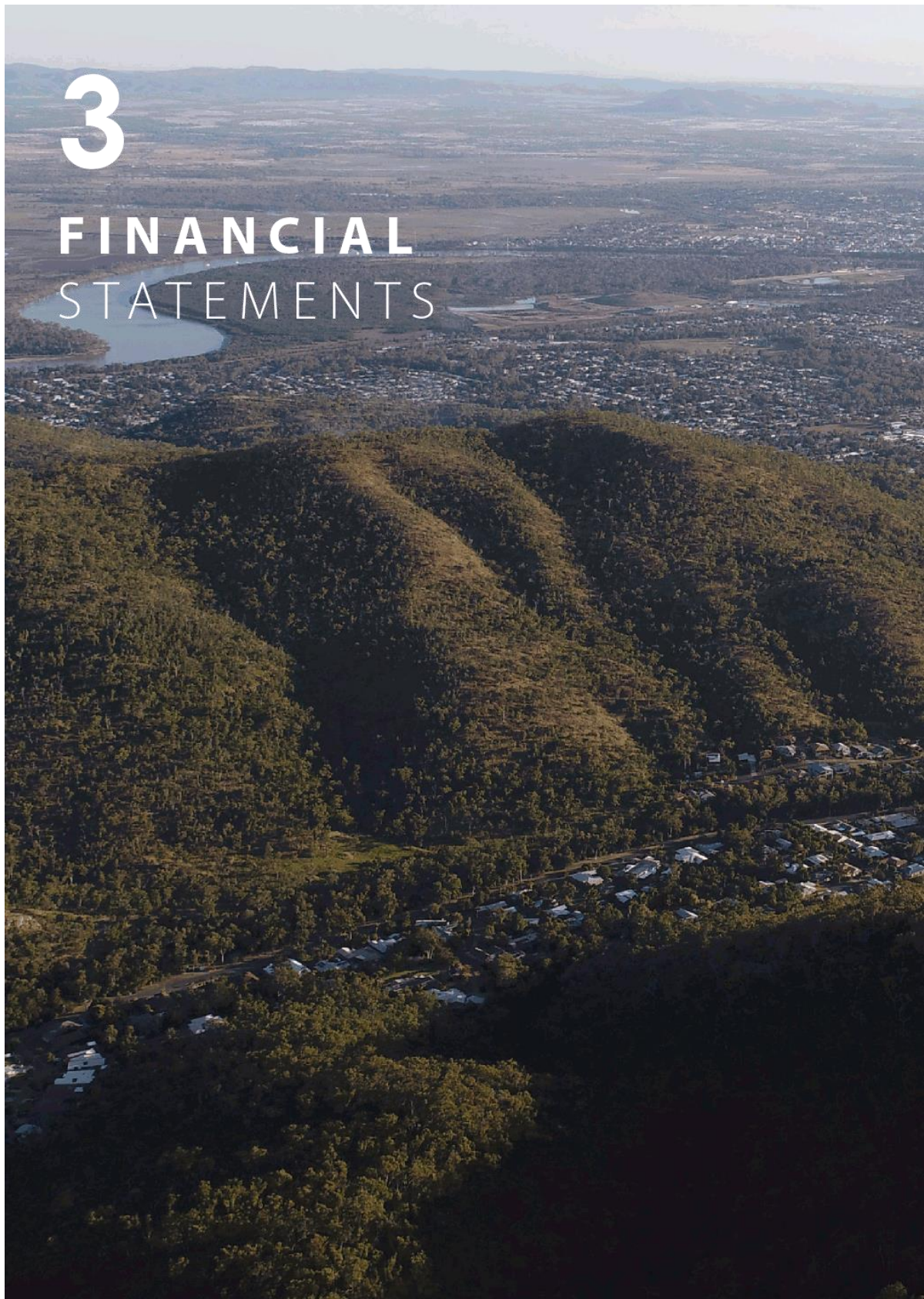


Looking to the Future

The 2021/2022 budget focused on the commencement of big infrastructure projects and those projects that Council “must do” to ensure growth and sustainability of the region in the future. Expenditure on capital works remains at a high level to deliver essential asset upgrades and renewals, particularly in the area of water and sewerage asset upgrades and augmentation. The impacts of COVID-19 continue to have an impact on Council's operations, with the Airport still experiencing a downturn due to travel restrictions. A significant amount of effort has gone into finding operational efficiencies, but there is a considerable way to go and the 2021/22 budget is laying the platform for the journey that is ahead. Our region has the opportunity to prosper and grow and Council will work to provide the building blocks to support the forecast economic improvement in future years.

Forward financial planning is integral to maintaining our success and the flexibility to respond in the areas of the community that are needed. On-going long term cash flow planning, sound budgeting and extensive strategic financial planning feature significantly on Council's annual calendar.

Strong fiscal responsibility will continue to be at our core decision making moving forward.





IN THIS SECTION

Statement of Comprehensive Income

Statement of Financial Position

Statement of Changes in Equity

Statement of Cash Flows

Notes to the financial statements

- 1 Significant accounting policies
- 2 Analysis of results by function
- 3 Revenue
- 4 Grants, subsidies and contributions
- 5 Capital income
- 6 Employee benefits
- 7 Materials and services
- 8 Finance costs
- 9 Depreciation and amortisation
- 10 Capital expenses
- 11 Cash and cash equivalents
- 12 Investments
- 13 Receivables
- 14 Other assets
- 15 Property, plant and equipment
- 16 Contract balances
- 17 Leases
- 18 Payables
- 19 Provisions
- 20 Borrowings
- 21 Other liabilities
- 22 Asset revaluation surplus
- 23 Commitments for expenditure
- 24 Events after the reporting period
- 25 Contingencies
- 26 Superannuation
- 27 Reconciliation of net result attributable to Council to net cash flow from operating activities
- 28 Reconciliation of liabilities arising from finance activities
- 29 Accounting for natural disaster events
- 30 Impact of COVID-19 Pandemic
- 31 Changes in accounting policy
- 32 Financial instruments and financial risk management
- 33 National competition policy
- 34 Controlled entities that have not been consolidated
- 35 Transactions with related parties

Management Certificate

Independent Auditor's Report

ROCKHAMPTON REGIONAL COUNCIL**Financial statements**

For the year ended 30 June 2021

Table of contents

	Statement of Comprehensive Income
	Statement of Financial Position
	Statement of Changes in Equity
	Statement of Cash Flows
Note	Notes to the financial statements
1	Information about these financial statements
2	Analysis of results by function
3	Revenue
4	Grants, subsidies and contributions
5	Capital income
6	Employee benefits
7	Materials and services
8	Finance costs
9	Depreciation and amortisation
10	Capital expenses
11	Cash and cash equivalents
12	Investments
13	Receivables
14	Other assets
15	Property, plant and equipment
16	Contract balances
17	Leases
18	Payables
19	Provisions
20	Borrowings
21	Other liabilities
22	Asset revaluation surplus
23	Commitments for expenditure
24	Events after the reporting period
25	Contingencies
26	Superannuation
27	Reconciliation of net result for the year to net cash inflow from operating activities
28	Reconciliation of liabilities arising from finance activities
29	Financial instruments and financial risk management
30	National competition policy
31	Controlled entities that have not been consolidated
32	Transactions with related parties

Management Certificate**Independent Auditor's Report**

ROCKHAMPTON REGIONAL COUNCIL

Statement of Comprehensive Income
For the year ended 30 June 2021

	Note	2021 \$	2020 \$
Income			
Recurrent revenue			
Rates, levies and charges	3(a)	148,704,274	148,023,811
Fees and charges	3(b)	24,590,253	23,016,148
Interest received		666,674	1,437,485
Sales revenue		6,738,976	7,276,723
Other recurrent income	3(c)	9,751,326	9,452,100
Grants, subsidies and contributions	4(a)	15,649,496	16,969,007
Total recurrent revenue		<u>206,100,999</u>	<u>206,175,274</u>
Capital revenue			
Grants, subsidies and contributions	4(b)	62,005,817	40,529,300
Other capital income	5	2,744,491	126,555
Total capital revenue		<u>64,750,308</u>	<u>40,655,855</u>
Total income		<u>270,851,307</u>	<u>246,831,129</u>
Expenses			
Recurrent expenses			
Employee benefits	6	(82,958,434)	(82,620,695)
Materials and services	7	(58,858,832)	(59,665,011)
Finance costs	8	(5,510,426)	(6,576,711)
Depreciation and amortisation	9	(56,814,068)	(55,804,103)
Total recurrent expenses		<u>(204,141,760)</u>	<u>(204,666,520)</u>
Capital expenses	10	(11,426,945)	(6,695,787)
Total expenses		<u>(215,568,705)</u>	<u>(211,362,307)</u>
Net result		<u>55,282,602</u>	<u>35,468,822</u>
Other comprehensive income			
Items that will not be reclassified to net result			
Increase in asset revaluation surplus	22	8,169,084	15,701,646
Total other comprehensive income for the year		<u>8,169,084</u>	<u>15,701,646</u>
Total comprehensive income for the year		<u>63,451,686</u>	<u>51,170,468</u>

The above statement should be read in conjunction with the accompanying notes and Significant Accounting Policies.

ROCKHAMPTON REGIONAL COUNCIL

Statement of Financial Position
As at 30 June 2021

	Note	2021 \$	2020 \$
Current assets			
Cash and cash equivalents	11	88,173,948	70,356,712
Investments	12	-	15,000,000
Receivables	13	11,062,822	15,099,536
Inventories		2,072,659	1,906,287
Other assets	14	3,081,335	4,088,584
Contract assets	16(a)	872,809	1,010,850
		<u>105,263,573</u>	<u>107,461,969</u>
Non-current assets held for sale		-	159,700
Total current assets		<u>105,263,573</u>	<u>107,621,669</u>
Non-current assets			
Property, plant and equipment	15	2,606,434,732	2,536,608,621
Right-of-use assets	17(a)	966,517	1,160,326
Intangible assets		1,021,409	1,222,364
Total non-current assets		<u>2,608,422,658</u>	<u>2,538,991,311</u>
TOTAL ASSETS		<u>2,713,686,231</u>	<u>2,646,612,980</u>
Current liabilities			
Contract liabilities	16(b)	2,847,925	1,088,693
Lease liabilities	17(b)	296,310	253,029
Payables	18	21,998,934	21,334,214
Provisions	19	24,304,466	24,474,935
Borrowings	20	29,838,519	26,514,702
Other liabilities	21	461,151	291,724
Total current liabilities		<u>79,747,305</u>	<u>73,957,297</u>
Non-current liabilities			
Lease liabilities	17(b)	686,869	917,501
Provisions	19	21,054,260	24,774,695
Borrowings	20	118,094,882	114,099,508
Other liabilities	21	-	2,251,999
Total non-current liabilities		<u>139,836,011</u>	<u>142,043,703</u>
TOTAL LIABILITIES		<u>219,583,316</u>	<u>216,001,000</u>
NET COMMUNITY ASSETS		<u>2,494,102,915</u>	<u>2,430,611,980</u>
Community equity			
Retained surplus		1,531,484,638	1,476,162,787
Asset revaluation surplus	22	962,618,277	954,449,193
TOTAL COMMUNITY EQUITY		<u>2,494,102,915</u>	<u>2,430,611,980</u>

The above statement should be read in conjunction with the accompanying notes and Significant Accounting Policies.

ROCKHAMPTON REGIONAL COUNCIL

Statement of Changes in Equity
For the year ended 30 June 2021

	Note	Total		Retained surplus		Asset revaluation surplus	
		2021 \$	2020 \$	2021 \$	2020 \$	2021 \$	2020 \$
Balance at beginning of year		2,430,611,980	2,393,361,936	1,476,162,787	1,452,582,806	954,449,193	940,779,130
Adjustment to opening balance PPE	15,22	39,249	48,404	39,249	2,079,988	-	(2,031,583)
Adjustment to opening balance intangibles		-	11,270	-	11,270	-	-
Adjustment on initial application of AASB 15 / AASB 1058		-	(13,980,098)	-	(13,980,098)	-	-
Restated balances		2,430,651,229	2,379,441,512	1,476,202,036	1,440,693,965	954,449,193	938,747,547
Net result		55,282,602	35,468,822	55,282,602	35,468,822	-	-
Other comprehensive income for the year							
Adjustment to asset revaluation surplus:							
Property, plant & equipment	22	8,169,084	15,701,646	-	-	8,169,084	15,701,646
Total comprehensive income for year		63,451,686	51,170,468	55,282,602	35,468,822	8,169,084	15,701,646
Balance at end of year		2,494,102,915	2,430,611,980	1,531,484,638	1,476,162,787	962,618,277	954,449,193

The above statement should be read in conjunction with the accompanying notes and Significant Accounting Policies.

ROCKHAMPTON REGIONAL COUNCIL

Statement of Cash Flows

For the year ended 30 June 2021

	Note	2021 \$	2020 \$
Cash flows from operating activities			
Rates, levies and charges		150,305,266	148,930,509
Fees and charges		24,590,253	23,016,148
Grants, subsidies and contributions		15,675,473	17,349,092
Interest received		730,611	1,472,261
Other income		21,125,600	12,106,271
Payments to suppliers		(56,955,202)	(56,853,245)
Payments to employees		(82,922,174)	(80,347,077)
Interest expense		(4,804,836)	(5,392,480)
Net cash inflow from operating activities	27	<u>67,744,991</u>	<u>60,281,479</u>
Cash flows from investing activities			
Government subsidies and grants		37,237,735	26,680,653
Capital contributions		5,211,763	5,748,901
Payments for property, plant and equipment		(118,863,126)	(94,043,876)
Payments for intangible assets		(47,278)	(515,682)
Net transfer from cash investments	12	15,000,000	4,000,000
Proceeds from sale of property plant and equipment		4,401,311	1,764,328
Net cash outflow from investing activities		<u>(57,059,595)</u>	<u>(56,365,676)</u>
Cash flows from financing activities			
Proceeds from borrowings	20	33,650,000	44,026,000
Repayment of borrowings	20	(26,330,809)	(22,443,707)
Repayments made on leases (principal only)		(187,351)	(275,061)
Net cash inflow / (outflow) from financing activities		<u>7,131,840</u>	<u>21,307,232</u>
Net increase in cash and cash equivalents held		<u>17,817,236</u>	<u>25,223,035</u>
Cash and cash equivalents at beginning of the financial year		70,356,712	45,133,677
Cash and cash equivalents at end of the financial year	11	<u>88,173,948</u>	<u>70,356,712</u>

The above statement should be read in conjunction with the accompanying notes and Significant Accounting Policies.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements

For the year ended 30 June 2021

1 Information about these financial statements**1.A Basis of preparation**

The Rockhampton Regional Council is constituted under the *Queensland Local Government Act 2009* and is domiciled in Australia.

These general purpose financial statements are for the period 1 July 2020 to 30 June 2021 and have been prepared in compliance with the requirements of the *Local Government Act 2009* and the *Local Government Regulation 2012*.

These financial statements comply with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB). Council is a not-for-profit entity for financial reporting purposes and complies with the Australian Accounting Standards as applicable to not-for-profit entities.

These financial statements have been prepared under the historical cost convention, except for the following:

- some financial assets and liabilities,
- certain classes of property, plant and equipment which are measured at fair value,
- assets held for sale which are measured at fair value less cost of disposal.

1.B Basis of Consolidation

Council has no material controlled entities and the financial statements presented are those of the Council only.

Information about controlled entities that have not been consolidated, because they are not considered material, is included in Note 31.

1.C New and revised Accounting Standards adopted during the year

Council adopted all standards which became mandatorily effective for annual reporting periods beginning on 1 July 2020, none of the standards had a material impact on reported position, performance and cash flows.

1.D Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2021, these standards have not been adopted by Council and will be included in the financial statements on their effective date. The new standards are not expected to have a material impact on Council's future financial statements.

1.E Estimates and Judgements

Council makes a number of judgements, estimates and assumptions in preparing these financial statements. These are based on the best information available to Council at the time, however due to the passage of time, these assumptions may change and therefore the recorded balances may not reflect the final outcomes. The significant judgements, estimates and assumptions relate to the following items and specific information is provided in the relevant note:

Valuation of property, plant and equipment - Note 15
Impairment of property, plant and equipment - Note 15
Depreciation - Note 9
Provisions - Note 19
Contingencies - Note 25
Capital income - Note 5
Capital expenses - Note 10
Revenue recognition - Note 3

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2021

1.F Rounding and Comparatives

The financial statements are in Australian dollars and have been rounded to the nearest \$1.

Comparative information is generally restated for reclassification, errors and changes in accounting policies unless permitted otherwise by transition rules in a new Accounting Standard. Comparative information is prepared on the same basis as prior year.

1.G Volunteer services

Council has elected not to recognise volunteer services in the Financial Statements. After a review of Council's current volunteer services across various departments, it is confirmed that Council would not have purchased these services if they had not been donated. To purchase these services the impact would either be an increase in rates and / or a cut to other services.

1.H Taxation

Council is exempt from Income Tax, however Council is subject to Fringe Benefits Tax ('FBT'), Goods and Services Tax ('GST') and Payroll Tax on certain activities. The net amount of GST recoverable from the ATO or payable to the ATO is shown as an asset or liability respectively.

1.I Impact of COVID-19 Pandemic

For the year ended 30 June 2021, the COVID-19 pandemic impacted Council as follows:

The majority of Council services that were impacted by COVID-19 travel and social distancing restrictions from March 2020 were re-opened by June 2020 in line with the Queensland Government's staged recovery. During the financial year ended 30 June 2021, Council gradually re-introduced many of its community events and theatre shows under COVID-19 safe conditions. Council's airport experienced reduced passenger numbers due to travel and social distancing restrictions in place, however as the financial year progressed and restrictions eased and / or COVID-19 safe operations were implemented, passenger numbers continued to recover. In some instances, the decrease in use of Council facilities or services activity also resulted in decreased variable costs reducing the overall net financial impact.

Council recognised the financial impacts that the COVID-19 pandemic would potentially have on members of the community and implemented a range of relief measures from March 2020 comprising:

- Rent relief for Council's commercial tenants;
- Business licences extended to June 2021;
- All environmentally relevant authorities extended for 12 months;
- No interest on outstanding rates until 31 December 2020;
- Lease fee refunds for eligible sporting and community groups;
- Financial hardship and assistance scheme to support community organisations;
- A rebate on general rates of \$70 per property for several rating categories for the rating period 1 July 2020 to 31 December 2020.

Whilst COVID-19 and Council's response measures have in some instances reduced revenue and / or increased costs; the overall financial impacts have not materially affected Council's financial performance for the 2020/21 financial year or Council's financial position as at 30 June 2021.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2021

2 Analysis of results by function**(a) Components of Council functions**

The activities relating to the Council's components reported on in Note 2(b) are as follows:

Resourcing

The objective of Resourcing is to provide a function for the recognition and allocation of general rate and grant revenue as well as interest revenue and expense not allocated to commercial business units.

Office of CEO

The goals of the Office of CEO are to provide leadership, corporate oversight and strategic direction. The Office of CEO incorporates the offices of the Mayor, Councillors, Chief Executive Officer, Workforce and Governance and Advance Rockhampton sections.

Regional Services

Regional Services' goals are to achieve safe, secure and reliable road and drainage infrastructure and plan for liveable and distinctive communities that we are proud to be part of. Regional Services provides roadworks, street lighting, stormwater drainage, engineering planning and administration. Regional Services also maintains disaster management response capability to meet community needs when required.

Corporate Services

Corporate Services provides professional financial and information services across all of Council. This function includes communication and information technology, administration services, financial services, strategic planning, natural resource management, internal audit and fleet and plant services. The goal of Corporate Services is to provide accurate, timely and appropriate information and services to all areas of Council to support sound decision making and to meet statutory requirements.

Community Services

The goals of Community Services are to achieve a healthy and liveable environment for everyone to enjoy and a safe, caring and healthy community. Community Services provides well managed and maintained community facilities, and ensures the effective delivery of cultural, environmental and recreational services. Services provided include libraries, art services, theatre and venue management, heritage preservation, child care, aged services and community assistance. Community Services also provides compliance and regulatory services in line with legislation and community standards; these include the operations of public health, environmental health, health planning, development assessment and development compliance.

ROCKHAMPTON REGIONAL COUNCIL**Notes to the financial statements**
For the year ended 30 June 2021

Airport

The key objectives of Rockhampton Airport are to safely deliver aeronautical and related non-aeronautical services that are ancillary to the operation of a modern Airport. As a commercialised business unit, Rockhampton Airport works with Council to conduct operations in accordance with commercial principles and provides the strategic direction and operations of the Airport's service delivery for Council.

Waste & Recycling

The key objectives of Waste and Recycling are to deliver commercially viable waste and recycling services that satisfy adopted customer service standards. Waste and Recycling is a commercial business unit of Rockhampton Regional Council and is responsible for the operation and maintenance of waste management facilities and waste and recycling collection services throughout the Rockhampton Region.

Fitzroy River Water

Fitzroy River Water's aim is to enhance the community's quality of life by providing sustainable water, sewerage and environmental services, through innovation, technical expertise, business efficiency, excellence in customer service and commitment to the environment. Fitzroy River Water is a commercial business unit of Rockhampton Regional Council and is responsible for operating and maintaining water and sewerage assets throughout the region.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2021

(b) Revenue, expenses and assets have been attributed to the following functions:

Functions	Gross Program Income				Total Income	Gross Program Expenses		Total Expenses	Net Result from Recurrent	Net Result	Assets
	Recurrent		Capital			Recurrent	Capital				
	Grants	Other	Grants	Other							
	2021 \$	2021 \$	2021 \$	2021 \$							
Resourcing	8,623,768	69,074,955	2,793,239	-	80,491,962	(37,199,289)	-	(37,199,289)	114,898,012	117,691,251	159,598,356
Office of the CEO	201,229	1,541,417	-	-	1,742,645	16,239,486	20,326	16,259,812	(14,496,840)	(14,517,167)	1,113,791
Regional Services	500,309	2,423,537	17,521,804	23,260,225	43,705,875	44,364,562	7,807,343	52,171,905	(41,440,717)	(8,466,030)	1,434,854,578
Corporate Services	474,760	1,473,573	-	288,101	2,236,434	18,398,907	33,195	18,432,102	(16,450,574)	(16,195,668)	62,935,101
Community Services	3,628,578	8,656,995	1,184,185	212,944	13,682,702	62,374,018	1,381,862	63,755,879	(50,088,444)	(50,073,177)	237,256,766
Airport	1,420,663	11,898,648	13,516,063	2,304,783	29,140,157	13,319,312	52,812	13,372,124	-	15,768,033	140,181,449
Waste & Recycling	213,859	24,477,970	39,790	215,574	24,947,194	22,279,720	642,046	22,921,765	2,412,110	2,025,429	43,882,874
Fitzroy River Water	15,474	71,475,265	449,398	2,964,201	74,904,338	64,365,045	1,489,361	65,854,407	7,125,694	9,049,931	633,863,316
Total	15,078,640	191,022,359	35,504,479	29,245,829	270,851,307	204,141,760	11,426,945	215,568,705	1,959,239	55,282,602	2,713,686,231

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2021

Prior Year

Functions	Gross Program Income				Total Income	Gross Program Expenses		Total Expenses	Net Result from Recurrent	Net Result	Assets
	Recurrent		Capital			Recurrent	Capital				
	Grants	Other	Grants	Other							
	2020 \$	2020 \$	2020 \$	2020 \$							
Resourcing	8,939,117	69,580,566	5,370,377	-	83,890,060	(31,163,074)	-	(31,163,074)	109,682,757	115,053,134	163,868,320
Office of the CEO	146,151	282,881	-	-	429,032	16,207,061	-	16,207,061	(15,778,029)	(15,778,029)	886,062
Regional Services	2,673,453	2,185,855	21,328,867	6,564,552	32,752,727	44,824,743	5,174,601	49,999,344	(39,965,435)	(17,246,617)	1,401,820,827
Corporate Services	725,064	1,603,874	374,933	-	2,703,871	17,653,211	241,433	17,894,645	(15,324,273)	(15,190,773)	61,035,428
Community Services	3,240,785	6,850,704	(30,045)	656,166	10,717,610	63,882,509	592,183	64,474,692	(53,791,020)	(53,757,082)	227,686,386
Airport	8,271	14,194,868	4,310,000	-	18,513,139	14,203,139	71,187	14,274,326	-	4,238,813	110,507,442
Waste & Recycling	377,382	23,277,389	49,343	102,524	23,806,638	20,556,756	142,904	20,699,660	3,098,015	3,106,978	45,516,392
Fitzroy River Water	8,279	72,080,635	421,641	1,507,497	74,018,052	58,502,175	473,478	58,975,653	13,586,739	15,042,399	635,292,123
Total	16,118,502	190,056,772	31,825,116	8,830,739	246,831,129	204,666,520	6,695,787	211,362,307	1,508,754	35,468,822	2,646,612,980

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2021

	2021 \$	2020 \$
3 Revenue		
(a) Rates, levies and charges		
Rates and annual charges are recognised as revenue at the beginning of the rating period to which they relate. Prepaid rates are recognised as a financial liability until the beginning of the rating period.		
General rates	65,519,738	63,561,586
Separate rates	17,962,602	17,913,222
Special rates	91,565	96,914
Water	34,213,081	34,833,907
Sewerage	30,788,373	29,781,105
Garbage charges	16,889,503	16,347,160
Rates and utility charge revenue	165,464,862	162,533,894
Less: Discounts	(13,426,660)	(12,818,065)
Less: Remissions	(3,333,928)	(1,692,018)
Net rates and utility charges	148,704,274	148,023,811

(b) Fees and charges

Revenue arising from fees and charges are recognised at the point in time when the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service or in some cases, the customer is required to pay on receipt of the service. There is no material obligation for Council in relation to refunds or returns.

Licences granted by Council are all either short-term or low value and all revenue from licences is recognised at the time that the licence is granted rather than the term of the licence.

Revenue from infringements is recognised on issue of the infringement notice after applying the expected credit loss model relating to impairment of receivables for initial recognition of statutory receivables.

Airport fees	7,897,869	10,055,978
Waste and recycling fees	6,201,189	5,785,509
Venues, events, tourism and cultural fees	3,652,465	1,987,207
Building, plumbing and development fees	2,515,212	1,492,551
Local laws and health licencing fees	1,301,464	1,075,885
Irrigator and commercial water fees	1,841,749	1,789,927
Other fees	1,180,305	829,091
	24,590,253	23,016,148

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2021

	2021 \$	2020 \$
(c) Other recurrent income		
Other revenue is recognised when it is received or when the right to receive payment is established. Rental revenue is recognised as income on a periodic straight line basis over the lease term.		
Rental / lease income	3,255,461	3,219,228
Commission and collection fees	1,979,688	2,087,581
Insurance	100,222	106,431
Other income	4,415,955	4,038,860
	<u>9,751,326</u>	<u>9,452,100</u>

4 Grants, subsidies and contributions

Grant income under AASB 15

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligation is satisfied.

Performance obligations vary in each agreement but include disaster resilience projects, aged care assistance and community events. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract.

Where control is transferred over time, revenue is recognised using either costs or time incurred.

Grant income under AASB 1058

Where Council receives an asset for significantly below fair value, the asset is recognised at fair value, related liability (or equity items) are recorded and income is then recognised for any remaining asset value at the time that the asset is received.

Capital grants

Where Council receives funding under an enforceable contract to acquire or construct a specified item of property, plant and equipment which will be under Council's control on completion, revenue is recognised as and when the obligation to construct or purchase is completed.

For construction projects, this is generally as the construction progresses in accordance with costs incurred.

Contributions

Where assets are donated or purchased for significantly below fair value, the revenue is recognised when the asset is acquired and controlled by Council.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2021

	Note	2021 \$	2020 \$
Contributions are generally recognised on receipt of the asset since there are no enforceable performance obligations.			
Physical assets contributed to Council by developers in the form of road works, stormwater, water and sewerage infrastructure and park assets are recognised as revenue when the development becomes "on maintenance" (i.e. Council obtains control of the assets and becomes liable for any ongoing maintenance) and there is sufficient data in the form of drawings and plans to determine the approximate specifications and values of such assets. Non-cash contributions are recognised at fair value in excess of the recognition thresholds as non-current assets. Those below the thresholds are recorded as expenses.			
(a) Operating			
General purpose grants		8,623,768	8,470,543
Government subsidies and grants		6,454,872	7,647,959
Contributions		570,856	850,505
		<u>15,649,496</u>	<u>16,969,007</u>
(b) Capital			
Capital revenue includes grants and subsidies received which are tied to specific projects for the replacement or upgrade of existing non-current assets and / or investment in new assets. It also includes non-cash contributions which are usually infrastructure assets received from developers.			
(i) Monetary revenue designated for capital funding purposes:			
Government subsidies and grants		35,504,479	31,825,116
Contributions		7,325,721	5,802,368
		<u>42,830,200</u>	<u>37,627,484</u>
(ii) Non-monetary revenue received is analysed as follows:			
Developer assets contributed by developers at fair value		6,656,898	2,698,884
Other physical assets contributed at fair value		12,518,719	202,932
		<u>19,175,617</u>	<u>2,901,816</u>
		<u>62,005,817</u>	<u>40,529,300</u>
(c) Timing of revenue recognition for grants, subsidies and contributions			
Revenue recognised at a point in time			
Operational Grants and subsidies	4(a)	14,281,003	15,700,950
Operational Contributions	4(a)	570,856	850,505
Capital Grants and subsidies	4(b)	35,213,423	26,389,597
Capital Contributions	4(b)	5,073,722	4,507,752
		<u>55,139,005</u>	<u>47,448,804</u>
Revenue recognised over time			
Operational Grants and subsidies	4(a)	797,637	417,552
Capital Grants and subsidies	4(b)	291,056	5,435,519
Capital Contributions	4(b)	2,251,999	1,294,616
		<u>3,340,692</u>	<u>7,147,687</u>
		<u>58,479,696</u>	<u>54,596,491</u>

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2021

	Note	2021 \$	2020 \$
5 Capital income			
Gain on the disposal of non-current assets			
(a) Proceeds from disposal of land		129,100	-
Less: Carrying value of land disposed		(371,100)	-
		<u>(242,000)</u>	<u>-</u>
(b) Proceeds from disposal of plant and equipment		1,819,610	-
Less: Carrying value of plant and equipment disposed		(1,251,814)	-
		<u>567,796</u>	<u>-</u>
(c) Proceeds from disposals / insurance proceeds for buildings		2,452,601	-
Less: Carrying value of buildings disposed		(159,302)	-
		<u>2,293,299</u>	<u>-</u>
Provision for rehabilitation			
Quarry rehabilitation - change from revision of future restoration expenditure	19	1,938	27,304
Quarry rehabilitation - reduction in rehabilitation provision for future costs, due to a change in discount rate	19	26,395	-
Landfill restoration - change from revision of future restoration expenditure	19	97,063	99,251
Total capital income		<u>2,744,491</u>	<u>126,555</u>

6 Employee benefits

Employee benefit expenses are recorded when the service has been provided by the employee.

Staff wages and salaries		81,111,993	82,441,256
Councillors' remuneration		940,238	995,675
Termination benefits		460,619	226,719
Superannuation	26	8,910,862	8,639,803
		<u>91,423,712</u>	<u>92,303,453</u>
Other employee related expenses		2,859,900	2,922,707
		<u>94,283,612</u>	<u>95,226,160</u>
Less: Capitalised employee expenses		(11,325,178)	(12,605,465)
		<u>82,958,434</u>	<u>82,620,695</u>

Councillor remuneration represents salary and other allowances paid in respect of carrying out their duties.

Total employees at year end:	No.	No.
Elected members	8	8
Administration staff	554	546
Depot and outdoors staff	365	371
Total full time equivalent employees	<u>927</u>	<u>925</u>

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2021

	Note	2021 \$	2020 \$
7 Materials and services			
Expenses are recorded on an accruals basis as Council receives the goods or services.			
Audit of annual financial statements by the Auditor-General of Queensland		158,622	190,294
Advertising and marketing		1,559,289	1,386,777
Administration supplies and consumables		855,151	934,916
Communications and IT		4,097,838	4,319,098
Consultants		3,283,235	3,441,273
Contractors		12,058,208	11,044,813
Donations paid		1,374,071	1,241,740
Insurance		4,738,738	3,975,262
Electricity		5,407,147	6,104,970
Repairs and maintenance		18,464,035	21,048,705
Waste levy		3,962,160	3,664,912
Other materials and services		2,900,338	2,312,251
		<u>58,858,832</u>	<u>59,665,011</u>
8 Finance costs			
Finance costs charged by the Queensland Treasury Corporation		4,804,836	5,392,480
Bank charges		311,554	307,638
Impairment of receivables		28,985	503,552
Interest on leases		22,090	25,752
Quarry rehabilitation - change in present value over time	19	4,529	6,858
Landfill sites restoration - change in present value over time	19	338,432	340,431
		<u>5,510,426</u>	<u>6,576,711</u>
9 Depreciation and amortisation			
Depreciation of non-current assets			
Site improvements		3,179,576	2,746,272
Buildings		7,818,084	7,295,713
Plant and equipment		5,282,526	5,253,922
Road network		18,926,177	18,644,009
Stormwater network		4,050,473	3,986,335
Bridge network		1,048,352	1,015,486
Water		9,173,334	9,275,713
Sewerage		4,476,222	4,606,477
Airport		2,327,996	2,420,587
Total depreciation of non-current assets	15	<u>56,282,740</u>	<u>55,244,514</u>
Amortisation of intangible assets			
Computer software		247,824	300,077
Depreciation of right-of-use assets			
Leases	17(a)	283,504	259,512
Total depreciation and amortisation		<u>56,814,068</u>	<u>55,804,103</u>

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2021

	Note	2021 \$	2020 \$
10 Capital expenses			
Loss on the disposal of non-current assets			
(a) Proceeds from disposal of land		-	(295,200)
Less: Carrying value of land disposed		-	250,010
		-	(45,190)
(b) Proceeds from disposal of plant and equipment		-	(1,422,875)
Less: Carrying value of plant and equipment disposed		-	1,715,550
		-	292,675
(c) Insurance proceeds for buildings		-	(46,253)
Less: Carrying value of buildings disposed		-	71,187
		-	24,934
Write off of non-current assets			
Site improvements		566,191	79,628
Buildings		677,164	430,138
Plant and equipment		84,519	22,152
Road network		7,098,423	4,799,757
Stormwater network		354,410	298,983
Bridge network		503,324	222,127
Water		1,106,670	317,759
Sewer		409,328	156,046
Airport		661	-
Intangible assets		409	-
Rehabilitation			
Quarry rehabilitation - increase in rehabilitation provision for future costs, due to a change in discount rate	19	-	18,243
Landfill restoration - increase in restoration provision for future costs, due to a change in discount rate	19	625,846	78,535
Total capital expenses		11,426,945	6,695,787

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2021

	Note	2021 \$	2020 \$
11 Cash and cash equivalents			
Cash and cash equivalents in the statement of cash flows includes cash on hand, all cash and cheques received but not banked at the year end, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.			
Cash at bank and on hand		3,444,971	3,226,518
Deposits at call		84,728,977	67,130,194
Balance as per Statement of Cash Flows		<u>88,173,948</u>	<u>70,356,712</u>
Council is exposed to credit risk through its investments in the QTC Cash Fund. The QTC Cash Fund is an asset management portfolio investing in a wide range of high credit rated counterparties. Deposits with the QTC Cash Fund are capital guaranteed.			
Cash and cash equivalents		88,173,948	70,356,712
Less: externally imposed restrictions on cash	11(a)	<u>(7,278,114)</u>	<u>(3,340,692)</u>
Unrestricted cash		<u>80,895,834</u>	<u>67,016,020</u>
Council's cash, cash equivalents and investments (Note 12) are subject to a number of externally imposed expenditure restrictions that limit the amount available for discretionary or future use at the reporting date. These restrictions relate to the following cash assets:			
(a) Externally imposed expenditure restrictions at the reporting date relate to the following cash assets:			
Unspent government grants and subsidies		2,847,925	1,088,693
Unspent infrastructure charges		4,430,189	2,251,999
Total externally imposed restrictions on cash assets		<u>7,278,114</u>	<u>3,340,692</u>
In accordance with the <i>Local Government Act 2009</i> and <i>Local Government Regulation 2012</i> , a separate trust bank account and separate accounting records are maintained for funds held on behalf of outside parties. Funds held in the trust account on behalf of outside parties include those funds from the sale of land for arrears in rates, deposits for the contracted sale of land, security deposits lodged to guarantee performance and unclaimed monies (e.g. wages) paid into the trust account by the Council. The Council performs only a custodian role in respect of these monies and because the monies cannot be used for Council purposes, they are not considered revenue nor brought to account in the financial statements since Council has no control over the assets.			
Trust funds held for outside parties			
Monies collected or held on behalf of other entities yet to be paid out to or on behalf of those entities		<u>1,299,429</u>	<u>1,168,975</u>

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2021

	2021 \$	2020 \$
12 Investments		
Term deposits with a term in excess of three months are reported as investments, with deposits of less than three months being reported as cash equivalents.		
Opening balance	15,000,000	19,000,000
Transfers to operating bank account	(15,000,000)	(4,000,000)
	<u>15,000,000</u>	<u>15,000,000</u>

13 Receivables

Receivables are amounts owed to Council at year end. They are recognised at the amounts due at the time of sale or service delivery. Settlement of receivables is required within 30 days after the invoice is issued.

Debts are regularly assessed for collectability and allowance is made, where appropriate, for impairment. All known bad debts were written-off at 30 June. If an amount is recovered in a subsequent period it is recognised as revenue.

The loss is recognised in finance costs. The amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated cash flows discounted at the effective interest rate.

Current		
Rateable revenue and utility charges	6,807,021	7,356,289
Less: loss allowance	(255,912)	(189,125)
	<u>6,551,109</u>	<u>7,167,164</u>
Other debtors	3,839,792	5,983,098
Less: loss allowance	(568,348)	(615,512)
	<u>3,271,444</u>	<u>5,367,586</u>
State and Commonwealth government	1,240,269	2,564,786
	<u>11,062,822</u>	<u>15,099,536</u>

Interest is charged on outstanding rates (8.5% per annum from 1 January 2021. Previously 9.5% per annum from 1 July 2019 to 25 March 2020). No interest was charged on outstanding rates from 26 March 2020 to 31 December 2020 as a COVID-19 pandemic relief measure. No interest is charged on other debtors. There is no concentration of credit risk for rates and utility charges, fees and other debtors receivable.

Council applies normal business credit protection procedures prior to providing goods or services to minimise credit risk.

The Council does not require collateral in respect of trade and other receivables.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2021

	2021	2020
	\$	\$

Accounting policies - Grouping

When Council has no reasonable expectation of recovering an amount owed by a debtor, and has ceased enforcement activity, the debt is written-off by directly reducing the receivable against the loss allowance. If the amount of debt written off exceeds the loss allowance, the excess is recognised as an impairment loss.

Accounting for impairment losses is dependent upon the individual group of receivables subject to impairment. The loss allowance for grouped receivables reflects lifetime expected credit losses (ECL) and incorporates reasonable and supportable forward-looking information. Economic changes impacting debtors, and relevant industry data form part of the impairment assessment.

Council has identified three distinctive groupings of its receivables: Rates and Charges, State and Commonwealth government, Other Debtors.

Rates and Charges: Council is empowered under the provisions of the *Local Government Act 2009* to sell an owner's property to recover outstanding rate debts and therefore the expected credit loss is immaterial. Impairment of rates and charges will occur only if arrears are deemed to be greater than the proceeds Council would receive from the sale of the respective property.

State and Commonwealth government: amounts payable by State and Commonwealth governments and their agencies. A credit enhancement exists as these payments are effectively government guaranteed and both the State and Commonwealth governments have high credit ratings. Accordingly Council determines the level of credit risk exposure to be immaterial and therefore Council does not calculate ECL for State and Commonwealth government debtors.

Other Debtors: Council identifies other debtors as receivables which are not rates and charges or State and Commonwealth government debtors.

The exposure to credit risk for receivables by type of counterparty was as follows:

Rates and utility charges	6,551,109	7,167,164
State and Commonwealth government	1,240,269	2,564,786
Other debtors	3,271,444	5,367,586
Total	11,062,822	15,099,536

Movement in accumulated impairment losses (trade and other receivables) is as follows:

Opening balance	804,637	311,494
Impairment adjustment in the year	(102,884)	(128,983)
Impairment debts written off during the year	(9,362)	(10,964)
Impairments recognised	131,869	633,090
Closing balance	824,260	804,637

14 Other assets

Water charges yet to be levied	341,094	1,326,031
GST recoverable	938,984	1,214,002
Prepayments	1,801,257	1,548,551
	3,081,335	4,088,584

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements

For the year ended 30 June 2021

15 (a) Property, plant and equipment

	Note	Land	Site improvements	Buildings	Plant and equipment	Road network	Stormwater network	Bridge network	Water	Sewerage	Airport	Heritage and cultural assets	Work in Progress	Total
Basis of measurement		Fair value	Cost	Fair value	Cost	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value	Cost	
Fair value category		Level 2 & 3		Level 2 & 3		Level 3	Level 3	Level 3	Level 3	Level 3	Level 3	Level 2		
Asset values		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening gross value as at 1 July 2020		70,146,004	79,991,097	330,035,524	70,125,121	1,307,501,870	370,294,821	60,665,018	659,905,075	343,439,940	77,239,602	18,272,385	132,905,922	3,520,122,379
Adjustment to opening value		-	-	-	-	39,249	-	-	-	-	-	-	-	39,249
Additions		-	-	-	-	-	-	-	-	-	-	-	-	-
- Renewals		-	876,836	320,159	5,209,212	8,816,304	461,464	5,912,406	912,878	928,566	27,141	-	31,159,446	54,624,412
- Other additions		209,603	2,434,467	697,503	1,502,718	4,751,952	358,867	90	725,434	172,388	-	-	50,170,902	61,023,923
Prior year write off of additions at cost		-	-	-	-	-	-	-	-	-	-	-	-	(474,270)
Contributed assets at valuation		-	-	-	-	3,564,071	1,741,303	11,889,838	1,056,673	923,732	-	-	-	19,175,617
Reassessment of landfill restoration cost		-	(3,978,690)	-	-	-	-	-	-	-	-	-	-	(3,978,690)
Transfers from work in progress		51,934	19,902,122	10,612,787	6,265,915	33,149,869	3,442,758	697,875	4,390,160	977,236	38,028	-	(79,528,474)	9
Disposals		(371,100)	-	(174,928)	(3,463,239)	-	-	-	-	-	-	-	-	(4,009,265)
Assets classified as held for sale-land		159,700	-	-	-	-	-	-	-	-	-	-	-	159,700
Revaluation adjustment to asset revaluation surplus	22	-	-	18,855,827	-	(305,772)	-	(238,388)	-	-	427,939	-	-	18,739,607
Write offs	10	-	(1,290,644)	(1,343,649)	(726,143)	(14,206,474)	(604,453)	(2,867,220)	(3,288,542)	(816,812)	(7,063)	-	-	(25,151,001)
Transfer to intangible assets		-	-	-	-	-	-	-	-	-	-	-	(47,278)	(47,278)
Closing gross value as at 30 June 2021		70,196,141	97,535,188	359,003,225	78,913,584	1,343,311,069	375,694,760	76,059,419	663,701,677	345,625,050	77,725,647	18,272,385	134,186,247	3,640,224,392
Accumulated depreciation and impairment														
Opening gross value as at 1 July 2020		-	23,191,536	136,867,510	33,523,324	237,896,585	114,155,205	23,506,590	260,233,922	133,148,512	20,990,574	-	-	983,513,758
Depreciation expense	9	-	3,179,576	7,818,085	5,282,526	18,926,176	4,050,473	1,048,352	9,173,334	4,476,222	2,327,996	-	-	56,282,740
Depreciation on disposals		-	-	(15,624)	(2,211,425)	-	-	-	-	-	-	-	-	(2,227,049)
Revaluation adjustment to asset revaluation surplus	22	-	-	7,895,684	-	2,750,455	-	1,752,941	-	-	(1,828,559)	-	-	10,570,522
Depreciation on write offs	10	-	(724,453)	(666,485)	(641,624)	(7,108,051)	(250,043)	(2,363,896)	(2,181,872)	(407,484)	(6,401)	-	-	(14,350,311)
Accumulated depreciation as at 30 June 2021		-	25,646,659	151,899,170	35,952,801	252,465,165	117,955,635	23,943,987	267,225,384	137,217,250	21,483,609	-	-	1,033,789,660
Net value at 30 June 2021		70,196,141	71,888,529	207,104,055	42,960,783	1,090,845,905	257,739,124	52,115,431	396,476,293	208,407,800	56,242,038	18,272,385	134,186,247	2,606,434,732
Residual value		-	-	-	11,976,496	-	-	-	-	-	-	-	-	11,976,496
Range of estimated useful life in years		Not depreciated	10 - 1000	10 - 150	3 - 40	10 - 1000	25 - 120	10 - 80	15 - 1000	15 - 1000	7 - 1000	Not depreciated	-	-

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements

For the year ended 30 June 2021

15 (b) Property, plant and equipment - prior year

	Note	Land	Site improvements	Buildings	Plant and equipment	Road network	Stormwater network	Bridge network	Water	Sewerage	Airport	Heritage and cultural assets	Work in Progress	Total
Basis of measurement		Fair value	Cost	Fair value	Cost	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value	Cost	
Fair value category		Level 2 & 3		Level 2 & 3		Level 3	Level 3	Level 3	Level 3	Level 3	Level 3	Level 2		
Asset values		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening gross value as at 1 July 2019		70,508,178	120,116,947	292,026,740	67,147,759	1,346,407,439	343,992,029	54,468,039	653,206,173	341,656,261	73,585,793	18,005,117	112,633,442	3,493,753,917
Adjustment to opening value		-	(5,819,051)	(335,403)	(765,405)	1,424,273	11,928	-	212,385	62,293	-	(22,886)	-	(5,231,866)
Additions		-	-	-	-	-	-	-	-	-	-	-	-	-
- Renewals		-	13,750	183,658	6,796,826	2,278,834	452,759	139,545	777,670	220,630	-	-	34,005,798	44,869,470
- Other additions		46,785	13,749	47,694	742,433	1,466,005	1,131,809	37,596	665,963	58,129	-	112,222	46,910,750	51,233,134
Prior year write off of additions at cost		-	-	-	-	-	-	-	-	-	-	-	(2,724,484)	(2,724,484)
Contributed assets at valuation		-	-	-	35,000	1,129,161	914,871	-	333,133	321,718	-	167,932	-	2,901,815
Reassessments of landfill restoration cost		-	(3,035,340)	-	-	-	-	-	-	-	-	-	-	(3,035,340)
Transfers between classes		(159,700)	(37,533,301)	31,749,269	318,288	1,343,058	503,634	-	3,515,095	-	103,957	-	-	(159,700)
Transfers from work in progress		751	9,716,521	14,118,965	863,288	21,899,870	3,592,002	3,486,560	2,278,185	1,437,760	-	10,000	(57,403,902)	-
Disposals		(250,010)	-	(174,150)	(4,730,004)	-	-	-	-	-	-	-	-	(5,154,164)
Revaluation adjustment to asset revaluation surplus	22	-	-	-	-	(58,786,149)	20,192,331	3,229,955	-	-	3,549,852	-	-	(31,814,011)
Obsolescence adjustment to asset revaluation surplus		-	(3,734,912)	(6,449,387)	-	-	-	-	-	-	-	-	-	(10,184,299)
Write offs	10	-	(147,266)	(1,131,862)	(283,064)	(9,660,621)	(496,542)	(696,676)	(1,083,529)	(316,851)	-	-	-	(13,816,411)
Transfer to intangible assets		-	-	-	-	-	-	-	-	-	-	-	(515,682)	(515,682)
Closing gross value as at 30 June 2020		70,146,004	79,591,097	330,035,524	70,125,121	1,307,501,870	370,294,821	60,665,018	659,905,075	343,439,940	77,239,602	18,272,385	132,905,922	3,520,122,379
Accumulated depreciation and impairment														
Opening gross value as at 1 July 2019		-	41,025,741	126,433,432	32,202,184	280,131,057	104,037,877	21,680,027	250,062,085	128,702,839	17,581,467	-	-	1,001,856,708
Adjustment to opening value		-	(3,211,872)	(209,845)	(761,391)	(1,097,162)	-	-	-	-	-	-	-	(5,280,270)
Depreciation expense	9	-	2,746,272	7,295,713	5,253,922	18,644,009	3,986,335	1,015,486	9,275,713	4,606,477	2,420,587	-	-	55,244,514
Transfers between classes		-	(13,566,054)	10,602,285	103,975	974,939	221,529	-	1,661,894	-	1,432	-	-	-
Depreciation on disposals		-	-	(102,963)	(3,014,454)	-	-	-	-	-	-	-	-	(3,117,417)
Revaluation adjustment to asset revaluation surplus	22	-	-	-	-	(55,895,394)	6,107,023	1,285,626	-	-	987,088	-	-	(47,515,657)
Obsolescence adjustment to asset revaluation surplus	22	-	(3,734,912)	(6,449,387)	-	-	-	-	-	-	-	-	-	(10,184,299)
Depreciation on write offs	10	-	(67,638)	(701,725)	(260,912)	(4,860,864)	(197,559)	(474,549)	(765,770)	(160,804)	-	-	-	(7,489,821)
Accumulated depreciation as at 30 June 2020		-	23,191,536	136,867,510	33,523,324	237,896,585	114,155,205	23,506,590	260,233,922	133,148,512	20,990,574	-	-	983,513,758
Net value at 30 June 2020		70,146,004	56,399,561	193,168,014	36,601,797	1,069,605,285	256,139,616	37,158,428	399,671,153	210,291,428	56,249,028	18,272,385	132,905,922	2,536,608,621
Residual value		-	-	-	10,530,681	-	-	-	-	-	-	-	-	10,530,681
Range of estimated useful life in years		Not depreciated	10 - 1000	10 - 150	3 - 40	10 - 1000	25 - 120	10 - 80	15 - 1000	15 - 1000	7 - 1000	Not depreciated	-	-

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2021

15 Property, plant and equipment**(c) Recognition**

Plant and equipment with a total value of less than \$5,000, and infrastructure assets (road, stormwater, bridge, water and sewerage assets), site improvements, airport assets and buildings with a total value of less than \$10,000 are treated as an expense in the year of acquisition. All other items of property, plant and equipment are capitalised including individual assets valued below the asset recognition threshold if they form part of an integrated function.

Land under roads and reserve land under the *Land Act 1994* or *Land Title Act 1994* is controlled by Queensland State Government and not recognised in Council's financial statements.

(d) Measurement

Property, plant and equipment assets are initially recorded at cost. Subsequently, each class of property, plant and equipment is stated at cost or fair value less, where applicable, any accumulated depreciation and accumulated impairment loss.

Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. Direct labour and materials and an appropriate proportion of overheads incurred in the acquisition or construction of assets are also included as capital costs.

Property, plant and equipment received in the form of contributions, for significantly less than fair value or as offsets to infrastructure charges are recognised as assets and revenues at fair value.

When Council raises a provision for the restoration of a Council-controlled site, such as a landfill site, the provision is initially recognised against property, plant and equipment. Subsequent changes in the provision relating to the discount rate or the estimated amount or timing of restoration costs are recognised as a change in the corresponding capitalised cost.

(e) Depreciation

Assets are depreciated from the date of acquisition or when an asset is ready for use.

Land, Heritage and Cultural assets and work in progress are not depreciated.

Depreciation, where applicable, is calculated on a straight-line basis such that the cost of the asset less its residual value is recognised progressively over its estimated useful life to Council. Management believe that the straight-line basis appropriately reflects the pattern of consumption of all Council assets.

Where assets have separately identifiable components, these components have separately assigned useful lives.

Depreciation methods, estimated useful lives and residual values are reviewed at the end of each reporting period and adjusted where necessary to reflect any changes in the pattern of consumption, physical wear and tear, technical or commercial obsolescence, or management intentions.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2021

Key judgements and estimates:

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

(f) Impairment

Property, plant and equipment held at cost is assessed for indicators of impairment annually. If an indicator of possible impairment exists, Council determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

(g) Adjustment to opening value

During the preparation for revaluations and ongoing data improvement processes, additional assets not previously recognised and recognised incorrectly are identified and brought to account at fair value.

(i) Valuation**Valuation Processes**

Council considers the carrying amount of its property, plant and equipment on an annual basis compared to fair value and makes adjustment where these are materially different. Every 5 years Council performs a full comprehensive revaluation by engaging an external professionally qualified valuer or suitably qualified internal staff.

In the intervening years, Council utilises a combination of internal and external sources of information, as appropriate, in a structured manner in order to determine if there has been any potential material movement in the fair value of assets. Where this is indicated the relevant assets will be revalued by indexation or a desktop valuation as appropriate. A "desktop" valuation may involve management providing updated information to the valuer regarding additions, deletions and changes in assumptions such as useful life, residual value and condition rating. The valuer then determines suitable indices which are applied to each of these asset classes.

Revaluation increases are recognised in the asset revaluation surplus unless they are reversing a previous decrease which was taken through the income statement, in that case the increase is taken to the income statement to the extent of the previous decrease.

Revaluation decreases are recognised in the asset revaluation surplus, where there is sufficient amount available in the asset revaluation surplus relating to that asset class. Where there isn't sufficient amount available in the surplus, the decrease is recognised in the statement of comprehensive income.

Where the class of asset has previously decreased in value and this reduction was recognised as an expense, an increase in the value of the class is recognised in the statement of comprehensive income.

Fair values are classified into three levels as follows:

- Level 1 - Fair value based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 - Fair value based on inputs that are directly or indirectly observable, such as prices for similar assets, for the asset or liability
- Level 3 - Fair value based on unobservable inputs for the asset and liability

There were no transfers between levels of the hierarchy during the year.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements

For the year ended 30 June 2021

Valuation techniques used to derive fair values

Asset class and fair value hierarchy	Valuation approach	Last comprehensive valuation date	Valuer engaged	Key assumptions and estimates (related data sources)	Index applied (change in index recognised this year)	Other interim revaluation adjustment
Land (Level 2) 2021: \$32,283,100 2020: \$32,283,100	Market value	30 September 2018	Australis Asset Advisory Group	Sales prices (database of recent sales) of comparable properties are adjusted for differences in key attributes such as property size).	Nil	Nil
Land (level 3) 2021: \$37,913,041 2020: \$37,862,904	Market value	30 September 2018	Australis Asset Advisory Group	Sales prices (database of recent sales) of comparable properties are adjusted for differences in key attributes such as property size and other factors including restrictive use for special purposes.	Nil	Nil
Buildings (level 2) 2021: \$3,668,141 2020: \$3,994,165	Market value	31 March 2017	Australis Asset Advisory Group	Sales prices of comparable properties are adjusted for differences in key attributes of the property.	Indices assessment provided by Australis Asset Advisory Group	Nil
Buildings (level 3) 2021: \$203,435,914 2020: \$189,173,849	Current replacement cost	31 March 2017	Australis Asset Advisory Group	Current replacement unit costs (rate per square metre) are based on cost guides, unit rate databases and available market and construction data of modern equivalent assets. Remaining useful life incorporates condition, age, recent works, functionality, capability, utilisation and obsolescence.	Indices assessment provided by Australis Asset Advisory Group	Nil

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements

For the year ended 30 June 2021

Asset class and fair value hierarchy	Valuation approach	Last comprehensive valuation date	Valuer engaged	Key assumptions and estimates (related data sources)	Index applied (change in index recognised this year)	Other interim revaluation adjustment
Road network (level 3)	Current replacement cost	Rolling revaluation: 31 December 2019 31 December 2020	Qualified Council Staff	Current replacement cost unit rates are sourced from Lemmah Pty Ltd (market prices of plant, labour and materials along with actual costs from reference projects), cost guides and recently completed capital works for modern equivalent assets. Unit rates and useful life information is based on Road stereotypes taking account of ground conditions and customised to local design conditions. Remaining useful life incorporates condition determined by a number of factors including distress weightings within a replacement acceptability level, age, physical obsolescence and other factors.	Nil	Nil
Stormwater network (level 3)	Current replacement cost	31 March 2017	AssetVal Pty Ltd	Current replacement cost unit rates are based on similar recent project costs, direct quotations from suppliers, unit rate databases, indices and cost guides for modern equivalent assets. Remaining useful life incorporates age and condition assumptions.	Nil	Nil
Bridge network (level 3)	Current replacement cost	31 December 2020	Australis Asset Advisory Group	Current replacement cost unit rates are based on cost guides including location factors from Rawlinson's cost guide, historical costs, contractor rates, future works, site factors, overheads and regional information for modern equivalent assets. Remaining useful life incorporates asset type considerations, comparisons with similar Council areas, construction materials, locational factors of degradation of materials and knowledge of material lives.	Nil	Nil

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements

For the year ended 30 June 2021

Asset class and fair value hierarchy	Valuation approach	Last comprehensive valuation date	Valuer engaged	Key assumptions and estimates (related data sources)	Index applied (change in index recognised this year)	Other interim revaluation adjustment
Water (level 3) Sewerage (level 3)	Current replacement cost	31 December 2018	AssetVal Pty Ltd	Current replacement cost unit rates (modern equivalent) are based on similar recent project costs, unit rate databases, indices, Rawlinson's construction rates and quotations and reviews by Council engineers. Active assets (treatment, pumping and storage) utilised New South Wales reference rates with appropriate adjustments for local Council factors. Remaining useful life incorporates age, evidence of recent works and surrounding environmental factors.	Nil	Nil
Airport (level 3)	Current replacement cost	31 December 2020	Australis Asset Advisory Group	Current replacement cost unit rates are based on estimated contractor and material inputs (including quality factors), overheads, cost guides including location factors from Rawlinson's cost guide, historical costs and regional information for modern equivalent assets. Remaining useful life incorporates age, inspection and condition assumptions.	Nil	Nil
Heritage and cultural assets (level 2)	Market value	31 March 2018	Australis Asset Advisory Group	Sales prices from various databases of recent sales and general market information.	Nil	Nil

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2021

	2021 \$	2020 \$
16 Contract balances		
Contract assets represents the excess of costs incurred in relation to a contract with a customer or construction of an asset over the amounts that Council has invoiced the customer or the grantor. Where Council has invoiced the customer or the grantor amounts in excess of what it has incurred in relation to a contract or in constructing an asset, this gives rise to a contract liability.		
(a) Contract assets	<u>872,809</u>	<u>1,010,850</u>
(b) Contract liabilities		
Non-capital performance obligations not yet satisfied	823,613	797,637
Funds received upfront to construct Council controlled assets	<u>2,024,312</u>	<u>291,056</u>
	<u>2,847,925</u>	<u>1,088,693</u>
Deposits received in advance mostly relate to State and Federal Government grants.		
Revenue recognised that was included in the contract liability balance at the beginning of the year:		
Non-capital performance obligations	797,637	417,552
Funds to construct Council controlled assets	<u>291,056</u>	<u>5,435,519</u>
	<u>1,088,693</u>	<u>5,853,071</u>
(c) Significant changes in contract balances		
The increase in the contract liabilities balance is due to the receipt of grants by Council including Local Roads and Community Infrastructure grant and Building our Region grant, prior to the associated works being completed.		

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2021

17 Leases**Council as a lessee**

Council has leases in place over land, a building and pool complex. Council has applied the exception to lease accounting for leases of low-value and short-term leases.

Where Council assesses that an agreement contains a lease, a right-of-use asset (ROU) and lease liability is recognised on inception of the lease. Council does not separate lease and non-lease components for any class of assets and has accounted for lease payments as a single component.

The right-of-use asset is measured using the cost model where costs on initial recognition comprises: the lease liability, initial direct costs, estimated cost of removal and restoration, prepaid lease payments, less any lease incentives received. The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of asset accounting policy.

The lease liability is initially recognised at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease; however, where this cannot be readily determined then the Council's incremental borrowing rate for a similar term with similar security is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is re-measured when there is a lease modification, or change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI).

Where the lease liability is re-measured, the right-of-use asset is adjusted to reflect the re-measurement.

Exceptions to lease accounting

Council has applied the exception to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. Council recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

Leases at significantly below market value / concessionary leases

Council has five leases for land which are classed as concessionary leases.

Two leases have perpetual terms, the other three leases are for periods between 20 years and 30 years. These leases have annual payments between \$272 and \$28,800. The lease agreements restrict the use of the right-of-use assets by Council to specified community services.

Where concessionary leases are individually material, Council has elected to measure the right-of-use assets arising from these leases at cost based on the value of associated lease liabilities at initial recognition.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2021

Terms and conditions of leases

Buildings

Council leases one building which is used as office space. The lease is fixed for five years and the lease payment is subject to annual CPI increases.

Land

Council leases five parcels of land from the State Government and has applied lease accounting to two of the leases. The lease terms are 20 years and 30 years, neither have options to renew. Lease accounting has not been applied to the other three land leases as they are considered to be of immaterial value.

Other

Council has leases over a swimming pool complex and two items of equipment. The lease term is five years for the swimming pool complex and three years for both items of equipments, increasing annually by CPI. There is no option to renew.

Note

(a) Right-of-use assets

Balance at 1 July 2020
Additions to right-of-use assets
Adjustment to right-of-use assets due to re-measurement of lease liability
Depreciation charge
Balance as at 30 June 2021

	Land	Buildings	Other	Total
	\$	\$	\$	\$
	606,924	378,670	174,732	1,160,326
	-	-	85,648	85,648
	(18,660)	1,055	21,652	4,047
9	(25,678)	(189,863)	(67,963)	(283,504)
	562,586	189,862	214,069	966,517

Adoption of AASB 16 at 1 July 2019
Depreciation charge
Balance as at 30 June 2020

	Land	Buildings	Other	Total
	\$	\$	\$	\$
	633,418	568,005	218,415	1,419,838
9	(26,494)	(189,335)	(43,683)	(259,512)
	606,924	378,670	174,732	1,160,326

(b) Lease liabilities

The table below shows the maturity analysis of the lease liabilities based on the contractual cashflows and therefore the amounts will not be the same as the recognised lease liability in the statement of financial position.

	2021 \$	2020 \$
Within one year	314,635	275,061
One to five years	269,810	505,170
Later than five years	572,740	590,700
Total	1,157,185	1,370,931
Current lease liabilities	296,310	253,029
Non-current lease liabilities	686,869	917,501
Total per statement of financial position	983,179	1,170,530

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2021**Liabilities not recognised - extension options**

For building leases, Council includes extension options which can be exercised at Council's discretion. At each reporting date Council assesses whether it is reasonably certain that the extension options will be exercised based on current operations and Council strategy.

There are \$1,731,657 in potential future lease payments which are not included in the lease liability as the exercise of the option has been assessed as not reasonably certain.

Amounts included in the statement of comprehensive income related to leases

The following amounts have been recognised in the statement of comprehensive income for leases where Council is the lessee.

	2021 \$	2020 \$
Interest on lease liabilities	22,090	25,752
Income from sub-leasing right-of-use assets	(122,407)	(40,085)
Depreciation of right-of-use assets	283,504	259,512
Expenses relating to short term leases	1,811	57,131
Expenses relating to low value assets	1,892	1,823
	<u>186,890</u>	<u>304,133</u>

Council as a lessor

When Council is a lessor, the lease is classified as either an operating or finance lease at the inception date, based on whether substantially all of the risk and rewards incidental to ownership of the asset have been transferred to the lessee. If the risks and rewards have been transferred the lease is classified as a finance lease, otherwise it is an operating lease.

If the lease contains lease and non-lease components then the non-lease components are accounted for in accordance with AASB 15 *Revenue from Contracts with Customers*.

The lease income is recognised on a straight line basis over the lease term.

Finance leases:

Council does not have any leases classified as a finance lease.

Operating leases:

Where Council retains the risks and rewards relating to a lease, they are classified as operating leases and relate to various land and building assets summarised under Note 15.

Rent from property is recognised as income on a periodic straight line basis over the lease term.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2021

	2021	2020
	\$	\$
18 Payables		
Creditors are recognised when goods or services are received, at the amount owed. Amounts owing are unsecured and are generally settled on 30 day terms.		
Current		
Accrued expenses	8,724,048	9,406,520
Prepaid rates	10,224,688	9,086,553
Accrued wages and salaries	2,922,740	2,874,029
Creditors	1,902	(133,515)
Other creditors	125,556	100,627
	<u>21,998,934</u>	<u>21,334,214</u>

19 Provisions

Liabilities are recognised for employee benefits such as wages and salaries, sick, annual and long service leave in respect of services provided by the employees up to the reporting date.

Short-term benefits which are expected to be wholly settled within 12 months are calculated on wage and salary levels which are expected to be paid and includes related employee on-costs. Amounts not expected to be wholly settled within 12 months are calculated on projected future wage and salary levels and related employee on-costs, and are discounted to present values.

Council has an obligation to pay sick leave on termination to certain employees and therefore a liability has been recognised in regards to this obligation.

Long Service Leave

The provision for long service leave represents the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The liability is calculated using current pay rates and projected future increases in those rates and includes related employee on-costs. The estimates are adjusted for the probability of the employee remaining in the Council's employment or other associated employment which would result in the Council being required to meet the liability. Adjustments are then made to allow for the proportion of the benefit earned to date, and the result is discounted to present value. The provision is discounted using the Commonwealth Bond yield rates published on the Department of State Development, Infrastructure, Local Government and Planning website.

Where employees have met the prerequisite length of service and Council does not have an unconditional right to defer this liability beyond 12 months, long service leave is classified as a current liability. Otherwise it is classified as non-current.

Landfill restoration and quarry rehabilitation

Council recognises provisions for the estimated cost of restoration in respect of refuse dumps (landfills) and rehabilitation of quarries where it is probable the Council will be liable, or required, to incur such a cost on the cessation of use of these facilities. The provisions are measured at the expected cost of the work required, discounted to current day values using the interest rates attaching to Commonwealth Government guaranteed securities with a maturity date corresponding to the anticipated date of the restoration. Changes to the provisions resulting from the passing of time (the unwinding of the discount) are treated as a finance cost.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2021

	Note	2021 \$	2020 \$
Management estimates the amount of expected restoration work based on current known restoration costs inflated using relevant cost inflation indices and then discounted to current day values, and the timing of the work based on estimated landfill or quarry volumes.			
Current			
Annual leave		8,187,416	8,172,811
Sick leave		85,146	85,146
Other leave entitlements		669,794	678,756
Quarry rehabilitation		50,015	49,880
Landfill restoration		1,487,223	1,512,099
Long service leave		13,824,872	13,976,243
		<u>24,304,466</u>	<u>24,474,935</u>
Non-current			
Quarry rehabilitation		504,333	528,272
Landfill restoration		18,708,741	22,526,751
Long service leave		1,841,186	1,719,672
		<u>21,054,260</u>	<u>24,774,695</u>
Details of movements in provisions:			
Quarry rehabilitation			
Balance at beginning of financial year		578,152	580,355
Increase in provision due to change in time	8	4,529	6,858
(Decrease) / increase in provision due to change in discount rate	5,10	(26,395)	18,243
Decrease in estimate of future cost	5	(1,938)	(27,304)
Balance at end of financial year		<u>554,348</u>	<u>578,152</u>

This is the present value of the estimated future costs of restoring the quarry sites to a usable state at the end of their useful life. The projected future cost is \$642,069 and this cost is expected to be incurred over the years 2022 to 2041.

Landfill restoration			
Balance at beginning of financial year		24,038,851	26,846,998
Decrease in provision for rehabilitation performed		(731,411)	(92,522)
Increase in provision due to change in time	8	338,432	340,431
Increase in provision due to change in discount rate	10	625,846	78,535
(Decrease) / increase in provision due to change in discount rate - transfer to rehabilitation asset	15	(4,463,626)	1,703,394
Decrease in estimate of future cost	5	(97,063)	(99,251)
Increase / (decrease) in estimate of future cost - transfer to rehabilitation asset	15	484,936	(4,738,734)
Balance at end of financial year		<u>20,195,964</u>	<u>24,038,851</u>

This is the present value of the estimated future costs associated with restoring the refuse disposal sites in accordance with Queensland State Government Environmental Regulations at the end of their useful lives. The projected future cost is \$54,943,402 and this cost is expected to be incurred over the period 2022 to 2105.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2021

	2021 \$	2020 \$
20 Borrowings		
Borrowings are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these liabilities are measured at amortised cost at date of reporting. Principal and interest repayments are made quarterly in arrears.		
All borrowings are in Australian dollar denominated amounts and carried at amortised cost, interest being expensed as it accrues. No interest has been capitalised during the current or comparative reporting period. Expected final repayment dates vary between 15 December 2022 to 15 June 2036. There have been no defaults or breaches of the loan agreement during the period.		
Council adopts an annual debt policy that sets out Council's planned borrowings for the next ten years. Council's current policy is to only borrow for capital projects and for a term no longer than the expected life of the asset. Council also aims to comply with the Queensland Treasury Corporation's borrowing guidelines and ensure that sustainability indicators remain within acceptable levels at all times.		
Current		
Queensland Treasury Corporation	29,838,519	26,514,702
	<u>29,838,519</u>	<u>26,514,702</u>
Non-current		
Queensland Treasury Corporation	118,094,882	114,099,508
	<u>118,094,882</u>	<u>114,099,508</u>
Queensland Treasury Corporation		
Opening balance	140,614,210	119,031,917
Loans raised	33,650,000	44,026,000
Principal repayments	(26,330,809)	(22,443,707)
Book value at year end	<u>147,933,401</u>	<u>140,614,210</u>

The QTC loan market value for all loans at the reporting date was \$151,248,509. This represents the value of the debt if Council repaid it at 30 June 2021. As it is the intention of Council to hold the debt for its term, no provision is required to be made in these accounts.

Unsecured borrowings are provided by the Queensland Treasury Corporation.

The Council does not have a bank overdraft facility.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2021

	2021 \$	2020 \$
21 Other liabilities		
Current liabilities		
Unearned revenue	461,151	291,724
	<u>461,151</u>	<u>291,724</u>
Non-current liabilities		
Infrastructure charges	-	2,251,999
	<u>-</u>	<u>2,251,999</u>
	<u>461,151</u>	<u>2,543,723</u>

Revenue is classified as unearned if it relates to an obligation to supply specific goods and services in future periods. Unearned revenue includes pre-purchased event tickets, sponsorship and private works.

22 Asset revaluation surplus

The asset revaluation surplus comprises revaluation movements on property, plant and equipment. Increases and decreases on revaluation are offset within a class of assets.

Movements in the asset revaluation surplus were as follows:

Balance at beginning of the year	954,449,193	940,779,130
Adjustment to opening balance - transfer to retained earnings	-	(2,031,583)
	<u>954,449,193</u>	<u>938,747,547</u>

Net adjustment to non-current assets to reflect a change in current fair value:

Adjustments to surplus from fair value assessment done:		
Road network - revaluation	(3,056,227)	(2,890,756)
Stormwater network - indexation	-	14,085,309
Bridge network - revaluation / indexation	(1,991,330)	1,944,329
Airport - revaluation / indexation	2,256,498	2,562,764
Buildings - indexation	10,960,143	-
	<u>8,169,084</u>	<u>15,701,646</u>
Balance at end of the year	<u>962,618,277</u>	<u>954,449,193</u>

Asset revaluation surplus analysis

The closing balance of the asset revaluation surplus is comprised of the following asset categories:

Buildings	68,022,212	57,062,070
Road network	593,458,914	596,515,142
Stormwater network	44,729,934	44,729,934
Bridge network	6,254,767	8,246,096
Water	109,420,798	109,420,798
Sewerage	108,268,332	108,268,332
Airport	28,811,542	26,555,043
Heritage and cultural assets	3,651,778	3,651,778
	<u>962,618,277</u>	<u>954,449,193</u>

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2021

	2021 \$	2020 \$
23 Commitments for expenditure		
Contractual commitments		
Contractual commitments at end of financial year but not recognised in the financial statements by functions are as follows:		
Kerbside recycling collections	8,201,202	9,883,565
Management and operation of swimming pools	4,027,607	3,676,188
Recyclables processing services	828,293	611,375
Airport security services	3,275,529	499,546
Airport cleaning services	-	306,390
Other	1,163,924	1,954,790
	<u>17,496,555</u>	<u>16,931,853</u>
Capital commitments		
Commitment for the construction of the following assets contracted for at the reporting date but not recognised as liabilities:		
Buildings	1,210,358	27,159,038
Bridges	-	3,989,283
Site Improvements	2,345,203	2,369,070
Sewerage	1,056,722	1,821,073
Other	418,106	1,155,997
	<u>5,030,389</u>	<u>36,494,461</u>
Contractual commitments at end of financial year but not recognised in the financial statements by payable period are as follows:		
Within one year	10,805,232	41,662,292
One to five years	9,176,512	7,864,496
Later than five years	2,545,200	3,899,526
	<u>22,526,944</u>	<u>53,426,314</u>

24 Events after the reporting period**Workplace Health and Safety Prosecution**

A workplace health and safety prosecution, arising from an alleged breach of s.32 of the Work Health and Safety Act 2011, has commenced against Council subsequent to balance date. The case is progressing and it is unclear whether Council will incur a penalty and / or associated costs. Council is awaiting advice on whether any penalties or costs will be covered by its insurance.

Council is not aware of any other material adjusting or non-adjusting events subsequent to 30 June 2021.

25 Contingencies**Assets**

Council has an agreement with RLX Investment Company Pty Ltd for a lease over Council controlled reserves, known as the Gracemere Saleyards. The lease commenced 1 January 2010 for a period of thirty years. The lessee has agreed as part of the agreement to construct fixtures upon the land for their own purpose. It has been agreed that a sum of approximately \$14 million will be expended in additions and refurbishments over the term of the lease. Council obtaining control of this asset is contingent upon the expiration / surrender of the lease agreement. Until such time that the fixtures revert back to Council control they will not be included in Council's non-current assets.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2021

	2021 \$	2020 \$
Liabilities		
Details and estimates of maximum amounts of contingent liabilities are as follows:		
(i) Community loans		
Under approval from Queensland Treasury, Council has guaranteed loans to Rockhampton Basketball Inc (\$52,390) and Rockhampton Hockey Association Inc (\$23,970).		
Total Community loans guaranteed by Council:	76,360	99,793
(ii) Local Government Workcare		
The Rockhampton Regional Council is a member of the Queensland local government workers compensation self-insurance scheme, Local Government Workcare. Under this scheme the Council has provided an indemnity towards a bank guarantee to cover bad debts which may remain should the self insurance licence be cancelled and there was insufficient funds available to cover outstanding liabilities. Only the Queensland Government's workers compensation authority may call on any part of the guarantee should the above circumstances arise.		
The Council's maximum exposure to the bank guarantee is:	2,081,753	1,822,958

(ii) Local Government Mutual

The Council is a member of the local government mutual liability self-insurance pool, LGM Queensland. In the event of the pool being wound up or it is unable to meet its debts as they fall due, the trust deed and rules provide that any accumulated deficit will be met by the individual pool members in the same proportion as their contribution is to the total pool contributions in respect to any year that a deficit arises.

As at 30 June 2020 the financial statements reported an accumulated surplus and it is not anticipated any liability will arise.

26 Superannuation

Council contributes to the LGIA Super Regional Defined Benefits Fund (the scheme), at the rate of 12% for each permanent employee who is a defined benefit member. This rate is set in accordance with the LGIA Super trust deed and may be varied on the advice of an actuary. The Regional Defined Benefits Fund is a complying superannuation scheme for the purpose of the Commonwealth Superannuation Industry (Supervision) legislation and is also governed by the *Local Government Act 2009*.

The scheme is a pooled defined benefit plan and it is not in accordance with the deed to allocate obligations, plan assets and costs at the council level.

Any amount by which the scheme is over or under funded may affect future benefits and result in a change to the contribution rate, but has not been recognised as an asset or liability of the Council.

Council may be liable to the scheme for a portion of another local governments' obligations should that local government be unable to meet them. However the risk of this occurring is extremely low and in accordance with the LGIA Super trust deed changes to council's obligations will only be made on the advice of an actuary.

The last completed actuarial assessment of the scheme was undertaken as at 1 July 2018. The actuary indicated that "At the valuation date of 1 July 2018, the net assets of the scheme exceeded the vested benefits and the scheme was in a satisfactory financial position as at the valuation date". The Council is not aware of anything that has happened since that time that indicates the assets of the scheme are not sufficient to meet the vested benefits, as at the reporting date.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2021

No changes have been made to prescribed employer contributions which remain at 12% of employee salary and wages and there are no known requirements to change the rate of contributions.

The next triennial actuarial review is not due until 1 July 2021.

The most significant risks that may result in LGIASuper increasing the contribution rate, on the advice of the actuary, are:

Investment risk - The risk that the scheme's investment returns will be lower than assumed and additional contributions are needed to fund the shortfall.

Salary growth risk - The risk that wages or salaries will rise more rapidly than assumed, increasing vested benefits to be funded.

	Note	2021 \$	2020 \$
Superannuation contributions made to the Regional Defined Benefits Fund		489,264	522,130
Other superannuation contributions for employees		8,421,598	8,117,673
Total superannuation contributions paid by Council	6	<u>8,910,862</u>	<u>8,639,803</u>
27 Reconciliation of net result for the year to net cash inflow from operating activities			
Net result		<u>55,282,602</u>	<u>35,468,822</u>
Non-cash operating items:			
Depreciation and amortisation		56,814,068	55,804,103
Opening work in progress write off		474,270	2,724,484
Change in restoration provisions expensed to finance costs		342,961	347,289
Non-cash interest on leases		-	25,752
		<u>57,631,299</u>	<u>58,901,628</u>
Investing and development activities:			
Capital grants, subsidies and contributions		(62,005,817)	(40,529,300)
Capital income		(2,744,491)	(126,555)
Capital expenses		11,426,945	6,695,787
		<u>(53,323,363)</u>	<u>(33,960,068)</u>
Changes in operating assets and liabilities:			
Decrease / (increase) in receivables		4,036,714	(3,195,218)
Decrease in other assets		1,007,249	1,671,655
Increase in inventories (excluding land)		(166,372)	(220,198)
Increase in payables		3,130,368	1,231,035
Increase in contract liabilities		25,976	797,637
Increase / (decrease) in other liabilities		169,427	(2,137,811)
(Decrease) / increase in provisions		(48,909)	1,723,997
		<u>8,154,453</u>	<u>(128,903)</u>
Net cash inflow from operating activities		<u>67,744,991</u>	<u>60,281,479</u>

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2021

28 Reconciliation of liabilities arising from finance activities

	As at 30 June 2020 \$	Cashflows \$	As at 30 June 2021 \$
Borrowings	140,614,210	7,319,191	147,933,401
Lease Liability	1,170,530	(187,351)	983,179
	<u>141,784,740</u>	<u>7,131,840</u>	<u>148,916,580</u>

	As at 30 June 2019 \$	Change in accounting policy \$	Cashflows \$	As at 30 June 2020 \$
Borrowings	119,031,917	-	21,582,293	140,614,210
Lease Liability	-	1,445,591	(275,061)	1,170,530
	<u>119,031,917</u>	<u>1,445,591</u>	<u>21,307,232</u>	<u>141,784,740</u>

29 Financial instruments and financial risk management

Council's activities expose it to a variety of financial risks including: credit risk, liquidity risk and market risk.

Risk management framework

Council is responsible for the establishment and oversight of the risk management framework, together with developing and monitoring risk management policies.

Council approves policies for overall risk management, as well as specifically for managing credit, liquidity and market risk.

The Council's risk management policies are established to identify and analyse the risks faced, to set appropriate limits and controls and to monitor these risks and adherence against limits. The Council aims to manage volatility to minimise potential adverse effects on the financial performance of the Council.

The Council's audit committee oversees how management monitors compliance with the Council's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Council. The Council's audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

The Council does not enter into derivatives.

Credit risk

Credit risk is the risk of financial loss if a counterparty to a financial instrument fails to meet its contractual obligations. These obligations arise principally from the Council's investments and receivables.

Exposure to credit risk is managed through regular analysis of credit counterparty ability to meet payment obligations.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2021

Investments in financial instruments are required to be made with Queensland Treasury Corporation (QTC) or similar state / commonwealth bodies or financial institutions in Australia, in line with the requirements of the *Statutory Bodies Financial Arrangements Act 1982*.

No collateral is held as security relating to the financial assets held by Council.

The carrying amount of financial assets at the end of the reporting period represent the maximum exposure to credit risk.

Liquidity risk

Liquidity risk is the risk that the Council will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Council's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Council's reputation.

Exposure to liquidity risk

The Council is exposed to liquidity risk through its normal course of business and through its borrowings with QTC.

The Council manages its exposure to liquidity risk by maintaining sufficient cash deposits and undrawn facilities, both short and long term, to cater for unexpected volatility in cash flows. These facilities are disclosed in Note 20. There are no additional facilities or lines of credit available.

The following table sets out the liquidity risk in relation to financial liabilities (excluding lease liabilities - refer to Note 17) held by the Council. It represents the remaining contractual cashflows (principal and interest) of financial liabilities at the end of the reporting period, excluding the impact of netting agreements:

	0 to 1 year	1 to 5 years	Over 5 years	Total	Carrying amount
	\$	\$	\$	\$	\$
2021					
Trade and other payables	11,774,246	-	-	11,774,246	11,774,246
Borrowings - QTC	33,743,020	57,234,143	74,292,793	165,269,956	147,933,401
	45,517,266	57,234,143	74,292,793	177,044,202	159,707,647
2020					
Trade and other payables	12,247,661	-	-	12,247,661	12,247,661
Borrowings - QTC	31,135,644	71,815,433	54,469,275	157,420,351	140,614,210
	43,383,305	71,815,433	54,469,275	169,668,012	152,861,871

The outflows in the above table are not expected to occur significantly earlier or for significantly different amounts than indicated in the table.

Market Risk

Market risk is the risk that changes in market indices, such as interest rate, will affect the Council's income or the value of its holdings of financial instruments.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
 For the year ended 30 June 2021
Interest rate risk

The Council is exposed to interest rate risk through investments and borrowings with QTC and investments held with other financial institutions.

The Council has access to a mix of variable and fixed rate funding options through QTC so that interest rate risk exposure can be minimised.

Sensitivity

Sensitivity to interest rate movements is shown for variable financial assets based on the carrying amount at reporting date.

The Council does not account for any fixed-rate financial assets or financial liabilities at Fair Value through Profit or Loss, therefore a change in interest rates at the reporting date would not affect profit or loss.

The following interest rate sensitivity analysis depicts what effect a reasonably possible change in interest rates (assumed to be 1%) would have on the profit and equity, based on the carrying values at the end of the reporting period. The calculation assumes that the change in interest rates would be held constant over the period.

	Net carrying amount		Effect on Net Result		Effect on Equity	
	2021	2020	2021	2020	2021	2020
	\$	\$	\$	\$	\$	\$
Cash and cash equivalents	88,173,948	70,326,230	881,739	703,262	881,739	703,262
Investments	-	15,000,000	-	150,000	-	150,000
Total	88,173,948	85,326,230	881,739	853,262	881,739	853,262

In relation to the QTC loans held by the Council, the following has been applied:

QTC Fixed Rate Loans - financial instruments with fixed interest rates which are carried at amortised cost are not subject to interest rate sensitivity.

Fair Value

The fair value of trade and other receivables and payables is assumed to approximate the value of the original transaction, less any allowance for impairment.

The fair value of borrowings with QTC is based on the market value of debt outstanding. The market value of a debt obligation is the discounted value of future cash flows based on prevailing market rates and represents the amount required to be repaid if this was to occur at balance date. The market value of debt is provided by QTC and is disclosed in Note 20.

QTC applies a book rate approach in the management of debt and interest rate risk, to limit the impact of market value movements to clients' cost of funding. The book value represents the carrying value based on amortised cost using the effective interest method.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2021

30 National competition policy

The Council has resolved to commercialise the following activities:

- Waste and Recycling
- Fitzroy River Water
- Airport

Council also applies the Code of Competitive Conduct (CCC) to the following activity:

- Building Certification

This requires the application of full cost pricing, identifying the cost of community service obligations (CSO) and eliminating the advantages and disadvantages of public ownership within that activity.

The CSO value is determined by Council, and represents an activity's cost(s) which would not be incurred if the primary objective of the activity was to make a profit. The Council provides funding from general revenue to the business activity to cover the cost of providing non-commercial community services or costs deemed to be CSO's by the Council.

The following activity statements are for activities subject to the Code of Competitive Conduct:

	Building Certification	Fitzroy River Water	Rockhampton Airport	Waste & Recycling
	2021	2021	2021	2021
	\$	\$	\$	\$
Revenue for services provided to Council	2,185	3,361	-	252,455
Revenue for services provided to external clients	257,865	71,490,739	13,319,312	24,691,829
Community service obligations	204,615	801,169	309,971	1,157,487
	464,665	72,295,268	13,629,282	26,101,771
Less expenditure	273,654	65,169,575	13,629,282	23,689,662
Surplus	191,011	7,125,694	-	2,412,110

Community Service Obligations were paid during the reporting period to the following activities:

Activities	CSO description	Net cost
		\$
Building Certification	Non-commercial private certification services	204,615
Fitzroy River Water	Remissions to community & sporting bodies - water	52,872
	Undetected Leak Rebates - water	110,000
	Combined line charges (operating)	60,582
	Remissions to community & sporting bodies - sewerage	117,432
	Combined line charges (capital)	243,400
	Raising manholes (capital)	216,882
		801,169
Rockhampton Airport	Capricorn Rescue Helicopter Service	114,445
	Royal Flying Doctor Service	131,571
	Patient Travelling Subsidy Scheme	63,955
		309,971
Waste and Recycling	Old Landfill Maintenance Works	111,296
	Regulated Waste Disposal	120,959
	Green Waste	874,844
	Waste Education	50,388
		1,157,487

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2021**31 Controlled entities that have not been consolidated**

Rockhampton Aviation Services Pty Ltd was a proprietary company limited by shares incorporated on the 24 November 2017. Rockhampton Regional Council was the sole member. The company was formed to provide limitation of liability to Rockhampton Regional Council in any aviation ventures. Rockhampton Aviation Services Pty Ltd was deregistered on 26 April 2021. The company was dormant and did not hold any assets or liabilities.

32 Transactions with related parties**(a) Remuneration for Key Management Personnel (KMP)**

KMP include the Mayor, Councillors, Council's Chief Executive Officer and some executive management. The compensation paid to KMP comprises:

Details of benefits	Note	2021 \$	2020 \$
Short-term employee benefits	32(a)(i)	2,834,319	2,576,996
Post-employment benefits	32(a)(i)	302,306	264,896
Long-term benefits	32(a)(i)	-	3,281
Total		3,136,625	2,845,173

(i) Detailed remuneration disclosures are provided in the annual report.

(b) Transactions with KMP and other related parties

Other related parties include the close family members of KMP and any entities under significant influence by KMP or their close family members. Close family members include a spouse, child and dependent of a KMP or their spouse.

Details of transactions between Council, KMP and other related parties are disclosed below:

Details of transactions	Note	2021 \$	2020 \$
Fees and charges charged to KMP and other related parties	32(b)(i)	2,685	33,241
Development and infrastructure contributions charged to KMP and other related parties	32(b)(ii)	1,962	89,740
Employee expenses for close family members of KMP	32(b)(iii)	182,669	175,490
Purchase of materials and services from other related parties	32(b)(iv)	43,434	176,518

(i) The fees and charges charged to KMP and related parties of KMP were on an arm's length basis in accordance with the schedule of fees and charges adopted by Council.

(ii) The development and infrastructure contributions charged to KMP and related parties of KMP were in accordance with Council's development approvals.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
 For the year ended 30 June 2021

(iii) All close family members of KMP were employed through an arm's length process. They are paid in accordance with the Award (or contract if applicable) for the job they perform. Council employees 1001 staff of which 3 are close family members of KMP.

(iv) Council purchased the following materials and services from entities that are controlled by KMP. All purchases were at arm's length and were in the normal course of Council operations:

Details of materials and services purchased	2021 \$	2020 \$
Grants and Donations	5,935	14,241
Trade services and materials	37,499	162,277
Total	43,434	176,518

All contracts were awarded in accordance with Council's normal purchasing policies, procedures and Local Government legislative requirements.

(c) Outstanding balances

There are no material balances outstanding at the end of the reporting period in relation to transactions with related parties.

(d) Loans and guarantees to / from related parties

Council does not make loans to or receive loans from related parties. No guarantees have been provided.

(e) Transactions with related parties that have not been disclosed

Most of the entities and people that are related parties of Council live and operate within the Rockhampton Regional Council area. Therefore, on a regular basis ordinary citizen transactions occur between Council and its related parties. Some examples include:

- Payment of rates
- Use of regional swimming pools
- Dog registration
- Borrowing books from a Council library

Council has not included these types of transaction in its disclosure, where they are made on the same terms and conditions available to the general public.

ROCKHAMPTON REGIONAL COUNCIL

Financial statements

For the year ended 30 June 2021

Management Certificate
For the year ended 30 June 2021

These general purpose financial statements have been prepared pursuant to sections 176 and 177 of the *Local Government Regulation 2012* (the Regulation) and other prescribed requirements.

In accordance with section 212(5) of the Regulation we certify that:

- (i) the prescribed requirements of the *Local Government Act 2009* and *Local Government Regulation 2012* for the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the general purpose financial statements, as set out on pages 1 to 44, present a true and fair view, in accordance with Australian Accounting Standards, of the Council's transactions for the financial year and financial position at the end of the year.



A.P. Williams
Mayor

Date: 7 October 2021



E.A. Pardon
Chief Executive Officer

Date: 7 October 2021



INDEPENDENT AUDITOR'S REPORT

To the councillors of Rockhampton Regional Council

Report on the audit of the financial report

Opinion

I have audited the financial report of Rockhampton Regional Council (the Council).

In my opinion, the financial report:

- a) gives a true and fair view of the Council's financial position as at 30 June 2021, and of its financial performance and cash flows for the year then ended
- b) complies with the *Local Government Act 2009*, the *Local Government Regulation 2012* and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2021, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including significant accounting policies and other explanatory information, and the certificate given by the Mayor and Chief Executive Officer.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of my report.

I am independent of the Council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

Other information comprises financial and non-financial information (other than the audited financial report) in an entity's annual report.

At the date of this auditor's report, the available other information in Rockhampton Regional Council's annual report for the year ended 30 June 2021 was the current-year financial sustainability statement and long-term financial sustainability statement.

The councillors are responsible for the other information.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. However, as required by the *Local Government Regulation 2012*, I have expressed a separate opinion on the current-year financial sustainability statement.



In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report and my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the councillors for the financial report

The councillors are responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Local Government Act 2009*, the *Local Government Regulation 2012* and Australian Accounting Standards, and for such internal control as the councillors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The councillors are also responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the Council or to otherwise cease operations of the Council.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.



- Conclude on the appropriateness of the Council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on other legal and regulatory requirements

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2021:

- a) I received all the information and explanations I required.
- b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

Prescribed requirements scope

The prescribed requirements for the establishment and keeping of accounts are contained in the *Local Government Act 2009*, any other Act and the *Local Government Regulation 2012*. The applicable requirements include those for keeping financial records that correctly record and explain the Council's transactions and account balances to enable the preparation of a true and fair financial report.

Philip Airey
as delegate of the Auditor-General

11 October 2021

Queensland Audit Office
Brisbane

ROCKHAMPTON REGIONAL COUNCIL

Current-year Financial Sustainability Statement
For the year ended 30 June 2021

Measures of Financial Sustainability

Council's performance at 30 June 2021 against key financial ratios and targets:	How the measure is calculated	Actual - Council	Target
Operating surplus ratio	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	1.0%	Between 0% and 10%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	98.9%	Greater than 90%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	55.5%	Not greater than 60%

Note 1 - Basis of Preparation

The current year financial sustainability statement is a special purpose statement prepared in accordance with the requirements of the *Local Government Regulation 2012* and the *Financial Management (Sustainability) Guideline 2013*. The amounts used to calculate the three reported measures are prepared on an accrual basis and are drawn from the Council's audited general purpose financial statements for the year ended 30 June 2021.

Certificate of Accuracy
For the year ended 30 June 2021

This current-year financial sustainability statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the Regulation).

In accordance with Section 212(5) of the Regulation we certify that this current-year financial sustainability statement has been accurately calculated.



A.P. Williams
Mayor

Date: 7 October 2021



E.A. Pardon
Chief Executive Officer

Date: 7 October 2021



INDEPENDENT AUDITOR'S REPORT

To the councillors of Rockhampton Regional Council

Report on the current-year financial sustainability statement

Opinion

I have audited the accompanying current-year financial sustainability statement of Rockhampton Regional Council (the Council) for the year ended 30 June 2021, comprising the statement, explanatory notes, and the certificate of accuracy given by the Mayor and the Chief Executive Officer.

In accordance with s.212 of the *Local Government Regulation 2012*, in my opinion, in all material respects, the current-year financial sustainability statement of Rockhampton Regional Council for the year ended 30 June 2021 has been accurately calculated.

Basis of opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the current-year financial sustainability statement* section of my report.

I am independent of the Council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the statement in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter – basis of accounting

I draw attention to Note 1 which describes the basis of accounting. The current-year financial sustainability statement has been prepared in accordance with the *Financial Management (Sustainability) Guideline 2013* for the purpose of fulfilling the Council's reporting responsibilities under the *Local Government Regulation 2012*. As a result, the statement may not be suitable for another purpose. My opinion is not modified in respect of this matter.

Other information

Other information comprises financial and non-financial information (other than the audited financial report) in an entity's annual report.

At the date of this auditor's report, the available other information in Rockhampton Regional Council's annual report for the year ended 30 June 2021 were the general purpose financial statements and long-term financial sustainability statement.

The councillors are responsible for the other information.



My opinion on the current-year financial sustainability statement does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. However, as required by the *Local Government Regulation 2012*, I have expressed a separate opinion on the general purpose financial report.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report and my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the councillors for the current-year financial sustainability statement

The councillors are responsible for the preparation and fair presentation of the current-year financial sustainability statement in accordance with the *Local Government Regulation 2012*. The councillors' responsibility also includes such internal control as the councillors determine is necessary to enable the preparation and fair presentation of the statement that is accurately calculated and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the audit of the current-year financial sustainability statement

My objectives are to obtain reasonable assurance about whether the current-year financial sustainability statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this statement.

My responsibility does not extend to forming an opinion on the appropriateness or relevance of the reported ratios, nor on the Council's future sustainability.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.



- Evaluate the overall presentation, structure and content of the statement, including the disclosures, and whether the statement represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

A handwritten signature in black ink, appearing to read "P. Airey".

Philip Airey
as delegate of the Auditor-General

11 October 2021

Queensland Audit Office
Brisbane

ROCKHAMPTON REGIONAL COUNCIL

Unaudited Long-Term Financial Sustainability Statement
 Prepared as at 30 June 2021

Measures of Financial Sustainability	Measure	Target	Actuals at 30 June 2021	Projected for the years ended:								
				30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028	30 June 2029	30 June 2030
Operating surplus ratio	Net result divided by total operating revenue	Between 0% and 10%	1.0%	(1.0%)	1.7%	1.6%	2.5%	2.5%	2.5%	2.4%	2.8%	2.8%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	greater than 90%	98.9%	114.8%	92.6%	81.3%	67.7%	81.3%	85.1%	81.1%	72.8%	74.4%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue	not greater than 60%	55.5%	73.0%	77.4%	78.5%	71.5%	66.6%	63.5%	59.0%	51.0%	44.9%

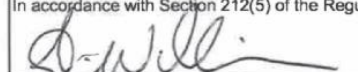
Council's Financial Management Strategy

Council measures revenue and expenditure trends over time as a guide to future requirements and to make decisions about the efficient allocation of resources to ensure the most effective provision of services. Council ensures that its financial management strategy is prudent and that its long-term financial forecast shows a sound financial position whilst also being able to meet the community's current and future needs.

Certificate of Accuracy**For the long-term financial sustainability statement as at 30 June 2021**

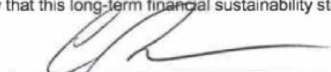
This long-term financial sustainability statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the Regulation).

In accordance with Section 212(5) of the Regulation we certify that this long-term financial sustainability statement has been accurately calculated.



A.P. Williams
Mayor

Date: 7 October 2021



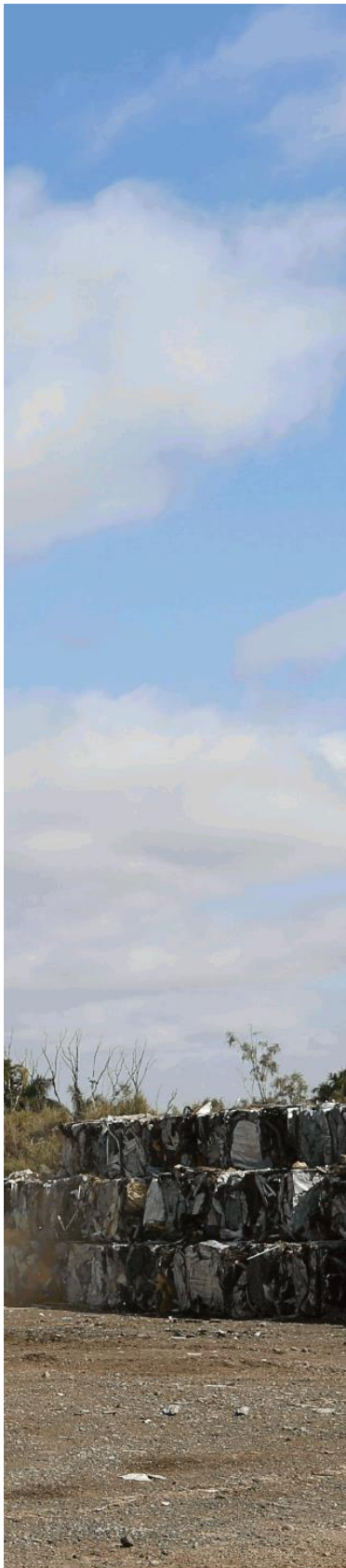
E.A. Pardon
Chief Executive Officer

Date: 7 October 2021

4

COMMERCIAL BUSINESS UNITS





IN THIS SECTION

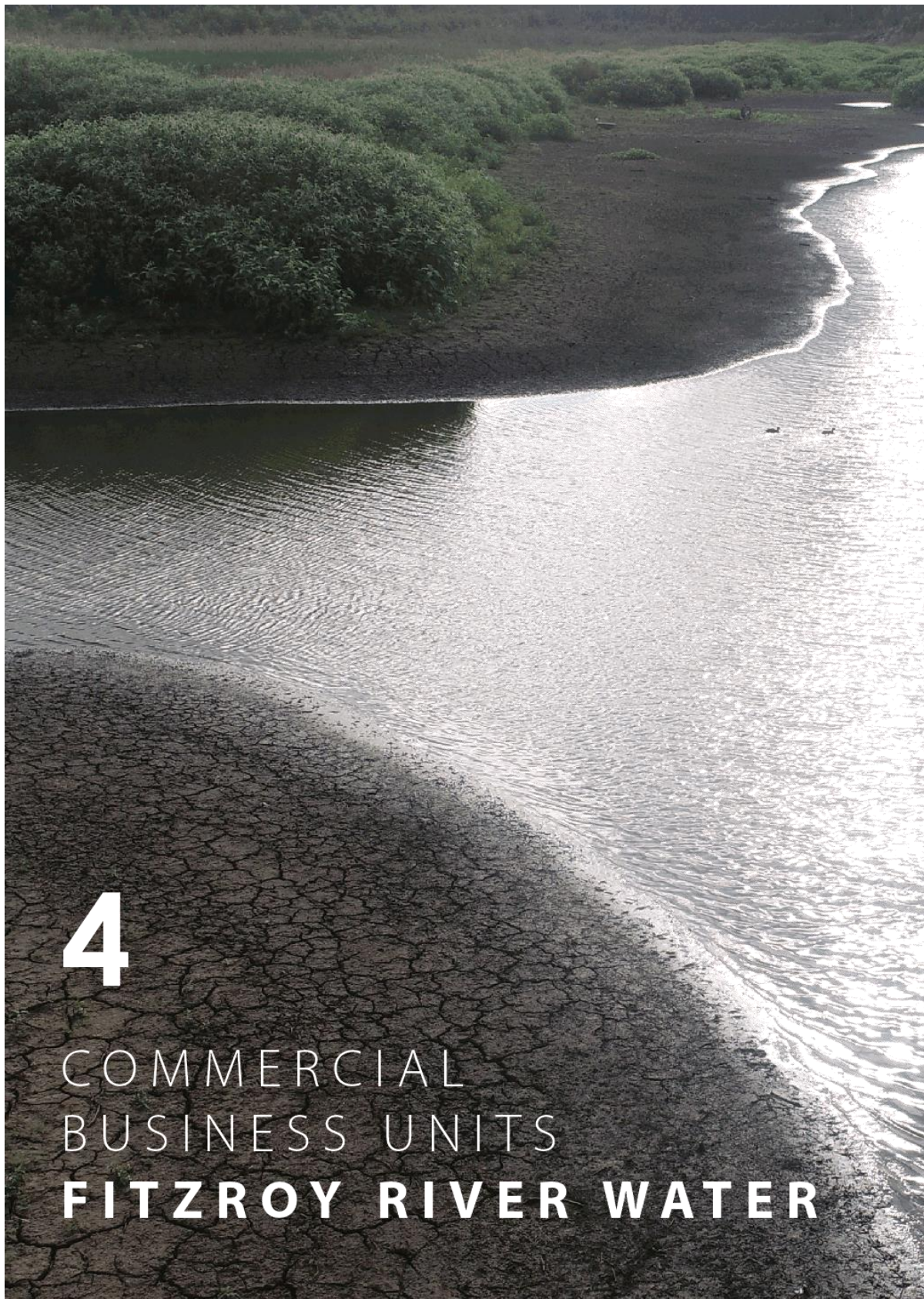
Fitzroy River Water

Rockhampton Regional Waste and Recycling

Rockhampton Airport

4

SECTION 4 Commercial Business



COMMERCIAL BUSINESS UNITS**FITZROY RIVER WATER (s190(2) LGR 2012)**

Annual statement on operations of Fitzroy River Water.

NATURE AND SCOPE OF ACTIVITIES

Fitzroy River Water (FRW) is a commercial business unit of Council and is responsible for operating and maintaining water and sewerage assets totaling approximately \$611.4M.

General functions of these assets include the storage and supply of raw water for urban, commercial and agricultural purposes, treating and distributing potable water for urban and industrial use and the collection and treatment of sewage and discharge of treated effluent or supply of recycled water.

Broadly, the nature and extent of the water and sewerage services provided by FRW (based upon the 2020-21 financial year) is as follows:

Item	\$M
Total income (operating)	\$72.5M
Total expenses (operating)	\$37.3M
Water	28,677 ML
Properties Served - Water	32,924
Sewage Treated	6,002 ML
Properties Served - Sewerage	30,353

As a business unit of Council, FRW provides the following services:

Type	Scheme Name
Potable Water	Rockhampton Water Supply Scheme (including Gracemere) Mount Morgan Water Supply Scheme
Recycled Water Scheme	Gracemere Recycled Water Scheme Mount Morgan Recycled Water Scheme, North Rockhampton Recycled Water Scheme
Irrigation/Other Scheme	Fitzroy Barrage Water Supply Scheme (Raw water scheme)
Sewerage	North Rockhampton Sewerage Scheme, South Rockhampton Sewerage Scheme, Gracemere Sewerage Scheme, Mount Morgan Sewerage Scheme

ANNUAL OPERATIONS REPORT
FINANCIAL PERFORMANCE
Operational

FRW raised operational income of \$72.5 million with the majority raised through utility charges. Operating revenue in the 2020-21 financial year has decreased by 0.9% from the 2019-20 financial year. Utility charges realised a slight decrease due to a significant decrease in water consumption charges as a result of the 2019-20 financial year realising substantially high consumption charges due to a relatively dry year. Bulk water sales also realised an 11.9% decrease due to a large annual maximum usages excess charge in the 2019-20 financial year. Fees and charges increased by 2.9%.

Operational expenditure for the 2020-21 financial year was \$37.3 million, which has increased slightly (0.4%) from the 2019-20 financial year.

Employee costs, materials and services and depreciation continually remain as the largest portion of expenditure for FRW each year. Materials and services expenditure increased by 7.6%, influenced by extraordinary expenditure for water cartage to Mount Morgan water supply scheme. Finance costs decreased as a result of paying down debt and not drawing new loans to fund capital expenditure.

Net Result Attributable to Fitzroy River Water

FRW net result before tax, a surplus of \$37.1 million, is the difference between total income and total expenditure. Included in the total income and total expenditure are items of capital revenue and capital expenditure which fluctuate from year to year. After appropriations (payment of return to Council, transfers of capital income and expenditure and income tax payment), the increased movement in FRW's c o m m u n i t y e q u i t y amounted to \$9.2 million in the 2020-21 financial year.

Capital

Total capital expenditure for the 2020-21 financial year was \$20.1 million including debt redemption. Extensive refurbishment programs of underground water and sewerage assets were undertaken and also construction of new aboveground and underground infrastructure was prominent.

The year saw the commencement and/or completion of the following projects:

- Completion of West Gracemere water main extension Stage 1 and Stage 2;
- Completion of the SCADA system upgrade;
- Completion of the South Rockhampton Sewage Treatment Plant secondary sedi tank half bridge scraper renewal;
- Continuation of the Glenmore Water Treatment Plant electrical and control renewal;
- Continuation of the South Rockhampton Sewage Treatment Plant recycled water scheme;
- Continuation of North Rockhampton Sewage Treatment Plant upgrade;
- Continuation of several Sewage Pump Station electrical and control renewals;
- Continuation of the Barrage gate height increase project;
- Continuation of the Glenmore Water Treatment Plant solar farm;
- Continuation of the North Rockhampton flood mitigation area sewer upgrade;
- Continuation of Jardine Park and Hadgraft Street sewerage pump station electrical and mechanical renewal;
- Continuation of the refurbishment of the sewerage network; and
- Continuation of the replacement of water mains.

Asset Management

FRW has been working with Council's Assets team to review and update Asset Management Plans (AMP) for water and sewerage infrastructure in accordance with the requirements of the *Local Government Act 2009*. The purpose of this planning is to develop a long term strategy for the management of water and sewerage infrastructure to ensure the safe and reliable provision of water and sewerage service for the community.

The AMP provides details of the current condition and value of water and sewerage assets as well as forecasting the required future investment to ensure continued safe and reliable operation. The AMP also describes the performance of water and sewerage infrastructure against the adopted Customer Service Standards (CSS) which define the standard of service provided to customers. A summary of FRW's performance in meeting the targets and CSS is provided in this report along with additional supporting information where performance targets have not been met.

DIRECTIONS THE LOCAL GOVERNMENT GAVE THE UNIT – NON COMMERCIAL DIRECTIVES

Community Service Obligations (CSO) arise when a government specifically requires a public enterprise to carry out activities relating to outputs or inputs which it would not elect to do on a commercial basis or, alternatively, would only provide at higher prices or via some other form of compensation.

The amount attributed to CSO's reflects the value of the non-commercial concessional benefit provided by the business to the community. This is equal to either the cost of providing the service less any attributable revenue received or, alternatively, the benchmarked cost of providing the service less any attributable revenue received where the benchmark has been obtained from equivalent service providers.

The following table summarises the types of CSO revenue received by FRW during the 2020-21:

Community Service Obligation	Actual Cost	Objective
WATER		
Sporting Bodies Water Access and Consumption	\$52,872	Council upon review of applications, at times, grants remissions for water charges. These amounts are then claimed as a community service obligation by FRW. Refer to Council's Rates Concession Policy.
Undetected Leak Rebates	\$110,000	A resolution dated 23 May 2017 states that the implementation of the Undetected Leak Rebate Policy for both residential and non-residential customers be identified as a community service obligation to the amount of \$110,000 per annum.
SEWERAGE		
Combined Line Charges (expenses)	\$60,582	A resolution dated 22 June 1999 states that Council continue its current policy of maintaining combined line house drains and fund all such work carried out by FRW as a community service obligation.
Combined Line Charges (capital)	\$243,400	Further to the above resolution regarding the maintenance of combined lines, FRW has begun a full replacement program of these assets. As a result, the cost of replacing these combined lines also constitutes a community service obligation and the full cost incurred is claimed.
Raising Access Chambers	\$216,883	A resolution dated 29 May 2000 states that FRW carries out the raising of sewerage manholes and claims this as a community service obligation.
Sporting Bodies Sewerage Access	\$117,432	Council upon review of applications, at times, grants remissions for water charges. These amounts are then claimed as a community service obligation by FRW. Refer to Council's Rates Concession Policy.
TOTAL CSO	\$801,169	

COMPARISON WITH ANNUAL PERFORMANCE PLAN

Financial Performance Targets

Financial Indicators

Performance Measure	2020-21 Target	2020-21 Achieved
Operating surplus ratio	50.1%	48.5%
Interest coverage ratio	45.6 times	46.3 times
Asset sustainability ratio	Greater than 90.0%	60.4%
Competitive neutrality ratio (% of gross revenue)	37.9%	37.7%
Depreciation ratio	20.0%	19.0%
Return on assets	6.0%	5.5%

Financial Reporting

Performance Measure	1st qtr date reported	2nd qtr date reported	3rd qtr date reported	4th qtr date reported	Target
RRC Operational Plan Reporting Frequency: quarterly	24/11/2020	09/02/2021	11/05/2021	24/08/2021	Initiatives successfully completed by year end
Operating Budget Reporting Frequency: quarterly or when variations arise	30/09/2020	31/12/2020	31/03/2021	30/06/2021	Conduct all activities in accordance with required timelines and budget
Annual Revenue Reporting Frequency: quarterly or when variations arise	30/09/2020	31/12/2020	31/03/2021	30/06/2021	Timely reporting of any significant variations to budget revenue and collection timing
Capital Works Reporting Frequency: quarterly or when variations arise	30/09/2020	31/12/2020	31/03/2021	30/06/2021	Completion of capital program in accordance with adopted timeframe and budget (within 3%)

Non-Financial Performance Targets

Customer Service Standards

WATER

CSS Reference	Performance Indicator	Potable Water Schemes						Potable Water Schemes					
		Rockhampton and Gracemere Water Supply Scheme Number of access charges - 38,376 as at January 2021						Mount Morgan Water Supply Scheme Number of access charges - 1,510 as at January 2021					
		1st qtr	2nd qtr	3rd qtr	4th qtr	Annual Target	Year to Date	1st qtr	2nd qtr	3rd qtr	4th qtr	Annual Target	Year to Date
Day to Day Continuity													
CSS1	Extent of unplanned interruptions - connections based (no. per 1,000 connections per year)	14	10	27	12	<80	63	11	2	13	3	<80	29
CSS2	Extent of unplanned interruptions - incidents based (no. per 100 km of main per year) Rockhampton and Gracemere 777 km Mount Morgan 71	21	16	36	19	<30	92	4	4	10	8	<30	26
CSS3	Time for restoration of service - unplanned interruptions (% restored within 5	100%	100%	62%	100%	>90%	91%	100%	100%	100%	100%	>90%	100%
CSS4	Customer interruption frequency:												
	1 interruption per year	2.10%	1.00%	2.60%	1.30%	12%	7.00%	1.05%	0.19%	1.32%	1.32%	12%	3.88%

	2 interruptions per year	0.03%	ND	0.05%	0.02%	2%	0.10%	ND	ND	ND	ND	2%	0.00%
	3 interruptions per year	ND	ND	ND	ND	1%	0.00%	ND	ND	ND	ND	1%	0.00%
	4 interruptions per year	ND	ND	ND	ND	0.50%	0.00%	ND	ND	ND	ND	0.50%	0.00%
	5 or more interruptions per year	ND	ND	ND	ND	0.25%	0.00%	ND	ND	ND	ND	0.25%	0.00%
CSS5	Relative incidence of planned and unplanned interruption incidents (% of planned versus total number of interruptions)	5%	3%	1%	4%	>30%	3%	0%	25%	0%	0%	>30%	6%
CSS6	Average interruption duration - planned and unplanned (hours)	1.36	0.99	1.05	1.27	3 hrs	1.17	0.14	1.25	0.66	0.18	3 hrs	0.56
CSS7	Response time												
	Priority 1 – 1 hour response	94%	85%	71%	77%	95%	81%	100%	ND	80%	64%	95%	71%
	Priority 2 – 2 hours response	99%	86%	84%	76%	95%	86%	80%	100%	59%	75%	95%	65%
	Priority 3 – 24 hours response	99%	99%	100%	99%	95%	99%	100%	100%	100%	100%	95%	100%
	Restoration time												
	Priority 1 – 5 hours restoration	94%	85%	92%	81%	95%	88%	100%	ND	80%	100%	95%	88%
	Priority 2 – 24 hours restoration	100%	96%	97%	88%	95%	95%	100%	100%	96%	100%	95%	99%
	Priority 3 – 5 days restoration	100%	100%	100%	99%	95%	100%	100%	100%	100%	100%	95%	100%

CSS Reference	Performance Indicator	Potable Water Schemes						Potable Water Schemes					
		Rockhampton and Gracemere Water Supply Scheme Number of access charges – 38,376 as at January 2021						Mount Morgan Water Supply Scheme Number of access charges - 1,510 as at January 2021					
		1st qtr	2nd qtr	3rd qtr	4th qtr	Annual Target	Year to Date	1st qtr	2nd qtr	3rd qtr	4th qtr	Annual Target	Year to Date
Adequacy and Quality of Normal Supply of Water Supply													
CSS8	Minimum pressure standard at the water meter (kPa)	220	220	220	220	220 kPa	220	220	220	220	220	220 kPa	220
CSS9	Minimum flow standard at the water meter	9	9	9	9	9 L/min	9 L/min	9	9	9	9	9 L/min	9 L/min
CSS10	Connections with deficient pressure and/or flow (% of total connections)	0.3%	0.3%	0.3%	0.3%	<2.5%	0.3%	2.0%	2.0%	2.0%	2.0%	<2.5%	2.0%
CSS11	Drinking water quality (compliance with industry standard) ¹	100%	100%	100%	100%	>98%	100%	100%	100%	99%	100%	>98%	100%
¹ FRW's Drinking Water Quality Management Plan identifies the following key water quality parameters as reference indicators for customer service purposes: physical and chemical water quality parameters - Target: >99% of all samples tested compliant with Australian Drinking Water Guidelines; E.coli - Target: None detected in >98% of all samples tested.													
CSS12	Drinking water quality complaints (number per 1,000 connections)	0.33	0.40	1.55	1.35	<5	3.63	These figures are combined with the Rockhampton and Gracemere figures to give a total across all water supply schemes.					
CSS13	Drinking water quality incidents (number per 1,000 connections)	0	0	0	0	<5	0	0	0	.66	0	<5	.66

CSS Reference	Performance Indicator	Potable Water Schemes							Potable Water Schemes						
		Rockhampton and Gracemere Water Supply Scheme Number of access charges – 38,376 as at January 2021							Mount Morgan Water Supply Scheme Number of access charges - 1,510 as at January 2021						
		1st qtr	2nd qtr	3rd qtr	4th qtr	Annual Target	Year to Date	1st qtr	2nd qtr	3rd qtr	4th qtr	Annual Target	Year Date	to	
Long Term Continuity of Water Services															
CSS14	Water main breaks (number per 100 km main) Rockhampton and Gracemere 777 km Mount Morgan 71	2	5	2	3	<40	12	0	0	3	1	<40	4		
CSS15	Water services breaks (number per 1,000 connections)	4	4	6	5	<40	19	1	1	5	3	<40	10		
CSS16	System water loss (litres per connection per day)	94	99	268	209	< 200 L	168	98	83	90	27	< 200 L	75		

SEWERAGE

CSS Reference	Performance Indicator	Sewerage Schemes						Sewerage Schemes					
		Rockhampton and Gracemere Sewerage Scheme Number of access connections – 52,244 as at January 2021						Mount Morgan Sewerage Scheme Number of access connections – 559 as at January 2021					
		1st qtr	2nd qtr	3rd qtr	4th qtr	Annual Target	Year to Date	1st qtr	2nd qtr	3rd qtr	4th qtr	Annual Target	Year Date
Effective Transportation of Sewage													
CSS17	Sewage overflows – total (number per 100 km main) Rockhampton and Gracemere 724 km Mount Morgan 15 km	17.33	11.42	13.07	15.88	<30	57.7	ND	ND	ND	ND	<10	0
CSS18	Sewage overflows to customer property (number per 1,000 connections)	2.42	1.60	1.82	2.21	<10	8.05	ND	ND	ND	ND	<5	0
CSS19	Odour complaints (number per 1,000 connections)	0.09	0.09	0.11	0.19	<1	0.48	These figures are combined with the Rockhampton and Gracemere figures to give a total across all sewage supply schemes.					
CSS20	Response time												
	Priority 1 – 1 hour response	100%	76%	83%	82%	>95%	86%	ND	ND	ND	ND	>95%	0%
	Priority 2 – 2 hours response	97%	87%	81%	83%	>95%	87%	ND	ND	ND	ND	>95%	0%
	Priority 3 – 24 hours response	100%	100%	100%	100%	>95%	100%	ND	ND	ND	ND	>95%	0%
	Restoration time												
	Priority 1 – 5 hours restoration	100%	95%	97%	94%	>95%	97%	ND	ND	ND	ND	>95%	0%
	Priority 2 – 24 hours restoration	99%	99%	99%	98%	>95%	99%	ND	ND	ND	ND	>95%	0%
	Priority 3 – 5 days restoration	100%	100%	98%	100%	>95%	100%	ND	ND	ND	ND	>95%	0%

CSS Reference	Performance Indicator	Sewerage Schemes							Sewerage Schemes						
		Rockhampton and Gracemere Sewerage Scheme Number of access connections – 52,244 as at January 2021							Mount Morgan Sewerage Scheme Number of access connections – 559 as at January 2021						
		1st qtr	2nd qtr	3rd qtr	4th qtr	Annual Target	Year Date	to	1st qtr	2nd qtr	3rd qtr	4th qtr	Annual Target	Year Date	to
Long Term Continuity of Sewerage Services															
CSS21	Sewer main breaks and chokes (number per 100 km main) Rockhampton and Gracemere 724 km Mount Morgan 15 km	4.95	3.44	3.99	4.56	<50	16.94	ND	ND	ND	ND	<20	0		
CSS22	Sewer inflow and infiltration (ratio of Peak Day Flow to Average Day Flow)	1.47	2.31	1.54	1.39	<5	1.68	1.34	1.33	1.46	1.40	<5	1.38		

Reference Codes

A blank field should contain one of the following:

- 0 (zero)
- ND (no data is available, although the indicator is relevant)
- NR (not relevant; the indicator is not relevant to that scheme)

Customer Service Standards

A summary of the additional performance indicators and targets set out in FRW's CSS and actual performance is outlined below. Where performance has not met the minimum targets set, commentary is provided qualifying the data.

Performance Indicator	1st qtr	2nd qtr	3rd qtr	4th qtr	Target	Year to Date
Installation of new water connections (within the water service area)	81%	81%	80%	82%	15 working days	81%
Installation of sewerage connections (within the sewerage area)	60%	46%	75%	33%	15 working days	54%
Complaints – (excluding maintenance of water and sewerage services) – advise outcome	100%	100%	100%	100%	20 working days	100%

Reference Codes

A blank field should contain one of the following:

- a. 0 (zero)
- b. ND (no data is available, although the indicator is relevant)
- c. NR (not relevant; this indicator is not relevant to that scheme)

Non Compliance Comments

Table Reference	CSS Reference	Scheme	Comment
Table 1 Water - Day to Day Continuity	CSS2	Rockhampton and Gracemere Water Supply Scheme	A total of 631 unplanned incidents affecting 1882 connections for the year has contributed to this result.
	CSS5	Rockhampton and Gracemere Water Supply Scheme	A reduction in the number of planned interruptions has contributed to this result.
	CSS5	Mount Morgan Water Supply Scheme	A reduction in the number of planned interruptions has contributed to this result.
	CSS7	Rockhampton and Gracemere Water Supply Scheme	<p>Response P1 - Total of 173 requests with 140 (81%) being responded to within 1 hour for the year.</p> <p>P2 - Total of 385 requests with 333 (86%) being responded to within 2 hours for the year.</p> <p>Restoration P1 - Total of 173 requests with 152 (88%) being responded to within 5 hours for the year.</p>

	CSS7	Mount Morgan Water Supply Scheme	<p>Response P1 - Total of 17 requests with 12 (71%) being responded to within 1 hour for the year.</p> <p>P2 - Total of 49 requests with 32 (65%) being responded to within 2 hours for the year.</p> <p>Restoration P1 - Total of 17 requests with 15 (88%) being responded to within 5 hours for the year.</p>
	CSS17	Rockhampton and Gracemere Sewerage Scheme	A total number of 640 blockages and 419 overflows for the year.
Table 4 Effective Transportation of Sewage	CSS20	Rockhampton and Gracemere Sewerage Scheme	<p>Response P1 - Total of 137 requests with 118 (86%) being responded to within 1 hour for the year.</p> <p>P2 - Total of 498 requests with 435 (87%) being responded to within 2 hours for the year.</p>

CUSTOMER SERVICE STANDARDS**Processes**Water

FRW aims to install all new connections in the Water Service Area within 15 working days of approval of the application and payment of the related fee; or by the installation date agreed with the customer outside the 15 day period.

A standard fee for water connections applies within each scheme. An application may be made for water connections to properties outside the Water Service Area. If approved, the applicant will be required to meet all associated costs.

Sewerage

A standard sewerage connection is provided free to each property within existing sewered areas. Any additional connection or reconnection where a service is removed will incur the appropriate fee. Where a request is made for a sewerage connection outside the sewered area, FRW will assess if it is practical to make the service available or if the Sewerage Scheme should be extended. The applicant will be required to meet all associated costs where it is a connection outside an existing sewered area and, in the case of the extension of a Sewerage Scheme; FRW will assess the costs to be apportioned amongst the relevant property owners.

FRW aims to install all new sewerage connections within the sewered area within 15 working days of approval of the application and payment of the related fee or by the installation date agreed with the customer outside the 15 day period.

Trade Waste Services

Trade waste is any wastewater that is acceptable either treated or untreated for discharge to sewer on the basis that it does not pose an unacceptable risk to the sewerage infrastructure. Trade waste specifically excludes any sewage discharged from private residential premises. A customer may discharge trade waste into the sewerage system provided the customer has first entered into a Trade Waste Agreement with FRW and in accordance with the Trade Waste Environmental Management Plan.

Metering and Billing

Water consumption bills are individually and independently issued by FRW on a quarterly basis.

FRW's water access and sewer charges are integrated with Council rate notices which are issued twice a year.

Accounting

If a customer is over-charged, the amount over charged will be credited to the customer's next bill or refunded at the customer's request. If a customer is under charged, the next account will be adjusted or an additional payment will be required.

Customers who choose to pay their account in full, including arrears and interest accrued daily (if any), by the date specified, will receive a discount on current half yearly rates and utility charges excepting water consumption charges on which there is no discount applicable.

Payment can be made in the following manner:

- BPAY;
- Mail;
- Direct debit;
- Australia Post;
- Personal payment to Council – payments can be made at a Customer Service Centre or through Council's website; or
- Phone – Call 1300 BPOINT.

Customers who hold a Pensioners Concession Card or a Department of Veterans' Affairs Card are eligible for government funded concessions on rates and utility charges only.

Complaints

All complaints received regarding maintenance of water and sewerage services will be acted upon to meet the stated performance indicators. Other complaints will be investigated and FRW will endeavour to advise of the outcome within 20 working days.

Dispute Resolution

Customers not satisfied with FRW's response to an enquiry or complaint, can address their concerns in writing to the Chief Executive Officer at:

Chief Executive Officer
Rockhampton Regional Council
PO Box 1860, Rockhampton QLD 4700

Customers not happy with the response at this point, may raise their concerns with the Queensland Ombudsman's Office on (07) 3005 7000 or toll free 1800 068 908.

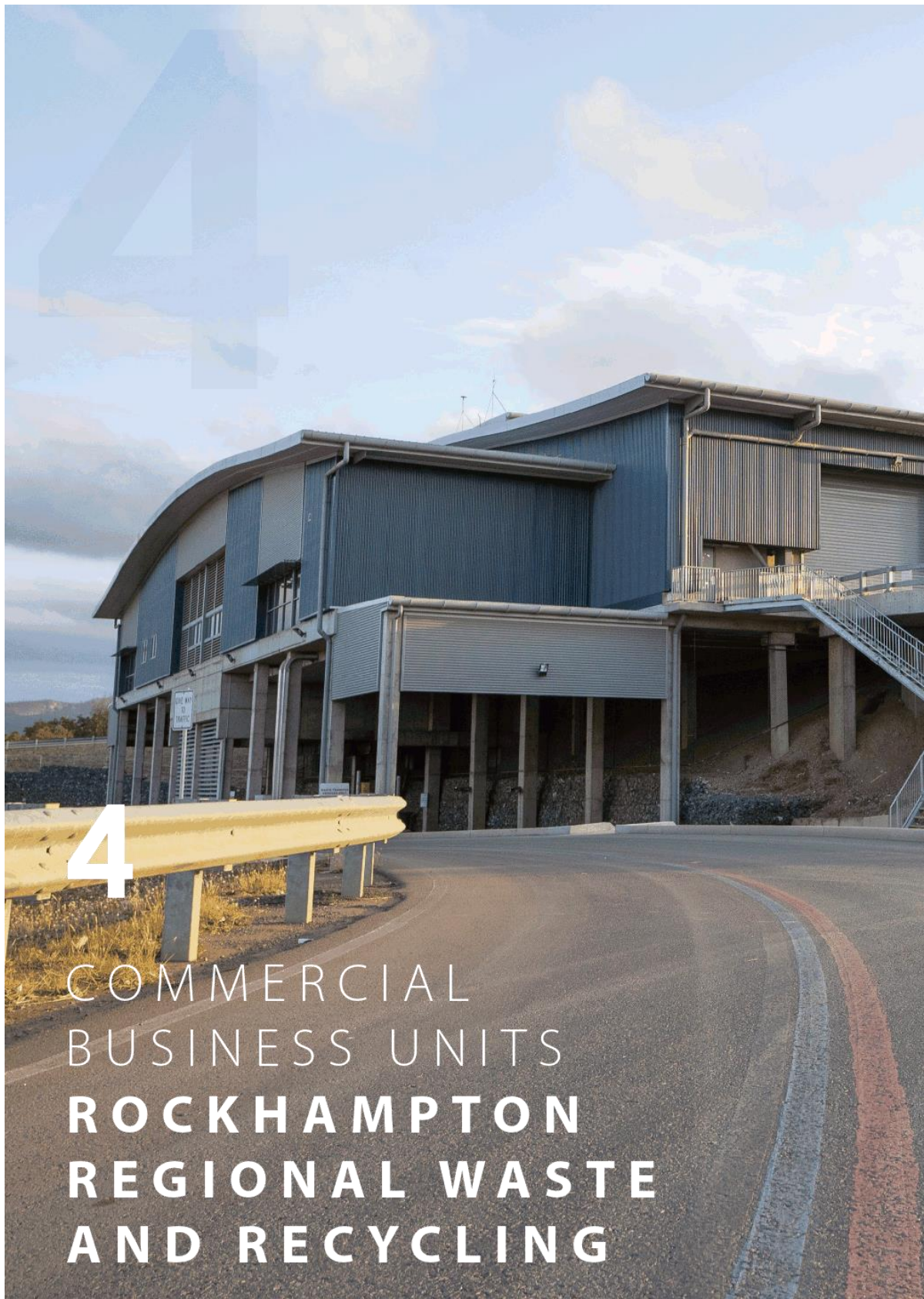
Review of Customer Service Standards

Legislation requires service providers to review the CSS every year. FRW's performance against financial and non-financial targets and key strategies are reported to Council on a quarterly basis in accordance with the adopted 2020-21 Performance Plan. The Annual Performance Plan report as at 30 June 2021 was presented to Council with the CSS and adopted on 24 August 2021.

The CSS will be reviewed in the current period. The current CSS are available under the FRW section on Council's website.

Water Supply (Safety and Reliability) Act 2008

In accordance with the *Water Supply (Safety and Reliability) Act 2008*, FRW has an approved Drinking Water Quality Management Plan (DWQMP) to manage the ongoing safe and reliable supply of drinking water to the community. Each year FRW reviews the DWQMP and completes and publishes an annual report that documents the performance of the drinking water schemes against national standards, state regulatory targets and the objectives outlined in the DWQMP. FRW undertook an external audit of the DWQMP in early 2020 as required by the Act. FRW continues to review and update important plan documents that describe the strategies associated with asset management, drought management, trade waste management and system leakage management. Together these activities help to ensure long term safe and reliable provision of water and sewerage services. FRW also undertakes the various significant activities associated with the safe management of the Mount Morgan No. 7 Dam which is a referable dam that supplies water to the Mount Morgan community.



ROCKHAMPTON REGIONAL WASTE & RECYCLING

(s190(2) LGR 2012)

Annual statement on operations of Rockhampton Regional Waste and Recycling

NATURE AND SCOPE OF ACTIVITIES

Rockhampton Regional Waste and Recycling (RRWR) is a commercial business unit of Council and is responsible for the operation and maintenance of waste and recycling assets totalling approximately \$45.8 million (replacement value).

General functions of these assets include the provision of waste collection points for the bulk transport of waste to landfill and the provision of 'airspace' to receive the Region's waste in an environmentally sound process and associated recycling and reuse support facilities.

Broadly, the nature and extent of the waste and recycling services provided by RRWR (based upon the 2020-21 financial year) is as follows:

Item	Measure
Total Income (operating)	\$25.9M
Total Expenses (operating)	\$19.5M
Number of staff	35
Properties served – General Waste	32,414
Properties served – Recycling	32,275
Total waste to Landfill – including kerbside waste collection but not including cover material and green waste (tonnes)	53,932
Kerbside Waste Collected (tonnes)	22,866
Kerbside Recycling Collected (tonnes)	4,284
Landfills	1
Transfer Stations (staffed), including Lakes Creek Road	7

ANNUAL OPERATIONS REPORT

FINANCIAL PERFORMANCE

Operational

RRWR raised operational income of \$25.9 million, including internal charges revenue, with the majority raised through rates and utility charges, and landfill fees and charges.

Operating revenue in the 2020-21 financial year is higher than the 2019-20 financial year by 4.7%. This is attributed to higher landfill fees and charges revenue from increased construction activity, and higher other recurrent income from increased metal sales and insurance proceeds.

Operational expenditure for the 2020-21 financial year amounted to \$19.5 million, which does not include capital expenditure and company tax equivalents, and is higher than the 2019-20 financial year by 7.0%

Materials and services (67.8%), and employee costs (19.5%) formed the largest portion of expenditure for RRWR in the financial period. Expenditure incurred for materials and services is essential in providing critical waste services to the community and maintaining RRWR property, plant and equipment. Increased costs in 2020-21 compared to 2019-20 for materials and services are due to additional waste compliance expense, and increased payments to contractors for green waste processing, recyclables collection and recyclables processing services. RRWR also supports a medium sized in-house workforce in order to provide and maintain these services for today and into the future with employee costs being 19.5% of operational expenditure.

Net Result Attributable to Rockhampton Regional Waste and Recycling

RRWR's net result of a surplus of \$6.2 million before income tax is the difference between total income and total expenditure. Included in the total income and total expenditure are items of capital revenue and capital expenditure which fluctuate from year to year. After appropriations (payment of return to Council, transfers of capital income and expenditure) the increase in RRWR's retained surplus was \$2.2 million.

Capital

Total capital expenditure for the 2020-21 financial year was \$3.1 million which fell just short of the capital program budget of \$3.3 million.

The year saw the commencement and/or completion of the following projects:

- Continuation of LCR life extension project, construction of Cell A1
- Commencement of final capping system at former Gracemere landfill site
- Completion of LCR landfill, stage 1 capping drainage project
- Continuation of landscaping at LCR landfill site
- Completion of LCR site upgrades
- Continuation of remediation works and monitoring of old landfill sites in accordance with environmental guidelines

DIRECTIONS THE LOCAL GOVERNMENT GAVE THE UNIT – NON COMMERCIAL DIRECTIVES

Community Service Obligations (CSO) arise when a government specifically requires a public enterprise to carry out activities relating to outputs or inputs which it would not elect to do on a commercial basis or, alternatively, would only provide at higher prices or via some other form of compensation.

The amount attributed to CSO's reflects the value of the non-commercial concessional benefit provided by the business to the community. This is equal to either the cost of providing the service less any attributable revenue received or, alternatively, the benchmarked cost of providing the service less any attributable revenue received where the benchmark has been obtained from equivalent service providers.

The following table summarises the types of CSO revenue received by RRWR during the 2020-21 financial year:

Community Service Obligation	Actual Cost
Green Waste Processing	\$ 874,844
Regulated waste disposal	\$ 120,959
Old Landfill Maintenance Works	\$ 111,296
Waste Education	\$ 50,388
TOTAL CSO	\$1,157,487

In accordance with Council's Community Service Obligation Policy, the following requests have been approved:

Authorised Group	Date	Limit	Expiry
Anglicare Central Queensland Limited	01/07/2020	60 tonne	30/06/2021
Australian Red Cross	01/07/2020	½ tonne	30/06/2021
Lifeline Central Queensland	01/07/2020	250	30/06/2021
St Vincent de Paul Society Queensland	01/07/2020	120 tonne	30/06/2021
The Salvation Army	01/07/2020	120 tonne	30/06/2021
Rockhampton Women's Shelter	01/07/2020	5 tonne	30/06/2021
Rockhampton Foodbank	01/07/2020	5 tonne	30/06/2021
Care & Share Rockhampton	01/07/2020	10 tonne	30/06/2021
Ring Pull Association	01/07/2020	5 tonne	30/06/2021
Integrated Families & Youth Justices	21/01/2021	½ tonne	30/06/2021
The Jolly Rogers Fishing Club	01/07/2020	12 tonne	30/06/2021

COMPARISON WITH ANNUAL PERFORMANCE PLAN

Financial Performance Targets

Financial Indicators

Performance Measure	2020-21 Target	2020-21 Achieved
Operating Surplus Ratio	21.9%	24.7%
Interest Coverage Ratio	13.8 times	18.9 times
Asset Sustainability Ratio	Greater than 90.0%	51.8%
Competitive neutrality ratio (%of gross revenue)	6.7%	11.1%
Depreciation Ratio	6.2%	6.5%
Return on assets	15.7%	18.0%

Financial Reporting

Performance Measure	1st qtr date reported	2nd qtr date reported	3rd qtr date reported	4th qtr date reported	Target
RRC Operational Plan Reporting Frequency:	24/11/2020	09/02/2021	11/05/2021	24/08/2021	Initiatives successfully completed by year end
Operating Budget Reporting Frequency: quarterly or when variations arise	30/09/2020	31/12/2020	31/03/2021	30/06/2021	Conduct all activities in accordance with required timelines and budget
Annual Revenue Reporting Frequency: quarterly or when variations arise	30/09/2020	31/12/2020	31/03/2021	30/06/2021	Timely reporting of any significant variations to budget revenue and collection timing
Capital Works Reporting Frequency: quarterly or when variations arise	30/09/2020	31/12/2020	31/03/2021	30/06/2021	Completion of capital program in accordance with adopted timeframe and budget (within 3%)

Non-Financial Performance Targets

CSS Reference	Performance Indicator	Target	Rockhampton Region
WCSS1	Weekly collection of domestic waste on the same day every week	98%	99.96%
WCSS2	Weekly collection of commercial waste	95%	99.96%
WCSS3	Fortnightly collection of domestic recyclable waste	98%	99.96%
WCSS4	Fortnightly collection of commercial recyclable waste	98%	99.96%
WCSS5	Missed service collection provided within two working days from notification when notification is within one working day of scheduled collection	95%	99.96%
WCSS6	Collection services will be made available within four working days upon application by the owner	95%	99.96%
WCSS7	Provision of assisted services within ten working days from application by the resident	98%	99.96%
WCSS8	Repair or replacement of stolen, removed, damaged, vandalised mobile bins within four working days from notification	95%	99.96%
Notes: 1. All performance indicators were met for 2020-21.			

CUSTOMER SERVICE STANDARDS**Review of Customer Service Standards**

Legislation requires service providers to review the CSS every year. RRWR's performance against financial and non-financial targets and key strategies are reported to Council on a quarterly basis in accordance with the adopted 2020-21 Performance Plan. The Annual Performance Plan report as at 30 June 2021 was presented to Council with the CSS and adopted on 24 August 2021.



ROCKHAMPTON AIRPORT (s190(2) LGR 2012)

Annual statement on operations of Rockhampton Airport.

NATURE AND SCOPE OF ACTIVITIES

Rockhampton Airport is a commercial business unit of Council and is a major Australian Regional Airport that services the City of Rockhampton and Central Queensland, with flights to Brisbane, Gladstone, Mackay, Townsville and Cairns.

The Airport is used by both domestic and international airlines using a mix of aircraft including wide-bodied aircraft such as the B747 to B777 and A340 types, as being an alternate for the A380.

Rockhampton Airport is responsible for the operation and maintenance of Airport assets totaling approximately \$152.9 million (replacement value).

Broadly, the nature and extent of the aviation services provided by Rockhampton Airport (based upon the 2020-21 financial year) is as follows:

Item	Measure
Total income	\$13.7M
Total expenses	\$12.6M
Passenger movements	480,000
Number of staff	22
Number of paid parking car parks	788
Aircraft movements	24,238

ANNUAL OPERATIONS REPORT

FINANCIAL PERFORMANCE

Operational

Total Income for the financial period was \$13.7 million, including revenue from RRC and excluding capital income. Operating income is lower in comparison to the previous financial year by 6% as a result of COVID19.

Operational expenditure for the 2020-21 financial year was \$12.6 million, this does not include capital expenditure and company tax equivalents. Materials and services, depreciation and employee costs formed the largest portion of expenditure for Rockhampton Airport in the financial period. Expenditure incurred for materials and services (49%) is essential in providing critical services to the community and maintaining Rockhampton Airport property, plant and equipment. Rockhampton Airport also supports a reasonable size in-house workforce in order to provide and maintain these services for today and into the future with employee costs being 20% of operating expenditure.

Rockhampton Airport net result of \$16.6 million before income tax is the difference between total income and total expenditure. Included in the total income and total expenditure are items of capital revenue and capital expenditure which fluctuate

from year to year. Overall, Rockhampton Airport achieved a surplus of \$16.3 million for the 2020-21 financial year. After appropriations (payment of return to Council, transfers of capital income and expenditure and application of previous year's surplus) the Airport incurred a retained surplus of \$15.6 million.

Capital

Total capital expenditure for the 2020-21 financial year was \$28.2 million against a budget of \$27.9 million.

The year saw the commencement and/or completion of the following projects:

- Continuation of the Airport Terminal Redevelopment and Security Screening upgrades;
- Commencement of the AA Rockhampton maintenance facility;
- Continuation of the Secondary runway resurfacing and cross runway resurfacing;
- Completion of the Airport garden irrigation replacement;
- Completion of the Terminal building airside water main replacement;
- Completion of the RPT apron lighting and GA apron lighting.

DIRECTIONS THE LOCAL GOVERNMENT GAVE THE UNIT – NON COMMERCIAL DIRECTIVES

Community Service Obligations (CSO) arise when a government specifically requires a public enterprise to carry out activities relating to outputs or inputs which it would not elect to do on a commercial basis or, alternatively, would only provide at higher prices or via some other form of compensation.

The amount attributed to CSO reflects the value of the non-commercial concessional benefit provided by the business to the community. This is equal to either the cost of providing the service less any attributable revenue received or, alternatively, the benchmarked cost of providing the service less any attributable revenue received where the benchmark has been obtained from equivalent service providers.

The following table summarises the types of CSO revenue received by Rockhampton Airport during the 2020-21 financial year.

Community Service Obligation	Actual Cost
Royal Flying Doctors Service and Capricorn Helicopter Rescue Service	\$246,016
Patient Travelling Subsidy Scheme	\$63,955
TOTAL CSO	\$309,971

COMPARISON WITH ANNUAL PERFORMANCE PLAN

Financial Performance Targets

Financial Indicators

Performance Measure	2020-21 Target	2020-21 Achieved
Operating surplus ratio	-6.7%	7.7%
Interest coverage ratio	15.0 times	41.7 times
Asset sustainability ratio	Greater than 90.0%	479.5%
Competitive neutrality ratio (% of gross revenue)	-2.1%	5.2%
Depreciation ratio	29.5%	28.0%
Return on assets	-0.8%	0.7%

Financial Reporting

Performance Measure	1st qtr date reported	2nd qtr date reported	3rd qtr date reported	4th qtr date reported	Target
RRC Operational Plan Reporting Frequency: quarterly	24/11/2020	09/02/2021	11/05/2021	24/08/2021	Initiatives successfully completed by year end
Operating Budget Reporting Frequency: quarterly or when variations arise	30/09/2020	31/12/2020	31/03/2021	30/06/2021	Conduct all activities in accordance with required timelines and budget
Annual Revenue Reporting Frequency: quarterly or when variations arise	30/09/2020	31/12/2020	31/03/2021	30/06/2021	Timely reporting of any significant variations to budget revenue and collection timing
Capital Works Reporting Frequency: quarterly or when variations arise	30/09/2020	31/12/2020	31/03/2021	30/06/2021	Completion of capital program in accordance with adopted timeframe and budget (within 3%)

Non-Financial Performance Targets

Performance Measure	2020-21 Target	2020-21 Achieved
Passenger Numbers	318,000	370,525
Bird Strikes	10 per quarter	41
Lost Time Days – workplace injuries	0	7
Reported Public Injuries on Airport Precinct	0	0
Hazard inspections completed on time	100%	87.50%
Rectification Action completed	100%	100%
Customer Requests Actioned within set timeframes	100%	100%
Third party reporting in CASA and AMS to be completed within the required timeframes	100%	100%

CUSTOMER SERVICE STANDARDS**Review of Customer Service Standards**

Legislation requires service providers to review the CSS every year. Rockhampton Airport's performance against financial and non-financial targets and key strategies are reported to Council on a quarterly basis in accordance with the adopted 2020-21 Performance Plan. The Annual Performance Plan report as at 30 June 2021 was presented to Council with the CSS and adopted on 24 August 2021.

5

STATUTORY INFORMATION





IN THIS SECTION

Beneficial Enterprises
Significant Business Activities
List of Registers kept by Council
Summary of all concessions for rates and charges
granted by the Local Government
Report on Internal Audit for the year
Administration Action Complaints
Councillors

5

SECTION 5 Statutory Information

STATUTORY INFORMATION**Beneficial Enterprises (s41 LGA 2009)****Identifying beneficial enterprises**

- Building Certification

Significant Business Activities (s45 LGA 2009)**All Business Activities**

- Water and Sewerage
- Regional Waste
- Rockhampton Airport

Identify all significant business activities stating where new for the financial year and whether Competitive Neutrality Principles were applied

- Water and Sewerage
- Regional Waste
- Rockhampton Airport

The Code of Competitive Conduct was applied to all significant business activities.

All significant business activities were conducted in the previous year.

Assessment of Council Performance in implementing 5 year corporate plan (s190(1)(a) LGR 2012)

Performance against the Corporate Plan activities was measured on a quarterly.

Assessment of Council performance in implementing the annual operational plan (s190(1)(a) LGR 2012)

Honest, transparent and accountable corporate governance in line with corporate values has resulted in the majority of key outcome targets being achieved with those results reported to Council via its Operational Plan on a quarterly basis. The detailed annual results for the 2020-21 Operational Plan were reported to Council's meeting on the 24 August 2021 in accordance with s174(3) *Local Government Regulation 2012*.

Particulars of other issues relevant to making an informed assessment of the local government's operation and performance in the financial year (s190(1)(b) LGR 2012)

No contingent issues impacted the assessment of Council's performance for the period under review.

Details of any action taken for, and expenditure on a service, facility or activity supplied by another local government under an agreement for conducting a joint government activity and for which the local government levied special rates or charges for the financial year (s190(1)(d) LGR 2012)

Council has not been engaged in providing services to any other local government or joint local government.

Number of invitations to change tenders under section 228(7) during the financial year (s190(1)(e) LGR 2012)

There were no invitations to change tenders under section 228(7) during the 2020/2021 financial year.

List of the registers kept by Council (s190(1)(f) LGR 2012)

- Register of Asbestos Register
- Register of Asset Register
- Register of Cemetery Register
- Register of Dog Registry
- Register of Infrastructure Charges Register
- Register of Local Laws Register
- Register of Activities for Competitive Neutrality
- Register of Administrative Action Complaints Received
- Register of Authorised Persons (Environmental Protection Act 1994)
- Register of Beneficial Enterprises
- Register of Biosecurity Orders
- Register of Building Development Application Register
- Register of Private Certifier Application Register
- Register of Complaints about the Conduct or Performance of Councillors
- Register of Contact with Lobbyists
- Register of Cost-Recovery Fees (Council Fees and Charges)
- Register of Delegations
- Register of Designated Natural Hazard Management Areas (Flood)
- Register of Development Applications
- Register of Direction Notices
- Register of Documents required to be given under a condition of an environmental authority or a transitional environmental program or a condition of a transitional environmental program.
- Register of Application Documents for an Application for an Environmental Authority or Amendment of Environmental Authority, Including Information Requests and Responses to Information Requests
- Register of Environmental Authorities
- Register of Environmental Evaluations
- Register of Environmental Protection Orders
- Register of Environmental Reports
- Register of Impounded Animals
- Register of Greywater Use and On-Site Sewerage Facilities
- Register of Interests of Chief Executive Officer and Persons related to Chief Executive Officer
- Register of Interests of Councillors
- Register of Interests of Persons related to a Councillor
- Register of Interests of Senior Executive Employees and Persons related to a Senior Executive Employee
- Register of Monitoring Programs
- Register of Pre-qualified Suppliers
- Register of Permits and Inspection Certificates
- Register of Results of Monitoring Programs
- Register of Roads and Road Maps
- Register of Show Cause and Enforcement Notices
- Register of Surrendered Environmental Authorities
- Register of Suspended or Cancelled Environmental Authorities
- Register of Temporary Emissions Licences
- Register of Testable Backflow Prevention Devices
- Register of Transitional Environmental Programs
- Register of Risk Register

A summary of all concessions for Rates and Charges granted by the Local Government

Approved Government Pensioners

The Queensland Government Pensioner Rate Subsidy Scheme is directed to the elderly, invalid or otherwise disadvantaged citizens of the community whose principal or sole source of income is a pension or allowance paid by Department of Human Services or the Department of Veterans' Affairs.

Unless stated otherwise, the terms and conditions of the Queensland Government Pensioner Rate Subsidy Scheme will apply to the application of the Council subsidy.

Eligibility

The following ratepayers are eligible for a concession/subsidy:

- (a) A holder of a Queensland "Pensioner Concession Card" issued by Centrelink on behalf of Department of Human Services or the Department of Veterans' Affairs, or
- (b) A holder of a Queensland "Repatriation Health Card – For All Conditions" (Gold Card) issued by the Department of Veterans Affairs; or
- (c) A person receiving a Widow's Allowance; and
- (d) Is the owner or life tenant (either solely or jointly) of the property which is his/her principal place of residence; and
- (e) Has, either solely or jointly with a co-owner, the legal responsibility for the payment of rates and charges which are levied in respect of the property.

Applications for Concessions

Applications for concessions are considered during the rating period (that is, half year). Applications received after the date of levy are considered only from the commencement of the current rating period. Rebates are not granted retrospectively without prior approval from the State Government Concessions unit.

A completed Pensioner Rates Subsidies Form must be submitted. A new application is required when a change of address occurs.

Amount of Rebate

Approved ratepayers whose property in which they reside is located within the Region, may be entitled to a rebate of 20% (to a maximum of \$260 each year) on all rates levied in respect of each eligible property, excluding environment separate charge, special rates/charges, water consumption charges and rural and state fire levies/charges.

Should a person be entitled to only part of the State subsidy, because of part ownership of the property, or other relevant reason, the Council rebate would be similarly reduced.

Not-For-Profit/Charitable Organisations

Rate concessions are available to approved organisations whose objectives do not include the making of profit and who provide services to their membership and the community.

Eligibility

To be eligible, the not-for-profit/charitable organisation – an incorporated body must:

- (a) Not include the making of profit in its objectives;
- (b) Not charge a fee for service;
- (c) Be located within the Region and the majority of its members reside in the Region;
- (d) Not receive income from gaming machines and/or from the sale of alcohol in an organised manner (for example, bar with regular hours of operation with permanent liquor license);
- (e) Be the owner, lessee or life tenant of the property and is the incorporated bodies main grounds/base/club house or residence;
- (f) Either solely or jointly with a co-owner, have the legal responsibility for the payment of rates and charges which are levied in respect of the property; and
- (g) Not be a religious body or entity or educational institution recognised under State or Federal statute or law.

Should an applicant only have part ownership of the property, the Council concession is similarly reduced.

Applications for Concessions

Eligibility for a concession is assessed by Council annually prior to the issue of the first rate notice each financial year (generally June/July). Organisations not automatically provided with a concession, and believe they meet the relevant criteria, may apply at any time. If an application is approved by Council, concessions are applied from the beginning of the current rating period (concessions are not applied retrospectively).

Amount of Rebate

The amount of rebate applied to eligible organisations are as follows:

- (a) Category One – Surf Life Saving Organisations
 - Rebate Level General Rates – 100%
 - Rebate Level Separate Rates/Charges – 100%
 - Rebate Level Special Rates/Charges – 0%
 - Rebate Level Water Access Charges – 50%
 - Rebate Level Water Consumption Charges – Charged at residential rates
 - Rebate Level Sewerage Charges – 50%
 - Rebate Level Waste Charges – 50%
 - Cap – N/A
- (b) Category Two - Showground Related Organisations
 - Rebate Level General Rates – 100%
 - Rebate Level Separate Rates/Charges – 100%
 - Rebate Level Special Rates/Charges – 0%
 - Rebate Level Water Access Charges – 50%
 - Rebate Level Water Consumption Charges – Charged at residential rates
 - Rebate Level Sewerage Charges – 50%
 - Rebate Level Waste Charges – 50%
 - Cap – N/A

- (c) Category Three – Kindergartens
 - Rebate Level General Rates – 50%
 - Rebate Level Road Network Separate Charge – 50%
 - Rebate Level Special Rates/Charges – 0%
 - Rebate Level Environment Separate Charge – 0%
 - Rebate Level Water Access Charges – 50%
 - Rebate Level Water Consumption Charges – Charged at residential rates
 - Rebate Level Sewerage Charges – 50%
 - Rebate Level Waste Charges – 50%
 - Cap - \$ 1,000.00
- (d) Category Four – Charitable Organisations Benefiting the Aged/Disadvantaged
 - Rebate Level General Rates – 100%
 - Rebate Level Separate Rates/Charges – 100%
 - Rebate Level Special Rates/Charges – 0%
 - Rebate Level Water Access Charges – 50%
 - Rebate Level Water Consumption Charges – 0%
 - Rebate Level Sewerage Charges – 50%
 - Rebate Level Waste Charges – 50%
 - Cap - \$ 1,000.00 for Service Charges only
- (e) Category Five – Sporting Clubs and Associations – Without Liquor and Gaming Licenses
 - Rebate Level General Rates – 100%
 - Rebate Level Separate Rates/Charges – 100%
 - Rebate Level Special Rates/Charges – 0%
 - Rebate Level Water Access Charges – 55%
 - Rebate Level Water Consumption Charges – Charged at residential rates
 - Rebate Level Sewerage Charges – 55%
 - Rebate Level Waste Charges – 55%
 - Cap - \$ 4,000.00 for Service Charges only
- (f) Category Six – Sporting Clubs and Associations – With Liquor Licenses but No Gaming Licenses
 - Rebate Level General Rates – 100%
 - Rebate Level Separate Rates/Charges – 100%
 - Rebate Level Special Rates/Charges – 0%
 - Rebate Level Water Access Charges – 55%
 - Rebate Level Water Consumption Charges – Charged at residential rates
 - Rebate Level Sewerage Charges – 55%
 - Rebate Level Waste Charges – 55%
 - Cap - \$ 4,000.00

- (g) Category Seven – Sporting Clubs and Associations situated on highly valued leasehold land – With Liquor Licenses but No Gaming Licenses
- Rebate Level General Rates – 85%
 - Rebate Level Road Network Separate Charge – 75%
 - Rebate Level Environment Separate Charge – 0%
 - Rebate Level Special Rates/Charges – 0%
 - Rebate Level Water Access Charges – 50%
 - Rebate Level Water Consumption Charges – Charged at residential rates
 - Rebate Level Sewerage Charges – 50%
 - Rebate Level Waste Charges – 50%
 - Cap - \$ 2,000.00 for Service Charges only
 - Applies to Assessment Number 105813 – Rockhampton Bowls Club only.
- (h) Category Eight – Sporting Clubs and Associations – With Liquor and Gaming Licenses
- Rebate Level General Rates – 0%
 - Rebate Level Separate Rates/Charges – 0%
 - Rebate Level Special Rates/Charges – 0%
 - Rebate Level Water Access Charges – 0%
 - Rebate Level Water Consumption Charges – 0%
 - Rebate Level Sewerage Charges – 0%
 - Rebate Level Waste Charges – 0%
 - Cap – N/A
- (i) Category Nine - All Other Not-For- Profit/Charitable Organisations
- Rebate Level General Rates – 100%
 - Rebate Level Separate Rates/Charges – 100%
 - Rebate Level Special Rates/Charges – 0%
 - Rebate Level Water Access Charges – 55%
 - Rebate Level Water Consumption Charges – Charged at residential rates
 - Rebate Level Sewerage Charges – 55%
 - Rebate Level Waste Charges – 55%
 - Cap - \$ 3,000.00 for Service Charges only.
- (j) Category Ten - Rural Fire Brigade
- Rebate Level General Rates – 100%
 - Rebate Level Separate Rates/Charges – 100%
 - Rebate Level Special Rates/Charges – 0%
 - Rebate Level Water Access Charges – 100%
 - Rebate Level Water Consumption Charges – 100%
 - Rebate Level Sewerage Charges – 100%
 - Rebate Level Waste Charges – 100%
 - Cap - N/A

NOTE: Sewerage charges are not levied in respect of public amenities blocks that are locked and controlled by clubs.

General Rate Rebates

In accordance with Chapter 4, Part 10 of the *Local Government Regulation 2012*, the properties where 100% rebate of general rates applies may be exempted from payment of general rates in lieu of the provision of a rebate.

Permits to Occupy Pump Sites and Separate Pump Site Assessments

Council will grant rebates on the following basis for those assessments that only contain pump sites and where the land area is 25 square meters or less, provided the ratepayer as shown on the assessment is the owner of another property in the Region on which separate charges and general rates have been levied:

- (a) Separate Charges – 100% rebate
- (b) General Rates – Maximum rebate of \$600.00.

Water Consumption Charges

Council will grant a rebate on the following basis for the following assessments:

- (a) 237107 – Gracemere Lakes Golf Club
 - (b) 237109 – Gracemere Bowling Club
- Water Consumption Charges – 50% rebate.

Lot 1 South Ulam Rd, Bajool

Council will grant a rebate on the following basis for the following assessment:

146963-2 – being Lot 1 South Ulam Rd, Bajool (L1 MLG80014 Parish of Ultimo)

- (a) General Rate 100%
- (b) Road Network Charge 100%
- (c) Environment Separate Charge 100%

Limit in Increases in Rates and Charges

For the 2021-2022 financial year Council will not be resolving to limit any increases in rates and charges.

Rockhampton CBD Commercial Properties with Mixed Residential Use

The purpose of this concession is to encourage inner city residential living and reduce vacancies in the Rockhampton CBD by providing an incentive for commercial property owners within the defined CBD area (as per Appendix A - Rockhampton CBD Extent) to utilise unoccupied commercial space for residential purposes. Residential purposes is defined as any space constructed and permitted for residential use and occupied by the owner or tenant as a residence.

Council will consider granting a concession of up to \$2,200 per annum or a maximum of 75% of the general rate whichever is the lesser for a CBD mixed use category one property. The concession is primarily intended to facilitate the adaptation of established vacant commercial spaces, particularly above ground floor, to residential use.

Conditions

The following conditions apply:

- (a) The residential component should not be vacant longer than six months within the financial year;
- (b) Verification of use may be provided by a registered real estate agent or through pre-arranged inspection by a Council officer; and
- (c) Properties receiving the concession must advise Council if the residential use is discontinued.

The rates concession may be subject to reversal if the above conditions are not adhered to.

Applications for Concession

To apply a completed CBD Commercial Property Rates Concession Application Form must be submitted and will be subject to approval by Council.

Applications for concessions will be considered during the rating period (that is, half year). Applications received after the date of levy will be considered only from the commencement date of the current rating period (concessions are not applied retrospectively).

Leased Council Vacant Land

Council will grant rebates of 100% of the general rate and separate charges on vacant land owned or held by Council as trustee if the land is leased to another person and the land is not used for any business or commercial/industrial purpose.

In accordance with Chapter 4, Part 10 of the *Local Government Regulation 2012*, properties where 100% rebate of general rates and separate charges apply may be exempt from the payment of general rates and separate charges in lieu of the provision of a rebate.

Waste Rebates for Multi-Residential Unit Developments

The purpose of this concession is to waive the waste/recycling charge where it has been deemed by Council impractical for Council to provide waste and recycling collection services to a multi-residential unit development consisting of six or more individual attached or semi attached premises or units for which a community title scheme exists under the *Body Corporate and Community Management Act 1997*.

Council may grant a concession of 100% of the waste/recycling charge for each multi-residential unit or units for which a community title scheme exists.

Applications for Concession

To apply a completed Waste Charges Rebate Form must be submitted and will be subject to approval by Council.

Applications will be considered during the rating period (that is, half year). The concession may be applied retrospectively for the full financial year where the service has not been provided in accordance with this policy and the Waste and Recycling Collection Services Policy and Procedure.

Report On Internal Audit For The Year (s190 (1) (h) LGR 2012)

The Internal Audit Function and Audit Committee (Audit and Business Improvement Committee) are mandatory compliance requirements of the *Local Government Act 2009*.

Audit and Business Improvement Committee

This advisory committee operates under best practice guidelines with a majority independent membership consisting of three external experts. The voting member profiles as at 30 June are –

- Mr G Mullins (Committee Chair and Independent External Member)
- Cr D Kirkland
- Cr S Latcham
- Mr G Matthews (Independent External Member)
- Mr D Tanner (Independent External Member and Financial Expert)

Committee responsibilities include review and monitoring of the effectiveness of governance, risk and compliance processes and functions, strategic asset management, and fraud prevention, including the internal and external audit process. The Committee's role includes making recommendations to Council about any matters reviewed. The Committee meets four times a year.

Internal Audit

Internal Audit's mission is to independently and objectively examine and evaluate Council activities to help ensure that Council meets its corporate and operational plan outcomes. The enterprise risk management function (ERM) is managed through Internal Audit providing a consulting and reporting function to management and Council. As the risk function provides the basis for the risk-based audits undertaken, this arrangement is highly synergistic in helping to prioritise the focus of the overall audit effort.

Internal Audit provides consulting, analyses, appraisals, recommendations for improvement, and evaluation of risk exposures across all areas of operations which assist the Council in the effective discharge of its responsibilities. These in-house audit services extend to investigations for fraud and corruption. Internal Audit is empowered to report functionally directly to the Audit and Business Improvement Committee, thus following a best practice governance approach to protect the public interest.

Internal Audit Plan

Specific audits and key audit related activities planned and completed during the 2020-2021 financial year included:

- Plant Hire – Fairness and reasonableness of contractor hire process
- Fitzroy River Water Billing – Accuracy and timing of water meter reading
- Maintenance of Open Spaces Facilities (Parks) – Public safety focus
- Purchase Cards – Entertainment and inappropriate use focus
- PCI – DSS – Payment Cards Industry Data Security Standard review
- Councillor Discretionary Fund – Review for statutory compliance and integrity
- Damage Caused To Council Vehicles – Analysis / Improvement focus
- Developer Contributions Process – Advisory Follow Up Audit – Confirming audit outcomes from a 2017 review undertaken are both implemented and effective
- Annual Audit Plan and Strategy including a 3-year forward plan of topics
- Annual Audit Plan Mid-Year Update and Revision
- Fraud Data and Trends Analysis
- Audit Committee Management and Liaison
- Governance – Various advisory activities related to audit and / or ERM
- Coordination of overall assurance and risk activities across council

Summary of investigation notices given in the year under section 49 for competitive neutrality complaints (s190(1)(i) LGR 2012)

Nil.

Responses in the financial year on the QCA's recommendations on any competitive neutrality complaints under sections 52(3) and 190(1)(j) LGR 2012

Nil.

Senior Employees (s201 LGA 2009)

The total of all remuneration packages that are payable (in the year to which the annual report relates) to the senior management of the local government.

The total remuneration packages that were payable to senior management for the financial year was:

\$1,640,222.64

Number of employees in senior management who are being paid each band of remuneration

One senior contract employees with a total remuneration package in the range of <\$200,000.

Two senior contract employees with a total remuneration package in the range of \$200,000-\$299,000.

Three senior contract employees with a total remuneration package in the range of \$300,000-\$399,000.

Please note: Packages include base salary, vehicle allocation, annual leave loading and superannuation.

Administrative Action Complaints (s187 LGR 2012)

Council takes all complaints about its services seriously and is committed to responding quickly and efficiently. Complaints may be lodged by an affected person either in writing, by telephone or face to face. The department referred to in the complaint will be responsible for the initial investigation.

Council manages complaints through the Complaints Management Policy and the Administrative Action Complaint procedure. If a customer is dissatisfied with the outcome of the investigation undertaken by the department they may appeal to the CEO to have the complaint investigated, there is a three step internal escalation process.

Council employs seven complaint management principles, comprising of accessibility, client focus, confidentiality, communication, continuous improvement, fairness and objectivity, and responsiveness. Council has maintained a satisfactory performance in resolving complaints this financial year and continues to optimise processes when opportunities are identified. There has been a reduction of complaints received this financial year compared to last financial year by 109 complaints.

The table below depicts Administrative Action Complaint statistics.

Number of administrative action complaints received in financial year	98
Number of administrative action complaints resolved in financial year	99
Number of administrative action complaints received and resolved in financial year	87
Number of administrative action complaints that were not resolved in financial year	11
Number of administrative action complaints in previous financial year and not resolved in this financial year	0

COUNCILLORS**RESOLUTIONS MADE UNDER S250(1) LG REGULATION 2012 (REQUIREMENT TO ADOPT EXPENSES REIMBURSEMENT POLICY OR AMENDMENT) (S185(A) LGR 2012)**

Adopted at Council Meeting on 13 October 2020:

THAT Council amend Section 5.3.1.11 of the Expenses Reimbursement and Provisions of Facilities for Mayor and Councillors Policy to include the option of the corporate logo on the corporate uniform.

Moved by: Councillor Latham

Seconded by: Mayor Strelow

MOTION CARRIED

Resolutions made under section 206(2) LG Regulation 2012 (Valuation of non-current physical assets) (s185(b) LGR 2012)

Nil

Remuneration and superannuation contributions paid to each Councillor (S186(a) LGR 2012)

Div.	Councillor	Remuneration	Superannuation	Notes
	Former Mayor, Councillor M F Strelow	\$60,237.61	\$5,722.56	1 July 2020 – 9 November 2020
	Mayor, Councillor A P Williams	\$114,133.91	13,695.94	4 February 2021 – 30 June 2021
1	Councillor S Latham	\$89,774.88	\$10,772.84	
2	Deputy Mayor, Councillor N K Fisher	\$102,019.06	\$9,691.76	
3	Councillor G D Mathers	\$23,479.59	\$2817.52	18 March 2021 – 30 June 2021
4	Councillor C E Smith	\$89,774.88	\$10,772.84	
5	Councillor C R Rutherford	\$89,774.88	\$10,772.84	
6	Councillor M D Wickerson	\$89,774.88	\$10,77.84	
7	Councillor D M Kirkland	\$89,774.88	\$8,528.52	

Expenses incurred by and provided to each Councillor under the Expenses Reimbursement Policy (s186(b) LGR 2012)

Councillor	Travel/Expenses/Allowances	Notes
Mayor, Councillor A P Williams	\$6,254.67	4 February 2021 – 30 June 2021
Former Mayor, Councillor M F Strelow	\$21,123.36	1 July 2020 – 9 November 2020
Councillor S Latcham	\$23,781.82	
Councillor N K Fisher	\$25,181.40	
Councillor A P Williams	\$4,923.86	1 July 2020– 4 February 2021
Councillor G D Mathers	\$3,282.61	18 March 2021 – 30 June 2021
Councillor C E Smith	\$21,840.54	
Councillor C R Rutherford	\$9,663.67	
Councillor M D Wickerson	\$12,895.50	
Councillor D M Kirkland	\$11,530.48	

Details of the number of meetings attended by each Councillor during the financial year (s186(c) LGR2012)

Meeting Attendance Figures: 1 July 2020 – 30 June 2021

COUNCILLOR	ORDINARY COUNCIL (22 Held)	SPECIAL COUNCIL (5 Held)	AUDIT & BUSINESS IMPROVEMENT COMMITTEE (3 Held)	TOTAL	Notes
Mayor Margaret Strelow	7	1	1	9	<i>Mayor Strelow resigned from office 09/11/2020</i>
Mayor Tony Williams	18	5		23	<i>Formerly Division 3 Councillor, elected and sworn in as Mayor 04/02/2021</i>
Deputy Mayor, Councillor Neil Fisher	19	4		23	<i>Appointed Acting Mayor for period 09/11/2020 to 04/02/2021</i>
Councillor Shane Latcham	21	5	3	29	
Councillor Ellen Smith	21	5		26	
Councillor Cherie Rutherford	19	5		24	
Councillor Drew Wickerson	21	4		25	
Councillor Donna Kirkland	22	5	2	29	
Councillor Grant Mathers	7	2		9	<i>Elected and sworn in as Division 3 Councillor 18/03/2021</i>

Orders and complaints during the financial year are shown in tables:

(d) the total number of the following during the financial year	
(i) orders made under section 150I(2) of the Act	0
(ii) orders made under section 150AH(1) of the Act;	0
(iii) decisions, orders and recommendations made under section 150AR(1) of the Act; and (Strelow)	1
(i) the name of each Councillor for whom a decision, order or recommendation mentioned in paragraph (d) was made	Margaret Fay Strelow
(ii) a description of the unsuitable meeting conduct, inappropriate conduct or misconduct engaged in by each of the Councillors;	Whether or not Cr Strelow engaged in misconduct when she failed to update her Register of Interests to include a hospitality benefit received from Adani Enterprises Pty Ltd.
(iii) a summary of the decision, order or recommendation made for each Councillor; and	Refer to OIA website for Tribunal decision: https://www.statedevelopment.qld.gov.au/local-government/governance/councillor-conduct-tribunal/decision-summaries
(f) the number of each of the following during the financial year -	
(i) complaints referred to the assessor under section 150P(2)(a) of the Act by the local government; a Councillor of the local government and the chief executive officer of the local government.	0
(ii) matters, mentioned in section 150P(3) of the Act, notified to the Crime and Corruption Commission	0
(iii) notices given under section 150R(2) of the Act;	0
(iv) notices given under section 150S(2)(a) of the Act	0
(v) decisions made under section 150W(a), (b) and (d) of the Act;	0
(vi) referral notices accompanied by a recommendation mentioned in section 150AC(3)(a) of the Act	0
(vii) occasions information was given under section 150AF(4)(a) of the Act	0
(viii) occasions the local government asked another entity to investigate, under chapter 5A, part 3, division 5 of the Act for the local government, the suspected inappropriate conduct of a Councillor	0
(ix) applications heard by the conduct tribunal about the alleged misconduct of a Councillor	1

Overseas Travel (s188 LGR 2012)**Overseas travel by Councillor or employee in an official capacity**

NO overseas travel was undertaken in the 20/21 financial year.

Expenditure on Grants to Community Organisations (s189 LGR 2012)

Summary of expenditure for the financial year on grants to community organisations

A total of \$504,474.62 was granted to community organisations during the 2020-21 financial year.

Grant Program	Expenditure for 2020-21
Community Assistance Program	\$332,771.22
Waste and Recycling Community Service	\$ 59,052.69
Australia Day Community Events	\$ 49,031.71
Exemptions of hire costs for public events	\$ 1,588.00
Regional Arts Development Fund	\$ 62,031.00
	\$504,474.62

Summary of expenditure from each Councillor's discretionary fund detailing organisation, amount and purpose

2020-2021 Councillors Discretionary Fund

Former Mayor, Councillor Margaret Strelow (up to 09/11/2020)

Community Organisation	Purpose	Amount
Mount Morgan State High School	Donation towards Blue EDGE program for Mount Morgan youth	\$500.00
TOTAL		\$ 500.00

Mayor Councillor Tony Williams (from 04/02/2021)

Community Organisation	Purpose	Amount
CQ Touch Association Inc.	Financial assistance towards 6 Again clinic	\$1000.00
Rockhampton Saloon Car Club	Donation towards SSA QLD Production Sedan Titles	\$1000.00
The Yoga Partnership LTD	Financial assistance towards a yoga program for World MS Day on 30 May 2021	\$250.00
PCYC	Donation towards QLD Youth Week BBQ Lunch	\$500.00
NAIDOC Committee	Donation towards celebrating 150 years "Coming of the Light" event on 1 July	\$750.00
Gracemere Primary P & C Association	Donation towards 150 th Birthday celebrations	\$500.00
RSPCA	Donation towards veterinary costs	\$500.00
TOTAL		\$4,500.00

Councillor Shane Latcham

Community Organisation	Purpose	Amount
St Anthony's P & F Association	Donation towards School Family Fun Day fundraising event on 21 August – Mayor raffle	\$300.00
Emmaus P & F Association	Donation towards a raffle prize for the Girls Night In fundraiser for Cancer Council	\$300.00
Parkhurst State School P & C Association	Donation towards end of year prize for volunteers	\$300.00
Meals on Wheels Rockhampton	Donation towards resources for volunteers such as stationery	\$100.00
Rockhampton Horse Riding for the Disabled	Financial assistance towards installing a bore to water the grass for the horses	\$4000.00
TOTAL		\$5,000.00

Deputy Mayor, Councillor Neil Fisher

Community Organisation	Purpose	Amount
Mt Archer State School	Building concrete pads for seating adjacent to oval	\$467.50
Diggers Memorial Bowls Club	Sponsorship for Open Mixed Bowls Competition on 15 August 2020	\$500.00
Diggers Memorial Ladies Bowling Club	Financial assistance for service project at Seeonee Park to repair Chapel used by all Scout Groups in Capricorn District.	\$500.00
Rockhampton Wildlife Rescue	Donation towards vet bills and purchasing food for the care of injured wildlife	\$400.00
Hindu Temple of Central Queensland	Financial assistance towards the purchase and installation of an irrigation system	\$1,200.00
Mt Archer Scout Group	Financial assistance to purchase fire extinguishers and test current fire equipment for the den	\$274.80
Four Paws walking Group	Donation to assist with purchasing a park bench for Duthie Park	\$1000.00
Alliance Francaise of CQ	Donation for the French Film Festival 18-20 June 2021	\$300.00
Rockhampton Horticultural Society	Donation towards prize money for the Rockhampton Agricultural Show	\$357.70
TOTAL		\$5,000.00

Councillor Grant Mathers (from 18/03/2021)

Community Organisation	Purpose	Amount
Rockhampton Cycling Club	Financial assistance to repair grandstand	\$760.95
Berserker Street State School	To assist the school with the purchase of play and PE equipment for fitness activities	\$950.00
TOTAL		\$1,710.00

Councillor Tony Williams (up to 03/02/2021)

Community Organisation	Purpose	Amount
Drug Arm	To support a day out for children with disabilities and special needs	\$300.00
Berserker Street State School	Financial assistance to purchase 2 deep fryers	\$988.22
QLD Blue Light Association Inc.	Crime prevention initiatives for Rockhampton children	\$200.00
Nerimbera Football Club	Donation to assist with replacing existing safety fence at Pilbeam Park	\$1,351.05
Community Mental Health Support	Sponsorship of disadvantaged children in Rockhampton to attend movie day	\$300.00
Rockhampton Wildlife Rescue	Donation towards vet bills, food and medical supplies to care for injured wildlife	\$150.00
TOTAL		\$3,289.27

Councillor Ellen Smith

Community Organisation	Purpose	Amount
Gracemere & District School Chaplaincy Service	Chaplaincy programmes in schools	\$1000.00
Gracemere Redbacks Football Club	Supporting the clubs inaugural year of competition in Gracemere	\$500.00
Mount Morgan State High School	Assistance towards Blue Edge youth engagement programme	\$100.00
Rockhampton Wildlife Rescue	Donation towards vet bills for injured wildlife	\$250.00
Bouldercombe Progress Association Inc.	Donation towards Bouldercombe Christmas Lights comp and Christmas eve Santa run	\$350.00
Waraburra State School P&C	Donation towards Food Bank initiative	\$500.00
Gracemere Mens Shed Inc.	Donation towards sharpening blades and replacing drill sets	\$200.00
Mt Morgan Rodeo Association Inc.	To assist with the hire of toilets for the Mt Morgan Rodeo on 2 May 2021	\$100.00
Bouldercombe Pony Club	To assist with costs associated with providing prizes and trophies at the annual Gymkhana	\$350.00
Rockhampton Agricultural Show	Donation towards vouchers for the grand parade prizes for Rockhampton Show	\$300.00
Gracemere Primary P&C Assoc.	Donation towards Gracemere State School 150th Birthday	\$1000.00
Bouldy Buddy's Playgroup	Financial assistance for concrete slab for storage shed	\$350.00
TOTAL		\$5,000.00

Councillor Cherie Rutherford

Community Organisation	Purpose	Amount
Mount Morgan State High School	Assistance towards Blue Edge youth engagement programme	\$200.00
Mount Morgan State High School	Donation towards 2020 Awards Ceremony	\$100.00
Rockhampton Wildlife Rescue	Donations towards vet bills, food and medical supplies	\$250.00
Rockhampton Basketball Inc.	Financial assistance towards referee education course	\$500.00
Golden Mount Shooters Assoc Inc.	Financial assistance to maintain entry road to the range	\$500.00
Playgroup Queensland	Donation towards Messy Play May event on 7th May for waste, hand sanitiser and other items	\$250.00
Mt Morgan Agricultural Show Society Inc.	Donation towards Mount Morgan Show to be held on 14 August 2021	\$500.00
Stanwell State School P&C	Donation towards Mother's Day cent sale and luncheon	\$200.00
Central Queensland Animal Society	Donation towards ongoing vet fees for animals to be rehomed	\$500.00
Victoria Park Gymnastic & Trampoline Club	Financial assistance towards lighting carpark at Victoria Park	\$500.00
Ridgeland & District Sporting & Agricultural Association Incorporated	Financial assistance towards the purchase of a portable PA system for the Ridgeland Show	\$1,500.00
TOTAL		\$5,000.00

Councillor Drew Wickerson

Community Organisation	Purpose	Amount
Allenstown State School	Support students school camp activities	\$1,000.00
Rockhampton Golf Club	Financial assistance towards Rockhampton Golf Club Ladies Closed Championships	\$500.00
Upper Ulam Recreation Grounds	Repairs and maintenance to childrens play equipment and grounds equipment	\$600.00
Dreamtime Cultural Centre	Donation towards purchase of plants for community markets	\$1,000.00
Rockhampton Wildlife Rescue	Donation to purchase food and cages for rescue animals	\$300.00
Depot Hill State School	Financial assistance to install flagpoles	\$800.00
Marmor State School	Financial assistance towards repairing kitchen garden beds	\$400.00
Bajool State School	Donation towards Indigenous Art and sign for 'Connection to Country' program.	\$400.00
TOTAL		\$5,000.00

Councillor Donna Kirkland

Community Organisation	Purpose	Amount
Rockhampton Wildlife Rescue	Donation towards purchasing food for the care of injured wildlife	\$400.00
Rod Laver Community Tennis Club	Financial assistance to purchase maintenance equipment for the Rod Laver Tennis Court	\$849.00
Capricorn Conservation Council	Donation towards CQ Climate Change Symposium event	\$1,000.00
Mt Morgan Rodeo Association Inc.	To assist with the hire of toilets for the Mt Morgan Rodeo on 2 May 2021	\$250.00
Glenmore Bulls AFC	Donation towards purchasing field marking paint to paint the Aboriginal and Torres Straight islands flags on the field for AFL Indigenous event on 5 June 2021	\$500.00
Central Queensland First Aid Inc.	Financial assistance to purchase roving first aid kits	\$945.00
Capricorn Tag and Release Sports Fishing Club Inc. - Captag	Financial assistance to purchase information signs to be erected at boat ramps on the Fitzroy River	\$825.00
Rockhampton Relay for Life - Cancer Council	To assist with the running of this community fundraising event	\$231.00
TOTAL		\$5,000.00



PO BOX 1860
Rockhampton Qld 4700
Phone 1300 22 55 77
Fax 1300 22 55 79
enquiries@rrc.qld.gov.au
rrc.qld.gov.au

The logo for Rockhampton Regional Council, featuring a stylized white wave above the text "Rockhampton" in a bold, sans-serif font, with "Regional Council" in a smaller font below it.

10 NOTICES OF MOTION

Nil

11 QUESTIONS ON NOTICE

Nil

12 URGENT BUSINESS/QUESTIONS

Urgent Business is a provision in the Agenda for members to raise questions or matters of a genuinely urgent or emergent nature, that are not a change to Council Policy and can not be delayed until the next scheduled Council or Committee Meeting.

13 CLOSED SESSION

In accordance with the provisions of section 254J(3) of the *Local Government Regulation 2012*, a local government may resolve to close a meeting to the public to discuss confidential items, such that its Councillors or members consider it necessary to close the meeting.

RECOMMENDATION

THAT the meeting be closed to the public to discuss the following items, which are considered confidential in accordance with section 254J(3) of the *Local Government Regulation 2012*, for the reasons indicated.

14.1 Airport Licence Agreement Renewal

In accordance with section 254J(3)(g) of the *Local Government Regulation 2012* it is considered necessary to close the meeting to discuss negotiations relating to a commercial matter involving the local government for which a public discussion would be likely to prejudice the interests of the local government.

14.2 Qantas Lounge and Office Lease Negotiations

In accordance with section 254J(3)(g) of the *Local Government Regulation 2012* it is considered necessary to close the meeting to discuss negotiations relating to a commercial matter involving the local government for which a public discussion would be likely to prejudice the interests of the local government.

14.3 Virgin Office Lease

In accordance with section 254J(3)(g) of the *Local Government Regulation 2012* it is considered necessary to close the meeting to discuss negotiations relating to a commercial matter involving the local government for which a public discussion would be likely to prejudice the interests of the local government.

14.4 Virgin Cargo and Freight Site

In accordance with section 254J(3)(g) of the *Local Government Regulation 2012* it is considered necessary to close the meeting to discuss negotiations relating to a commercial matter involving the local government for which a public discussion would be likely to prejudice the interests of the local government.

14.5 Specialised Supplier Rockhampton Museum of Art - Sutton Gallery Australia Pty Ltd

In accordance with section 254J(3)(g) of the *Local Government Regulation 2012* it is considered necessary to close the meeting to discuss negotiations relating to a commercial matter involving the local government for which a public discussion would be likely to prejudice the interests of the local government.

14.6 Property Matter

In accordance with section 254J(3)(i) of the *Local Government Regulation 2012* it is considered necessary to close the meeting to discuss a matter the local government is required to keep confidential under a law of, or formal arrangement with, the Commonwealth or a State.

14.7 Legal Matter Update

In accordance with section 254J(3)(e) of the *Local Government Regulation 2012* it is considered necessary to close the meeting to discuss 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.

14 CONFIDENTIAL REPORTS

14.1 AIRPORT LICENCE AGREEMENT RENEWAL

File No: 12353

Attachments: 1. Site Plan

Authorising Officer: Ross Cheesman - Acting Chief Executive Officer

Author: Marcus Vycke - Manager Airport

In accordance with section 254J(3)(g) of the *Local Government Regulation 2012* it is considered necessary to close the meeting to discuss negotiations relating to a commercial matter involving the local government for which a public discussion would be likely to prejudice the interests of the local government.

SUMMARY

The Rockhampton Airport has an existing Licence Agreement with ARINC Incorporated which is due to expire on 27 October 2021. ARINC Incorporated have proposed to enter into a new five (5) year agreement to utilise space on the terminal building roof and baggage breakdown area.

14.2 QANTAS LOUNGE AND OFFICE LEASE NEGOTIATIONS**File No:** 3483, 14566**Attachments:**

1. Rental Assessment Report Office Tenancies – Site B1, B2, B3
2. Site Plan – B1, B2, B3
3. Rental Assessment Report Airline Lounges – Site C5
4. Site Plan – C5

Authorising Officer: Ross Cheesman - Acting Chief Executive Officer**Author:** Marcus Vycke - Manager Airport

In accordance with section 254J(3)(g) of the *Local Government Regulation 2012* it is considered necessary to close the meeting to discuss negotiations relating to a commercial matter involving the local government for which a public discussion would be likely to prejudice the interests of the local government.

SUMMARY

Lease Site AT currently leased to Qantas Airways Limited has expired and has been operating under a holding over clause on a month by month basis. Due to the terminal redevelopment at Rockhampton Airport, Qantas' current lounge and office spaces (Lease Site AT) have been demolished/made redundant with a new airline lounge and office space.

This report seeks Council approval to enter into specific lease agreements pursuant to 236(1)(c)(vii) of the Local Government Regulation 2012 (Qld).

14.3 VIRGIN OFFICE LEASE**File No:** 3390**Attachments:**

1. Rental Assessment Report Office Tenancies – Site A1, A7, Comms Room 1
2. Site Plan – A1, A7, Comms Room 1

Authorising Officer: Ross Cheesman - Acting Chief Executive Officer**Author:** Marcus Vycke - Manager Airport

In accordance with section 254J(3)(g) of the *Local Government Regulation 2012* it is considered necessary to close the meeting to discuss negotiations relating to a commercial matter involving the local government for which a public discussion would be likely to prejudice the interests of the local government.

SUMMARY

Lease Site AX currently leased to Virgin Australia Airlines Pty Ltd has expired and has been operating under a holding over clause on a month by month basis. Due to the terminal redevelopment at Rockhampton Airport, Virgin's current office space (Lease Site AX) has been demolished/made redundant with new office spaces, communications room, common user toilets and common user kitchen facilities.

This report seeks Council approval to enter into a specific lease agreement pursuant to 236(1)(c)(vii) of the Local Government Regulation 2012 (Qld).

14.4 VIRGIN CARGO AND FREIGHT SITE**File No:** 13834**Attachments:** Nil**Authorising Officer:** Ross Cheesman - Acting Chief Executive Officer**Author:** Marcus Vycke - Manager Airport

In accordance with section 254J(3)(g) of the *Local Government Regulation 2012* it is considered necessary to close the meeting to discuss negotiations relating to a commercial matter involving the local government for which a public discussion would be likely to prejudice the interests of the local government.

SUMMARY

Lease Site E previously leased to Alliance Airlines Pty Limited has become vacant. Virgin Australia Airlines have approached Council officers for an area on Airport to operate their cargo and freight business.

This report seeks Council approval to enter into a specific lease agreement pursuant to 236(1)(c)(vii) of the Local Government Regulation 2012 (Qld).

**14.5 SPECIALISED SUPPLIER ROCKHAMPTON MUSEUM OF ART - SUTTON
GALLERY AUSTRALIA PTY LTD****File No: 5883****Attachments: 1. "Untitled"****Authorising Officer: Alicia Cutler - General Manager Community Services****Author: Damon Morrison - Project Manager Art Gallery -
Operations**

In accordance with section 254J(3)(g) of the *Local Government Regulation 2012* it is considered necessary to close the meeting to discuss negotiations relating to a commercial matter involving the local government for which a public discussion would be likely to prejudice the interests of the local government.

SUMMARY

The purpose of this report is to seek a Council resolution that Sutton Gallery Australia Pty Ltd are deemed a specialised supplier in accordance with Section 235(b) of the Local Government Regulation 2012.

14.6 PROPERTY MATTER**File No:** 412**Attachments:**
1. Aerial Map
2. Photos**Authorising Officer:** Drew Stevenson - Manager Corporate and Technology Services
Ross Cheesman - Acting Chief Executive Officer**Author:** Kellie Roberts - Coordinator Property and Insurance

In accordance with section 254J(3)(i) of the *Local Government Regulation 2012* it is considered necessary to close the meeting to discuss a matter the local government is required to keep confidential under a law of, or formal arrangement with, the Commonwealth or a State.

SUMMARY

This report details access issues on Council owned land and seeks direction from Council.

14.7 LEGAL MATTER UPDATE**File No:** 1830**Attachments:** Nil**Authorising Officer:** Tracy Sweeney - Executive Manager Workforce and Governance**Author:** Allysa Brennan - Coordinator Legal and Governance

In accordance with section 254J(3)(e) of the *Local Government Regulation 2012* it is considered necessary to close the meeting to discuss 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.

SUMMARY

The purpose of this report is to provide Councillors with an update on a current legal matter and seek Council approval of the future action.

15 CLOSURE OF MEETING